

## 2016 YEAR END OPERATING VARIANCE SUMMARY BY DEPARTMENT / DIVISION

Departments/Divisions	Page #	2015					2016				
		Annual Gross Budget	Annual Net Budget	Q3 (Aug 31) Projected Surplus / (Deficit)	Year End Surplus/ (Deficit)	YE % Var. of Gross Bgt.	Annual Gross Budget	Annual Net Budget	Q3 (Aug 31) Projected Surplus / (Deficit)	Year End Surplus/ (Deficit)	YE % Var. of Gross Bgt.
<b>Representation</b>											
Mayor's Office	2	506,453	506,453	0	0	0.0%	511,809	511,809	0	0	0.0%
Council Administrative Services	3	586,666	586,666	0	12,392	0.0%	567,767	567,767	0	35,035	6.2%
<b>Total Representation</b>		<b>1,093,119</b>	<b>1,093,119</b>	<b>0</b>	<b>12,392</b>	<b>1.1%</b>	<b>1,079,576</b>	<b>1,079,576</b>	<b>0</b>	<b>35,035</b>	<b>3.2%</b>
<b>Office of the Chief Administrative Officer</b>											
CAO's Office	4	1,324,528	1,324,528	98,000	193,914	14.6%	1,190,282	1,190,282	161,000	80,244	6.7%
<b>Office of the City Solicitor</b>											
Planning & Building	5	7,777,193	3,460,519	257,000	413,336	1.5%	8,076,714	3,331,740	249,000	282,086	3.5%
Legal	6,7	16,717,256	5,729,036	(467,814)	(685,736)	-2.9%	16,960,183	5,877,591	(981,000)	(2,941,174)	-17.3%
Fire & Rescue Services	8,9	41,737,360	40,959,074	(429,908)	(1,233,288)	-1.4%	43,889,767	42,838,231	(203,800)	(201,539)	-0.5%
<b>Total Office of the City Solicitor</b>		<b>66,231,809</b>	<b>50,148,629</b>	<b>(640,722)</b>	<b>(1,505,688)</b>	<b>-2.3%</b>	<b>68,926,664</b>	<b>52,047,562</b>	<b>(935,800)</b>	<b>(2,860,627)</b>	<b>-4.2%</b>
<b>Office of the Chief Financial Officer</b>											
Finance	10	9,208,651	6,449,388	330,000	290,844	0.5%	9,399,649	6,371,531	0	106,279	1.1%
Information Technology	11	7,227,994	5,941,062	71,500	75,002	0.9%	7,410,626	6,130,187	40,000	35,456	0.5%
Corporate Financial Accounts	12-14	163,037,668	(287,483,761)	193,300	1,456,038	0.1%	163,062,691	(290,482,102)	1,564,584	2,801,584	1.7%
<b>Total Office of the Chief Financial Officer</b>		<b>179,474,313</b>	<b>(275,093,311)</b>	<b>594,800</b>	<b>1,821,884</b>	<b>1.0%</b>	<b>179,872,966</b>	<b>(277,980,384)</b>	<b>1,604,584</b>	<b>2,943,319</b>	<b>1.6%</b>
<b>Office of City Clerk</b>											
Council Services	15	9,749,863	6,459,565	83,600	362,335	0.4%	9,853,887	6,765,674	135,100	352,729	3.6%
Human Resources	16	4,362,579	4,087,607	43,300	28,423	0.0%	4,378,200	4,084,062	30,000	194,002	4.4%
Corporate Human Resource Accounts	17	47,145,000	(13,825,349)	(222,000)	(2,910,466)	0.0%	49,132,000	(13,548,693)	(2,042,100)	(2,305,873)	-4.7%
Windsor Public Library	18	8,592,291	7,636,182	0	0	-0.5%	8,847,365	7,831,216	0	237,485	2.7%
<b>Total Office of City Clerk</b>		<b>69,849,733</b>	<b>4,358,005</b>	<b>(95,100)</b>	<b>(2,519,708)</b>	<b>-3.6%</b>	<b>72,211,452</b>	<b>5,132,259</b>	<b>(1,877,000)</b>	<b>(1,521,657)</b>	<b>-2.1%</b>
<b>Office of the City Engineer</b>											
Engineering	19,20	50,809,340	15,952,892	227,700	12,330	-0.3%	51,247,044	15,594,102	(117,400)	(719,538)	-1.4%
Public Works Operations	21-23	51,717,543	26,304,727	285,500	673,701	-0.4%	51,713,792	25,900,040	1,326,086	890,988	1.7%
Parks	24,25	15,867,349	14,673,011	325,000	191,343	0.0%	16,373,301	14,833,635	195,000	(221,975)	-1.4%
<b>Total Office of the City Engineer</b>		<b>118,394,232</b>	<b>56,930,630</b>	<b>838,200</b>	<b>877,374</b>	<b>0.7%</b>	<b>119,334,137</b>	<b>56,327,777</b>	<b>1,403,686</b>	<b>(50,525)</b>	<b>0.0%</b>
<b>Community Development &amp; Health</b>											
Employment & Social Services	26,27	115,590,470	12,529,848	316,000	618,295	0.1%	119,968,687	10,972,614	1,048,500	1,280,031	1.1%
Housing & Children's Services/WECHC	28	95,411,337	21,477,255	287,900	208,531	0.2%	95,986,699	22,029,359	657,000	1,472,024	1.5%
Huron Lodge	29,30	22,351,439	7,221,184	(84,000)	(161,208)	-0.3%	22,493,152	7,012,896	(260,600)	(170,611)	-0.8%
Recreation & Culture	31	21,454,846	9,187,227	(258,000)	(317,025)	-1.0%	21,617,445	9,790,967	(260,000)	108,939	0.5%
<b>Total Community Development &amp; Health</b>		<b>254,808,092</b>	<b>50,415,514</b>	<b>261,900</b>	<b>348,593</b>	<b>0.1%</b>	<b>260,065,983</b>	<b>49,805,836</b>	<b>1,184,900</b>	<b>2,690,383</b>	<b>1.0%</b>
<b>Transportation Services Office</b>											
Transit Windsor	32-34	32,880,828	13,874,952	(500,000)	(352,112)	-1.1%	33,005,763	14,216,829	270,000	644,326	2.0%
<b>Total City Departments Prior to Contingency &amp; Additional Council-Approved Funding</b>		<b>724,056,654</b>	<b>(96,947,934)</b>	<b>557,078</b>	<b>(1,123,351)</b>	<b>-0.2%</b>	<b>735,686,823</b>	<b>(98,180,263)</b>	<b>1,811,370</b>	<b>1,960,498</b>	<b>0.3%</b>
Corporate Contingency Approved in 2016 Budget		2,500,000	2,500,000	2,500,000	2,500,000	100%	1,500,000	1,500,000	1,500,000	1,500,000	100%
<b>Surplus (Deficit) Subtotal</b>		<b>726,556,654</b>	<b>(94,447,934)</b>	<b>3,057,078</b>	<b>1,376,649</b>	<b>0.2%</b>	<b>737,186,823</b>	<b>(96,680,263)</b>	<b>3,311,370</b>	<b>3,460,498</b>	<b>0.5%</b>
<b>Agencies, Boards &amp; Commissions</b>											
Windsor Police Services	35	86,783,914	77,501,516	(350,000)	523,060	-0.3%	88,950,982	79,444,014	0	1,181,533	1.3%
Agency Grants	36	16,991,096	16,890,498	62,000	223,464	0.4%	17,286,927	17,186,329	(314,000)	(481,970)	-2.8%
Committees of Council	37	55,920	55,920	0	23,606	0.0%	49,920	49,920	0	11,460	23.0%
<b>Total Agencies, Boards &amp; Commissions</b>		<b>103,830,930</b>	<b>94,447,934</b>	<b>(288,000)</b>	<b>770,130</b>	<b>0.7%</b>	<b>106,287,829</b>	<b>96,680,263</b>	<b>(314,000)</b>	<b>711,023</b>	<b>0.7%</b>
<b>2016 Net Operating Budget Surplus (Deficit)</b>		<b>830,387,584</b>	<b>0</b>	<b>2,769,078</b>	<b>2,146,779</b>	<b>0.3%</b>	<b>843,474,652</b>	<b>0</b>	<b>2,997,370</b>	<b>4,171,521</b>	<b>0.5%</b>

Less: Windsor Public Library (237,485)

\$ 3,934,036

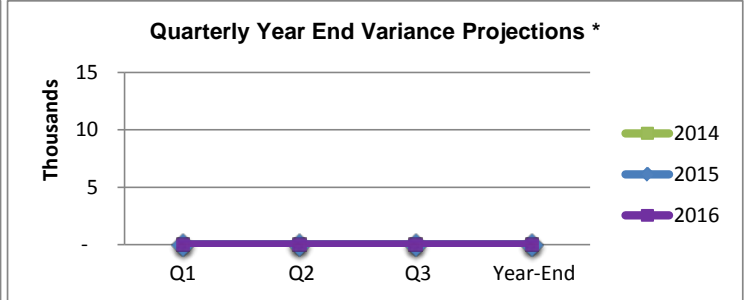
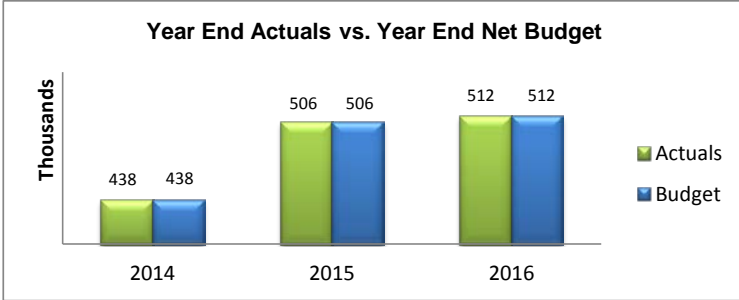
**MAYOR'S OFFICE**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	438,316	506,453	511,809
Annual Net Budget	438,316	506,453	511,809
Annual Net Expenditures	438,316	506,453	511,809
<b>Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>
Variance as % of GB			

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

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



**Description**

Prior to the budget carry-forward of \$761,931, the Mayor's Office budget for 2016 reflected a surplus of that amount and generally relates to the accumulated surplus carried forward from previous years based on Council approval and salary gapping in 2016.

**Summary of Description**

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

**Mitigating Steps**

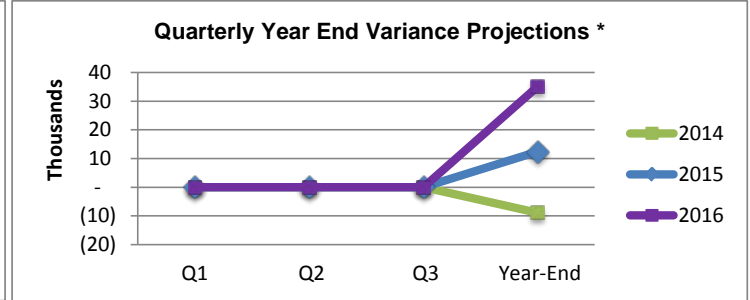
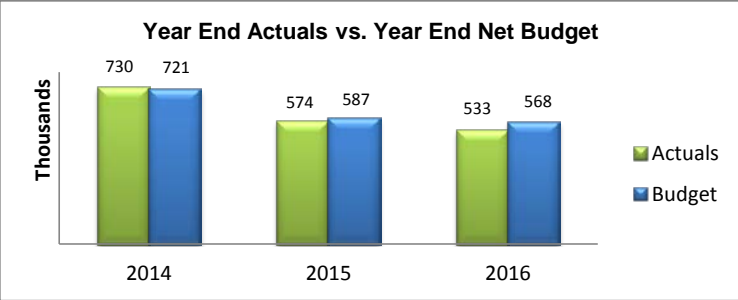
N/A.

**COUNCIL ADMINISTRATIVE SERVICES**

<u>Financial Summary</u>	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	721,424	586,666	567,767
Annual Net Budget	721,424	586,666	567,767
Annual Net Expenditures	730,314	574,274	532,732
<b>Year End Variance</b>	<b>(8,890)</b>	<b>12,392</b>	<b>35,035</b>
Variance as % of GB	-1.2%	2.1%	6.2%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	(8,890)	12,392	35,035

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



**Description**

The surplus in Council Administrative Services is primarily related to Travel and Business Meeting Expense.

**Summary of Description**

1. Travel and Business Meeting Expense  
**Net Year End Surplus/(Deficit)**

Category	Amount
Other Miscellaneous Expenditures	\$ 35,035
	<b>\$ 35,035</b>

**Mitigating Steps**

N/A.

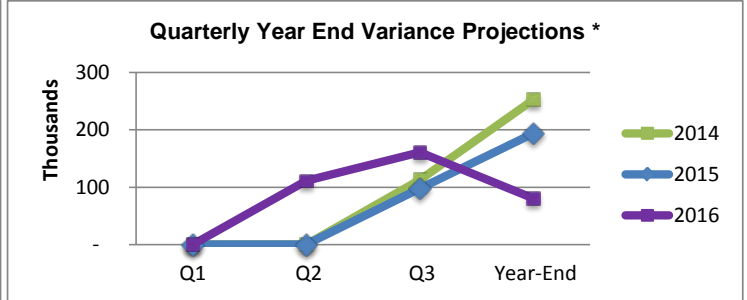
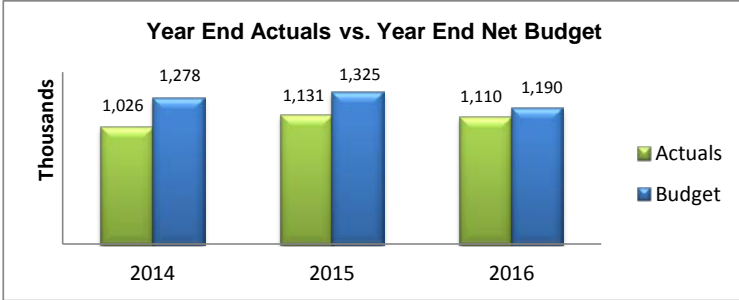
**CAO'S OFFICE**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	1,278,215	1,324,528	1,190,282
Annual Net Budget	1,278,215	1,324,528	1,190,282
Annual Net Expenditures	1,025,907	1,130,614	1,110,038
<b>Year End Variance</b>	<b>252,308</b>	<b>193,914</b>	<b>80,244</b>
Variance as % of GB	19.0%	14.6%	6.7%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	111,000
Third Quarter (Q3)	113,000	98,000	161,000
Year-End (Q4)*	252,308	193,914	80,244

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



**Description**

The surplus in the CAO's Office is mostly related to savings in salary costs. These savings relate primarily to lower salaries being paid for two positions compared to the budget, which had been approved based on the higher salaries of the previous incumbents in those positions. The CAO's Office budget also contains provisional / contingency budgets for corporate consulting and other matters. It is difficult to anticipate until very close to year-end what these budgets may be used for. Therefore, by the end of 2016, a surplus is reported after taking into account certain budget carry-forwards to cover payments for anticipated 2017 projects.

