



External Commitments

Service Delivery Promise

The County of Essex works closely with our regional partners to address important issues affecting our community. Some of these issues go beyond the County's direct responsibilities, but we recognize their importance and choose to contribute. In other cases, our contributions are required as part of legislation and service agreements. The County continues to manage these commitments to support the well-being of our residents.

Level of Service Statement

The County's external commitments are categorized as either legislated or discretionary. Legislated commitments include funding for shared services relating to public health, property assessment, social services and social housing. Currently, the County supports discretionary commitments related to hospital support, regional economic development, tourism, housing and homelessness and regional tax appeal support.

Opportunities and Challenges for 2026

As we move into 2026, the County of Essex is responding to important opportunities and challenges. While inflation remains stable, the City of Windsor, as the regional provider for social services and housing, has identified increased pressures due to environmental and economic factors, resulting in a need for additional funding for social services and social housing.

Collaboration with regional partners will be essential in addressing these challenges and ensuring that the community's needs are met while maintaining fiscal responsibility.

Proposed 2026 Budget Plan

The proposed 2026 Budget emphasizes our commitment to collaborating with the community to meet both legislated and discretionary obligations. We are dedicated to ensuring that our resources are effectively allocated to address the pressing needs of our residents while fostering partnerships that enhance service delivery.

Legislated Commitments

The County's contribution to the Windsor Essex County Health Unit costs is expected to rise slightly by just over 1% compared to last year's budget. MPAC costs for property assessments are anticipated to increase by 2% over the 2025 projected amount.

The primary drivers of increases in the legislated area include a rise in the budget for Social Services and Social Housing operating costs. This is due to contractual wage increases for City staff as well as due to changes in the Child Care administrative funding formula from the Ministry of Education (MEDU).

The Windsor Essex Community Housing Corporation (WECHC) has also requested additional operating funds. The projection above reflects only a portion of this request based on the County's anticipated share, with any further adjustments subject to future City Council approvals.

Social Housing capital renewal spending is projected to be significantly higher in 2026 based on the WECHC's 10-year plan. Significant increases in spending are planned for the next several years which will deplete our reserves over the next few years. To plan for the long-term, we continue to increase our contribution to the Social Housing Capital Reserve annually by \$200,000. Despite our best efforts to increase the reserve to fund the heavier spending years in the 10-year plan, we will fall short should the City ask for the anticipated funds in the plan. We will continue to build this reserve to ensure adequate funds are available when required.

Discretionary Commitments

Our long-term discretionary commitment to Erie Shores HealthCare remains in place, with \$200,000 allocated for year three of a 10-year agreement.

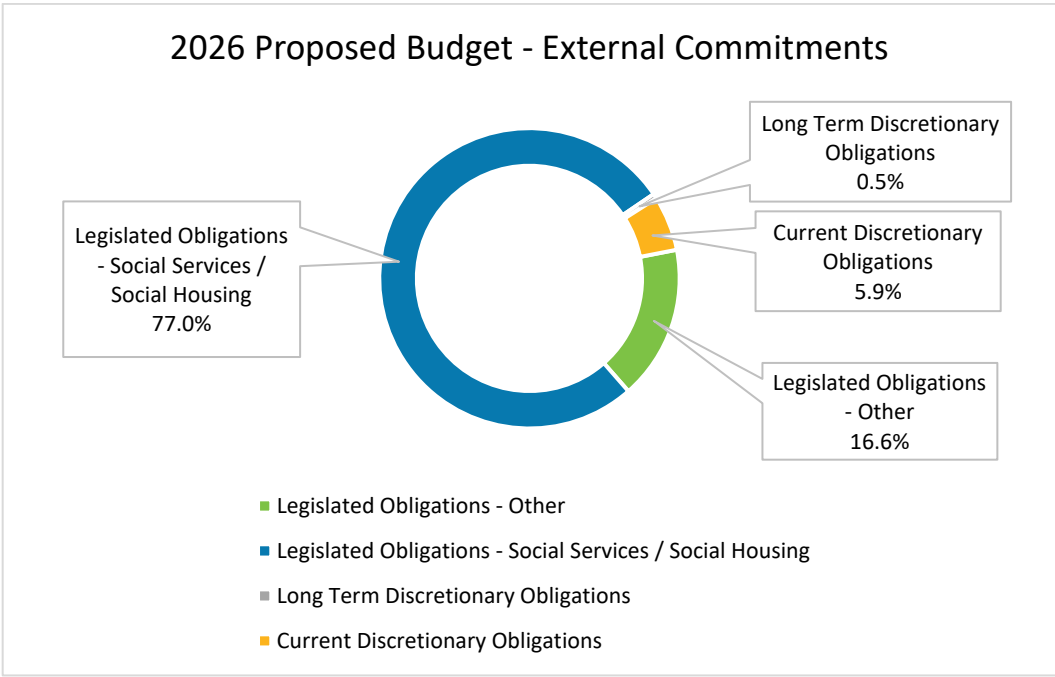
We continue to allocate funds to the New Windsor Essex Hospital Reserve, following the historical funding model. This year's budget includes an increase of \$720,000, bringing our total contribution to \$7,760,000 for 2026.

In terms of current discretionary commitments, we continue to support Invest WindsorEssex, the region's economic development agency. No budget increase has been requested since 2023. Tourism Windsor Essex Pelee Island (TWEPI)

also continues to be supported at funding levels consistent since 2022. Additionally, there is funding for MTE (Municipal Tax Equity), a consulting firm which provides tax assessment appeal services for local municipalities. This item was reduced last year, however, as shown by the 2025 projections, a slight increase was included this year to accommodate what is actually being spent annually.

Contributions to the Community Safety and Well-Being Plan in partnership with the City of Windsor have increased due to anticipated contractual increases for City of Windsor staff who support the program. This plan, developed in collaboration with various municipalities, agencies and organizations, aims to enhance the safety and well-being of communities across Windsor and Essex County. These funds will support the execution of this important initiative.

The following graph illustrates the key areas of proposed 2026 Budget spending in External Commitments:



Overall, the proposed 2026 Budget for External Commitments, net of recoveries, totals \$41,386,130 (an increase of \$1,530,430 (3.8%) over the 2025 Budget of \$39,855,700).

Alignment with Strategic Plan Initiatives

Harmonizing Action for Growth

Community Safety and Well-Being Plan: The collaboration between the County, the City of Windsor, and various agencies underlines the emphasis on teamwork across different sectors to enhance safety and community well-being. This initiative demonstrates a commitment to addressing regional issues through partnership and joint action, making sure all municipalities are aligned toward common goals.

Supporting Dynamic and Thriving Communities Across the County

Invest WindsorEssex: The funding for economic development supports efforts to attract investment and boost the regional economy, aligning with the County's objective of strengthening the County of Essex as a competitive and thriving region. This initiative contributes to building a stronger regional economy by leveraging opportunities for growth and sustainability.

Tourism Windsor Essex Pelee Island (TWEPI): Maintaining consistent funding for TWEPI supports the growth of tourism, which plays a vital role in driving economic activity. This investment in tourism infrastructure contributes to the County's vision of being a regional powerhouse, attracting visitors and boosting local businesses.

Focusing "Team Essex County" for Results

Social Services and Social Housing: The budget increases for social services and social housing operations reflect a focus on addressing the immediate needs of vulnerable populations within the County. These services are crucial for maintaining the health and well-being of the community and ensuring that County residents receive the support they need.

Erie Shores HealthCare: By maintaining the \$200,000 discretionary commitment to healthcare services in year three of a 10-year plan, the County is ensuring that it delivers assistance for the healthcare sector in our region.