

County of Wellington 2022 Budget and 10-Year Plan

January 10, 2022

Purpose of today's meeting

- ▶ Review 2022 Budget Process
- ▶ Provide a background of the County's finances
- ▶ To provide Council with an overview of the 2022 Budget and 10-Year Plan in advance of January Committee meetings
- ▶ Opportunity for Council to review and discuss service levels and proposed capital projects



Agenda

- ▶ 2022 Budget and 10-Year Plan
 - ▶ 2022 Budget Process
 - ▶ Highlights of the Proposed 10-Year Plan
 - ▶ Capital Financing
 - ▶ Reserves and Reserve Fund Balances & Activity
 - ▶ County Debt Management and Forecast
 - ▶ Capital Budget Details
 - ▶ Operating Budget Forecast
 - ▶ Recap and wrap-up



County's Budget Process

- ▶ Year-round effort – budget monitoring takes place throughout the year
 - ▶ Monthly financial statements
 - ▶ Budget variance reporting
 - ▶ Capital budget amendments, as required
- ▶ 2022 Budget Schedule was approved by AF&HR in May
- ▶ Pre-2022 Budget Overview and Council Discussion in October
- ▶ Preliminary Budget and 10-Year Plan was presented to all committees in November
- ▶ CAO & Department Heads reviewed line-by-line budgets in December



Budget Schedule to Date

Description	Deadline/Date
Treasury staff update 10 year plan model and salary model	Summer 2021
Departments submit major 10 year operating budget items, draft 10 year capital forecast and proposed 2022 user fees to Treasury	September 10, 2021
Staff Advisory Committee review of preliminary 10 year plan	Mid October 2021
Preliminary 10 year plan completed	Late October 2021
Staff develop detailed 2022 operating budgets	October - November 2021
Preliminary 10 year plan and 2022 user fees reviewed by all Standing Committees and Boards	November 2021
AF and HR Committee review of preliminary 10 year plan and 2022 user fees	November 16, 2021
County Council adopts 2022 user fees and receives 10 year plan for information	November 25, 2021
CAO & Department Head review of budgets	December 2021



2022 Budget Process – Next Steps

- ▶ January 10, 2022 presentation to Council
- ▶ Budget reviews at Committee and Board meetings next 2 weeks
- ▶ Full budget package circulated to Council by January 14, 2022
- ▶ AF&HR review of budget on January 18, 2022
- ▶ AF&HR recommendations considered by Council on January 27, 2022

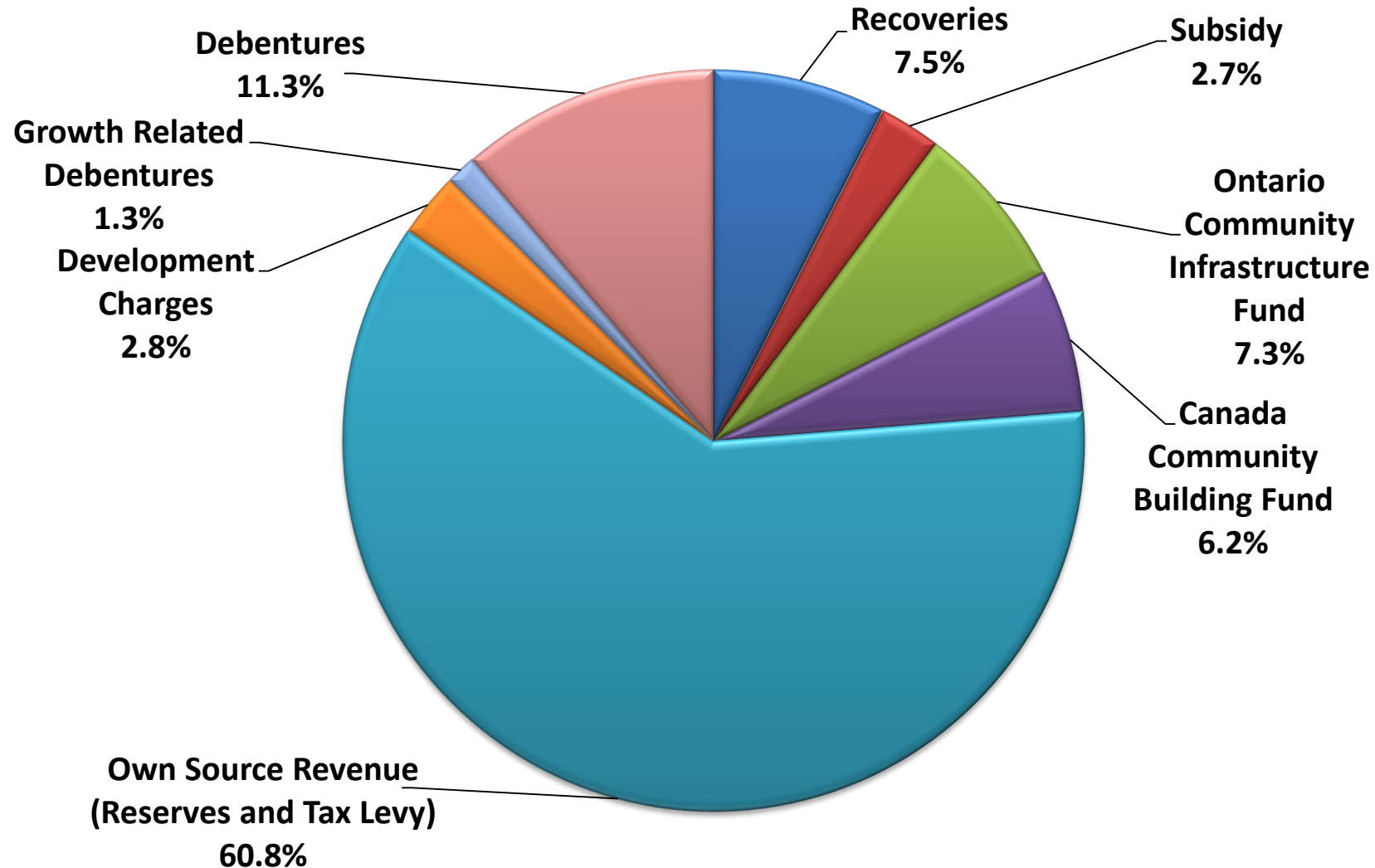


Highlights of the proposed 10-year plan

- ▶ Projected tax increase of 2.0% in 2022 and a range of 2.9% to 3.7% from 2023-2031
- ▶ Estimated 2022 operating budget of \$247.3 million
- ▶ \$511.2 million capital investment over 10 years
 - ▶ \$56.5 million in 2022
- ▶ \$64.2 million in new debt issues over 10 years



2022-2031 Capital Financing



2022-2031 Capital Budget Highlights

- ▶ 60.8% of capital spending funded from own source revenue
- ▶ \$83.4 million -16.2% funded through Federal and Provincial subsidies
 - ▶ \$37.5 million in Ontario Community Infrastructure Fund (OCIF)
 - ▶ \$32.0 million in Canada Community Building Fund (formerly Federal Gas Tax)
 - ▶ \$13.9 million provincial subsidy Social and Affordable Housing, Roads
- ▶ \$64.2 million – 12.6% to be funded through Debt
 - ▶ \$57.7 million tax supported
 - ▶ \$6.5 million growth-related (recovered from DCs)
- ▶ \$14.6 million – 2.8% funded by Development Charges