**Summary of Description**

	Category	Amount
1. Salary Gapping	Salaries & Benefits	\$ 66,814
2 Corporate Consulting	Purchased Services	\$ 13,430
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ 80,244</b>

**Mitigating Steps**

N/A.

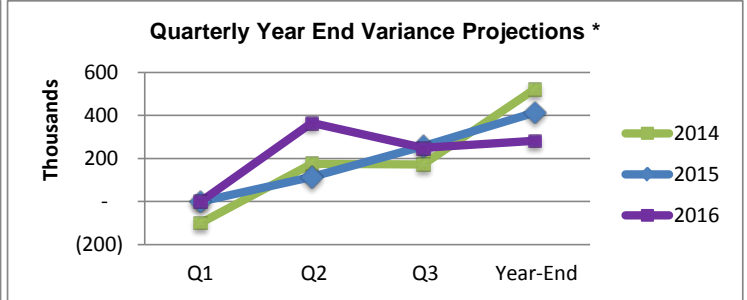
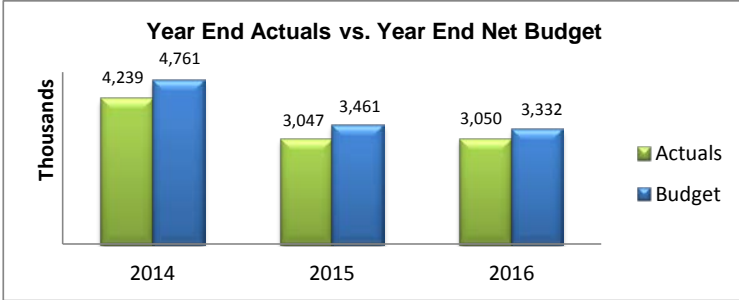
**PLANNING AND BUILDING**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	9,066,109	7,777,193	8,076,714
Annual Net Budget	4,760,924	3,460,519	3,331,740
Annual Net Expenditures	4,238,847	3,047,183	3,049,654
<b>Year End Variance</b>	<b>522,077</b>	<b>413,336</b>	<b>282,086</b>
Variance as % of GB	5.8%	5.3%	3.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(100,000)	-	-
Second Quarter (Q2)	175,700	115,000	365,000
Third Quarter (Q3)	173,000	257,000	249,000
Year-End (Q4)*	522,077	413,336	282,086

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



**Description**

Planning and Building report a 2016 year end surplus of \$282,086.

**Salary Gapping: \$170,312**

As a result of various vacancies, salary gapping and seconded staff to the Alley Subsidy Project, the Department realized a total net savings in salary and benefits expenditures of \$170,312.

**Revenue Surplus: \$155,102**

Based on favourable revenue activity in land variance and site plan control applications, the Department achieved a revenue surplus of \$155,102.

**Miscellaneous Expense Items: (\$43,328)**

A total of (\$43,328) deficit was realized from various expenses incurred including equipment purchases and purchased services.

**Legislated Permits (Non-tax levy portion of Departmental budget) Surplus: \$492,800**

In 2016, permit revenue results were once again positive. Rather than a draw on the Building Permit Fee Reserve in 2016 as was budgeted for at (\$413,500), the Department was able to make a contribution to the Reserve in the amount of \$79,300, resulting in a net operating budget surplus for the Legislated Permits of \$492,800.

**Summary of Description**

Category	Amount
1. Staff Gapping and Vacancies	\$ 170,312
2. Favourable revenues in Planning area	155,102
3. Miscellaneous Expense Line Items	(43,328)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 282,086</b>

**Mitigating Steps**

N/A

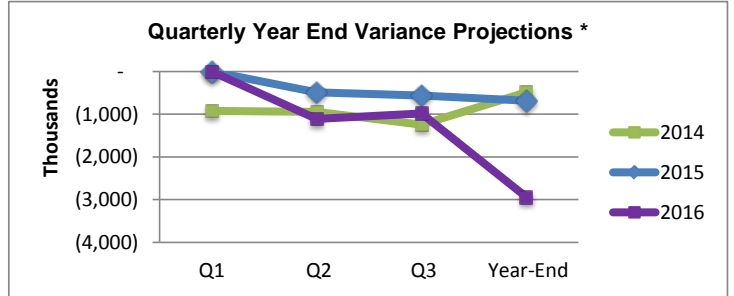
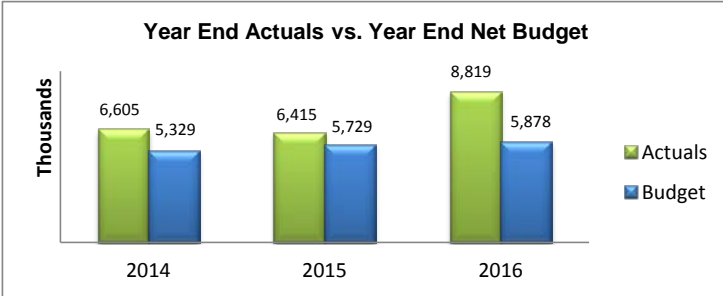
**LEGAL**

**Financial Summary**

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	16,491,109	16,717,256	16,960,183
Annual Net Budget	5,329,141	5,729,036	5,877,591
Annual Net Expenditures	6,605,300	6,414,772	8,818,765
<b>Year End Variance</b>	<b>(1,276,159)</b>	<b>(685,736)</b>	<b>(2,941,174)</b>
Variance as % of GB	-7.7%	-4.1%	-17.3%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	(919,000)	-	-
Second Quarter (Q2)	(946,000)	(485,000)	(1,110,000)
Third Quarter (Q3)	(1,243,000)	(558,907)	(981,000)
Year-End (Q4)*	(485,000)	(685,736)	(2,941,174)

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



**Description**

Overall, the Legal Department has a year end deficit of (\$2,941,174).

Claims Cost Variance: (\$1,757,000)

The claim cost variance was not included in the prior 2016 variance reports, as it was projected for recovery at year-end from the Self Insurance Reserve Fund (SIR), as has been done in prior years when a deficit is incurred. Given the significant negative impact to the SIR of funding the deficit amount and as a result of the positive year-end corporate surplus, no transfer from the reserve was undertaken. Settlements are difficult to predict in their amounts and timing due to their nature. There were sizeable settlements that were finalized in 2016 that have been ongoing for years, primarily related to slip & fall and trip & fall incidents that occurred during 2013 and 2014. These types of incidents typically result in severe injuries attracting litigation and larger payouts. It is difficult to predict what actions will be brought against the City and when, however for every claim, the City is obliged to respond.

Salary Gapping: \$107,000

Outside of provincial offences (see below), there is a net surplus of \$107,000 in the salary accounts due to position vacancies and salary gapping.

Legal Services Cost: (\$1,603,000)

The external legal services account ended in a deficit of (\$1,603,000) at year end, mainly due to costs incurred relating to the class action suit regarding Lottery Licensing fees, CTC application under IBTA (International Bridges and Tunnels Act) as well as CTC Property Standards litigation, and litigation pertaining to 2014 Elections. It should be stressed that external legal fees are very difficult to project as it is impossible to determine what actions will be brought against the City, which the City would then be obliged to address.

A user fees surplus of \$62,000 is the result of a larger volume of agreements on site plan control and subdivisions and condos.

It should be noted that the Legal Department monitors all expenses and has restrained expenditures in those line items within its direct control to partially offset the largely uncontrollable expenditures for outside legal counsel and insurance claims. The department's deficit is driven by the largely uncontrollable costs for outside legal counsel and insurance claims for the reasons described above.

Recovery from Capital Projects: (\$50,000)

In conformity with the corporate Tangible Capital Asset Policy, Council approved a recovery of a dedicated Real Estate employee's wages from capital projects on the basis of the number of hours worked on each project. It was determined that the number of hours worked on projects did not meet the criteria of the TCA policy, and therefore, no recovery could be taken. Due to the uncertain nature of land transactions, it is difficult to predict corporate land acquisitions and disposals requiring Real Estate services. As a result, the recoveries that were projected at Q3 variance (a \$40,000 projected deficit) did not occur.

Provincial Offences Administration: \$183,000

The Provincial Offences (POA) Division ended the year with a gross surplus of \$357,000. After adjusting for the cost share payments to the County (as per the Windsor/Essex Intermunicipal Courts Services Agreement), the NET overall surplus realized by the City was \$183,000. Approximately \$150,000 of this surplus is due to the combined efforts of the POA staff as they continue to work on collecting defaulted fines using a number of collection tools such as Garnishments, Writs of Seizure, Tax Roll, and 3rd Party Collection Agencies. Although the division will continue to aggressively collect outstanding fines, it is important to note that the overall charging volume continues to decline year over year and therefore this revenue inflow/surplus may not be sustainable into the future. The remaining \$33,000 surplus is due to salary gapping throughout the year, offset by higher than budgeted collection fee expenses.

Miscellaneous line-by-line variances: \$116,826

Overall miscellaneous line-by-line variances result in a surplus of \$116,826 for 2016.

<u>Summary of Description</u>	<u>Category</u>	<u>Amount</u>
1. Claims Cost Variance	Utilities, Insurance & Taxes	\$ (1,757,000)
2. Provincial Offences Administration	Other Miscellaneous Revenue	183,000
3. Salary Gapping	Salaries & Benefits	107,000
4. Recovery from Capital Projects	Recovery of Expenditures	(50,000)
5. Legal Services Costs	Purchased Services	(1,603,000)
6. User Fees	User Fees, Permits & Charges	62,000
7. Miscellaneous Expense Line Items	Other Miscellaneous Expenditures	116,826
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ (2,941,174)</b>

Mitigating Steps

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

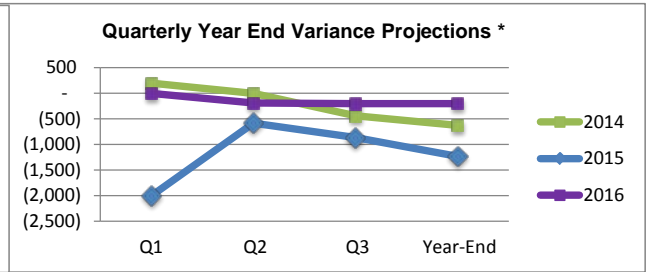
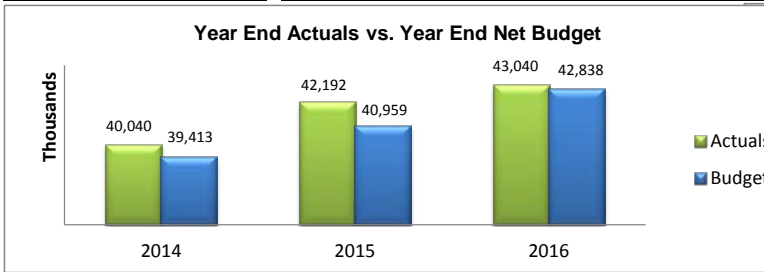
**FIRE & RESCUE SERVICES**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	40,204,700	41,737,360	43,889,767
Annual Net Budget	39,412,820	40,959,074	42,838,231
Annual Net Expenditures	40,040,283	42,192,362	43,039,770
<b>Year End Variance</b>	<b>(627,463)</b>	<b>(1,233,288)</b>	<b>(201,539)</b>
Variance as % of GB	-1.6%	-3.0%	-0.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	200,000	(2,000,000)	-
Second Quarter (Q2)	-	(579,908)	(192,000)
Third Quarter (Q3)	(440,000)	(864,954)	(203,800)
<b>Year-End (Q4)*</b>	<b>(627,463)</b>	<b>(1,233,288)</b>	<b>(201,539)</b>

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



**Description**

WFRS has ended fiscal 2016 with a year end deficit of (\$201,539) as detailed below:

Recovery of Expenses: \$49,600

A surplus of \$49,600 was achieved in this account. User fee revenue is collected when Fire trucks attend Non-Resident Motor Vehicle Accidents. User Fee revenue collected from these types of accidents are from years 2014 & 2015, which were not billed as the process was not identified to allow billing to occur. This process is now in place and Fire and Rescue will continue to collect revenue but at a significantly lower amount as the "catch-up" period is complete. Additionally, Windsor Fire Department responded to a Hazmat incident. Currently, a total of 35 firefighters are trained to respond to Hazmat calls that are specialized in Chemical, Biological, Radiological, Nuclear, Explosives response covering the Windsor-Essex and Chatham-Kent areas. A Hazmat incident in Leamington, required such response and the incurred costs were recovered from The Ontario Fire Marshall. Both of these revenue sources are unique in nature and are not expected to continue in the future.

Motor Fuel: \$27,000

A surplus of \$27,000 was achieved in the Fire and Rescue Division due to the pricing of fuel that has been purchased at a lower price than budgeted.

User Fee Revenue: (\$27,039)

The Prevention Division incurred a deficit of (\$27,039) due to fewer than budgeted billed hours for Fire Safety Plan Reviews and a reduction in the applications for Pyrotechnic events.

Other Professional External/Internal Expenses: (\$76,100)

A deficit of (\$76,100) was a result of various professional services required in operations of the Fire and Rescue Division. These expenses are beyond the currently approved budget within the division and are mainly non-discretionary in nature. A deficit of (\$33,000) in the legal account is the result of confidential Workplace Assessment costs that were unexpected and not able to be quantified earlier in the year and for which no budget exists. A deficit of (\$15,500) was incurred in IT maintenance and rental fees as a result of adding a new toughbook for the Hazmat vehicle, additional laptops for the Fire & Rescue Operations department, Communication department, and Apparatus department as well as the addition of tablets for the "Wake-up Windsor" program. This cost will form part of 2018 Budget process to establish an appropriate budget as it is expected to be on-going in nature, therefore will be mitigated in the future. A deficit of (\$21,500) was incurred due to generator inspections, site inspections, repair and re-inspection of concrete anchor of the training tower from the tornado in summer of 2016, and lastly a deficit of (\$6,100) for the Auxilium software application due to an additional module acquired in the year.

Net Salary Variance: (\$175,000)

A net deficit of (\$175,000) was incurred in the net salary accounts for the Fire and Rescue Division.

The net salary variance includes the Communications department overtime deficit of (\$70,000) largely due to a shortness of staff for about half a year due to recruitment and the training process. The Fire Prevention department incurred an overtime deficit of (\$35,000) and the Training department an overtime & regular salary deficit of (\$110,000) due to the secondment of three firefighters to facilitate the training of new recruits for the period of 2.5 months. A \$40,000 surplus is partially from the vacant Assistant Deputy position in the Emergency Preparedness department and other miscellaneous variances in WSIB and fringe accounts across the division.

It is important to note that the Fire and Rescue Operations' department overtime expense came within budget. This was achieved as follows; in the 2016 budget process, Council approved a staffing strategy which increased the staff establishment by five firefighters and the overtime budget by \$1,000,000 (Issue 2016-0015). Upon approval of the additional 5 FTE's, the complement of the division increased from 253 to 258 FTEs. This resulted in a decrease of overtime shifts from 3 to 2 shifts per day. Additionally, CR55/2015 Arbitration ruling, approved \$188,168 one-time BSR relief in 2016.



