



2022 Budget Overview

COUNTYOFESSEX.CA

Fundamental Principles

- Appropriate levels of service are being delivered to the community.
- The Corporation is prepared to maintain its commitments to the community as represented by current discretionary funding levels (i.e. external commitments).
- Consideration has been given to the impact of decisions on the Corporation's future financial stability.

Budget Process

- Budget Assumptions / Format / Timetable
- Preparation of Preliminary Departmental Estimates
- Administrative Review
- Council Review (December 1, 2021)

Fiscally Responsible Government



- Standard & Poor's **AA+** Credit rating
 - Very low debt (\$0 Levy supported debt)
 - Health liquidity
 - Solid Reserve Strategy
 - Long standing life-cycle capital program
 - Pay-as-we-go infrastructure
- Consistent tax rates – at or below inflation

Inflation & County Tax Rates

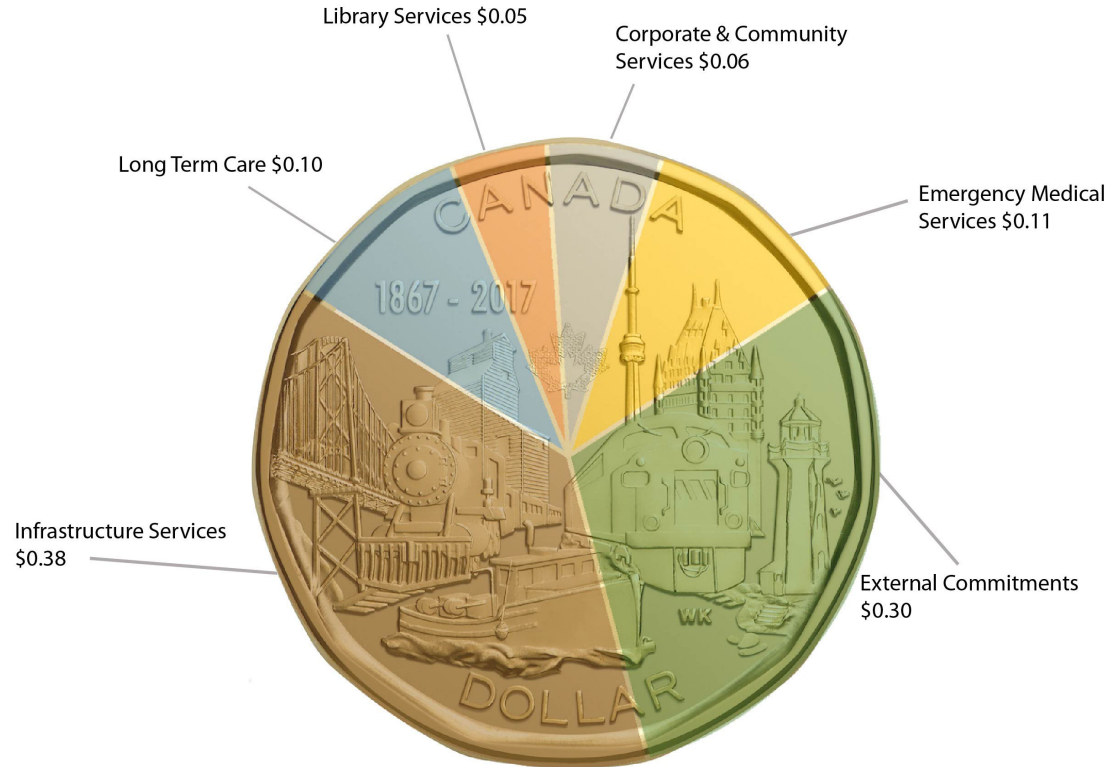


- Established practice of keeping tax rate increases at or below inflation
- Recessionary economy due to pandemic
- Periods of higher inflation
- Use of 2% represents a 2022 Budget Risk
- Proposed tax rate increase well below actual inflation