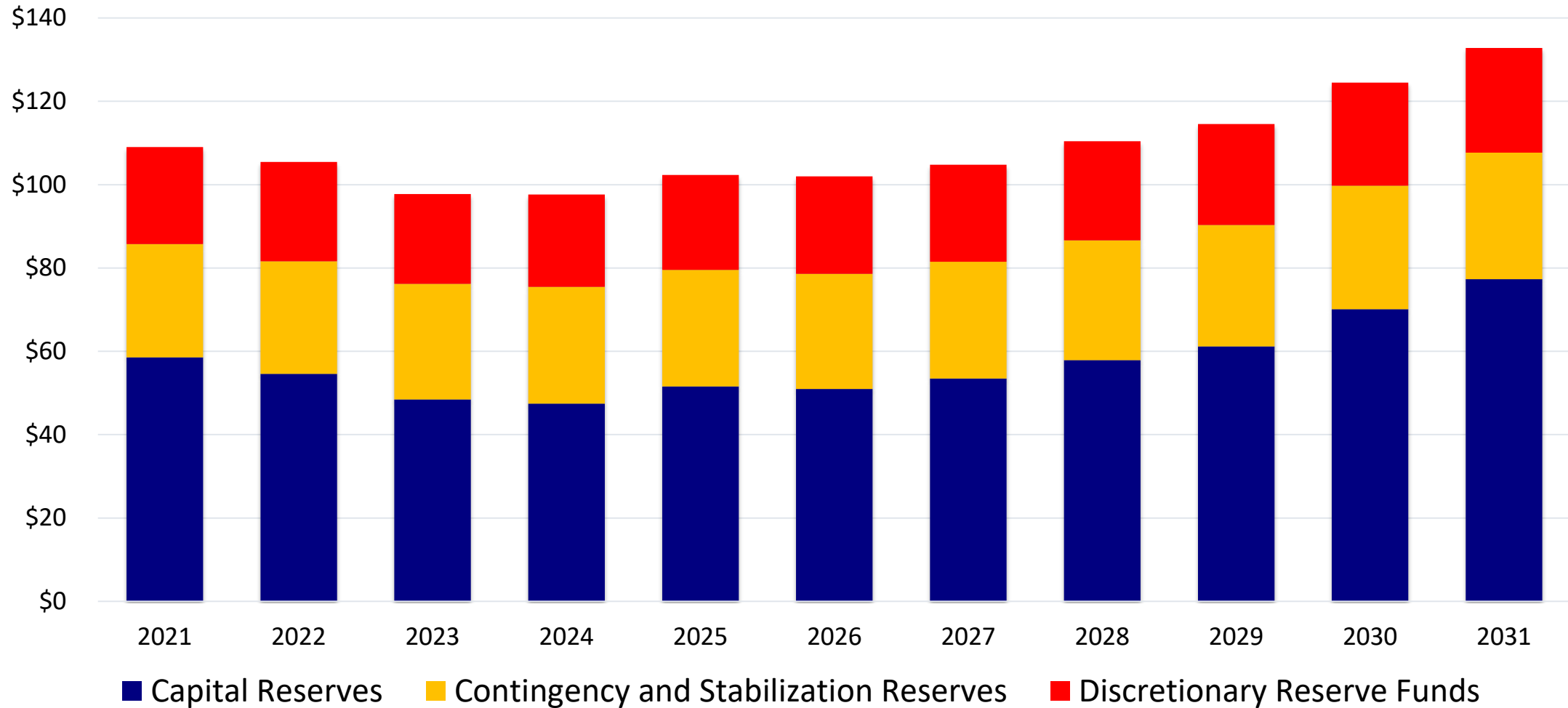
Reserves and Reserve Fund Balances

- ▶ County's reserve and reserve fund balances totalled \$103.8 million as of December 31, 2020
 - ▶ Reserves: \$82.0 million
 - ▶ Reserve Funds: \$21.8 million (more restrictive in use)
- ▶ Reserve and Reserve Fund balances currently sit at \$109.0 million in draft form
 - ▶ Capital projects still to be closed
 - ▶ Potential winter control savings to be allocated
 - ▶ Projected surplus still to be allocated (\$1.8 to \$2.5 million)

