

## Financial Services



The Financial Services Department plays a crucial role in maintaining the County's strong financial position. Under the leadership of the Director of Financial Services/Treasurer, the team is responsible for managing the County's finances, overseeing procurement and addressing risk management. These efforts ensure that resources are utilized effectively, supporting the delivery of dynamic services to the community.

### Finance

The Finance team handles the County's financial planning, budgeting and reporting, ensuring that everything stays on track. Cash flow and investments are managed with a focus on the wise and secure use of the County's funds. Additionally, payroll and employee benefits are overseen to ensure staff are compensated promptly and have the necessary support.

The team develops the County's budget in alignment with service priorities, allowing for preparation for future needs. Investment of County funds are approached with care to strike a balance between safety and return, while financial reporting is ensured to be accurate and compliant with regulations. A close watch is also kept on payroll and benefits administration to maintain smooth operations for employees.

### Procurement

The Procurement team is dedicated to securing the goods and services essential for the County's effective operation. The focus is on delivering value for money through a fair and transparent process that adheres to all regulatory requirements. By collaborating closely with various departments, the team facilitates their needs without unnecessary delays and fosters strong partnerships with suppliers to ensure seamless operations.

### Risk Management

Risk management is integrated into the daily functions of both the Finance and Procurement teams. This commitment to protecting the County involves identifying potential risks and implementing plans to address them. This includes managing insurance coverage and taking proactive measures to prevent losses. Adequate insurance is ensured, efforts are made to minimize risk exposure and assistance is provided in developing contingency plans to maintain service continuity during unforeseen events.

### Level of Service Statement

The Financial Services Department supports all departments of the County, including Community Services, Sun Parlor Home, Emergency Services, Infrastructure and Planning Services, the Essex County Library and other General Government Services departments. Our team provides financial, procurement and risk management support to keep County operations running smoothly. We actively collaborate with local partners to share best practices and enhance relationships throughout the County.

## Opportunities and Challenges for 2025

2025 brings several opportunities for advancing the County's operational efficiency and financial management practices. One of the major highlights is the scheduled implementation of the new Human Resources Information System (HRIS) in July. This system will greatly enhance payroll processes, automating many manual tasks and providing better integration between the Finance and Human Resources departments. The HRIS is expected to increase accuracy and save valuable time for staff, allowing them to focus on more strategic activities. The collaboration between Finance and HR has been vital in making this a reality and we are excited to see the benefits of this streamlined approach take effect across the organization.

In the proposed 2025 Budget, we have allocated funds to purchase new budgeting software which will help modernize the way we plan and manage County finances. By reducing manual processes, the software will provide staff with more time to focus on value-added tasks such as financial analysis and strategic planning. This will enhance our ability to respond quickly to budgetary changes and improve our overall financial planning.

In 2025, the County's Asset Management Plan (AMP) will be updated to meet the new Ontario regulations with a July 1, 2025 deadline. The AMP will establish clearly defined Levels of Service (LOS) for each asset category, detailing current service levels and proposed targets aligned with the County's objectives. It will also include a financial strategy outlining the costs of maintaining, rehabilitating and replacing infrastructure, along with funding sources necessary to sustain these service levels. We will work closely with departments to ensure the AMP is ready for Council approval by mid-2025, enabling us to support long-term sustainability and effective service delivery.

In addition to these initiatives, Financial Services will continue to assist other departments with provincial financial reporting and grant applications. While there are no new reporting requirements for 2025 at this time, our team's expertise in financial reporting and data analysis will be key to supporting the County's efforts in securing external funding, which helps reduce pressure on the operating budget.

Challenges remain in areas like procurement, where we expect to face ongoing pressure to ensure the best value for money. Though inflation appears to be stabilizing, many vendors have not yet adjusted their prices, and negotiating fair pricing will be a continued focus. Our team will remain attentive in securing cost-effective solutions while maintaining service quality.

## Proposed 2025 Budget Plan

The proposed 2025 Budget reflects our commitment to addressing the County's operational needs while continuing to plan for long-term growth and financial sustainability. Central to this plan is the funding for the new HRIS system and budgeting software. These two systems will have a transformative impact on our financial processes, improving accuracy and efficiency and freeing up resources for other tasks. Both investments are designed to deliver long-term savings by reducing administrative burdens and optimizing staff workloads.

A key focus for 2025 is ensuring that the County's infrastructure assets are managed effectively. The AMP will require continued investment to meet our internal spending goals for core and non-core infrastructure. We will also continue to incorporate long-term strategies for maintaining service levels in the budget.

