



County of Essex

Administrative Report

Office of the Director, Corporate Services/Treasurer

To: Warden Tom Bain and Members of County Council

From: Robert Maisonville
Director of Corporate Services/Treasurer

Date: February 5, 2014

Subject: 2014 Budget – External Commitments

Report #: 2014-R05-FIN-0205-RM

Purpose

To provide Council with the 2014 budget estimates for External Commitments.

Discussion

The External Commitments section is comprised of those programs provided by external agencies for services delivered to the benefit of ratepayers of the County of Essex. The commitments are categorized as legislated, long-term discretionary, current discretionary and discretionary grants.

Prior Year Performance

Net requests for prior year are projected to be in a favourable position of approximately \$709,000, as at December 31, 2013. The savings from budget in social assistance caseloads, social housing costs, as well as savings in physician recruitment costs, account for the significant year-over-year variance. Final reconciliations remain outstanding for Public Health expenditures (Windsor-Essex County Health Unit) as well as Social Services / Social Housing allocations (City of Windsor).

Proposed Budget

In total, the proposed budget for 2014 represents a net increase from prior year of approximately \$148,000, or less than 1%, for a total of \$25,815,610.

Savings from prior year budget in social assistance (\$756,000) and completion of the three-year commitment to International Children's Games (\$100,000) are offset by an increase in request from the Windsor-Essex County Health Unit (\$262,000), an increase in Rate Stabilization (\$500,000) to address the severe winter weather experienced in January, increase allocations to TWEPI (\$28,000) and social housing (\$16,000) and the creation of an Economic Initiative Reserve (\$200,000), to provide Council with the flexibility to address future initiatives such as sports tourism, community "bricks & mortar" requests and/or regional economic proposals.

Included within the estimates is \$500,000 (year 5 of a 10-year commitment) to fulfil capital commitments to the John McGivney Children's Centre, Hotel Dieu Grace Healthcare and the Windsor Regional Hospital.

Recommendation

For the information and consideration of Council.

Respectfully Submitted

Robert Maisonville

-Originally signed by Robert Maisonville-

Robert Maisonville
Director of Corporate Services/Treasurer

Concurred With,

Brian Gregg

-Originally signed by Brian Gregg-

Brian Gregg
Chief Administrative Officer

Appendix No.	Title of Appendix
Appendix A	External Commitments – 2014 Budget

EXTERNAL COMMITMENTS

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 \$709,000 for 2013. Savings of \$500,000 in Social Services (due largely to Ontario Works caseload reductions) and \$192,000 in Social Housing costs (due to favourable mortgage renewals and increases in income) were the most significant components.

Amounts levied for rate stabilization were required to offset Pay Equity and Job Evaluation settlements throughout the organization.

Year-end financial reconciliations from the Windsor - Essex County Health Unit and the City of Windsor for Social Housing and Social Services remain outstanding.

Proposed Budget - Current Year

The proposed budget for 2014 amounts to \$25,815,610, an increase over prior year of approximately \$148,000.

Significant operating factors contributing to this net increase include:

- \$ 262,000 Windsor – Essex County Health Unit budget is not yet finalized, however it proposes enhancements to staffing/services with requests for additional Provincial funding as well
- (\$ 756,000) Social Services (City of Windsor) –provincial uploading of Ontario Works costs has been partially offset by a 1% increase in Ontario Works benefits, and a shift in regional weighted assessment towards the County of Essex. Ontario Works caseloads are anticipated to level off and are budgeted at an average of 9,600 per month.
- (\$ 100,000) International Children's Game – 3 year commitment ended in 2013

EXTERNAL COMMITMENTS

Proposed Budget - Current Year (cont'd)

- \$ 500,000 Rate Stabilization – Pay Equity and Job Evaluation reviews continue throughout the organization. Winter Control is also anticipated to experience a unusual increase beyond the 4 year average due to an unusually high amount of activity in January 2014.
- \$ 28,000 TWEPI – increased funding level as per multi-year phased in agreement
- \$ 16,000 Social Housing – operational increases at the Windsor Essex County Housing Corp.

The 2014 budget continues the following long-term discretionary commitments:

- \$ 200,000 John McGivney Children's Centre Funding Request – \$2,000,000 over 10 years
- \$ 200,000 Hotel Dieu Grace Hospital re: Angioplasty Unit- \$2,000,000 over 10 years
- \$ 100,000 Windsor Regional Hospital – Cornerstone of Caring – in support of new Mental Health Facility - \$1,000,000 over 10 years

New initiatives included in the 2014 budget include:

- \$ 200,000 Economic Initiatives – to allow Council to respond to opportunities to support economic growth in the County of Essex

External Commitments		2013 BUDGET	2013 ACTUAL (unaudited)	2014 BUDGET
<u>Legislated Obligation</u>				
112015108	Health Unit	1,988,000	1,986,080	2,250,000
112015117	Property Assessment	2,451,720	2,451,720	2,450,000
161015160	Social Services	10,000,000	9,500,000	9,244,000
112015119	Social Housing	8,200,000	8,008,000	8,216,000
		22,639,720	21,945,800	22,160,000
<u>Long Term Discretionary Commitment</u>				
112015180	John McGivney Children's Centre Funding Request	200,000	200,000	200,000
112015181	Hotel Dieu Grace Hospital - Angioplasty Unit	200,000	200,000	200,000
112015182	Windsor Regional Hospital - Cornerstone of Caring	100,000	100,000	100,000
		500,000	500,000	500,000
<u>Current Discretionary Commitment</u>				
112015109	Windsor Essex Economic Dev't Corp.	977,460	977,460	977,460
112015109	WEEDC - Marketing Retirement Community	60,000	60,000	60,000
112015110	Tourism Windsor Essex Pelee Island	738,000	738,000	766,000
112015120	Windsor Essex County Environment Committee	24,300	24,300	24,150
159013000	Physician Recruitment Initiatives	222,000	190,000	222,000
112015198	International Children's Games	100,000	100,000	0
	Economic Initiatives	0	0	200,000
	SWIFT - WOWC Broadband Study	0	0	25,000
11201xxxx	Rate Stabiliz'n (Pay Equity Settlements / Winter Control)	200,000	200,000	700,000
112015115	MTE - Estimated Tax Appeals for Lower Tiers	100,000	100,000	100,000
112015198	FCM Conference Support	14,450	14,450	0
112015198	67th First Special Service Force Reunion	0	2,000	0
112015198	Bancroft & Hastings Highland Disaster Relief	0	500	0
112015198	GIS Day Sponsorship	500	500	500
		2,436,710	2,407,210	3,075,110
<u>Discretionary Grants</u>				
112015104	Ridgetown College	500	500	500
		500	500	500
Total Commitments		25,576,930	24,853,510	25,735,610
<u>Recoveries</u>				
112016798	Physician Recruitment Recoveries	60,000	60,000	60,000
<u>Contributions to Reserves</u>				
112016801	Contribution from Rate Stabilization Reserve	(14,450)	0	(25,000)
112014110	Contribution to Capital Reserve (Social Housing)	165,000	165,000	165,000
Total Contributions to Reserves		150,550	165,000	140,000
County Responsibility		25,667,480	24,958,510	25,815,610