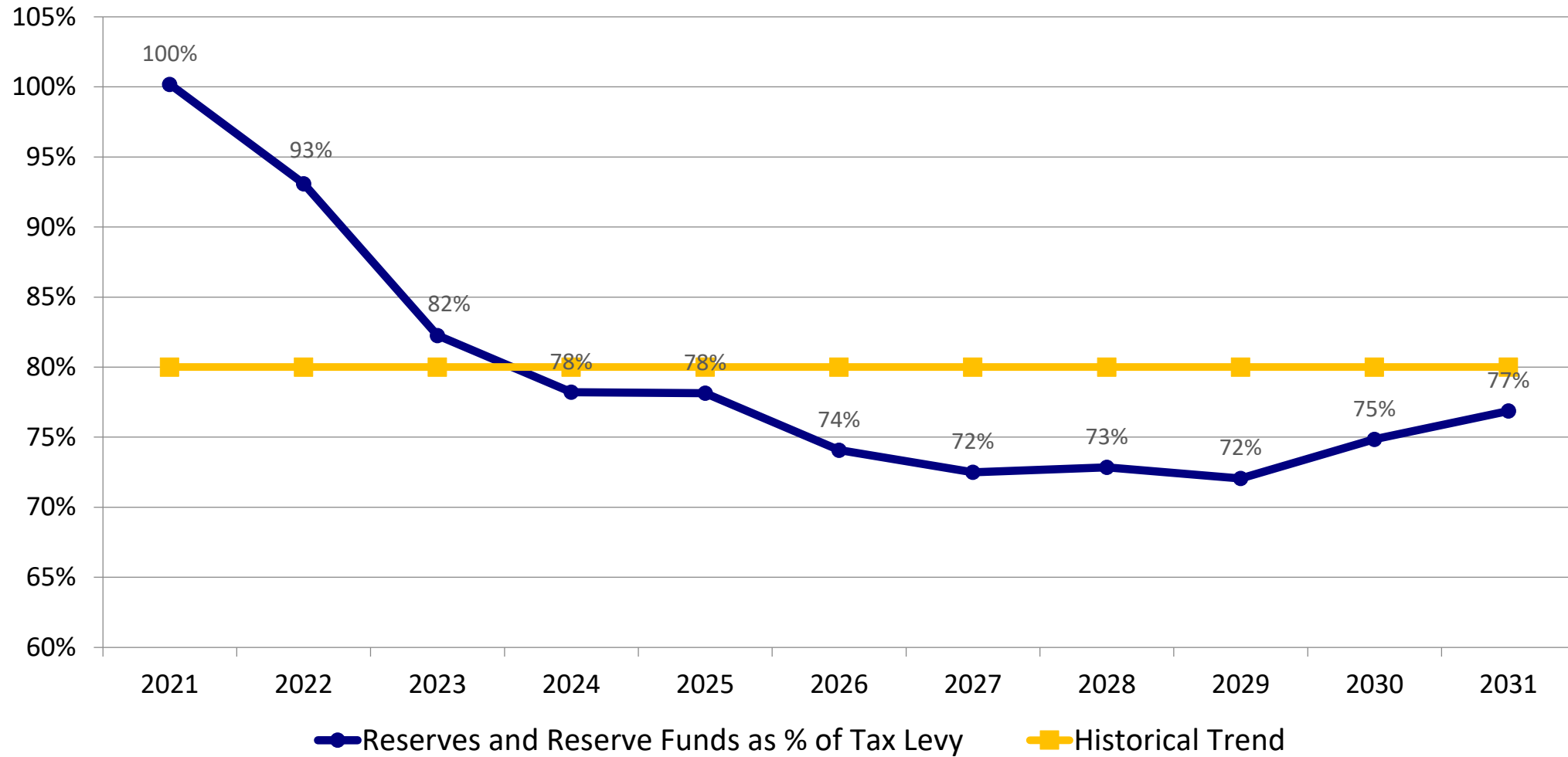


Reserves and Reserve Funds Forecast 2021-2031

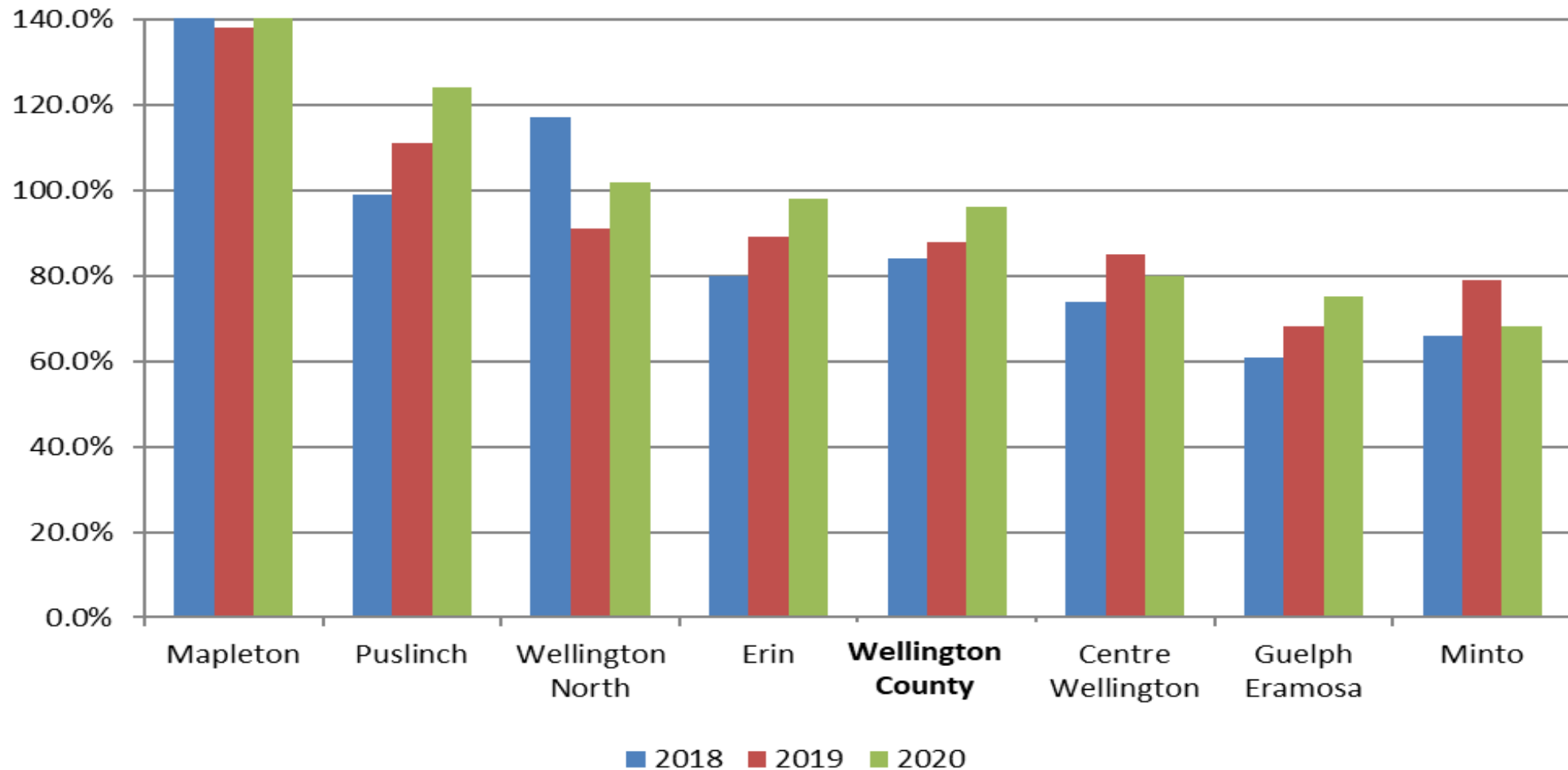
(\$ Millions)



Reserves and Reserve Funds as % of Tax Levy

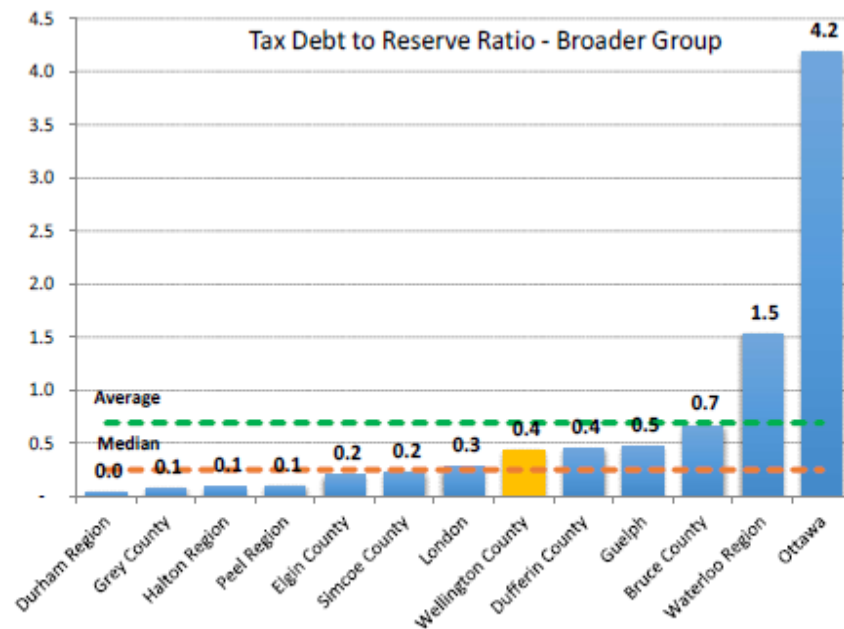
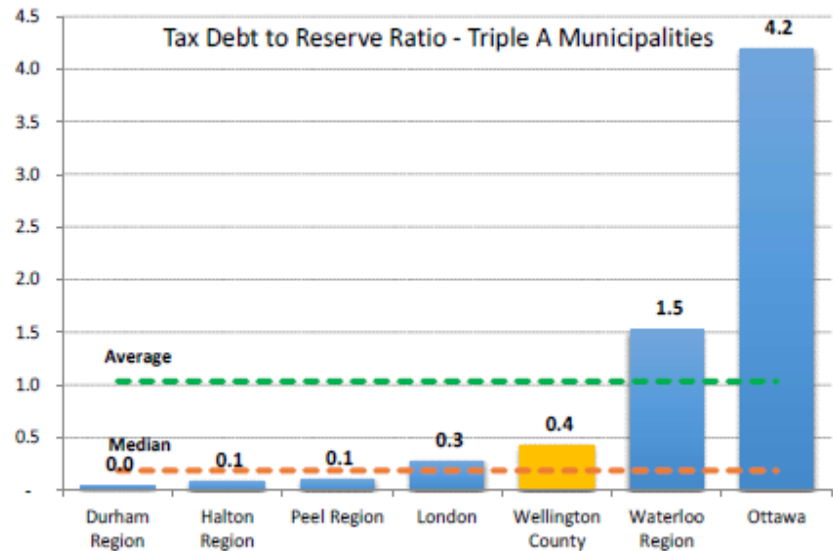


Tax Discretionary Reserves as a % of Taxation County and Member Municipalities



Note: Does not include Water and Wastewater Reserves



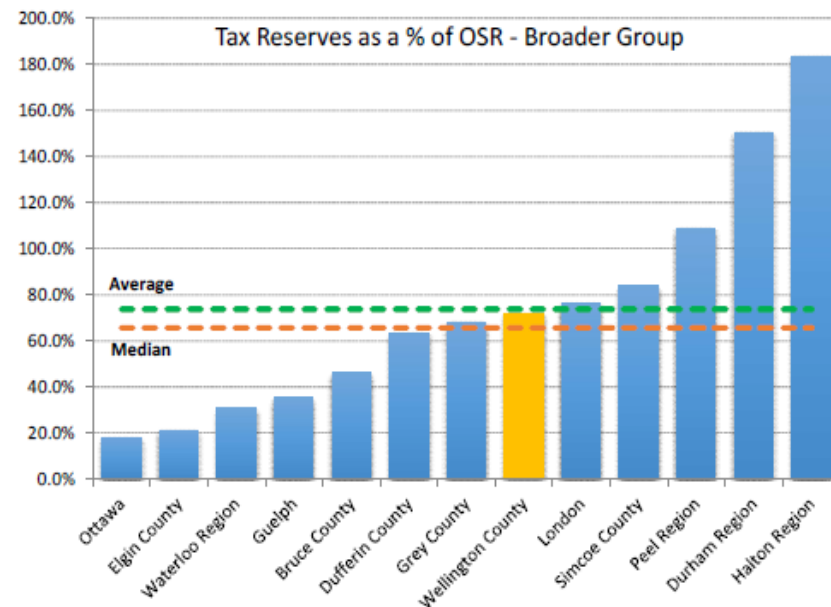
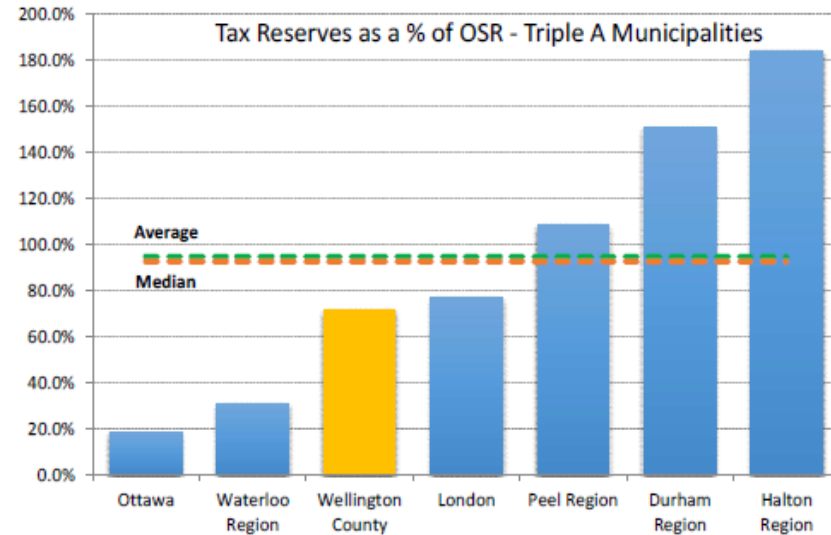


Source: 2019 Financial Information Returns

Tax Debt to Reserve Ratio

- This ratio reflects the amount of debt outstanding to the total reserves and reserve funds. A generally accepted target ratio for municipalities is considered to be no more than 1:1.
- The County has an even stricter policy limit of 0.75:1 ratio
- At 0.3:1 (2020 FIR) the County is well below this limit.
- This demonstrates the principle of responsible debt management guiding long term decision making at the County.