**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Recovery Of Expenses	Recovery of Expenditures	\$ 49,600
2. Motor Fuel	Purchased Services	27,000
3. User Fee Revenue	User Fees, Permits & Charges	(27,039)
4. Other Professional External/Internal Expenses	Purchased Services	(76,100)
5. Net Salary Variance	Salaries & Benefits	(175,000)
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ (201,539)</u></b>

**Mitigating Steps**

Mitigating measures are to continue monitoring and taking measures to reduce absenteeism in the firefighting division as well as working with the bargaining unit for support in this initiative. Further implementation of detailed attendance planning is ongoing and different strategies are being applied (eg. Over complement pilot project) to achieve sustainable operations and fall within the approved budget on an annual basis.

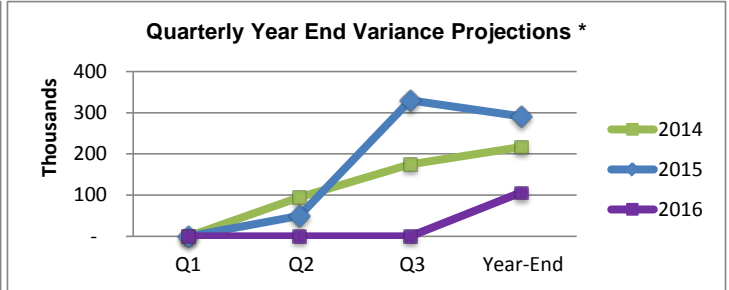
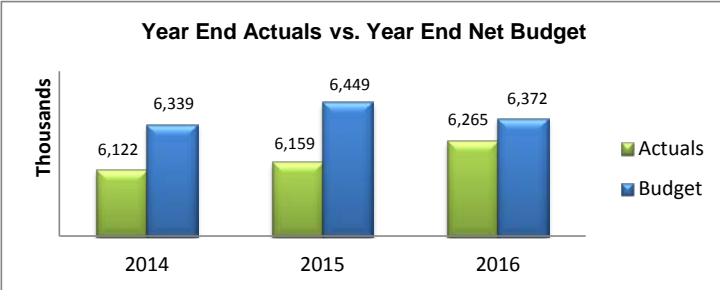
**FINANCE**

**Financial Summary**

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	8,983,862	9,208,651	9,399,649
Annual Net Budget	6,339,315	6,449,388	6,371,531
Annual Net Expenditures	6,122,385	6,158,544	6,265,252
<b>Year End Variance</b>	<b>216,930</b>	<b>290,844</b>	<b>106,279</b>
Variance as % of GB	2.4%	3.2%	1.1%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	95,000	50,000	-
Third Quarter (Q3)	175,000	330,000	-
Year-End (Q4)*	216,930	290,844	106,279

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



**Description**

A surplus of \$106,279 in the Finance Department is described below:

Salaries and Benefits:

Salaries and Benefits experienced a year-end surplus of approximately \$132,943 due primarily to the timing of recruitment and vacancies of various positions in the Finance Department.

External Revenues:

External revenues experienced a surplus of \$37,542 in 2016. This includes a surplus of \$122,000 in Ownership Changes, a deficit of (\$122,000) in Tax Lien Registration Fees, a surplus of \$115,000 in Recovery Of Expenses External, and a deficit of (\$50,000) in other miscellaneous tax revenue accounts and (\$27,458) in other smaller miscellaneous revenues. Many of these tax-related revenues are dependent on taxpayer sales activity, which makes these revenue streams difficult to predict. The tax revenue budgets were based on estimated collection activity on those accounts that have fallen into tax arrears. A general improvement in the economy, along with continued advancements whereby taxpayers are able to bring their accounts more current has resulted in fewer charges being levied.

Questica Budget Software Upgrade:

The annual maintenance cost paid to Questica (the Corporation's operating and capital budget development software) is approximately \$28,000 and is currently included in the annual operating budget. While this annual fee covers the cost of system upgrades, it does not cover the hours required to ensure the system's customizations and business rules are functioning properly. The system went through a significant upgrade and required additional resources which cost more than the normal budgeted amount. Based on the number of hours required to complete the upgrade, an additional expenditure of \$34,417 was incurred. Consistent with the normal process for maintenance/upgrades, these costs were charged to the Finance department's maintenance budget, resulting in a budget deficit of (\$34,417).

Miscellaneous Expenditures:

Miscellaneous expenditures experienced a deficit of (\$29,789) in 2016. This includes a deficit of (\$10,000) in Imaging & Printing External, a \$40,000 surplus in Consulting Services – external, a deficit in Other Professional Services – External of (\$20,000), a surplus of \$7,000 in Membership Fees and Dues, a (\$12,360) deficit in Document Registration, a deficit in Postage and Courier of (\$20,000), and (\$14,429) in other smaller miscellaneous expenses. The 2017 Postage and Courier budget has been increased by \$25,000 to cover any future variance.

**Summary of Description**

Category	Amount
1. Salaries & Benefits	\$ 132,943
2. External Revenues	\$ 37,542
3. Questica Budget Software Upgrade	\$ (34,417)
4. Miscellaneous Expenditures	\$ (29,789)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 106,279</b>

**Mitigating Steps**

N/A

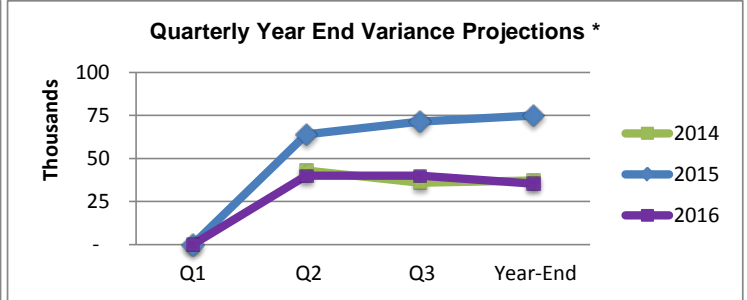
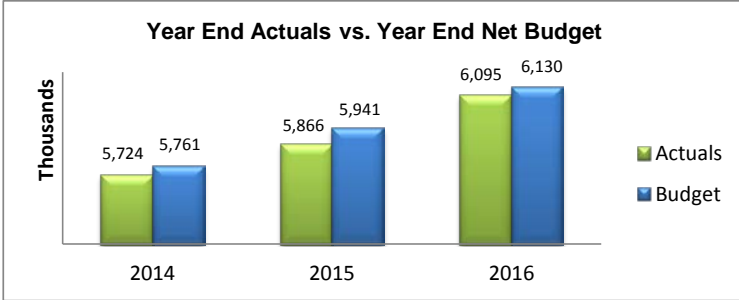
**INFORMATION TECHNOLOGY (I.T.)**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	7,060,481	7,227,994	7,410,626
Annual Net Budget	5,761,026	5,941,062	6,130,187
Annual Net Expenditures	5,723,784	5,866,060	6,094,731
<b>Year End Variance</b>	<b>37,242</b>	<b>75,002</b>	<b>35,456</b>
Variance as % of GB	0.5%	1.0%	0.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)		-	-
Second Quarter (Q2)	43,000	64,000	40,000
Third Quarter (Q3)	36,000	71,500	40,000
Year-End (Q4)*	37,242	75,002	35,456

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



**Description**

Difficulty in finding experienced technical staff for temporary postings led to the gapping of various positions in several divisions in I.T., which resulted in a small year end surplus.

**Summary of Description**

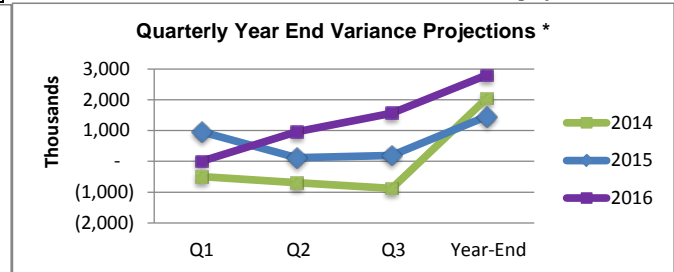
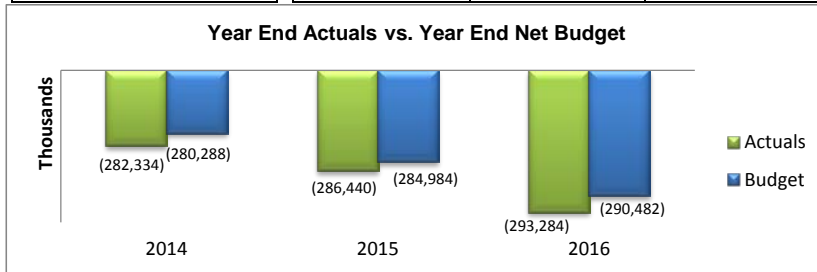
Category	Amount
1. Salary Gapping	\$ 35,456
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 35,456</b>

**Mitigating Steps**

N/A.

**CORPORATE FINANCIAL ACCOUNTS**

<u>Financial Summary</u>	2014	2015	2016		2014	2015	2016
	Financials	Financials	Financials		Est. Variance	Est. Variance	Est. Variance
Annual Gross Budget (GB)	167,664,777	165,537,668	168,661,285	First Quarter (Q1)	(495,000)	955,000	-
Annual Net Budget	(280,288,197)	(284,983,761)	(290,482,102)	Second Quarter (Q2)	(695,000)	120,800	958,584
Annual Net Expenditures	(282,333,883)	(286,439,799)	(293,283,686)	Third Quarter (Q3)	(875,000)	193,300	1,564,584
<b>Year End Variance</b>	<b>2,045,686</b>	<b>1,456,038</b>	<b>2,801,584</b>	Year-End (Q4)*	2,045,686	1,456,038	2,801,584
Variance as % of GB	1.2%	0.9%	1.7%	* Note: Year-end numbers are based on actual results, not projections.			



**Description**

A surplus of \$2,801,584 in corporate accounts is described below:

Net Interest on Investments: \$1,044,922

Higher than anticipated cash flows, as well as enhanced investment yields, has resulted in additional interest income. This surplus of \$1,317,561 is offset by the additional payment to reserves of (\$272,639).

Enwin Contribution Dividend: \$1,000,000

The 2016 approved budget included a \$4M dividend from Enwin for which the City is the sole shareholder. Due to positive results, the Enwin board approved a dividend of \$5M, resulting in a surplus of \$1M.

Casino Hosting Fee (3M): \$635,060

The 2016 actual revenue received from the Casino hosting fee was higher than anticipated due to strong casino revenues, resulting in a surplus of \$635,060.

Program Support Recoveries: \$533,911

Additional program support expenditures were recovered from provincial subsidies in relation to Children’s Services programs, resulting in a surplus of \$533,911.

Allowance for Doubtful Accounts: \$343,587

As a result of continued monitoring of trade accounts receivable, the annual amount identified as bad debts has been significantly reduced resulting in a surplus of \$343,587.

Employer Health Tax: \$149,024

Employer Health Taxes are driven by the timing of employment decisions and as such are difficult to predict. This account ended 2016 with a surplus of \$149,024.

MPAC: \$38,000

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

Waiver of Fees: (\$13,520)

In 2012, Council approved a new Waiver of Fees policy to provide a consistent and systematic approach in assessing requests for waiving fees for the various services that the City offers. In addition to approving the policy, Council also approved the recommendation that a corporate account be established to track all costs associated with the waiver of fees. Fees that were waived and/or processed in 2016 amounted to \$13,520.

Payment in Lieu of Taxes: (\$19,742)

This account is used to record revenues received from Federal and Provincial entities in lieu of taxes. These accounts ended in a deficit position of (\$19,742) largely due to declining rates which were provided by the Province in early 2016 after the 2016 municipal budget had been approved, which impact the education portion of the payment in lieu of taxes.

Miscellaneous Accounts: (\$56,800)

Other miscellaneous corporate accounts net to a deficit of (\$56,800) in 2016.

Sewer Surcharge Recovery: (\$59,416)

Due to the early approval of the 2016 budget, the sewer surcharge recovery was later found to be lower than the original preliminary projections which have resulted in a deficit of approximately (\$59,416).

Sick Leave Gratuity: (\$64,000)

The Sick Leave Gratuity account is often difficult to predict as the timing of retirements is uncertain. A deficit of (\$64,000) has resulted in 2016.

Capital Interest Income: (\$87,386)

The timing of anticipated monthly capital expenditures did not materialize as initially projected. As a result, the capital interest income calculated was below what was initially budgeted, resulting in a deficit of (\$87,386).

Employment Insurance: (\$117,865)

Employment Insurance costs are driven by the timing of employment decisions and are therefore difficult to predict. In 2016, total Employment Insurance amounted to a deficit of (\$117,865).

CIP Property Tax Rebates: (\$154,775)

In 2010, Council approved the adoption of the Economic Development Community Improvement Plan. Approved plans are eligible to receive a grant equivalent to the increase in property tax as a result of an increase in their assessment values generated by the increased investment in the property. At the time of approval, an estimate as to the amount of increased tax revenue and related CIP grant is developed. Those estimates are then adjusted as actual values become known. Based upon known projects that were completed and assessed at the end of 2016, total anticipated future payments as approved under the program was \$154,775 higher than budgeted.

Corporate Provision for JJE Retro, Unanticipated WSIB costs, NU Overtime and General Contingency Provision: (\$163,980)

The approved budget contains corporate provisions for JJE retro payments of \$500,000, unanticipated WSIB costs of \$150,000, overtime provision for eligible non-union members of \$305,000, and a general contingency provision of \$290,000. While these corporate provisions totalling \$1,245,000 are in place to offset the actual expenditures that may occur in the departments, the surplus is entirely offset by an accrual completed at year-end to address an anticipated salary settlement in 2017 reducing this account to a deficit of (\$163,980).

Canada Pension Plan: (\$168,836)

As CPP costs are driven by a number of issues relative to employment decisions such as acting assignments, gapping, student employment, etc. it is difficult to predict actual results. In 2016, total CPP contributions were in excess of the budget by (\$168,836).

Penalty and Interest on Taxes: (\$682,662)

A downward trend of the property taxes in arrears as a result of enhanced collection efforts and an improved economy has resulted in a deficit of (\$682,662) in the Penalty and Interest on Taxes.

Natural Gas: \$648,835

Milder weather conditions have contributed to a consumption reduction of 3.5%. However, natural gas pricing has fluctuated higher in 2016 resulting in a total cost increase of 12.6%. In addition, \$150,000 was allocated in the 2016 natural gas budget to account for the projected cost increase associated with the implementation of the combined heat and power systems at the WFCU Center and Huron Lodge. Both of these projects will be commissioned in July 2017, resulting in a budget surplus of \$648,835 at the end of 2016.

District Energy: \$431,482

An increase in consumption and cost associated with chilled water used for cooling which is the result of a warmer than normal Spring/Summer as well as the expansion renovations to the Art Gallery. Conversely the mild Winter/Spring resulted in lower consumption and cost associated with hot water used for heating, resulting in a budget surplus of \$431,482 at the end 2016.

