

External Commitments

Statement of Purpose

The County of Essex makes financial contributions towards programs that benefit all County residents.

Service Description

Mandatory and discretionary contributions to external boards and agencies are represented in External Commitments.

Prior Year Performance

Contributions to external boards and agencies are projected to have a net favourable variance of \$694,700.

Savings of \$585,000 in Social Services expenditures was the single most significant factor, due largely to sustained reductions in Ontario Works caseloads. To a lesser extent, operational variances were experienced in Social Housing costs, Public Health and Physician Recruitment.

Some of the Social Housing capital renewal projects that were included in the 2018 budget were deferred, however these expenditures are funded by the Capital reserve and therefore do not impact the operational surplus.

Proposed Budget – Current Year

The proposed budget for 2019 amounts to \$28,873,860, an increase of \$2.1 million (7.9%) over prior year.

Significant operating factors contributing to this net increase include:

- (\$35,000) decrease in Social Services. 2018 was the final year of the multi-year provincial uploading of Ontario Works costs. 2019 estimates assume stability in Ontario Works caseload levels and related administrative costs.
- \$357,000 increase in Social Housing operating costs due to increases in program delivery, utilities and general maintenance costs.
- \$450,000 increase in contribution to reserve for future Social Housing capital requests. An increase from \$600,000 to \$1.05 million per year towards a comprehensive long term capital plan is required to renew and maintain the region's housing stock. All capital renewal projects will be funded through the Corporation's Capital Reserve, with amounts that have been planned for and included in the budget since 2011. Current capital plans would more than deplete the amounts set aside for Social Housing Capital. Annual increases in base capital funding will continue to be required to address the backlog and anticipated future capital requirements - estimates exceed \$10 million, in total, over the next 5-7 years.

External Commitments

- \$1.2 million increase to address the County's future commitment for the New Windsor Essex Hospital System (NWEHS).
- \$103,000 increase in Public Health costs (Board approved increase of 5%)
- \$37,000 increase in the County's share of Property Assessment costs (MPAC) (estimated)
- \$10,000 allocation for ProsperUs

There has been no change in the ongoing commitments to Erie Shores Hospice (ends in 2023), Windsor Regional Hospital (ends in 2019) or SWIFT (ends in 2019).