WEAKER**RESERVE POSITION****STRONGER**

Discretionary Reserves/Reserve Funds as a % of Own Source Revenues

- This indicator provides the total tax discretionary reserves and reserves funds in relation to own source revenues.
- Based on the 2020 Municipal Study, at 72%, the County's position is third lowest in comparison to triple A rated municipalities and close to the peer average of the broader comparator group.
- Based on the 2021 Municipal Study, the County's tax reserve position in relation to own source revenues has improved to 78%

Reserves and Reserve Funds

	Balance at Dec 31, 2020 (\$000s)	Projected Balance at Dec 31, 2021 (\$000s)	Projected Balance at Dec 31, 2022 (\$000s)
Reserves			
Operating Reserves			
Contingency & Stabilization Reserve	16,250	16,780	16,541
Winter Control Reserve	2,807	2,877	2,949
Shared Services Reserve	6,878	7,506	7,466
Capital Reserves	56,039	58,566	54,589
Total Reserves	\$ 81,974	\$ 85,730	\$ 81,546
Reserve Funds			
Future Liability Coverage Reserve Funds			
WSIB Self Insurance	3,732	3,871	3,797
Landfill Closure and Post Closure	8,492	8,667	9,224
Post Employment Benefits	1,834	2,351	2,461
Health Unit Debt Retirement	2,854	2,926	3,000
Donation Reserve Funds	537	575	358
Specific Purpose			
Housing Regeneration	4,208	4,426	4,536
Homeownership Loan Programme	203	485	497
Total Reserve Funds	\$ 21,858	\$ 23,300	\$ 23,874
Total Reserves and Reserve Funds	\$ 103,832	\$ 109,030	\$ 105,419



Contingency and Stabilization Reserve

Purpose:

- To mitigate significant increases in tax rates as a result of uncontrollable factors such as weather, economic conditions, interest rate fluctuations, unemployment levels, development trends and changes in subsidies, revenues or cost sharing agreements

(Source: County of Wellington Reserves and Reserve Fund Policy effective June 2021)

Target:

- GFOA recommends, at a minimum, that the Contingency and Stabilization Reserve balance be maintained at a level of no less than two months of operating fund revenues or expenditures or 16.7%.
- Contingency and Stabilization Reserve 2020 Balance/2020 Own Source Revenues

$$= \$16,250,000 / \$133,650,863 = 12.16\%$$



Capital Reserves

Purpose:

- To make provisions for replacements/renewals/acquisitions of assets and infrastructure that are currently being consumed and depreciated.
- Avoid spikes in funding requirements for capital projects by reducing the reliance on long-term debt. *(Source: County of Wellington Reserves and Reserve Fund Policy effective June 2021)*

Target: *(Source: 2021 BMA Financial Policy: Reserves and Debt Management Third Party Review)*

- The ratio of existing capital reserves to accumulated amortization should be 100% or greater, meaning that the amount available in reserves at any time is equal to the amount of assets that has been depreciated or used (on an historical cost basis).
 - This indicator supports intergenerational equity – past generations did not contribute at the appropriate level which has led to an infrastructure deficit in Wellington County (2021 Backlog of \$59.7 million for core infrastructure assets only)
- Capital Reserve 2020 Balance/2020 Accumulated Amortization
$$= \$56,039,000 / \$345,051,770 = 16.24\%$$







Future Liability Coverage Reserve Funds

Purpose:

- Prudent and sustainable financial management strategies are needed to ensure future generations are not required to absorb a disproportionate share of currently incurred liabilities.

(Source: 2021 BMA Financial Policy: Reserves and Debt Management Third Party Review)

Target:

- WSIB – 2020 Liability = \$1,361,104 / 2020 Reserve Balance = \$3,731,534 
(Note: This Reserve Fund also funds the Health and Safety Budget which ranges from \$517,000 in 2022 to \$804,000 in 2031)
- Landfill Closure and Post-Closure – 2020 Liability = \$8,613,565 / 2020 Reserve Balance = \$8,491,715 
(Note: This liability increases to **\$10,190,146** million using a more realistic 30 year (versus 25 year) cash flow forecasting methodology)
- Post-Employment Benefit – 2020 Liability = \$1,833,561 / 2020 Reserve Balance = \$1,833,561 
- Health Unit Debt Repayment – 2023 Liability = \$2,753,000 / 2020 Reserve Balance = \$2,854,000 

These Reserve Funds are regularly reviewed and funding plans updated annually



Reserves summary

- ▶ Reserve balances are projected to decline slightly until year 7 (2028) of the 10-year plan
- ▶ Reserves and reserve funds as a % of the tax levy are projected to decline and hover around 80% of the tax levy in the forecast
- ▶ Reserve balances are healthy, but lag behind other AAA-rated municipalities and are close to the peer average amongst the broader comparator group in the study
- ▶ General conclusions:
 - ▶ Future Liability Coverage reserve funds are close to targeted levels
 - ▶ Contingency and Stabilization reserves are slightly underfunded
 - ▶ Capital reserves are well-underfunded
- ▶ Estimates are conservative and can improve over time



