

## Notable Variances – By Department

### Tax Supported

Significant variances within department operating budgets are summarized below. A positive number represents a favourable variance (increases in revenues or decreases in expenditures).

#### Corporate Shared

Budget Item	Commentary	Amount
Taxes	Favourability driven by higher than anticipated residential/farm (\$126,000) and commercial/office (\$80,000) taxes offset by lower than budgeted industrial (\$62,000).	\$ 148,000
Supplemental Taxes	In-year assessment growth was less than budgeted. Annual supplemental tax budget is based on recent historical averages and anticipated development.	\$ (28,000)
User Charges	Favourability mainly driven by the unbudgeted receipt of funds related to WSIB surplus rebate (\$70,000).	\$ 73,000
Fines	Fines under the Provincial Offences Act are below budget by \$25,000 due to reduced ticketing and collections during COVID-19. COVID-19 Relief grant funding, deferred from 2021, to be used to offset the variance resulting in a NIL impact to the Operating budget.	\$ NIL
Penalties and Interest	Favourability due to increased penalties on property tax accounts.	\$ 22,000
Bank Interest / Transfer to Reserves	Higher than average monthly bank balances and rates resulted in favourable bank interest revenue of \$980,000. These additional funds will be transferred to the Infrastructure Reserve, thus resulting in a NIL impact to the Operating budget.	\$ NIL

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Municipal Drain Interest	Interest is anticipated to be favourable due to unbudgeted revenue from the East Townline Drain project. Annual interest is highly variable as it is dependent on drain projects billed and carrying costs incurred.	\$ 18,000
Investment Income / Transfer to Reserves	Unbudgeted gains of \$83,000 occurred resulting from the Town's investment in One Investment. These additional funds will be transferred to the Post Retirement Benefits Reserve.	\$ NIL
Wages & Benefits	Unbudgeted payments required to: fund accumulated deficit in employee benefits ASO program due to increased employee benefit usage and fund employee retirement payouts, offset by Transfer from Reserves (ASO Reserve and Tax Rate Stabilization Reserve).	\$ NIL
Office Supplies & Equipment Maintenance	Favourable, primarily due to efforts to reduce postage and courier expenditures in 2022.	\$ 15,000
Maintenance Services	Unfavourable due to greater than anticipated activity with respect to Town Hall building maintenance in 2022.	\$ (7,000)
Professional Fees - Legal	Unfavourable variance due to greater activity than anticipated. Offset by transfer from reserves, therefore net impact to the Operating Budget is NIL.	\$ NIL
Insurance	Favourable variance resulting from lower claims expense than budgeted for 2022.	\$ 43,000
Grants & Donations	Lower donations towards Lakeshore Community Services transportation program expected due to decreased ridership, likely a result of COVID-19.	\$ 9,000
Tax Write-Offs	Lower than budgeted write offs.	\$ 72,000

## Building

### Building

Budget Item	Commentary	Amount
Permits	Unfavourable Building permits due to two major developments not proceeding as had been anticipated, with commencement now expected in early 2023.	\$ (208,000)
Wages & Benefits / Transfer from Reserves	Unfavourable due to higher costs for temporary staff than anticipated and originally budgeted in Professional Fees. Temporary staff needed to process plans and inspections for several multi-unit residential structures permitted in 2021 and fill temporary vacancies. Partially offset by \$64,000 transfer from reserves.	\$ (174,000)
Professional Fees	Costs for temporary staff have been primarily processed through our payroll system and therefore reflected in Wages & Benefits above. Favourability here partially offsets the unfavourability in Wages & Benefits.	\$ 37,000

### By-law Enforcement

Budget Item	Commentary	Amount
Revenue / Maintenance Services	Favourable revenue is mainly driven by an increase in fees related to by-law compliance (\$25,000). This is offset by an increase in Maintenance Services expenditures (\$25,000). Net impact to the Operating budget is NIL.	\$ NIL
Professional Fees	Favourable due to fewer orders issued in 2022, resulting in less prosecutions than anticipated.	\$ 6,000