Water: \$141,462

The cost of water increased by approximately 15% and consumption increased by approximately 23% resulting from a very hot and dry spring and summer. Despite these increases in both cost and consumption, the budget for water was still in a surplus position totalling \$141,462. This was due to a combination of anticipated cost increases and higher than projected consumption estimates.

Hydro: (\$575,716)

Consumption data indicates a decrease of 3% however there is an overall total cost increase of 7.4% due to increased per unit (kWh) costs. A budget deficit of (\$575,716) occurred at year end, bearing in mind that climate conditions and pricing are influencing factors. Efforts to reduce consumption through various energy efficiency projects are critical to being able to offset as much of these variables as possible. Reducing energy costs continues to be a focus of the Corporate Energy Initiatives Division of Finance.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
<i>Corporate Financial Accounts</i>		
1. Net Interest on Investments	Investment Income & Dividends	\$ 1,044,922
2. Enwin Contribution Dividend	Investment Income & Dividends	1,000,000
3. Casino Hosting Fee	User Fees, Permits & Charges	635,060
4. Program Support Recoveries	Grants & Subsidies	533,911
5. Allowance for Doubtful Accounts	Financial Expenses	343,587
6. Employer Health Tax	Salaries & Benefits	149,024
7. MPAC Requirement	Financial Expenses	38,000
8. Waiver of Fees	Financial Expenses	(13,520)
9. Payment in Lieu of Taxes	Taxes - Municipal	(19,742)
10. Miscellaneous Accounts	Other Miscellaneous Expenditures	(56,800)
11. Sewer Surcharge Recover	Transfers from Other Funds	(59,416)
12. Sick Leave Gratuity	Salaries & Benefits	(64,000)
13. Capital Interest Income	Investment Income & Dividends	(87,386)
14. Employment Insurance	Salaries & Benefits	(117,865)
15. CIP Property Tax Rebates	Taxes - Municipal	(154,775)
16. Corporate Salary Provisions (offset by Dept Costs)	Salaries & Benefits	(163,980)
17. Canada Pension Plan	Salaries & Benefits	(168,836)
18. Penalty and Interest on Taxes	Taxes - Municipal	(682,662)
Total Corporate Financial Accounts		<u>\$ 2,155,522</u>
<i>Corporate Utilities</i>		
19. Natural Gas	Utilities, Insurance & Taxes	\$ 648,834
20. District Energy	Utilities, Insurance & Taxes	431,482
21. Water	Utilities, Insurance & Taxes	141,462
22. Hydro	Utilities, Insurance & Taxes	(575,716)
Total Corporate Utilities		<u>\$ 646,062</u>
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ 2,801,584</u></b>

**Mitigating Steps**

N/A.

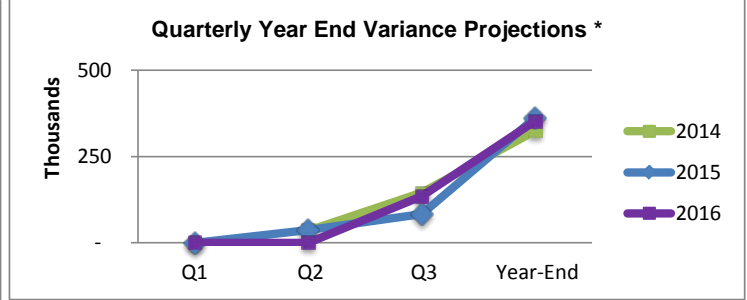
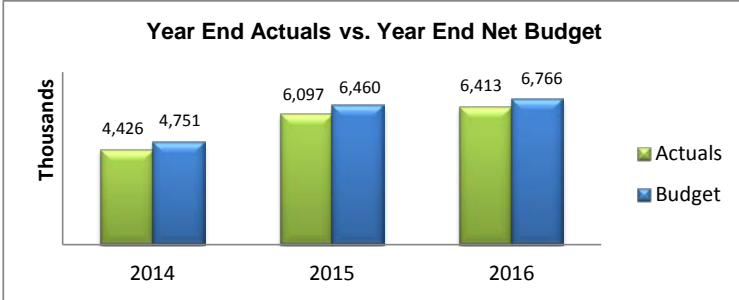
**COUNCIL SERVICES**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	8,376,364	9,749,863	9,853,887
Annual Net Budget	4,750,771	6,459,565	6,765,674
Annual Net Expenditures	4,426,171	6,097,230	6,412,945
<b>Year End Variance</b>	<b>324,600</b>	<b>362,335</b>	<b>352,729</b>
Variance as % of GB	3.9%	3.7%	3.6%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)		-	-
Second Quarter (Q2)	35,000	37,000	-
Third Quarter (Q3)	145,000	83,600	135,100
Year-End (Q4)*	324,600	362,335	352,729

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



**Description**

The Council Services Department, comprised of the Policy, Gaming, Licensing and By Law Enforcement, Communications and Customer Service, Employee Relations and Council Services divisions, is reporting a year end surplus of \$352,729

**Salary and Benefits \$175,304**

The Employee Relations, Council Services and Policy, Gaming, Licensing and By Law Enforcement Divisions are reporting salary gapping savings of \$175,304 at the end of the year.

**Purchased Services \$106,024**

Communications and Customer Service division is reporting an overall surplus of \$99,377 in multiple accounts including; travel, advertising and other professional services. Council Services realized savings in the Civic Corner advertising account of \$35,984 and Employee Relations is reporting a surplus of \$3,401 in the job evaluation advisor contract. Policy, Gaming, Licensing and By Law Enforcement is reporting a net deficit of (\$32,738) attributed to the Animal control contract increase offset by surpluses in the Cat Voucher program and various accounts including the travel line item. Council approved a one-time transfer from the Budget Stabilization reserve fund (CR466/2016) for the contract increase that was subsequently not required due to the overall surplus in the division at the end of the year.

**User Fees \$54,302**

The overall surplus in the User Fees account of \$54,302 includes Dirty Yard Administration, Dog Tags, Marriage Licenses and Civil Ceremony fees collected by the Council Services Department in 2016.

**Other Miscellaneous Expenditures \$17,099**

The Council Services Department surplus of \$17,099 in the Training and Conferences accounts for staff due to competing priorities and projects throughout the year.

**Summary of Description**

Category	Amount
1. Salary Gapping (Vacancy)	\$ 175,304
2. Various contracted services	\$ 106,024
3. Various User Fees	\$ 54,302
4. Training and Conferences	\$ 17,099
<b>Net Department Year End Surplus/(Deficit)</b>	<b>\$ 352,729</b>

**Mitigating Steps**

N/A.

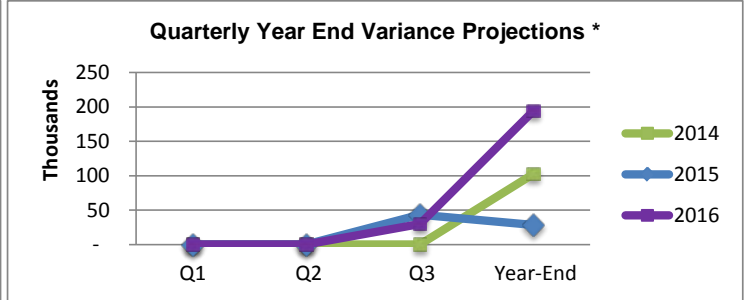
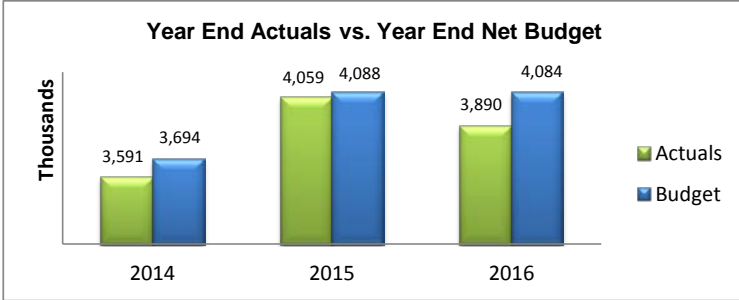
**HUMAN RESOURCES**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	3,929,384	4,362,579	4,378,200
Annual Net Budget	3,693,810	4,087,607	4,084,062
Annual Net Expenditures	3,591,182	4,059,184	3,890,060
<b>Year End Variance</b>	<b>102,628</b>	<b>28,423</b>	<b>194,002</b>
Variance as % of GB	2.6%	0.7%	4.4%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	43,300	30,000
Year-End (Q4)*	102,628	28,423	194,002

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



**Description**

The Human Resources Department is ending the year with a surplus of \$194,002, as outlined below.

Salary and Benefits \$132,142

The Human Resources Department is reporting a \$132,142 surplus in the salary and benefits accounts as a result of the HR/Payroll Process Project development and pending implementation leading to numerous positions in the Department that have not been filled on a permanent basis. The 2017 Operating Budget includes an updated organizational structure to be implemented over the 2017 and 2018 years as the Department transitions to the updated organizational structure.

Purchased Services \$40,079

The Purchased Services account is in a surplus position of \$40,079 at the end of the year with minor surpluses being reported in the Benefit Consultant, Employee Family Assistance and Administrative consulting accounts.

Other Miscellaneous Expenditures \$21,781

A year end surplus of \$21,781 is attributed to the training account, both for internal Human Resources staff and corporately for the Health and Safety First Aid/CPR and Defib courses primarily due to the competing priorities of employees who are not able to attend training sessions.

**Summary of Description**

	Category	Amount
1. Salary Gapping	Salaries & Benefits	\$ 132,142
2. Various contracted services	Purchased Services	\$ 40,079
3. Training	Other Miscellaneous Expenditures	\$ 21,781

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

**\$ 194,002**

**Mitigating Steps**

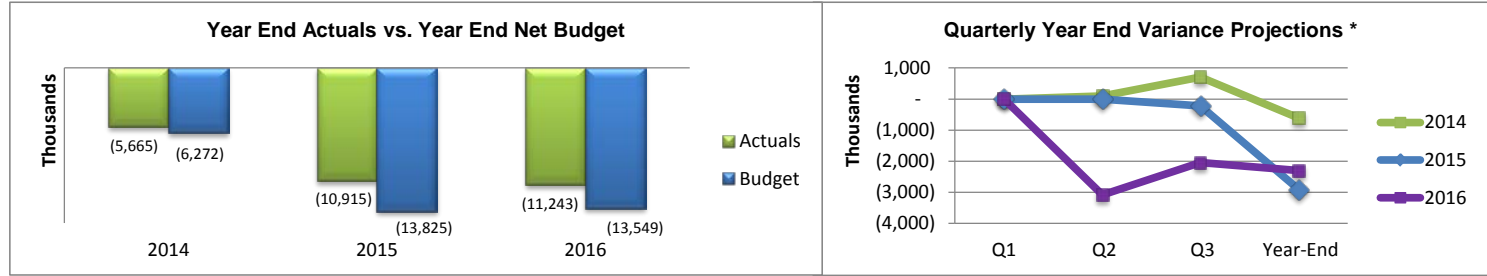
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**CORPORATE HUMAN RESOURCE ACCOUNTS**

<u>Financial Summary</u>	2014	2015	2016	2014	2015	2016
	Financials	Financials	Financials	Est. Variance	Est. Variance	Est. Variance
Annual Gross Budget (GB)	40,911,821	47,145,000	47,145,000	First Quarter (Q1)	-	-
Annual Net Budget	(6,272,470)	(13,825,349)	(13,548,693)	Second Quarter (Q2)	100,000	-
Annual Net Expenditures	(5,664,751)	(10,914,883)	(11,242,820)	Third Quarter (Q3)	704,000	(222,000)
<b>Year End Variance</b>	<b>(607,719)</b>	<b>(2,910,466)</b>	<b>(2,305,873)</b>	Year-End (Q4)*	(607,719)	(2,910,466)
Variance as % of GB	-1.5%	-6.2%	-4.9%			(2,305,873)

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



**Description**

The Corporate Human Resources is reporting a year end deficit of (\$2,305,873). The Fringe Rate Stabilization Reserve balance as at December 31 is \$4,874,306.

Green Shield Program \$169,660

There is a year end surplus of \$169,660 in the Green Shield benefit program reflecting a less than budgeted number of employees registered into the program during 2016 and actual cost of claims. The actual Green Shield claim activity for 2016 experienced the same positive trend and resulted in the issuance of a surplus cheque in the amount of \$1,047,647 that was transferred to the Fringe Rate Stabilization Reserve Fund.

Group Life Insurance \$29,255

The Group Life Insurance surplus of \$29,255 is attributed to the claim activity experienced in 2016.

OMERS (\$71,689)

The OMERS program ended in the year in a (\$71,689) deficit position reflecting actual program activity based on the 2016 salary costs.

Long Term Disability Program (\$105,967)

The Long Term Disability program experienced an overall deficit of (\$105,967). The program covering the Corporate employees ended the year with a surplus of \$10,527 and consistent with the trend reported in the 3rd quarter variance report, a (\$116,494) deficit for the Transit Windsor employee group. The expenses that flow through this program are based on current claim activity, with the 2017 Operating Budget submission incorporating this increase in volume along with the premium rate increase for Transit Windsor.

Short Term Disability Program (\$153,448)

The Transit Windsor Short Term Disability program is reporting a year end deficit of (\$153,448). This deficit is attributed to the settlement of the Transit Windsor short term disability year-end financial position with the service provider. There is a surplus balance of \$44,492, held with the service provider, as of December 31st, 2016.

Fringe Benefit Recovery (\$2,173,684)

The Fringe Benefit Recovery account ended the year with a deficit of (\$2,173,684) and is offset by the cumulative surpluses in the fringe benefit allocation accounts in the operating departments. This represents a deficit for accounting purposes only. Changes are being contemplated in 2017 to present the variances on a net department basis.