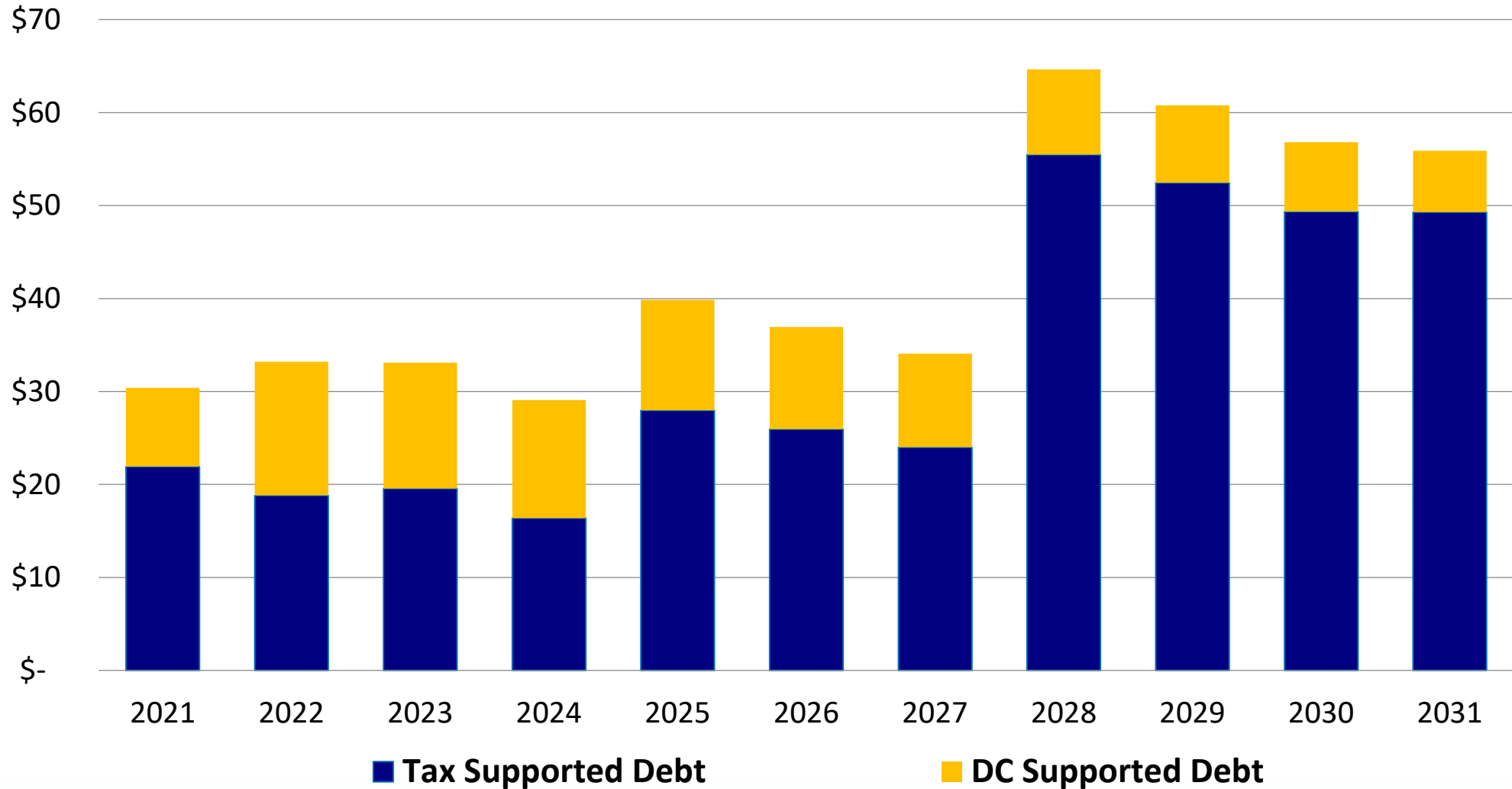
Projected long term borrowing

- ▶ \$65.0 million in new debt to be issued over the next ten years, including \$750,000 in previously approved, but unfunded debt:
 - ▶ Roads Related Projects - \$34.0 million
 - ▶ Roads Growth Related Debt - \$7.3 million
 - ▶ Arthur Garage Construction (2022)
 - ▶ Roads Tax Supported Debt - \$26.7 million
 - ▶ Erin/Brucedale (2023 and 2025), Harriston (2028) and Aberfoyle (2031) Garage Construction
 - ▶ Library - \$4.0 million for new Erin Library Branch Construction (2023)
 - ▶ Property - \$27.0 million as a provision for Admin Centre Expansion (2028)



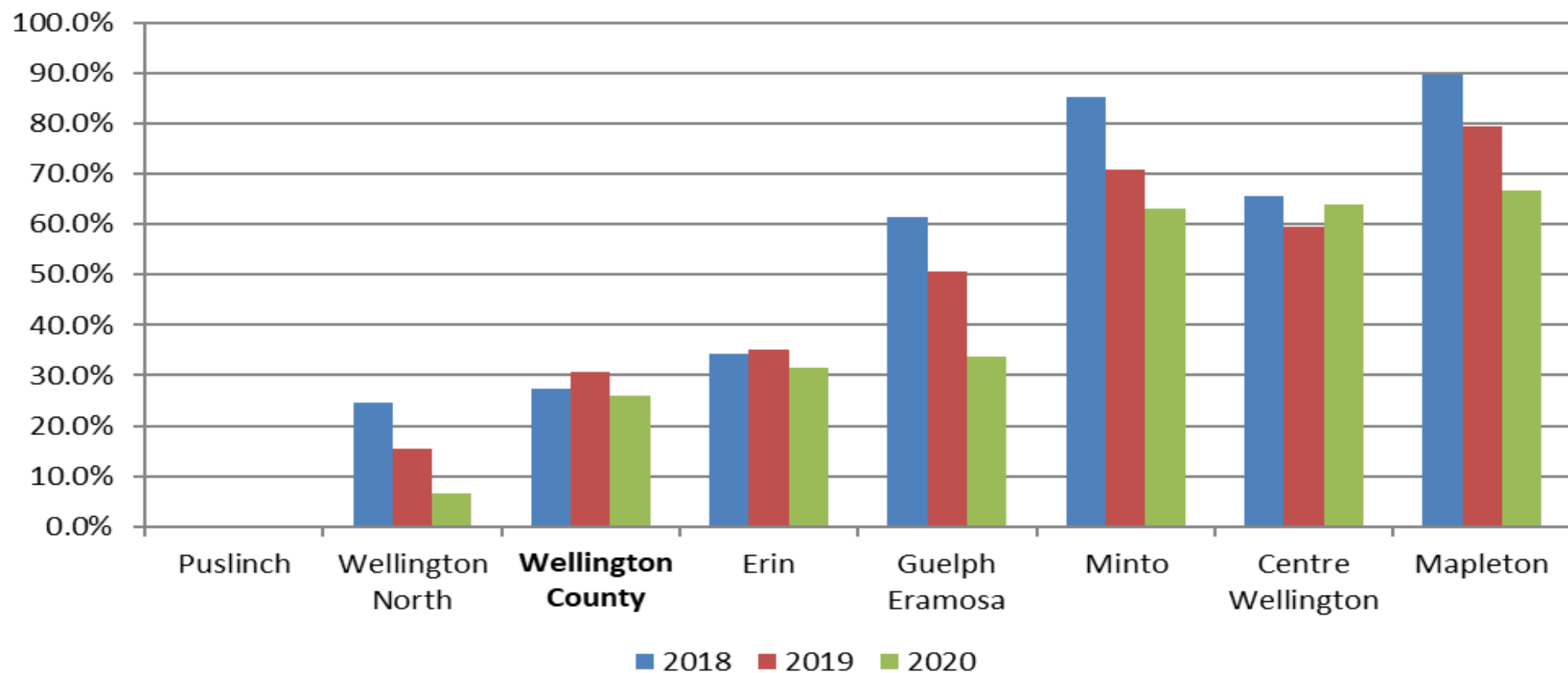
County of Wellington Debt Outstanding 2021-2031

(\$ Millions)



Debt Outstanding per Own Source Revenues (less Water and Wastewater Revenue)

County and Member Municipalities

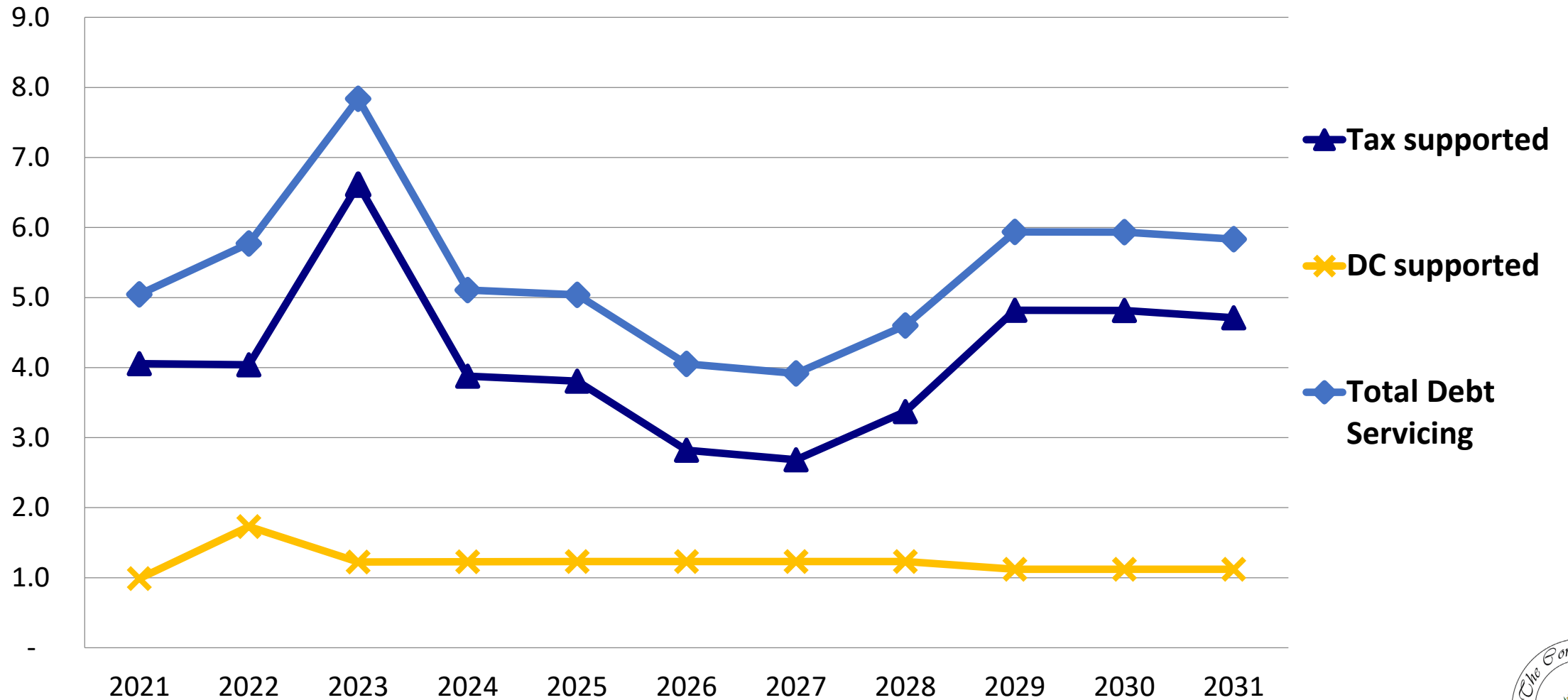


Note: Debt includes Tax Supported and DC supported debt; Own Source Revenue does not include DC revenue earned