## Public Works

### Roadways

Budget Item	Commentary	Amount
Wages & Benefits	Unfavourability mainly due to incremental overtime hours beyond what was budgeted.	\$ (40,000)
Maintenance Materials & Supplies	Unfavourability mainly a result of higher than anticipated fuel usage (\$17,000) and unbudgeted costs for VIA track maintenance detour (\$5,000). This was offset by a reduction in materials and supplies spending (\$21,000) for Roadside and Hardtop maintenance programs.	\$ (3,000)
Maintenance Services	Projected to be unfavourable to budget due to additional costs for vehicle parts & services including an overhaul of Trackless PWE05-13 (\$23,000) and unanticipated safety repairs of Mack 2015 plow PW13-15 (\$15,000) and additional licensing fees (\$25,000). Offset by lower than anticipated maintenance services (\$11,000).	\$ (43,000)
Contract Services	Expenditures related to traffic light maintenance are unfavourable due to unanticipated costs incurred resulting from motor vehicle accidents. Amounts expected to be offset by insurance proceeds.	\$ (14,000)
Professional Services	Unfavourable due to unbudgeted consulting work to be undertaken for two major grant funding applications.	\$ (12,000)

### Street Lighting

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Maintenance Materials & Supplies	Unfavourability due to increased costs to replace decorative lighting and costs from damage to Town property from a motor vehicle accident, some of which may be recoverable.	\$ (13,000)
Maintenance Services	Unfavourable due to unanticipated tree trimming and higher monthly repairs in Q4.	\$ (29,000)
Utilities	Favourable hydro costs due to temporary provincial rebates in place.	\$ 9,000

### Winter Control

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Wages & Benefits	Favourable variance a result of less winter events occurring than anticipated.	\$ 23,000
Maintenance Materials & Supplies	Salt expenditures are dependent on the quantity and severity of weather events in the year. The Town's salt sheds were filled in advance of a price increase, resulting in a favourable variance.	\$ 38,000

## Storm Sewers

Budget Item	Commentary	Amount
User Charges	Miscellaneous revenue was unfavourable to budget due to no electricity sales to the grid from our Manning Storm Pump Station generator, offset by development related cost recoveries of property owners.	\$ (6,000)
Maintenance Services	Unfavourability primarily due to investigation and subsequent repairs to Mason PI storm infrastructure and Woodridge Centennial flushing/assessment.	\$ (10,000)
Utilities	Favourable variance due to less usage than budgeted.	12,000
Transfer to Reserves	No sales of generator electricity to the grid for the year, therefore no Transfer to Reserve expense for this budget.	\$ 10,000

## Transit

Budget Item	Commentary	Amount
Grants / Transfer from Reserves	Favourable variance based on recognition of Canada Healthy Communities Initiative grant of \$27,500 towards the Town's On-Demand Pilot project, SRA Phase 3 and 4 grant funding of \$10,000 and Provincial Gas Tax Transit funding of \$186,000 for 2022. This is partially offset by a reduction in transfers from reserves to bring net expenditures to Nil.	\$ 9,000
User Charges	Unfavourability mainly a result of lower than anticipated bus fare revenue (\$24,000) and advertising revenue (\$4,000). Under the on-demand bus model, we experienced lower ridership (approximately 30-40 riders per day). Some of the lower ridership was likely attributable to community not fully recovered from COVID-19.	\$ (28,000)
Contract Services	Favourability is related to decrease in call center usage.	\$ 11,000

## Emergency Measures

Budget Item	Commentary	Amount
User Charges / Transfer to Reserves	Budget represents revenue from electricity sales to the grid from our generator at the arena. No revenues were earned this year. This is offset by a reduction in Transfers to Reserves, thus no impact to the operating budget.	\$ NIL

## Conservation Authority

Budget Item	Commentary	Amount
Contract Services	Costs for Town share of Essex Region Conservation Authority (ERCA) program activities lower than budgeted.	\$ 13,000

## Council

Budget Item	Commentary	Amount
Wages & Benefits	Favourability is driven by lower than anticipated health benefits enrollment (\$8,000), Ward 1 Councilor position vacancy (\$6,000), and lower than anticipated per diems (\$4,000).	\$ 18,000
Professional Development	Unfavourable variance resulting from new council orientation and training, as well as conferences transitioning back to in-person events.	\$ (12,000)
Other Expenditures	Favourable due to many Council meetings and conferences being held virtually due to COVID-19.	\$ 12,000