Budget Summary

Budget Summary	2021 Budget	2021 Projection	2022 Budget
Operating Budget:			
Operating Expenditures	129,203,230	133,086,460	138,031,270
Operating Recoveries	(62,239,180)	(69,340,480)	(65,375,000)
Contrib to (from) Reserves	6,975,800	10,193,870	5,538,400
Net Operating Budget:	73,939,850	73,939,850	78,194,670
Capital Budget:			
Capital Expenditures	67,235,730	35,620,730	60,824,700
Capital Recoveries	(9,510,540)	(9,805,210)	(5,913,800)
Contrib to (from) Reserves	(19,169,550)	12,740,120	(16,429,400)
Net Capital Budget:	38,555,640	38,555,640	38,481,500
Total County Responsibility	112,495,490	112,495,490	116,676,170

Your 2022 Tax Dollar



2022 Budget Impact Variables



Budget 2022 - Summary of Levy Impact Variables	Levy Impact	Tax Impact
County Levy 2021	\$112,494,490	-1.92%
Sun Parlor Home	\$301,620	0.27%
Emergency Medical Services	\$658,860	0.57%
Infrastructure Services	\$347,110	0.31%
Library Services	\$156,350	0.14%
General Government Services	\$730,710	0.63%
External Commitments	\$1,986,030	1.73%
County Levy 2022	\$116,676,170	1.73%

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SPH & EMS Budget Impacts



- COVID-19 Risk (full 12 months to varying degrees)
- Staff additions at SPH to phase in increase to 4 hours of direct care/resident/day by 2025
- Staff additions at EMS to address growth in modified alignment with the 2018 Master Plan

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Infrastructure Services

- Levy funded reserve contribution to Expansion Program remains at 2021 level
- Additional \$100,000 on base levy for CWATS in accordance with approved funding model
- Inflationary pressures high for this department
- Civic Centre renovations continue in 2022

Infrastructure Services

- Asset Management legislative requirement in July 2022
- Review of software to support better integration between front line work orders and asset inventory condition rating tracking
- Continuation of a number of master plans

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- Planned return to pre-pandemic service levels
- Focus on technology and Open+ service expansion
- Inflationary pressures affecting tangible collection
- Efforts to improve collaboration with local municipalities and create synergies for the provision of public programming

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General Government

- 2022 Council Election year
- Additional staff to address technology, legal, records management and human resource service demands
- Final year of presentation of Planning with Gen Gov, future years shown with Infrastructure Services

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External Commitments



Most significant impact to 2022 Proposed Tax Rate

- Risk associated with WECHU contribution
- Social Housing Operations costs increasing
- Annualization of 20 year commitment to The Bridge
- Consultant to assist with Regional Affordable Housing Strategy and Social Housing Funding Agreement with City of Windsor and WECHC
- NWEHS contribution increase according to funding model

Reserve Strategy



Key to:

- Long term fiscal sustainability
- Reducing tax rate volatility
- Managing affordability for current and future generations
- Effectively executing the Strategic Asset Management Plan and Policy

Reserve Strategy



Reserve	2019 Actual	2020 Actual	2021 Projection (unaudited)	2022 Budget
Capital Acquisition / Replacement	57,066,033	65,061,546	72,003,706	70,420,666
WSIB	3,219,120	3,448,840	3,462,840	3,649,140
Rate Stabilization	13,586,882	14,659,805	13,517,805	8,681,405
Roadway Expansion	77,204,582	88,539,141	100,126,410	89,335,550
Working Funds	4,500,000	4,500,000	4,500,000	4,500,000
Insurance and Health Benefits	2,895,652	3,318,852	3,051,412	2,824,412
EMS Severance	330,153	330,153	330,153	330,153
New Windsor Essex Hospital System	13,347,000	20,368,000	26,168,000	32,528,000
Total Reserves	\$172,149,422	\$220,226,336	\$223,160,326	\$212,269,326

Budget Risk Factors

- COVID-19
- Inflationary pressures (materials, insurance)
- Legislative service delivery changes
- EMS volume pressures
- SPH resident acuity pressures
- Winter control season

Budget Risk Factors

- Investment return volatility
- Outstanding collective agreements
- Job evaluation and job equity
- Social housing capital renewal timelines

Tax Rate Impact

Year	Per \$100,000 of CVA	Residential Tax Rate	Taxes	Tax Change	%
2021	\$100,000	.0048942989	\$489.42		
2022	\$100,000	.0049789608	\$497.89	\$8.47	1.73%



Questions?

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