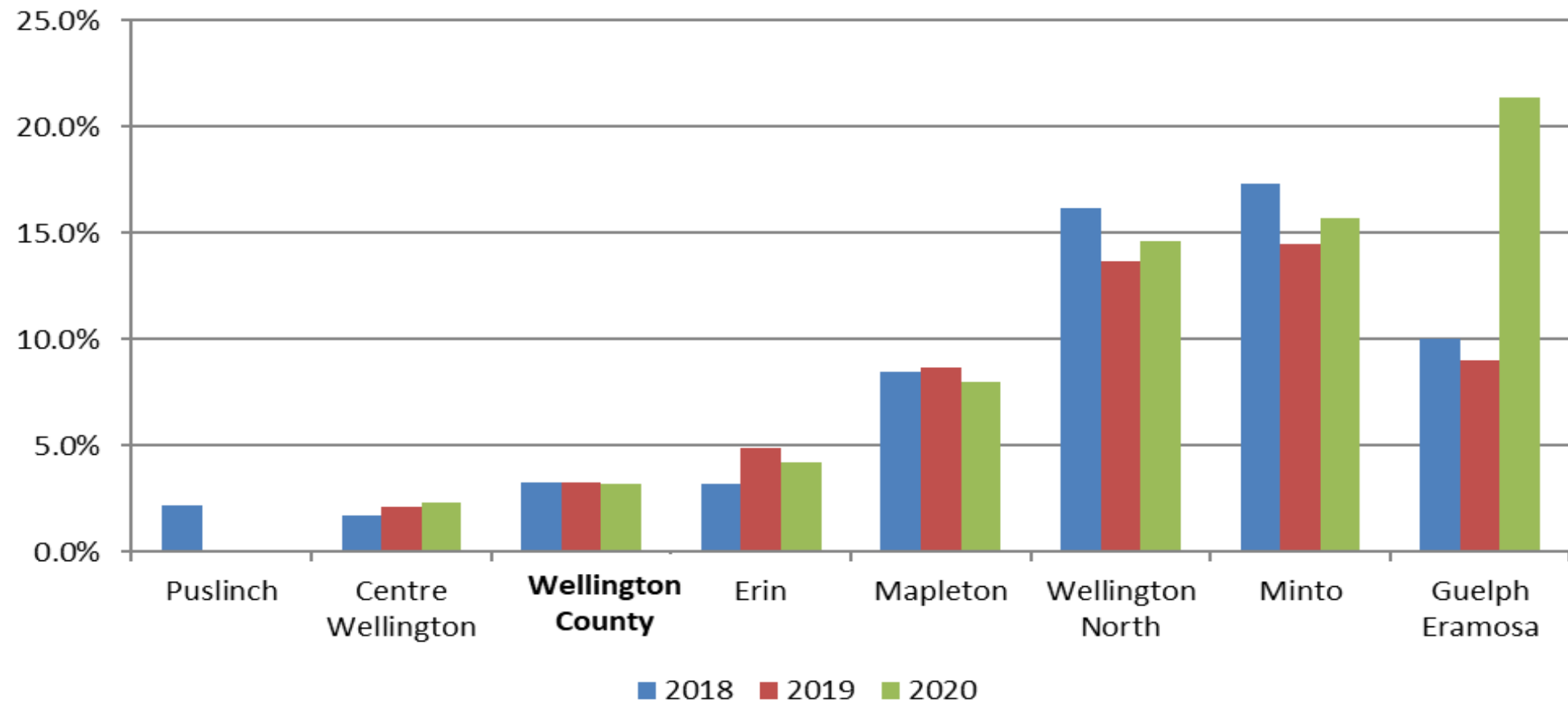


County of Wellington

Debt Servicing Charges 2021 - 2031 (\$ Millions)



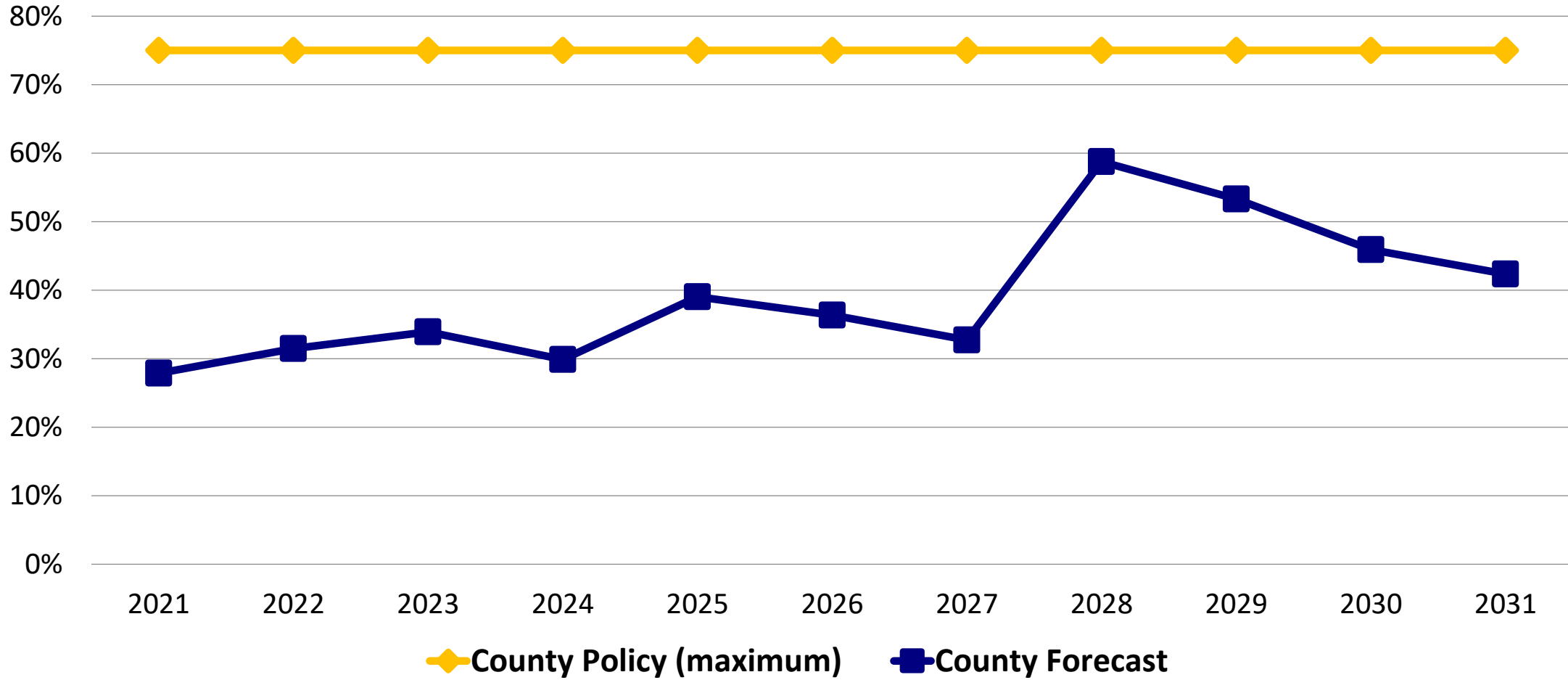
Tax Debt Charges as % of Own Source Revenue (less Water and Wastewater Revenue) County and Member Municipalities



Note: Debt includes Tax Supported and DC Supported debt; Own Source Revenue does not include DC revenue earned