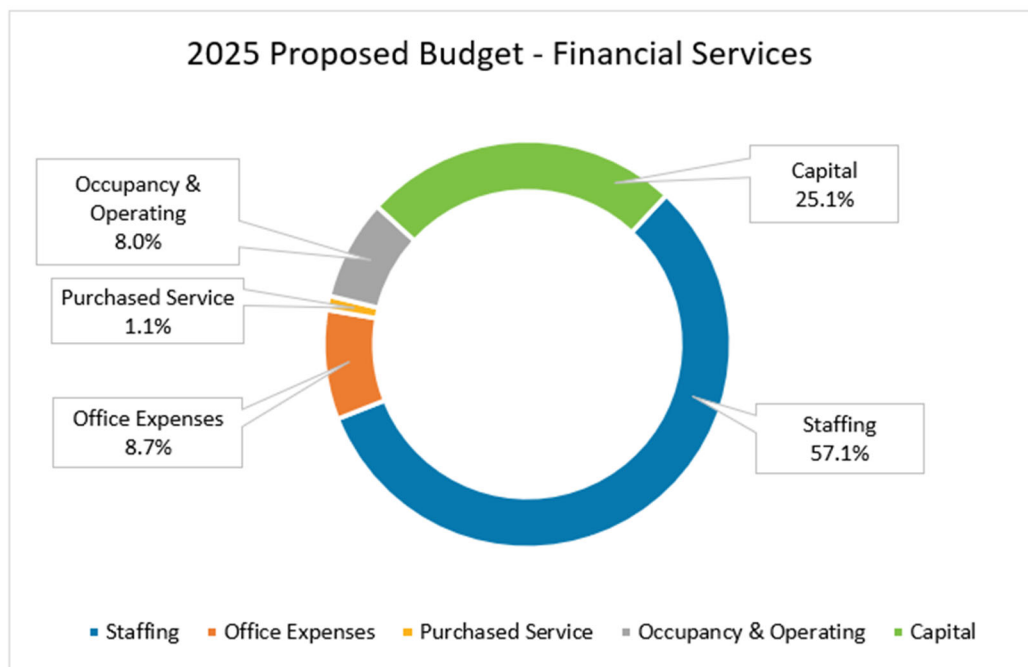
On the EMS front, while the purchase of land for the new base did not occur in 2024 as planned, the acquisition remains a priority in 2025. This investment is critical for expanding our Emergency Services infrastructure and meeting the growing demand for EMS services across the County.

The department is proposing an increase to the Insurance Deductibles line item, which will cover any deductible costs associated with property damage. This adjustment will align the budget with the actual cost of the deductible. If the funds are not utilized, any surplus will be redirected to the Insurance Reserve for potential future use.

Lastly, procurement processes will remain unchanged for 2025 as the revised policy came into effect in February 2024. Our focus will continue to be on driving cost efficiencies and ensuring that every dollar spent delivers maximum value for the County. With inflation stabilizing, we will work closely with vendors to ensure pricing reflects current market conditions, which may lead to some challenges as suppliers adjust to the new economic environment.

The proposed budget strikes a balance between investing in key systems and infrastructure while carefully managing operational costs to ensure the County's financial health remains strong in the coming years.

The following graph illustrates the key areas of proposed 2025 Budget spending in Financial Services:



Overall, the proposed 2025 Budget for Financial Services, net of recoveries, totals \$128,200 (a decrease of \$731,200 (85.1%) over the 2024 Budget of \$859,400).

## Alignment with Strategic Plan Initiatives

As we move into 2025, Financial Services proposed initiatives and budget planning align closely with the strategic priorities established by County Council in December 2023.

### Working as Team Essex County

By investing in the new Human Resources Information System (HRIS) and new budgeting software (if approved), the focus is on fostering a collaborative environment that embodies the essence of "Team Essex County."

Streamlining payroll processes not only enhances efficiency but also strengthens the integration between Finance and HR, allowing for a concentrated effort on delivering results for the community.

### Providing Reliable Infrastructure for Partners

The commitment to providing reliable infrastructure is underscored by the work on the Asset Management Plan (AMP). While recognizing that there are gaps in spending within the AMP, the proposed budget includes funding to begin addressing these deficiencies. This proactive approach ensures alignment with updated Ontario regulations, contributing to the creation of a more sustainable infrastructure for the future. However, it is understood that Council may consider reducing these funds if there is a desire to lower the tax rate, and alternatives will be prepared for discussion to maintain essential services without overburdening taxpayers.

### A Government Working for the People

Support for grant applications demonstrates a dedication to making a government that truly works for the people. By assisting other departments in securing external funding, the aim is to enhance the overall success of the County's initiatives and ensure that the community benefits from available resources. This emphasis on transparency and collaboration not only builds trust but also promotes awareness of efforts to enhance public service.