

# External Commitments

## Statement of Purpose

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

## Service Description

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

## Prior Year Performance

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Contributions to external boards and agencies are projected to have a net favourable variance of \$246,000.

Savings of \$408,000 in Social Services expenditures was the single most significant factor, due largely to sustained reductions in Ontario Works caseloads. This was offset, in part, by unfavourable variances in Social Housing costs, due to lower rent recoveries (Rent Geared to Income programs), and higher property taxes due to increased assessments.

A retroactive payment to bring SWIFT up to date was funded by the Rate Stabilization reserve, as it was budgeted in prior years.

## Proposed Budget – Current Year

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The proposed budget for 2018 amounts to \$26,752,150, an increase of \$743,760 (2.9%) over prior year.

Significant operating factors contributing to this net increase include:

- (\$602,000) decrease in Social Services due largely to the continued implementation of previously announced provincial uploading of costs (2018 is the final year of uploading). Savings are offset by an estimated increase due to regional weighted assessment shift (\$50,000) and proposed funding increases for Pathway to Potential (\$87,500).
- \$187,000 increase in Social Housing operating costs due to increases in operating costs, reductions in rent recoveries and continued loss of Federal Block Funding.
- \$435,000 increase in contribution to reserve for future Social Housing capital requests. An increase from \$165,000 to \$600,000 per year towards a comprehensive long term capital plan required to renew and maintain the region's housing stock. For 2018, the request (\$2,367,100) will be funded through the Corporation's Capital Reserve, with amounts that have been planned for and included in the budget since 2011. This will, however, more than deplete the amounts set aside for Social Housing Capital. Replacement of reserve dollars as well as future annual increases in base capital funding will 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

- \$600,000 increase to address the County's future commitment for the New Windsor Essex Hospital System (NWEHS).
- \$97,000 increase in Public Health costs (estimated)
- \$35,000 increase in the County's share of Property Assessment costs (MPAC) (estimated)

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).