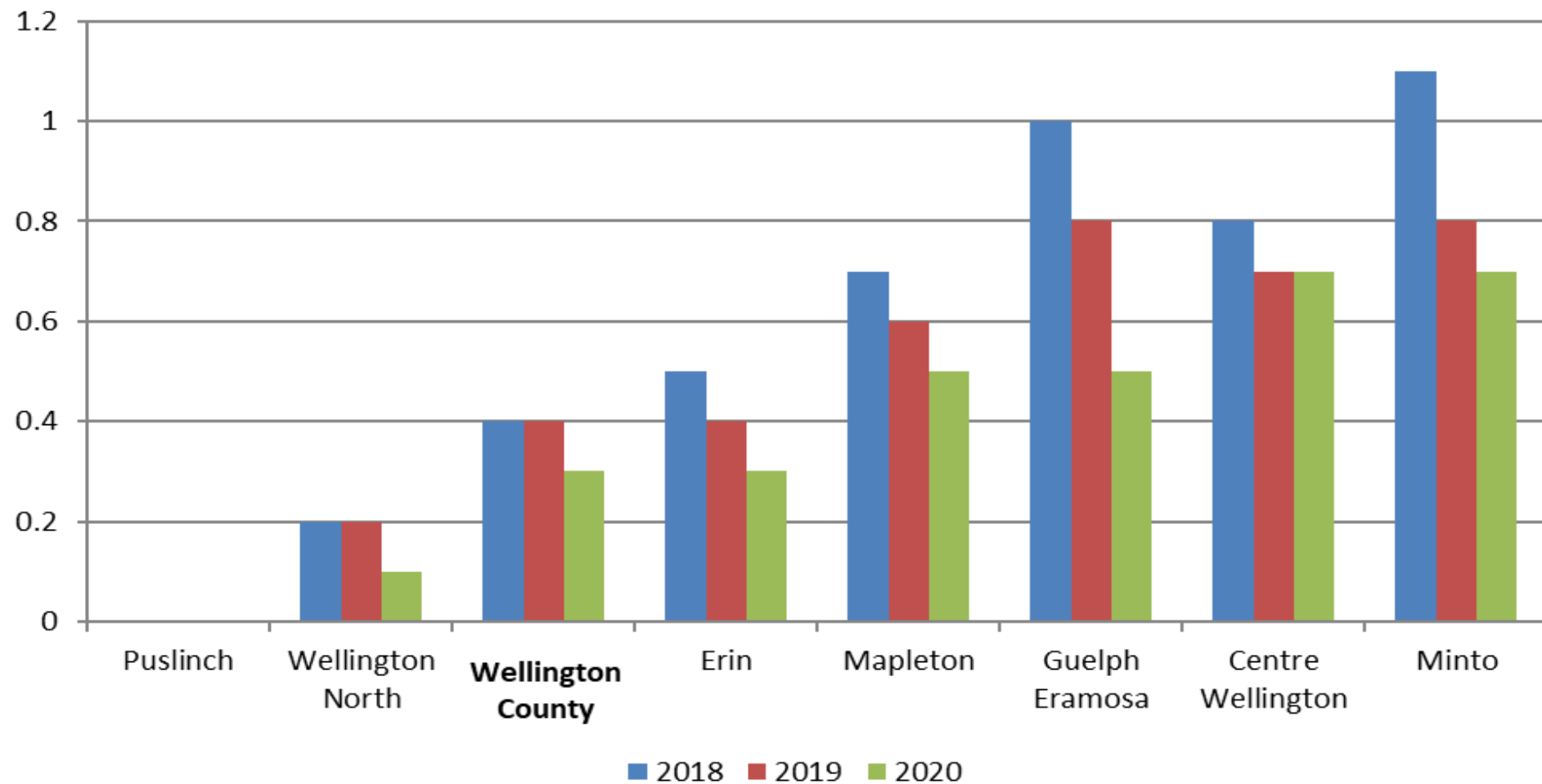


Debt Outstanding to Reserve Ratio



Debt to Reserve Ratio

County and Member Municipalities

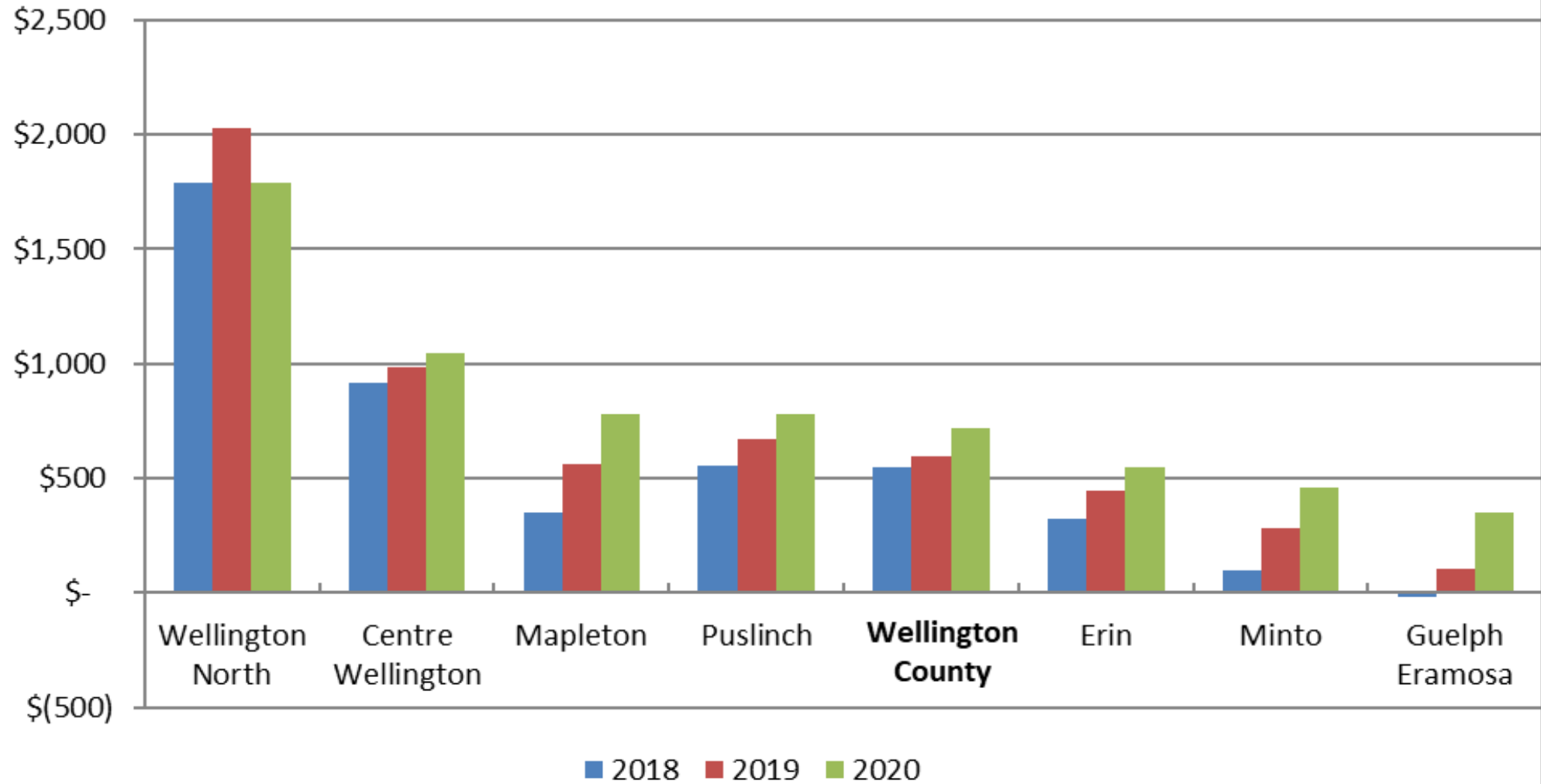


Note: Debt includes Tax Supported, Water and Wastewater and DC funded debt, Reserves include Water and Wastewater Reserves.



Financial Position per Capita

County and Member Municipalities

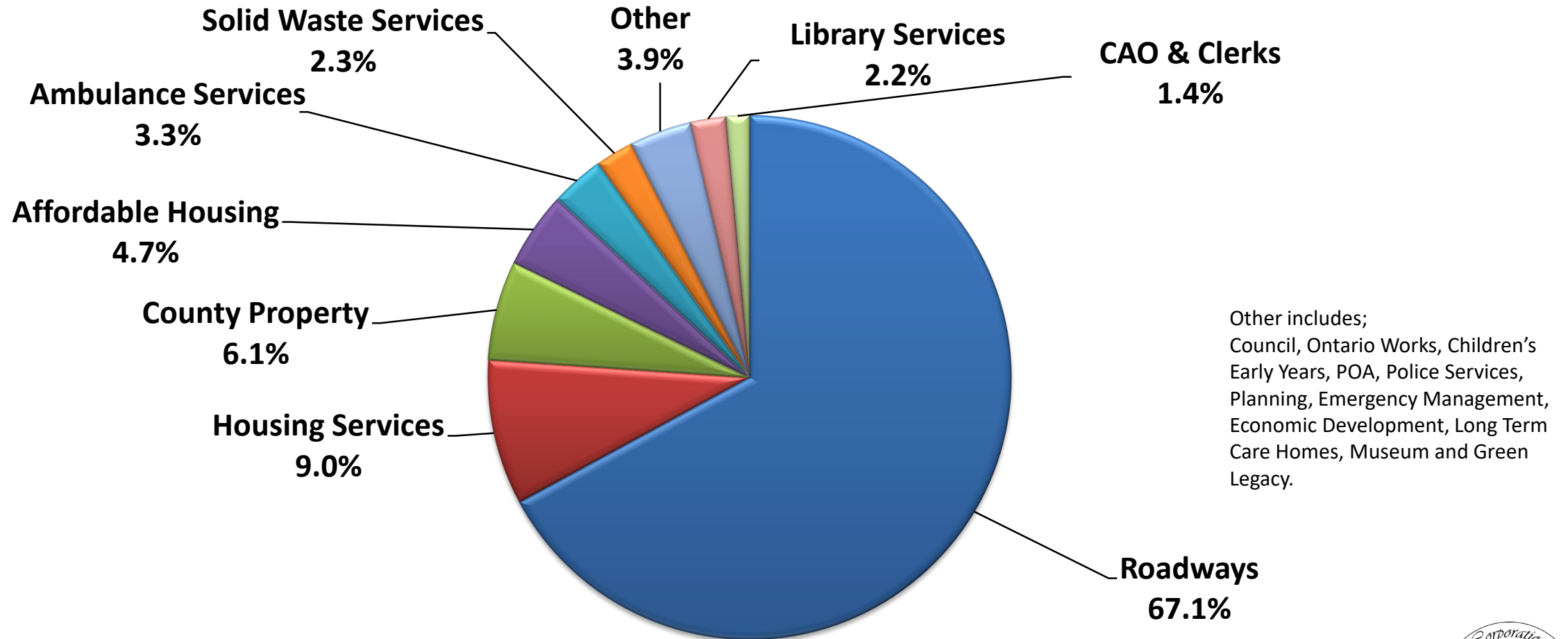


Debt summary

- ▶ Debt outstanding will top out at \$64.9 million in 2028
 - ▶ \$55.5 million tax supported, \$9.4 million DC supported
- ▶ Debt servicing costs will top out at \$7.8 million
 - ▶ \$6.6 million tax supported, \$1.2 million DC supported
 - ▶ Includes \$3.1 million balloon payment for Health Unit
- ▶ County's tax supported debt levels are relatively stable for the first 6 years of the 10-year plan before climbing in the last 4 when the Admin Centre debt is added
- ▶ Debt servicing costs are generally maintained over the 10-year plan with a couple of notable dips and spikes
- ▶ Debt to reserve ratio remains below the policy level over the 10-year forecast



2022-2031 Capital Expenditures (\$511.2 million)



10 Year Capital Plan Highlights – Infrastructure

- ▶ Investment in County roads network
 - ▶ Roads Garages –the replacement of Arthur, Erin / Brucedale, Harriston and Aberfoyle throughout the forecast
 - ▶ Approximately 235 kilometres of road improvements
 - ▶ Replacement or rehabilitation of 22 bridges and 6 culverts
 - ▶ 11 intersection improvements
- ▶ Social and Affordable Housing Capital Improvements
 - ▶ Increased investment in County owned social and affordable housing units
- ▶ Provision for Expansion of the Administration Centre
 - ▶ Increase office and parking space for administration staff in the forecast



10 Year Capital Plan Highlights – Services

- ▶ Rural Broadband Improvements
 - ▶ Provision of \$3.2 million investment (formerly SWIFT 2.0) forecast includes four years of original five year \$4.0 million commitment
- ▶ New Erin Library Branch Construction
 - ▶ Property acquisition, design and tender in 2022, construction in 2023-24
- ▶ Development of Riverstown Landfill Site
 - ▶ Closure of phase I and preparation for phase II
- ▶ Ambulance Station Improvements
 - ▶ Proposed construction of 6 sites located throughout the County (5 locations identified over the forecast)
 - ▶ Construction delayed another year in the forecast due to provincial review for funding and service delivery



Capital Plan: Roads

Investment in County roads network including bridges and culverts

- ▶ \$343 million investment over 10 years including:
 - ▶ \$91.4 million in roads construction projects
 - ▶ \$87.9 million in resurfacing projects
 - ▶ \$68.4 million in bridges and culverts
 - ▶ \$24.2 million in asset management activities
- ▶ Facility Construction - \$41.2 million:
 - ▶ Arthur Shop (2022) - \$7 million
 - ▶ Erin / Brucedale Shop (2023-2025) - \$17.7 million
 - ▶ Harriston Shop (2026-2028) - \$7.3 million
 - ▶ Aberfoyle Shop (2029-2031) - \$8.1 million
 - ▶ \$1 million in various facility repairs over the 10 years
- ▶ Roads Equipment Replacements - \$30.1 million



Capital Plan: Roads

- ▶ Internal funding (74%):
 - ▶ \$220.3 million from County Reserves
 - ▶ \$190.2 million funded from the Roads Capital Reserve
 - ▶ \$30.1 million funded from the Roads Equipment Reserve
 - ▶ \$33.2 million in debt
- ▶ External funding (26%):
 - ▶ \$73.6 million in Federal and Provincial Subsidies
 - ▶ \$37.5 million funded from Ontario Community Infrastructure Fund (OCIF)
 - ▶ \$31.9 million funded from Canada Community Building Fund (previously Gas Tax)
 - ▶ \$4.2 million funded from Investing in Canada Infrastructure Fund
 - ▶ \$12.5 million funded through Development Charges
 - ▶ \$3.4 million in municipal recoveries



Capital Plan: Solid Waste Services

- ▶ \$11.9 million in capital investment over 10 years
- ▶ \$6.5 million in improvements at active landfill sites and transfer stations
 - ▶ Riverstown Landfill (\$3.7 million) – development of Phase II
 - ▶ Cell Development, Excavation and Storm Water Retention Pond
 - ▶ Elora and Rothsay Transfer Station Improvements (\$2.2 million)
 - ▶ Site improvements at all other sites (\$625,000)
- ▶ \$4.7 million for equipment including the replacement of 8 pickups with electric vehicles (\$546,000)
- ▶ \$675,000 for work at closed sites to address closure costs for Riverstown phase 1



Capital Plan: Social Housing

- ▶ \$42.6 million investment in the County's 1189 Social Housing units for improvements and upgrades
 - ▶ Cost shared with City of Guelph
(76.3% based on 3 year historical average of previous residence)
 - ▶ County share funded from Housing Capital Reserve
- ▶ IT Network Replacements - \$281,000 throughout the forecast
- ▶ Climate Change Initiatives - \$225,000 for attic insulation over five years
- ▶ Provincial Funding Initiatives – continuation of 4-year programme
 - ▶ Community Housing Initiatives (COCHI – repair of existing community housing)
 - ▶ Ontario Priorities Housing Initiatives (OPHI – new rental housing development)



Capital Plan: Affordable Housing

- ▶ Provision for Development of new County-owned Affordable Housing Units
 - ▶ Numbers are preliminary and assumptions are used
 - ▶ New construction every third year of the forecast
 - ▶ \$2 million in Provincial subsidy (assumed)
 - ▶ \$4 million from the Housing Development Reserve
- ▶ Provision for land purchase in 2022
- ▶ County owned Affordable Housing Buildings (131 units):
 - ▶ Facility improvements total \$1.2 million over the forecast
 - ▶ Funded by Housing Capital Reserve
- ▶ Installation of an Air Conditioning System at Fergusson Place (165 Gordon St)
 - ▶ Additional \$1.2 million in 2022 (\$1.7 million total)



Capital Plan: Property Services

- ▶ Facility improvements to County-owned buildings:
 - ▶ Total \$3.2 million over the forecast
- ▶ Vehicle and equipment replacements
 - ▶ Total \$180,000 over the forecast
- ▶ Provision for Expansion of the Administration Centre (2028)
 - ▶ Concept plan at this stage
 - ▶ To provide for additional office and parking space
 - ▶ Estimated cost at \$28 million
 - ▶ Funding split between debt (\$27 million) and reserve (\$1 million)



Capital Plan: Planning / Climate Change

- ▶ Implementation of Climate Change Mitigation Plan “Future Focused”:
 - ