

## Supplementary Budget – Briefing Note

## 2018 Budget

One page brief per request

**Briefing Note required for:****-items >\$50,000****-changes in FTE**

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
IES	Public Works	Chatham Roads, Wallaceburg, Chatham Township, Thamesville, Ridgetown, Kent Centre, Raleigh, Tilbury, Dover	Winter Control - salt materials	B	\$500,000	

**Background:**

-Briefly provide why this is a request  
(eg. Based on 3 year history)

The estimated total winter control cost for Chatham-Kent (less parking lot winter control, and airport winter control) is \$4.73M based on a linear regression trend dating back to 2001. It has been identified by Financial Services that the current accounting process may have been undercosting the component of Winter Control. The exact amount and source of undercosting is under review. In addition to inflation and market fluctuations, additional roads and sidewalks have been added to the network since 2001. The province has minimum maintenance standards for winter control that must be met.

**Comment:**

- provide any further details if required, impact to user fees, etc  
(eg. Gross expenses, any revenues, subsidies, etc.)

There is significant uncontrolled fluctuations that make it difficult to predict future costs (i.e. weather events, cost of salt, overtime, ...) The current predictions are based on statistical trends. There is a fixed component to the winter budget that cannot be easily changed or that would lead to non-compliance to the legislation and service levels ( permanent staff, vehicles, training, overhead, weather forecasting, salt/brine, contractors ), This represents about \$3.89M. The variable component would be easier to change and not create a non-compliance to legislation or service level (non-permanent staff, stand by costs, contractors) represents \$0.84M. There is currently a winter control reserve that allows the mitigation of fluctuating costs due to the unpredictable nature of winter control operations.