## Other Protection

### Animal Control

Budget Item	Commentary	Amount
Licences	Dog tag revenue is significantly below budget and prior year actuals.	\$ (9,000)
Contract Services / Transfer from Reserves	Favourable variance primarily a result of the timing of payments for the Rodent Abatement Program (\$10,000). This is offset by a reduction in transfers from reserves. Net impact is NIL.	\$ NIL
Other Expenditures	Favourability primarily due to not utilizing commissionaire services, used to enforce dog tag registration, during the year due to COVID-19.	\$ 14,000



### Crossing Guards

Budget Item	Commentary	Amount
Wages & Benefits	Favourable due to school closures in January 2022 as a result of COVID-19.	\$ 15,000

### Pool

Budget Item	Commentary	Amount
Grants	Projected to be favourable to budget due to greater than anticipated Canadian Summer Student grants.	\$ 31,000
User Charges	Unfavourable due to lower than anticipated Pool program enrollment.	\$ (16,000)
Wages & Benefits	Favourable variance resulting from less overall hours incurred in 2022 than anticipated.	\$ 7,000

### Recreation Other

#### Special Events

Budget Item	Commentary	Amount
Grants	Favourable due to the unbudgeted receipt of ReconnectON and Canadian Summer Student grant funding.	\$ 7,000
Donations	Favourable due to higher than anticipated partnerships from P2P and Essex Power YIC fund.	\$ 9,000
Wages & Benefits	Favourable variance resulting from less actual hours incurred in 2022 than anticipated as a result of COVID. (Confirm w/ Kim)	\$ 7,000

## Planning & Zoning

### Planning & Zoning

Budget Item	Commentary	Amount
Professional Services / Transfer from Reserves	Professional Services are favourable to budget due to less activity than anticipated (\$13,000). This is offset by lower Transfer from Reserves (\$13,000).	\$ NIL
Tecumseh Hamlet Secondary Plan	Increase in project costs of \$21,000 to engage consultant service for consultation with major property owners regarding land servicing cost-sharing strategies. Funded through reserves, so no net impact to the Operating budget.	\$ NIL
Mainstreet Community Improvement Plan	Tecumseh Mainstreet CIP grant program disbursements were \$90,000 below budget. Uncommitted CIP grant program costs are transferred to reserve to be carried forward for future years, therefore no impact to the Operating budget.	\$ NIL
Development Charge Study	Unfavourable variance of \$19,000 mainly resulting from higher than budgeted professional service fees, to be funded through reserves. No net impact to the Operating budget.	\$ NIL
Oldcastle Future Development Lands Study	No costs were incurred as the study was delayed to 2023. Fully funded through reserves, no impact to the Operating budget.	\$ NIL
Comprehensive Zoning By-law	Decrease in costs of \$22,000 are due to a delay in the commencement of the project to late 2022. Fully funded through reserves, thus no impact to the Operating budget.	\$ NIL
Industrial Community Improvement Plan	This project was not included in the 2022 approved budget. Project and funding approved by Council subsequent to budget with actual costs incurred of \$67,000. Fully funded through the Town's Lifecycle Strategic Issues Reserve.	\$ NIL

### Committee of Adjustments

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
User Charges	Unfavourable, primarily due to fewer minor variance applications projected than originally budgeted.	\$ (10,000)
Wages & Benefits	Favourable due to a reduction in meetings and per diems as a result of COVID-19.	\$ 11,000
Professional Development	Favourable due to fewer Committee members attending OACA Conference.	\$ 5,000

### Agriculture & Reforestation

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Grants	Favourable due to higher OMAFRA grant funding as a result overtime incurred by the Drainage Superintendent position.	\$ 7,000
Wages & Benefits / Transfer from Reserves	Favourable variance primarily due to position vacancies during the year.	\$ 55,000
Professional Services	Favourable due to lower than anticipated activity for fiscal 2022.	\$ 10,000

## Arena

### Arena

Budget Item	Commentary	Amount
Grants / User Charges	Unfavourable due to facility and program closures as a result of COVID-19 restrictions. COVID-19 Relief grant funding, deferred from 2021, was used in the amount of \$15,000 to lessen the impact.	\$ (57,000)
Wages & Benefits / Transfer from Reserves	Favourable due to vacancies and reduced hours as a result of facility and program closures. Offset slightly by a Transfer from Reserves.	\$ 48,000
Maintenance Services	Unfavourable primarily due to unanticipated service and repairs of the refrigeration plant required.	\$ (13,000)
Utilities	Favourability driven by lower arena usage due to COVID-19 related closures.	\$ 57,000
Other Expenditures / Transfer from Reserves	Spent an incremental \$15,000 for security personnel related to vaccine passports. These direct COVID-19 operating costs will be funded through reserves established from 2021, thus no impact to Operating budget.	\$ NIL

### Recreation Programs

Budget Item	Commentary	Amount
Grants	Received additional Canadian Summer Student grant funding than budgeted.	\$ 11,000
Wages & Benefits	Favourability due to salary gapping and fewer hours incurred in 2022 than budgeted.	\$ 15,000

## Fire Services

Budget Item	Commentary	Amount
Wages & Benefits	Projected to be favourable due to lower hours for volunteer firefighters, salary gapping and vacancies.	\$ 93,000
Maintenance Materials & Supplies	Favourability mainly due to supply issues causing the delay in the purchase of uniforms (\$9,000) and equipment (\$4,000) to 2023. Slightly offset by a \$7,000 unfavourable increase in gas costs.	\$ 8,000
Professional Fees / Transfer from Reserves	Favourable expense due to delay in completion of a Fire Master Plan (\$130,000). This is offset by a reduction in Transfers from Reserves (\$130,000), thus no impact to the Operating budget	\$ NIL

## Police

### Police

Budget Item	Commentary	Amount
Grants	Favourability mainly due to 2022 Joint Community Safety and Policing Program funding change, now allowing for recovery of Tecumseh detachment Constable costs. Program administered through the Town of Kingsville (\$78,000).	\$ 67,000
User Charges	Favourability mainly due to greater than anticipated false alarm and O.P.P clearance revenues (\$9,000).	\$ 6,000
Contract Services	Favourable variance is primarily due to lower than anticipated O.P.P contract costs (\$18,000).	\$ 22,000

## Police Service Board

Budget Item	Commentary	Amount
Professional Development	Favourable as members opted for virtual attendance at OAPSB Conference due to COVID-19.	\$ 5,000
Public Relations	Favourability due to not have an active CSO in 2022.	\$ 3,000

## Parks

### Parks

Budget Item	Commentary	Amount
Grants	Favourable to budget due to greater than anticipated Canadian Summer Student grants.	\$ 7,000
User Charges / Transfers to Reserves	Received donations related to the Commemorative Tree and Bench program (\$19,000). These funds will be transferred to reserves, thus no impact to operating budget.	\$ NIL
Wages & Benefits / Transfer from Reserves	Favourability is due to vacancies (including fewer students due to reduced demand on park and sport fields as a result of COVID-19 closures), partially offset with seasonal coverage.	\$ 115,000
Maintenance Materials & Supplies	Unfavourability mainly caused by an increase in materials spending for sports fields after a number of years of reduced spending resulting from COVID.	\$ (17,000)
Maintenance Service	Unfavourable variance primarily due to unanticipated tree trimming & removal required due to storms.	(6,000)
Utilities	Unfavourable due to higher than anticipated usage.	\$ (7,000)
Insurance	Lower than budgeted premiums.	\$ 6,000

## Park Buildings

Budget Item	Commentary	Amount
Grants	Revenue received from Canadian Summer Student grant program greater than budget	\$ 6,000
User Charges	Favourable variance resulting from greater than anticipated hall rental revenue.	\$ 5,000
Wages & Benefits	Favourable variance due to lower overall hours incurred as a result of COVID-19.	\$ 18,000

## Administration

### People & Culture

Budget Item	Commentary	Amount
Professional Services	Unfavourable due to legal services provided on confidential personnel matters.	\$ (32,000)
Professional Development	Favourable due not attending various conferences due to COVID-19.	\$ 6,000
Public Relations	Favourable variance resulting from lower than anticipated expenses incurred in 2022.	\$ 9,000

### Maintenance

Budget Item	Commentary	Amount
Wages & Benefits	Unfavourable due to addition of a co-op student mid-year.	\$ (9,000)

## Advisory Committees

### a) Seniors

Budget Item	Commentary	Amount
Grants	Received additional funding from Seniors Community Grant (SCG) in the year.	\$ 9,000
Total Expenditures	The above noted SCG grant was utilized in the year for education and fitness workshops.	\$ (4,000)

### b) Youth

Budget Item	Commentary	Amount
Total Expenditures	Favourability driven by less activity due to COVID-19 restrictions.	\$ 10,000

## CAO

### a) Tecumseh 100 Celebration

Budget Item	Commentary	Amount
Grants	Higher than budgeted Grant revenue received for the Tecumseh 100 Celebration	\$ 10,000
Donations	Received more than budgeted donations received for Tecumseh 100 Celebration.	\$ 31,000
Total Expenditures	Favourable due to lower overall costs incurred than budget.	\$ 50,000
Transfer from Reserves	Higher than anticipated revenue coupled with lower than budgeted expenditures (see comments above) resulted in having to transfer less from Reserves.	\$ (91,000)



**b) Other**

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Professional Fees – Legal / Transfer from Reserves	Favourability due to lower than anticipated costs to be spent on ongoing lottery litigation (\$188,000), offset by decrease in required amount to be Transferred from Reserves (\$158,000).	\$ 30,000
Professional Fees – Other	Favourable due to overall lower than anticipated activity.	\$ 56,000

**Technology & Client Services**

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Grants	Favourability driven by the following grants: \$50,000 for Municipal Modernization Program Intake 2 (MMP2) for digital strategy received in fiscal 2022. \$16,000 of deferred grant revenue from fiscal 2021. \$4,200 for Canadian Summer Student grant.	\$ 70,000
User Charges	Unfavourable due to lower SCADA cost recoveries from the City of Windsor than anticipated. This account fluctuates depending on maintenance costs incurred.	\$ (6,000)
Transfers from Reserves	As a result of increased grant revenue, funds are no longer anticipated to be required from Reserves to support the implementation of Cloud Strategies.	\$ (39,000)
Wages & Benefits	Favourable variance primarily due to vacancies.	\$ 91,000
Office Supplies & Equipment Maintenance	Favourable variance primarily due to lower than anticipated Computer Support/Software costs incurred in 2022 (\$11,000). Cybersecurity monitoring projects were delayed to 2023	\$ 13,000

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Professional Fees	Unfavourable due to greater than anticipated costs incurred to implement Cloud/Digital Strategy. This is partially offset with additional revenue received, as noted above. Additionally, unbudgeted costs were incurred to complete the Bring Your Own Device (BYOD) policy.	\$ (39,000)
Communication	Unfavourable to budget due to an increase in employees requiring communication devices.	\$ (9,000)

### Customer Service

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Wages & Benefits	Favourable variance due to vacancies.	\$ 65,000
Professional Fee – Other	Favourability mainly due to deferring citizen satisfaction survey to spring 2023 (\$15,000).	\$ 14,000

### Financial Services

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Wages & Benefits	Favourability driven by vacancies.	\$ 163,000
Professional Development	Favourable variance resulting from lower than anticipated activity during 2022.	\$ 8,000
Grants / Professional Fees	Variance to budget due to \$18,000 for professional fees related to the Payroll Service Delivery review. These fees are directly offset by grant revenue (MMP2) received for this project in 2021 carried forward to 2022.	NIL

## Legislative & Clerk Services

### a) General

Budget Item	Commentary	Amount
Grants / Licenses & Permits	<p>Lottery licenses are unfavourable due to loss of revenue as a result of COVID-19. COVID-19 Relief grant funding, deferred from 2021, used in the amount of \$100,000 to offset impact to operating budget. Net impact is Nil.</p> <p>Grants are unfavourable \$6,000 due to deferral of MMP-3 grant for records management.</p>	\$ (6,000)
Transfer from Reserves	Lower than anticipated because of full cost recovery for the Records & Information Management Review under the MMP-3 grant and lottery license deficit being funded from COVID-19 Relief grant funding.	\$ (12,000)
Wages & Benefits	Favourable due to vacancies.	\$ 163,000
Professional Development	Favourable due to lower activity than anticipated in 2022.	\$ 9,000
Professional Services	<p>Unfavourable, primarily due to</p> <ol style="list-style-type: none"> <li>1) Fees related to alley closures (\$12,000)</li> <li>2) Increased legal activity related to the review of various agreements (\$8,000)</li> <li>3) Carryover of fees related to Clerk Review that started in Q4 2021 (\$8,500)</li> </ol> <p>Offset by favourable \$18,000 variance for Records &amp; Information Management Review completed in 2023.</p>	\$ (13,000)
Other Expenditures	Favourability due to not hosting a volunteer appreciation night during 2022 as a result of COVID-19 (\$4,000), deferral of additional shredding cost related to records management initiatives (\$2,000) and reclassing costs of Datafix software to Information Technologies department (\$2,000).	\$ 10,000

## Rate Supported

Significant variances within department operating budgets are summarized below. A positive number represents a favourable variance (increases in revenues or decreases in expenditures).

### Sanitary Sewers

Budget Item	Commentary	Amount
User Charges	Favourability due to higher non-residential consumption (\$142,000), higher sewer capital charges (\$31,000) and development review recoveries (\$6,000).	\$ 180,000
Maintenance Materials & Supplies	Unfavourable variance primarily due to unanticipated cost incurred for excavation mats in Q4 2022.	\$ (7,000)
Maintenance Services	Unfavourable variance due to unbudgeted Private Drain Connection (PDC) replacements and unanticipated repairs required to the St. Alphonse pump station.	\$ (23,000)
Contract Services	Favourable variance resulting from lower overall consumption volumes than budgeted (approximately 23% decrease), offset by higher than budgeted rates for wastewater treatment costs from the City of Windsor (approximately 18% increase). City rates are based on prior year operating costs per volume.	\$ 63,000
Utilities	Unfavourable due to greater than anticipated usage.	\$ (6,000)
Grants Expense	Favourable due to lower than anticipated intake of wastewater backflow and foundation disconnection subsidy program.	\$ 59,000

## Waterworks System

### Watermain and Services

#### a) General

Budget Item	Commentary	Amount
Grants	Favourable, due to unanticipated receipt of Canadian Summer Student grant funding.	\$ 5,000
User Charges	Favourable, primarily due to greater than anticipated development activity in Q3/Q4 (\$22,000), as well as insurance proceeds for the replacement of service truck tools stolen.	\$ 43,000
Wages & Benefits/Transfer from Reserves	Favourable due to vacancies.	\$ 234,000
Maintenance Materials & Supplies	Unfavourability mainly due to higher than budgeted fuel rates (\$14,000) and costs for a locator replacement and Chlorine residual kits (\$15,000). In addition, service truck tool replacement cost (\$28,000) were incurred due to theft, partially offset by insurance proceeds noted above.	\$ (46,000)
Purchases for Resale	Unfavourability due to bulk water purchase rates greater than budgeted.	\$ (48,000)
Maintenance Service	Unfavourable variance primarily due to unplanned asphalt repairs.	\$ (5,000)

### General Waterworks

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
User Charges	Favourable, primarily due to higher than anticipated residential and non-residential consumption (\$19,000 & \$171,000 respectively) and fixed charges (\$52,000).	\$ 253,000
Wages & Benefits	Unfavourability due to shared cost of Development Engineer for 2022 fourth quarter as well as additional overtime	\$ (9,000)
Professional Development	Projected to be favourable due to lower than budget professional development during the year.	\$ 12,000
Professional Services	Favourable variance resulting from lower than anticipated activity in 2022.	\$ 20,000

### Water Oasis

<b>Budget Item</b>	<b>Commentary</b>	<b>Amount</b>
Maintenance	Unfavourable due to repairs required to the building subsequent to a hit and run incident.	\$ (5,000)