Summary of Description

Category	Amount
1. Green Shield	\$ 169,660
2. Group Life Insurance	\$ 29,255
3. OMERS	\$ (71,689)
4. Long Term Disability	\$ (105,967)
5. Short Term Disability	\$ (153,448)
6. Fringe Benefit Recovery	\$ (2,173,684)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ (2,305,873)</b>

Mitigating Steps

N/A

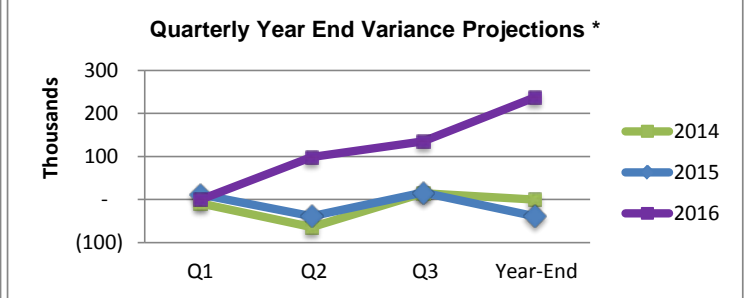
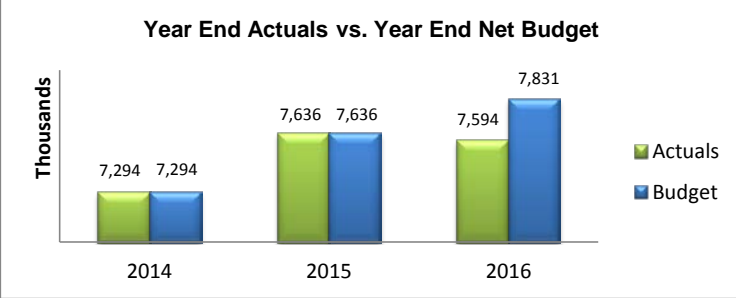
**WINDSOR PUBLIC LIBRARY**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	7,293,932	8,592,291	8,847,365
Annual Net Budget	7,293,932	7,636,182	7,831,216
Annual Net Expenditures	7,293,932	7,636,182	7,593,731
<b>Year End Variance</b>	<b>0</b>	<b>0</b>	<b>237,485</b>
Variance as % of GB			2.7%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(9,096)	12,150	-
Second Quarter (Q2)	(64,232)	(38,704)	98,530
Third Quarter (Q3)	15,055	16,061	135,000
Year-End (Q4)*	-	(38,704)	237,485

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



**Description**

Staff Gapping \$375,000

Some budgeted positions were vacant for the first six months of the year and were filled in July, leading to a surplus in salaries and benefits. Bookmobile services started much later than planned. The positions filled started at a lower step than the previous incumbents, resulting in a surplus for 2016.

Building Maintenance (\$77,715)

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

Fees Revenue (\$60,000)

Fees revenues experienced a \$60,000 deficit in 2016. Individual fees were increased for 2016, which were expected to result in an increase in fees revenue for 2016; however, due to an increase in electronic resource usage (which does not attract late fees), the late fees did not reach anticipated levels.

WPL Financial Reporting

It should be noted that the WPL's final financial position at the end of each fiscal year is not added together with all other City departments to calculate the final City surplus/deficit. Although the WPL's financial statements are consolidated with the City's, the WPL, as per the *Ontario Public Libraries Act*, is a stand alone entity with its own audited financial statements, which includes an accumulated surplus or deficit. Although the City provides the WPL with operational support consistent with other departments, the surplus of \$237,485 will not contribute to the overall projected position of the City at year end. It should also be noted that these numbers do not reflect WPL's final audited position for 2016 due to differing financial reporting standards.

**Summary of Description**

Description	Category	Amount
1. Staff gapping	Salaries & Benefits	\$ 375,000
2. Chiller for 850 Ouellette	Operating & Maintenance Supplies	\$ (77,515)
3. Fees Revenue	Other Miscellaneous Revenue	\$ (60,000)
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ 237,485</b>

**Mitigating Steps**

N/A

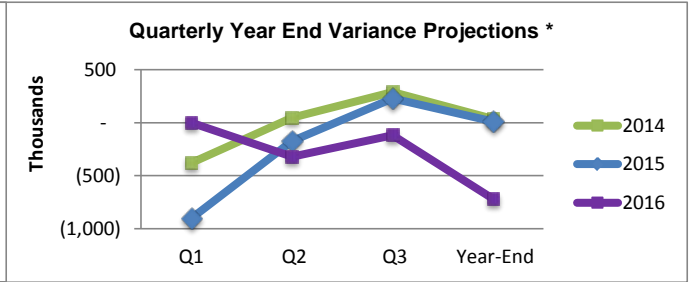
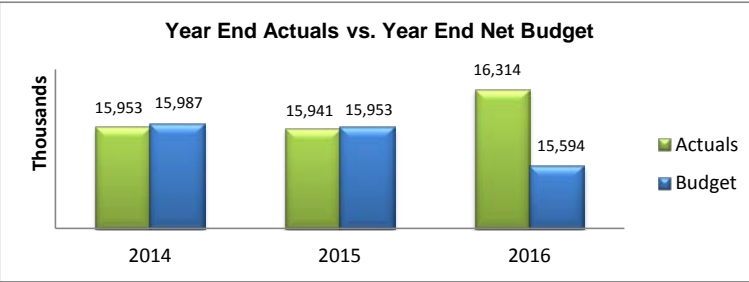
**ENGINEERING**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	49,597,759	50,809,340	51,247,044
Annual Net Budget	15,987,067	15,952,892	15,594,102
Annual Net Expenditures	15,952,739	15,940,562	16,313,640
<b>Year End Variance</b>	<b>34,328</b>	<b>12,330</b>	<b>(719,538)</b>
Variance as % of GB	0.1%	0.0%	-1.4%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(377,000)	(900,000)	-
Second Quarter (Q2)	48,000	(171,600)	(320,000)
Third Quarter (Q3)	288,500	227,700	(117,400)
Year-End (Q4)*	34,328	12,330	(719,538)

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



**Description**

The Engineering Department is reporting a deficit of **(\$719,538)**, and is detailed by division below.

**The Pollution Control division ended the year with a \$22,426 surplus.**

Miscellaneous: Surplus of \$22,426

Miscellaneous line item variances for the Environmental Master Plan, which is the only area in Pollution Control that isn't 100% recoverable from the Sewer Surcharge, contributed to a \$22,426 surplus.

**The Development, Projects & Right-Of-Way (ROW) division is reporting a deficit of (\$139,194).**

Salaries / Benefits: Deficit of (\$75,297)

Due to the increased workload in the Development and ROW area, work priorities focused on issuing permits which did not afford the expected time to assist Infrastructure Division on capital projects. Therefore a lack of recoveries from capital projects contributed to a deficit of (\$34,926). In the Projects area, non-recoverable work related to the New International Bridge further contributed a deficit of (\$25,792). Additional miscellaneous items totalling (\$14,579) make up the balance.

Other General Revenues / User Fees / Permits: Deficit of (\$5,940)

A surplus of \$73,052 was experienced in user fee and permit revenues. An incremental \$28,732 in annual encroachment fees was also seen by the area. Additionally, surplus revenues for advertising on bus shelters, as well as Municipal Access Agreements contributed an additional \$13,924 and \$8,000, respectively. Offsetting these surpluses is a (\$76,048) deficit in outdoor cafe fees, resulting from the council directed reduction of fees to \$0.50 per square foot approved via CR109-2016. Additionally, hoarding fees for the Paul Martin Building were not charged this year, as restoration of the building's exterior was completed under a construction hoarding permit, creating a (\$53,600) shortfall.

Miscellaneous: Deficit of (\$57,957)

Increased permit activity and other departmental directed payments received by the Engineering Department has led to increased usage of the debit / credit card processing terminals and in turn, contributed a deficit of (\$11,360) in Bank Charges. Other miscellaneous line item variances make up the remaining (\$46,597) deficit.

**The Infrastructure & Geomatics division is reporting a deficit of (\$864,133).**

Utilities – Deficit of (\$750,533)

Original budget projections assumed that the Citywide LED Streetlights project would be complete for the start of 2016. The project, however, is currently not scheduled for completion until early 2017. Projections of the resulting savings based on this timing have resulted in a deficit of (\$1,422,241) in energy costs. Additionally, variable and fixed maintenance costs were (\$445,711) and (\$305,281), respectively, more than expected.

Salaries and Benefits / Recoveries – Deficit of (\$78,790)

To accommodate a heavy workload in the Infrastructure area, a temporary Technologist III was hired in 2015 and contributed (\$98,586) to the 2016 deficit. Additionally, an extra co-op student was hired for the summer term to assist with Local Improvement projects and contributed a further (\$11,366) to the deficit. The Technologist III and co-op student positions are fully and partially, respectively, recoverable from capital projects and contributed to the \$42,320 surplus in recoveries. Miscellaneous deficits totalling (\$11,158) make up the balance.

Miscellaneous – Deficit of (\$34,810)

Miscellaneous line item variances contributed a further (\$34,810) to the division's deficit.

**The Facilities Operations division ended the year with a surplus of \$261,363.**

Facility Operations Wages/Benefits: Surplus of \$401,577

A surplus in the Facility Operations wage expenditure was due to vacant positions that were not in the recruitment process or filled by the end of the year. The positions in particular consist of 5 Full time Caretakers, 11 Part time Caretakers, 1 Facility Technician, 1 Facility Person and 3 Maintenance Engineers. In addition, there also was a Resource Operations Analyst position vacant that was not filled until January 2017. To help alleviate the staffing shortage, 5 temporary part-time caretakers were hired in November 2016.

2437 Howard HVAC : Deficit of (\$15,000)

The HVAC unit at 2437 Howard is in need of repair. This was planned to be completed in 2016 however due to competing priorities and the staffing resource challenges at the time it was not completed. The work will be completed in the first quarter of 2017. A budget carry-forward was submitted and approved in the amount of \$15,000.

Operating Revenue : Deficit of (\$57,640)

Due to a budget adjustment, a budget for operating revenue was recorded in two different areas. The revenue was budgeted in account 6999 Work Auth recovery and 6651 Fees and Recoveries Internal. This budget will be corrected going forward.

Operating and Maintenance Supplies: Deficit of (\$67,574)

An overall net budget deficit of (\$67,574) was incurred on operating & maintenance supplies in corporate facilities.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
<i>Pollution Control</i>		
1 Environmental Master Plan	Other Miscellaneous Revenue	\$ 22,426
<i>Total Pollution Control</i>		<u>22,426</u>
<i>Development, Projects &amp; Right of Way</i>		
2 Salaries / Benefits	Salaries & Benefits	\$ (75,297)
3 Other Gen. Revenues / User Fees / Permits	User Fees, Permits & Charges	(5,940)
4 Miscellaneous	Other Miscellaneous Revenue	<u>(57,957)</u>
<i>Total Development, Projects &amp; Right of Way</i>		(139,194)
<i>Infrastructure &amp; Geomatics</i>		
5 Utilities (Streetlights)	Utilities, Insurance & Taxes	\$ (750,533)
6 Salaries and Benefits / Recoveries	Salaries & Benefits	\$ (78,790)
7 Miscellaneous	Other Miscellaneous Expenditures	<u>\$ (34,810)</u>
<i>Total Infrastructure &amp; Geomatics</i>		(864,133)
<i>Facility Operations</i>		
8 Salaries / Benefits	Salaries & Benefits	\$ 401,577
9. Budget Carry - Forward	Other Miscellaneous Expenditures	(15,000)
10. Operating Revenue Deficit	Recovery of Expenditures	(57,640)
11. Operating and Maintenance Deficit	Operating & Maintenance Supplies	<u>(67,574)</u>
<i>Total Facility Operations</i>		<u>261,363</u>
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ (719,538)</u></b>

**Mitigating Steps**

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

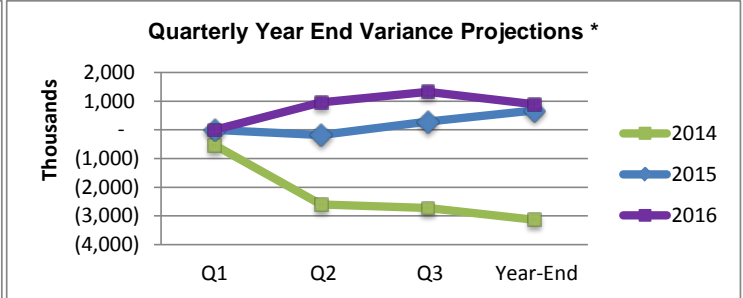
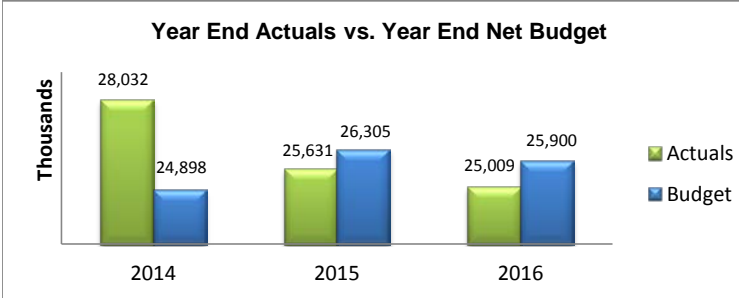
**PUBLIC WORKS OPERATIONS**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	48,347,911	51,717,543	51,713,792
Annual Net Budget	24,898,054	26,304,727	25,900,040
Annual Net Expenditures	28,031,789	25,631,026	25,009,052
<b>Year End Variance</b>	<b>(3,137,425)</b>	<b>673,701</b>	<b>890,988</b>
Variance as % of GB	-6.5%	1.3%	1.7%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(530,000)	-	-
Second Quarter (Q2)	(2,604,000)	(181,800)	960,000
Third Quarter (Q3)	(2,724,500)	285,500	1,326,086
Year-End (Q4)*	(3,137,425)	673,701	890,988

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



**Description**

The Public Works Operations Department has finished 2016 with an overall surplus of \$890,988. The material causes of this variance are outlined below.

**Parking Ticket Revenue: \$617,186**

The Parking Enforcement Division has finished 2016 with a net surplus of \$617,186 related to parking ticket revenue and associated costs as a result of additional fees collected under the new Administrative Penalty System implemented in November 2014. Council approved a budgeted increase in parking ticket revenue for 2017 considering the consistent surpluses related to ticket revenue since the implementation of the new system.

**Salary and Wage: \$603,934**

PW Operations has finished 2016 with an overall surplus of \$628,853 related to salary, wage, and fringe costs related to the departments levy funded operations. The surplus salary and wage cost is the net salary variance due to vacancies across the department resulting from extended vacancies related to recruitment challenges, retirements, long term disability, unpaid leaves, and staff appointments into new positions and deficits related to the transfer for sewer surcharge funded positions to levy funded operations to provide modified work where required. Offsetting the Departments salary and wage surplus was a deficit of (\$24,919) in the Traffic Operations Division related to increased standby/call out pay due to a reduction of the afternoon shifts due to staff shortages throughout the year.

**Fuel: \$262,479**

The Fleet Division has finished 2016 with a net surplus of \$262,479 related to all fuel types due to lower than anticipated fuel pricing and consumption variances.

**Street Sanitation Admin: \$204,235**

The 100% sewer surcharge recovery for these expenses resulted in a surplus of \$204,235.

**Residential Garbage Collection: \$145,801**

The majority of this variance involves lower than budgeted contractor costs for residential garbage collection, resulting in a surplus of \$145,801.

**Leachate Treatment Costs: \$82,600**

These specific treatment costs related to Landfill #3 were lower than anticipated for 2016, resulting in a surplus of \$82,600.

**Yard Waste Collection: \$63,534**

The majority of this variance involves lower than budgeted contractor costs for yard waste collection, resulting in a surplus of \$63,534.

Litter & Debris Collection: \$58,644

The 50% sewer surcharge recovery of the expenses incurred for this service resulted in a year-end surplus of \$58,644.

Miscellaneous Line-By-Line: \$21,634

Overall miscellaneous line-by-line variances result in a surplus of \$21,634 for 2016.

Construction Costs: (\$46,000)

The Signal Maintenance Division has finished 2016 with a deficit of (\$46,000) related to above average and unexpected conduit repairs for the year.

Paint: (\$54,512)

The Pavement Markings Division has finished 2016 with a deficit of (\$54,512) related to paint costs. The increased cost in 2016 is directly related to increased paint volume used throughout the year as the Division was fully staffed in 2016 which increased productivity. In addition, all rail crossings were repainted in 2016 as a result of new Transport Canada crossing standards.

Business Process Change: (\$90,880)

The Fleet Division has finished 2016 with an overall deficit of (\$90,880) related to tools, equipment, supplies, and other related costs related to the relocation of the equipment coordinator office to the stockroom in order to streamline services.

Winter Control: (\$97,015)

PW Operations has finished 2016 with an overall deficit of (\$97,015) related to the winter control service. Despite a milder than average winter during the first quarter of 2016, Windsor did experience two winter events in the latter part of 2016 resulting in full residential roll outs.

Landfill Tipping Fees: (\$99,613)

Tipping fees paid to the Solid Waste Authority for the disposal of waste ended up slightly higher than expected in 2016, resulting in a deficit of (\$99,613). A major contributor to this deficit were higher than expected tonnages received following the flood related event in late September 2016.

Other Professional/Maintenance Contracts: (\$130,847)

Costs related to external contractors involved with the Clean the City initiative (i.e. sidewalk cleaning) resulted in a deficit of (\$130,847) in 2016.

Parts and Vehicle Maintenance: (\$202,287)

The Fleet Division has finished 2016 with a deficit of (\$118,994) related to parts and (\$83,293) related to outside vehicle repairs. Parts costs have increased over the past several years with the greatest increase due to the US exchange rate increases over the past couple of years. In addition, due to some vacancies in the Division throughout 2016, some repair work was outsourced causing the deficit related to outside vehicle repairs. This deficit is offset by the surplus related to the position vacancies for Fleet included in the salary and wage variance surplus above.

Revenue / Recoverable Work: (\$447,905)

PW Operation has finished 2016 with overall net variances totalling a deficit of (\$447,905) related to various recoveries and non-recoverable work for the Fleet, Contracts, Field Services, and Maintenance, and Traffic Operations Divisions. The Fleet Division has realized revenue surpluses totalling \$239,341 related to increased overall billing related to seasonal usage equipment and 1st quarter rental rate development resulting in new rates effective April 1st each year. The Traffic Operations Division has realized a net revenue deficit of (\$90,595) related to the annual accident repair cost recoveries and staff recoveries. The Contracts, Field Services, and Maintenance Division has realized a net revenue deficit of (\$596,651) related to unrecoverable work done in Field Services and ROW Maintenance related to the 2016 tornado, 2016 flood, accident repairs, development, 311 calls, fireworks, lost time variances, charge backs for unrecoverable work, and vacant recoverable positions throughout the year.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Parking Ticket Revenue	User Fees, Permits & Charges	\$ 617,186
2. Salary and Wage	Salaries & Benefits	603,934
3. Fuel	Operating & Maintenance Supplies	262,479
4. Street Sanitation Admin	Transfers from Other Funds	204,235
5. Residential Garbage Collection	Purchased Services	145,801
6. Leachate Treatment Costs	Other Miscellaneous Expenditures	82,600
7. Yard Waste Collection	Purchased Services	63,534
8. Litter & Debris Collection	Transfers from Other Funds	58,644
9. Immaterial line-by-line	Other Miscellaneous Expenditures	21,634
10. Construction Costs	Minor Capital	(46,000)
11. Paint	Operating & Maintenance Supplies	(54,512)
12. Business Process Changes	Other Miscellaneous Expenditures	(90,880)
13. Winter Control	Purchased Services	(97,015)
14. Landfill Tipping Fees	Other Miscellaneous Expenditures	(99,613)
15. Other Professional / Maintenance Contracts	Purchased Services	(130,847)
16. Parts and Vehicle Maintenance	Operating & Maintenance Supplies	(202,287)
17. Revenue / Recoverable Work	Recovery of Expenditures	(447,905)
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ 890,988</u></b>

**Mitigating Steps**

N/A

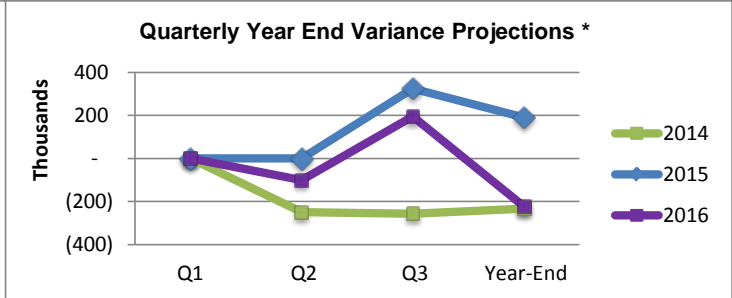
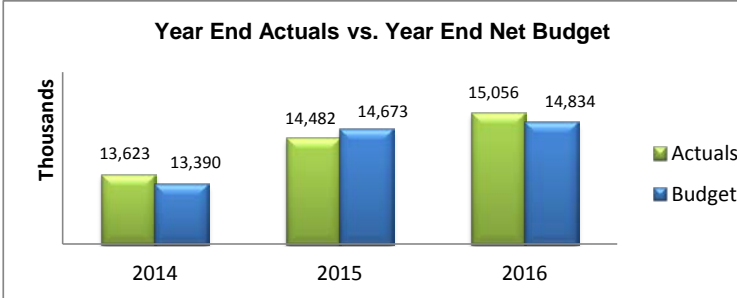
**PARKS**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	14,267,922	15,867,349	16,373,301
Annual Net Budget	13,389,754	14,673,011	14,833,635
Annual Net Expenditures	13,622,563	14,481,668	15,055,610
<b>Year End Variance</b>	<b>(232,809)</b>	<b>191,343</b>	<b>(221,975)</b>
Variance as % of GB	-1.5%	1.2%	-1.4%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(250,000)	-	(100,000)
Third Quarter (Q3)	(256,500)	325,000	195,000
Year-End (Q4)*	(232,809)	191,343	(221,975)

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



**Description**

The Parks Division ended with a year end deficit of (\$221,975).

**Advertising : Deficit of (\$13,212)**

Advertising deficit was incurred due to the advertisement that was placed for the recruitment of CLT and ED of Parks Department.

**Revenue Recoveries : Deficit of (\$29,970)**

Parks incurred (\$29,970) revenue shortfall due to outsourcing of turf & snow maintenance at Huron Lodge and the Department of National Defense. Outsourcing this work was a necessary decision due to resource constraints. As well, the warmer winter weather in 2016 resulted in fewer recoveries related to winter control in other areas across the Corporation.

**Ojibway Nature Centre: Deficit of (\$41,219)**

A revenue shortfall of (\$29,205) was incurred for the Ojibway Nature Centre as a result of less revenue being generated from schools and user groups with respect to scheduled programming at the Nature Centre. The Nature Centre also incurred a short fall of (\$12,014) in Caretaking costs.

**Machinery and Equipment : Deficit of (\$47,003)**

The Parks department purchased a Traffic Safety Board for the E.C. Row Expressway (\$7,016) as well as office furniture for the newly created offices at Mic Mac Park for the supervisors (\$5,473). The department has also been required to rent specialized equipment for snow removal maintenance (\$18,317) and equipment to cut both sides of the ditches for (\$10,340) There also is a timing issue in regards to the Joy Wood sign at Ojibway (\$5,856).

**Wages and Benefits : Deficit of (\$90,571)**

The Department ended the year with a deficit of (\$90,571) related to Wages and Benefits due to a number of items that were not expected. A deficit of (\$30,560) due to the vacation payout of a retiree, the payment of shift premiums for winter control, as well as a new charge for Health and Safety training for new hires this summer that was not incurred prior to 2016. A deficit of (\$23,966) was incurred in uniforms as a result of uniforms being under budget per the collective agreement. A deficit of (\$36,045) for Workers Compensation expenses. Notwithstanding significant focus on the Health and Safety of our employees, this is a difficult area to predict and budget accordingly for the department.



**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Advertising	Other Miscellaneous Expenditures	\$ (13,212)
2. Winter Control Recoveries	Recovery of Expenditures	\$ (29,970)
3. User Fees at Ojibway Nature Centre	User Fees, Permits & Charges	\$ (41,219)
4. Equipment and Furniture	Operating & Maintenance Supplies	\$ (47,003)
5. Wages and Benefits	Salaries & Benefits	\$ (90,571)
6.		
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ (221,975)</u></b>

**Mitigating Steps**

N/A

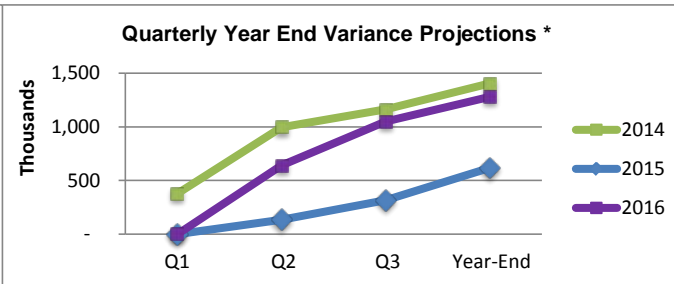
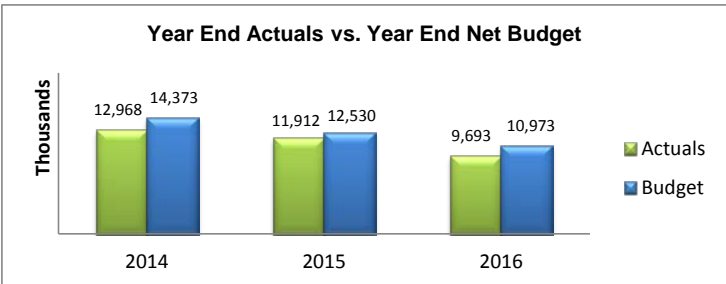
**EMPLOYMENT & SOCIAL SERVICES**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	117,277,254	115,590,470	119,968,687
Annual Net Budget	14,373,133	12,529,848	10,972,614
Annual Net Expenditures	12,967,616	11,911,553	9,692,583
<b>Year End Variance</b>	<b>1,405,517</b>	<b>618,295</b>	<b>1,280,031</b>
Variance as % of GB	1.2%	0.5%	1.1%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	380,000	-	-
Second Quarter (Q2)	997,000	135,000	640,000
Third Quarter (Q3)	1,162,000	316,000	1,048,500
Year-End (Q4)*	1,405,517	618,295	1,280,031

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



**Description**

As of December 31, 2016, the Employment and Social Services Department has ended the year with a net city surplus of \$1,280,031.

**Community Development and Health Office: \$3,700**

A surplus of \$3,700 for the Community Development and Health Office was due to higher than budgeted recoveries.

**Ontario Works Program Delivery: \$1,110,952**

OW Program Delivery ended the year with a net city surplus of \$1,110,952, which is comprised of the following:

Net City savings of \$572,589 occurred in the salaries and benefits accounts mainly due to gapping. Part of this savings in the amount of \$233,447 relates to the 2015 budget carryover to address projected SAMS's implementation/stabilization costs. It was anticipated that SAMS's implementation/stabilization costs would continue into 2016 and therefore a budget carryover from 2015 had been requested to continue funding the additional staff during the SAMS stabilization period.

Due to an improved economy that resulted in a decline in caseload over the course of the year, actual costs for employment related expenses were lower than projected. This resulted in net city surplus of \$473,381. In addition, the reconciliation of the 2014 OW Program Delivery funding, following the rerun of SAMS expenditure reports, resulted in an additional one-time \$64,982 net city surplus.

**Other Employment Services: (\$160,249)**

Other Employment Services ended the year with a deficit in of (\$160,249) of which (\$27,054) is primarily attributed to one-time staffing costs and (\$133,195) is related to the Leamington Office renovation project. Although costs for the Leamington Office renovation came in within the approved amount, the transfer from the Budget Stabilization Reserve was not required as the department ended the year with an overall surplus.

**OW Financial Assistance: \$305,126**

Ontario Works Financial Assistance ends the year with a net City surplus of \$305,126. This can be attributed to lower than budgeted caseloads and cost per case in relation to what was budgeted. The subsidy claims process using the new Social Assistance Management (SAM's) technology was implemented in October 2016. It is cautioned that expenditure reports have not been reconciled for November 2014 to March 2016 and estimates were used for financial reporting purposes. If provincial subsidy claims are reconciled for these periods, there is the risk that the estimates used could result in the variance projection being over or understated in future years.

**100% Municipal Assistance: \$20,502**

100% Municipal Assistance ended the year with a surplus of \$20,502 largely attributed to higher than budgeted recoveries in funeral and burial account and also reflects the variability in demand for these services.

<b><u>Summary of Description</u></b>	<b>Category</b>	<b>Amount</b>
<i>Community Development &amp; Health</i>		
1 Community Development and Health Office	Recovery of Expenditures	\$ 3,700
<i>Total Community Development &amp; Health</i>		<u>\$ 3,700</u>
<i>Ontario Works Program Delivery</i>		
2 Salaries & Benefits	Salaries & Benefits	\$ 572,589
3 Employment Related Expenses	Purchased Services	\$ 473,381
4 Prior Year Reconciliation	Other Miscellaneous Revenue	\$ 64,982
<i>Total Ontario Works Program Delivery</i>		<u>\$ 1,110,952</u>
<i>Other Employment Programs</i>		
5 Employment Services	Salaries & Benefits	\$ (27,054)
6 Other Employment Services	Other Miscellaneous Expenditures	\$ (133,195)
<i>Total Other Employment Programs</i>		<u>\$ (160,249)</u>
<i>Financial Assistance</i>		
7 OW Financial Assistance	Grants & Subsidies	\$ 305,126
8 100% Municipal Assistance	Purchased Services	\$ 20,502
<i>Total Financial Assistance</i>		<u>\$ 325,628</u>
<b>Net Year End Surplus/(Deficit)</b>		<u><u><b>\$ 1,280,031</b></u></u>

**Mitigating Steps**

N/A.

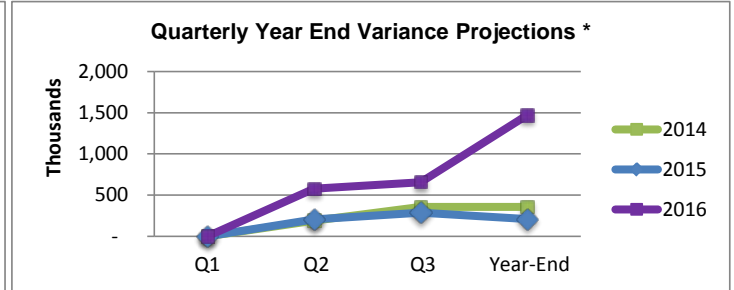
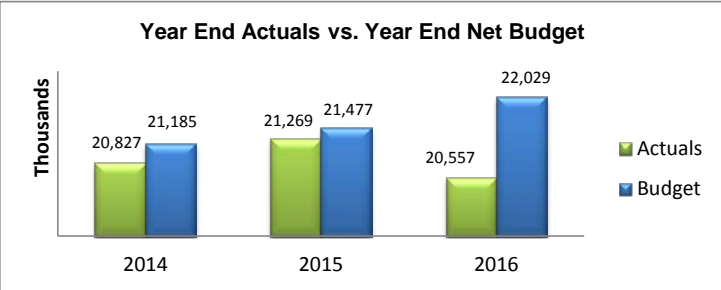
**HOUSING & CHILDREN SERVICES**

**Financial Summary**

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	87,388,448	95,411,337	95,986,699
Annual Net Budget	21,184,758	21,477,255	22,029,359
Annual Net Expenditures	20,826,858	21,268,724	20,557,335
<b>Year End Variance</b>	<b>357,900</b>	<b>208,531</b>	<b>1,472,024</b>
Variance as % of GB	0.4%	0.2%	1.5%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	191,000	203,900	578,000
Third Quarter (Q3)	359,000	287,900	657,000
Year-End (Q4)*	357,900	208,531	1,472,024

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



**Description**

Housing and Children Services and Windsor Essex Community Housing Corporation (WECHC) had a combined year end net City surplus of **\$1,472,024**, detailed as follows:

**Housing and Children Services Surplus: \$546,307 (net city)**

Housing Services realized a net city surplus of **\$420,034**. Of that amount, **\$299,701** (net city) is primarily due to service providers requiring lower mandated subsidy payments than budgeted, as well as reconciliations of service provider 2015 fiscal year-end reports. Also included is higher than budgeted county revenue for Housing of **\$120,333** based on the arbitrated weighted assessment cost sharing formula using the final 2016 assessment rates.

Children's Services realized a net city surplus of **\$126,283** comprised as follows. Children Services Family Support program ended the year with a surplus of **\$24,184** primarily attributed to salary gapping. A county revenue surplus for Children's Services in the amount of **\$65,651** was also realized. In year recoveries in the Pathway to Potential program contributed **\$36,438** (net city) towards the overall Children's Services surplus.

**WECHC Surplus: \$925,717 (net city)**

Windsor Essex Community Housing Corporation realized a **\$555,081** (net city) surplus in relation to the in year reconciliation of their 2015 year-end report following the closure and consolidation of the City's financial statements. A net city surplus of **\$307,223** was realized due to one time energy rebate revenue and to increased Rent Geared Income (RGI) revenue which in turn lowered the amount of subsidy payments required by the service provider. In addition, higher than budgeted county revenue based on the arbitrated weighted assessment cost sharing formula contributed **\$63,413** to the surplus.

**Summary of Description**

	Category	Amount
<i>Housing and Children Services</i>		
1. Housing Services Subsidy Surplus	Grants & Subsidies	\$ 299,701
2. Housing Services County Revenue	Other Miscellaneous Revenue	\$ 120,333
3 Children Services County Revenue	Other Miscellaneous Revenue	\$ 65,651
4 Children Services	Salaries & Benefits	\$ 24,184
5 Pathway to Potential	Recovery of Expenditures	\$ 36,438
<b>Total Housing and Children Services</b>		<b>\$ 546,307</b>
<i>Windsor Essex Community Housing Corporation</i>		
3. 2015 WECHC Year End Reconciliations	Grants & Subsidies	\$ 555,081
4 2016 WECHC Public Year End Deficit	Grants & Subsidies	\$ 307,223
5 County Revenue	Other Miscellaneous Revenue	\$ 63,413
<b>Total Windsor Essex Community Housing Corporation</b>		<b>\$ 925,717</b>
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ 1,472,024</b>

**Mitigating Steps**

N/A.

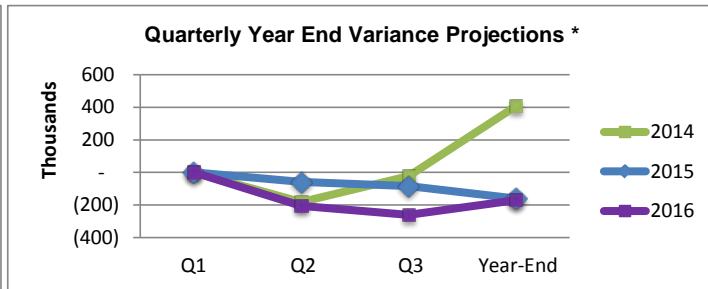
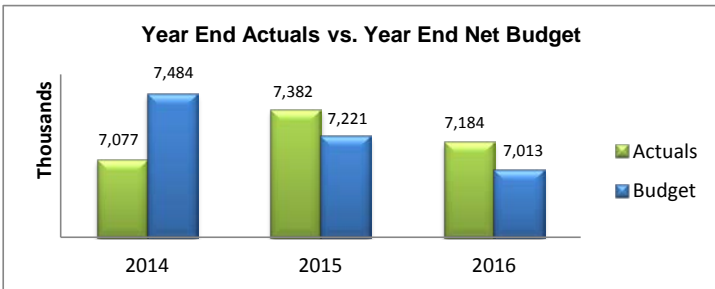
**HURON LODGE**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	21,876,229	22,351,439	22,493,152
Annual Net Budget	7,483,874	7,221,184	7,012,896
Annual Net Expenditures	7,077,156	7,382,392	7,183,507
<b>Year End Variance</b>	<b>406,718</b>	<b>(161,208)</b>	<b>(170,611)</b>
Variance as % of GB	1.9%	-0.7%	-0.8%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(182,000)	(58,000)	(205,000)
Third Quarter (Q3)	(23,000)	(84,000)	(260,600)
Year-End (Q4)*	406,718	(161,208)	(170,611)

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



**Description**

Overall, Huron Lodge ended the year with a deficit of (\$170,611).

**Increase in Revenue: \$138,566**

Effective July 2016, the Ministry of Health and Long Term Care (MOHLTC) increased the co-payment that residents pay for basic accommodation in long-term care homes. This increase is intended to help homes with the rising costs of accommodations due to inflationary increases. In addition, a modest increase to the accommodation rates for newer residents admitted to preferred beds was also implemented.

**Provincial Funding: \$63,167**

The MOHLTC announces increases and decreases periodically which impact Huron Lodge's level of funding received. Funding levels depend on the home's Case Mix Index (CMI) rating and the province's overall funding availability for all long term care homes. In January of this year the MOHLTC announced a CMI decrease for Huron Lodge. The CMI is used to calculate the nursing and personal care per diem amount funded to long term care homes. A decrease in CMI translates to a decrease in funding for the home. Per diem increases in the other funding envelopes allowed Huron Lodge to end the year with a funding surplus of \$63,167.

**Other Miscellaneous Accounts: (\$33,484)**

Other accounts ended the year with an unfavourable variances of (\$33,484) primarily due to higher costs in security services. Security services are provided by an outside agency and are valued by the department. As the building never closes, these services play a vital role in the safety of all who attend Huron Lodge.

**Equipment Replacements: (\$34,996)**

Huron Lodge from time to time has to replace equipment for the safety of residents and staff members. Most equipment within the facility is at or beyond its useful life of 7 to 10 years. In 2016, Huron Lodge was required to replace nursing equipment in particular, tub chairs and a floor lift which amounted to a cost of \$40,874. In 2012, Huron Lodge identified a need for a replacement of all equipment through the capital budget process with funding becoming available in 2019.

**Maintenance & Repairs: (\$96,130)**

Huron Lodge ended the year with a deficit of (\$65,714) for equipment maintenance. Equipment such as nursing lifts and chairs, kitchen and facility equipment require ongoing maintenance inspections for the safety of residents, staff members and visitors. It is a mandate to have maintenance programs in place as per the Long Term Care Act, 2007. Other repairs to various equipment within the facility adds (\$30,416) to this deficit. Historically, both maintenance and repair line items have seen a budget shortfalls but large unexpected funding increases would offset these costs for the department. As part of the 2017 budget process, council approved budget increases for these necessary legislated expenditures.

Salary Accounts: (\$207,734)

Salaries ended the year with a deficit of (\$207,734). The majority of the deficit can be attributed to higher than budgeted contractual obligations such as shift and holiday premiums, vacation payouts for regular part-time employees contribute to unfavourable variance as well as the cost of replacing staff in the event of absences due to non-occupational accommodations, modified duties due to WSIB. It is important to note that compared to 2015, the nursing shifts replaced due to daily absences decreased by 29% in 2016. Although non-occupational accommodations and modified duties related to WSIB are still prevalent at Huron Lodge there was a 13% decrease in the number of shifts fully replaced in 2016 compared to 2015 in this category. Currently there are 25-30% staff members who participate in the Attendance Management Program with Huron Lodge Managers to address absences. The Attendance Management Program is described in further detail in the Mitigating Steps. A smaller portion of this deficit relates to a small retro payment of \$9,611 due to a Joint Job Evaluation award and \$30,473 in replacement salaries for an employee who was on a sick leave.

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**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Increase in Revenues	Grants & Subsidies	\$ 138,566
2. Provincial Funding	Grants & Subsidies	\$ 63,167
3. Other Miscellaneous Expenses	Other Miscellaneous Expenditures	\$ (33,484)
4. Equipment Replacements	Other Miscellaneous Expenditures	\$ (34,996)
5. Equipment Maintenance & Repairs	Other Miscellaneous Expenditures	\$ (96,130)
6. Salary Accounts	Salaries & Benefits	(207,734)
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ (170,611)</u></b>

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**Mitigating Steps**

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

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

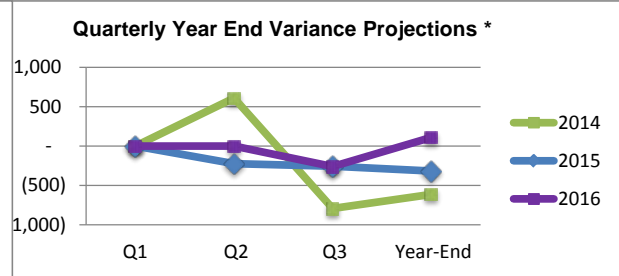
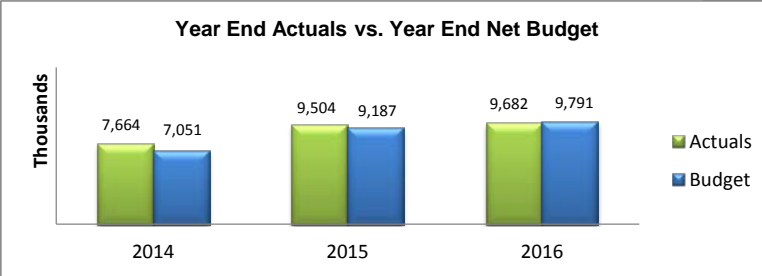
**RECREATION & CULTURE**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	18,919,303	21,454,846	21,617,445
Annual Net Budget	7,051,073	9,187,227	9,790,967
Annual Net Expenditures	7,664,339	9,504,252	9,682,028
<b>Year End Variance</b>	<b>(613,266)</b>	<b>(317,025)</b>	<b>108,939</b>
Variance as % of GB	-3.2%	-1.5%	0.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	610,000	(225,000)	-
Third Quarter (Q3)	(795,000)	(258,000)	(260,000)
Year-End (Q4)*	(613,266)	(317,025)	108,939

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



**Description**

The Recreation and Culture division ended 2016 with a surplus of \$108,939. Although there are some variances within the various Recreation and Culture operating divisions, the Department worked diligently to stay within the approved budget for 2016. Although some operating divisions did not meet revenue targets in 2016, helping offset revenue variances were savings related to reduced spending and savings in part-time wages. Even though Recreation was able to reduce the spending in 2016 the budget dollars are still required in 2017 for expenses required within the operating facilities. In summary, the 2016 year end surplus position of the department was attributed to the following:

Mitigating Expenditure Initiatives: \$524,464

Recreation and Culture realized a net mitigating expenditure surplus of \$524,464. The revenue shortfalls within Recreation and Culture are offset by expenditure savings within the department's facilities due to the areas ability to react quickly to decreased registrations. The class is cancelled, there are no instructor wages required, and recovery can occur in the next session (8-10 weeks). Due to revenue reductions there were savings within wages and reduced programming costs to offset the revenue shortfall. Although Recreation and Culture was able to reduce spending wherever possible in the 2016 operating year, the budget has been adjusted for revenue shortfalls and expenditure savings in 2017.

Non-OHL Events: \$74,490

Spectra Venue Management (Global Spectrum) ended the year had a minimal deficit of (\$15,510) which was better then the original operating budget of (\$90,000) within the WFCU Centre financials. This resulted in a City of Windsor operating budget surplus for Non-OHL events in the amount of \$74,490.

Salary & Wages: (\$24,750)

Recreation and Culture realized a deficit in salaries and wages due to WSIB payments, sick coverage and salary increments in the amount of (\$24,750)

Revenue Shortfall: (\$465,265)

Recreation and Culture realized a net revenue shortfall of (\$465,265) within a variety of recreation and cultural facilities; mainly arenas, aquatic services and cultural affairs. The revenue shortfalls are offset by expenditure savings within the department's facilities due to the areas ability to react quickly to decreased registrations as mentioned above (Mitigating Expenditure Initiatives)

**Summary of Description**

Category	Amount
1. Mitigating Expenditure Initiatives	\$ 524,464
2. Spectra Venue Management Non-OHL Event	74,490
3. Salary Issues (WSIB, Sick Coverage)	(24,750)
4 Revenue Shortfalls	(465,265)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 108,939</b>

**Mitigating Steps**

N/A

**TRANSIT WINDSOR**

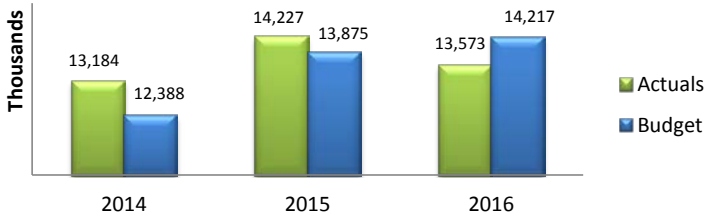
**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	29,843,504	32,880,828	33,005,763
Annual Net Budget	12,387,926	13,874,952	14,216,829
Annual Net Expenditures	13,184,008	14,227,064	13,572,503
<b>Year End Variance</b>	<b>(796,082)</b>	<b>(352,112)</b>	<b>644,326</b>
Variance as % of GB	-2.7%	-1.1%	2.0%

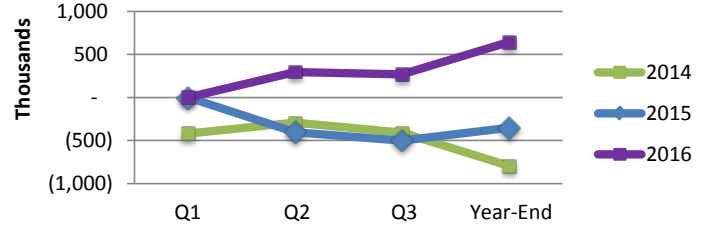
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(420,000)	-	-
Second Quarter (Q2)	(294,000)	(404,000)	296,000
Third Quarter (Q3)	(408,000)	(500,000)	270,000
Year-End (Q4)*	(796,082)	(352,112)	644,326

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

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



**Quarterly Year End Variance Projections \***



**Description**

Transit Windsor ended the year with a surplus of \$644,326. The year end surplus of the department was largely attributable to the following:

Fuel & Lubricants: \$527,217

Fuel prices for the year resulted in a favourable variance in the fuel account of \$527,217 as compared to budget estimates. Based on approximately 3.2 million litres of diesel budgeted to be consumed, every \$0.01 decrease below the budget figure of \$0.90 per litre translates to a savings of approximately \$32,000. The average cost for diesel from January 1, 2016 to December 31, 2016 was \$0.7445 per litre. In addition to the favourable price variance, Transit Windsor also experienced a favourable variance in actual number of kilometers driven as compared to the estimated number of kilometers required in 2016 for all routes. The reduction in kilometers was achieved by finding efficiencies on routes, such as reducing the number of high school extras required by combining these routes with regular main route runs.

Salary, Wages and Benefits: \$245,036

Transit Windsor experienced a deficit in Salary and Wages of (\$80,912) much of which came from the Maintenance area. Increased fleet repairs required additional overtime to ensure the ongoing maintenance of the aging fleet. Further a surplus of \$265,057 was experienced in the benefits accounts as well as a \$60,891 surplus in the training budget attributed to internal training which is included at times in regular salaries and wages.

Recovery of Expenses: \$140,901

Transit Windsor experienced a surplus in recovery of expenses of \$140,901 from external sources and the Intelligent Transportation System Project (ITS). In preparing Transit Windsor's buses for the Intelligent Transportation System (ITS) installation, associated labour and material costs were incurred in addition to the wages associated with the ITS Coordinator. These costs are recoverable and Council approved from the ITS Capital Project.

Workers Compensation: \$125,723

Transit Windsor experienced a surplus of \$125,723 in its Workers Compensation account due to a lower than expected number of claims in 2016. The lower average has been experienced over the last couple of years. As an ASO, Transit Windsor is responsible for costs for each claim processed. Transit Windsor submitted a budget issue to reduce the operating budget in 2017 by \$53,042.

Transit Revenue: \$72,820

Transit Windsor experienced a surplus in Transit Revenue of \$72,820, largely in part due to the implementation of the UPass in September, 2016, along with additional sales for tickets as an expected result of the July 2016 fare increase.

Legal, Contracted Services and Other Operating Supplies: \$55,880

Legal, contracted services and other operating expenses realized a surplus of \$55,880. The variance is largely attributable to the shift to using the City Legal Department more and little outside resources required in 2016. Transit Windsor has experienced higher Legal expenditures in prior years depending on the federal issues that required professional legal services (e.g. pay equity legislation).



Advertising: \$52,985

Transit Windsor experienced a surplus of \$52,985 in the Advertising account. Expected advertising costs were not utilized in 2016 due to the delay of implementation of new transit initiatives.

Proceeds - Disposal of TCA's: \$35,116

As Transit Windsor retires its aging fleet and equipment, proceeds were recovered from the sale of these assets.

License Fees: (\$36,720)

Since 2013, Transit Windsor has seen increasingly annual deficits for the renewal of license plates for the fleet, licenses for the Commercial Vehicle Operators Registration, bike permits and emissions testing. The 2016 deficit was (\$36,720 and a budget issue was submitted for 2017 to address this issue).

Write Off of Obsolete Inventory: (\$48,280)

This variance relates to associated obsolete parts for older model buses that have been retired and are no longer in service. These retired buses are from the late 1980's. In 2016, the last of the GMC Classics were retired requiring Transit Windsor to write off all associated parts with this series of buses.

Program Supplies: (\$68,816)

Transit Windsor experienced a deficit in the Program Supplies budget of (\$68,816). A reduction of the budget in 2015 anticipated a move to Smart Media which would reduce the cost of purchasing bus passes and tickets. A manufacturing delay prevented the implementation of Smart Media for Transit Windsor which is now expected to take place in 2017.

Other Professional Services: (\$101,312)

Transit Windsor experienced a deficit (\$101,312) from the blended rate given to Social Services for the voucher system for bus passes provided to Ontario Works clients. This Board of Directors approved program has been in place for many years and captures the reduced revenue for this pass program.

Carry Forward for UPass Services: (\$125,000)

Transit Windsor requested a carry forward of (\$125,000) for the newly implemented UPass which began in September, 2016. The agreement with the University of Windsor Student Alliance and the Graduate Student Society requires Transit Windsor to provide additional transit services with the proceeds of the UPass. From September to December, 2016, Transit Windsor began evaluating the needs to address service requirements and plans to implement some additional service in 2017.

Vehicle Maintenance Account: (\$231,224)

Repair and maintenance spending was consistent with prior years and throughout the year it was anticipated that funding from the BSR would be made available as required; however, given the overall surplus experienced as a result of better than expected fuel pricing, lower benefit costs and utilities, etc. a decision was made to not draw on the reserve.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Surplus in Motor Fuel & Lubricants	Operating & Maintenance Supplies	\$ 527,217
2. Salary, Wages, Overtime and Benefits	Salaries & Benefits	\$ 245,036
3. Recovery of Expenses - External	Recovery of Expenditures	\$ 140,901
4. Surplus in Workers Compensation Administration	Salaries & Benefits	\$ 125,723
5. Surplus in Transit Revenue	User Fees, Permits & Charges	\$ 72,820
6. Surplus in Legal, Contracted Services and Other Operating Supplies	Operating & Maintenance Supplies	\$ 55,880
7. Surplus in Advertising Account	Operating & Maintenance Supplies	\$ 52,985
8. Surplus in Proceeds from the Disposal of TCA's	Recovery of Expenditures	\$ 35,116
9. Deficit in License Fees	Operating & Maintenance Supplies	\$ (36,720)
10. Write Off of Obsolete Inventory	Operating & Maintenance Supplies	\$ (48,280)
11. Deficit in Program Supplies	Operating & Maintenance Supplies	\$ (68,816)
12. Deficit in Other Professional Services	Operating & Maintenance Supplies	\$ (101,312)
13. Carry Forward of Fund for Service Enhancements for UPass	Operating & Maintenance Supplies	\$ (125,000)
14. Deficit in Vehicle Maintenance Materials Account	Operating & Maintenance Supplies	\$ (231,224)
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ 644,326</u></b>

**Mitigating Steps**

N/A.

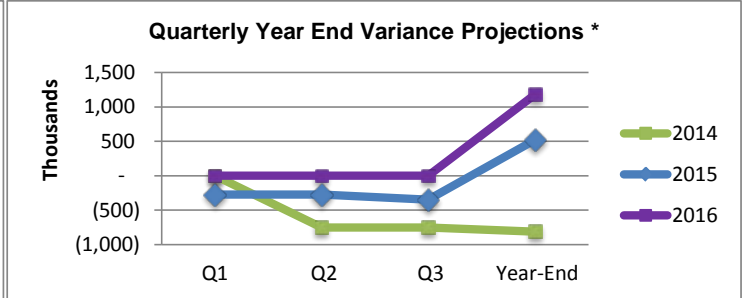
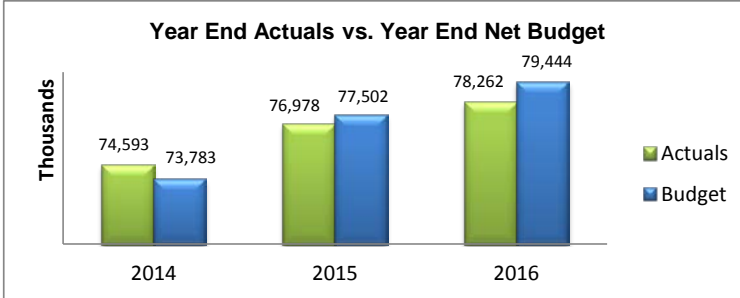
**WINDSOR POLICE SERVICES**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	82,830,647	86,783,914	88,950,982
Annual Net Budget	73,782,958	77,501,516	79,444,014
Annual Net Expenditures	74,593,332	76,978,456	78,262,481
<b>Year End Variance</b>	<b>(810,374)</b>	<b>523,060</b>	<b>1,181,533</b>
Variance as % of GB	-1.0%	0.6%	1.3%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	(275,000)	-
Second Quarter (Q2)	(750,000)	(275,000)	-
Third Quarter (Q3)	(750,000)	(350,000)	-
Year-End (Q4)*	(810,374)	523,060	1,181,533

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



**Description**

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

Windsor Police Service had put into place measures to closely monitor and control overtime usage and thus experienced a reduction from last year. Further, salary gapping savings occurred due to the unusually high number of retirements and the usual timing differences required to recruit replacements, resulting in an overall savings in net personnel costs. In addition, the police service was able to obtain one time unanticipated policing grants from the province that arose during the year. Contract external duty revenue was greater than expected due to the volume of requests from the public for various events and activities.

**Summary of Description**

Category	Amount
1. Net Personnel Costs	461,899
2. Revenues - One time unanticipated grants received in 2016	611,961
3. Revenues - miscellaneous revenues for paid duties & recoveries	107,673
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 1,181,533</b>

**Mitigating Steps**

1. The Windsor Police Service has been closely monitoring overtime and has been able to achieve some reduction in cost over 2015.
2. Salary gapping savings occurred due to an unusually high number of retirements and the timing required to recruit replacements.

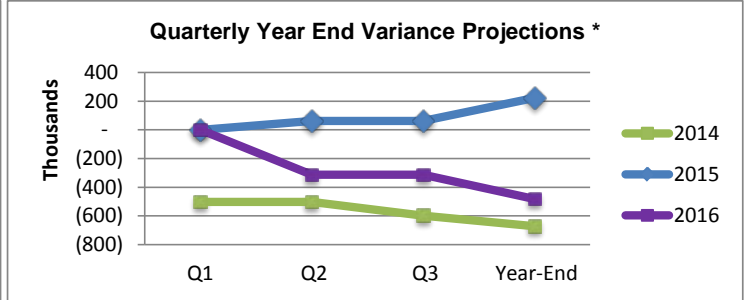
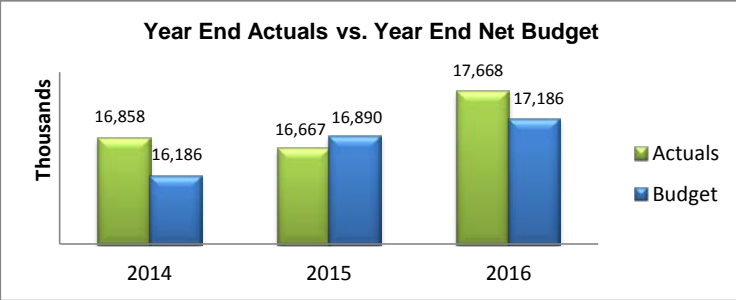
**AGENCY GRANTS**

**Financial Summary**

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	16,287,054	16,991,096	17,286,927
Annual Net Budget	16,186,455	16,890,498	17,186,329
Annual Net Expenditures	16,857,599	16,667,034	17,668,299
<b>Year End Variance</b>	<b>(671,144)</b>	<b>223,464</b>	<b>(481,970)</b>
Variance as % of GB	-4.1%	1.3%	-2.8%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(501,720)	-	-
Second Quarter (Q2)	(501,720)	62,000	(314,000)
Third Quarter (Q3)	(598,120)	62,000	(314,000)
Year-End (Q4)*	(671,144)	223,464	(481,970)

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



**Description**

Land Ambulance: (\$481,970)

The approved land ambulance budget was not available from the County when the City's budget was approved in December 2015, and a budget estimate was made for the City's share of costs, based on the agency's preliminary projections. Based on the 2016 Land Ambulance budget approved by the County, the City's share ended up being \$9,949,140, which was (\$481,970) higher than budgeted.

**Summary of Description**

Category	Amount
1. Land Ambulance	\$ (481,970)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ (481,970)</b>

**Mitigating Steps**

N/A.

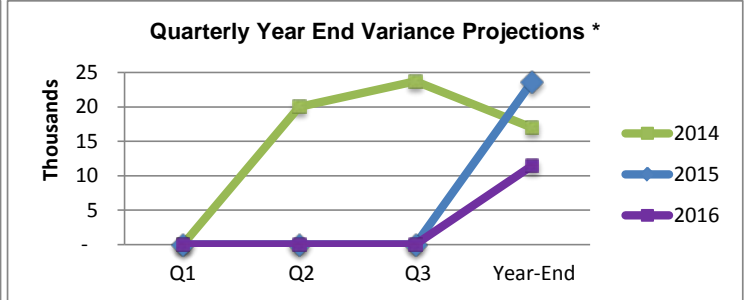
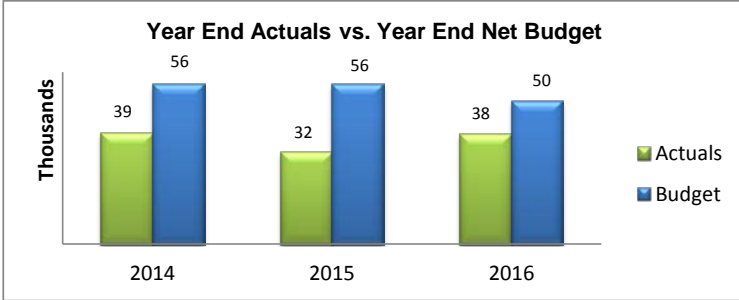
**COMMITTEES OF COUNCIL**

**Financial Summary**

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	55,920	55,920	49,920
Annual Net Budget	55,920	55,920	49,920
Annual Net Expenditures	38,917	32,314	38,460
<b>Year End Variance</b>	<b>17,003</b>	<b>23,606</b>	<b>11,460</b>
Variance as % of GB	30.4%	42.2%	23.0%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	20,000	-	-
Third Quarter (Q3)	23,700	-	-
Year-End (Q4)*	17,003	23,606	11,460

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



**Description**

The Committees of Council ended the year in an overall surplus of \$11,460.

Purchased Services \$14,547

The Diversity, Bicycling, Property Standards, Windsor Accessibility Advisory, Windsor Essex Environmental, Senior's Advisory and Town and Gown Committees all ended the year with minor surpluses. The International Relations Committee received approval for a budget carry forward to undertake initiatives in 2017 related to Windsor's 125th birthday celebrations.

Advertising for Heritage Designations and Related By-laws (\$3,087)

There were an above average number of public notice advertisements required to coincide with the volume of heritage designation and heritage by-law announcements during 2016.

**Summary of Description**

	Category	Amount
1. Various Committees of Council	Purchased Services	\$ 14,547
2. Heritage Committee	Other Miscellaneous Expenditures	(3,087)

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

**\$ 11,460**

**Mitigating Steps**

N/A.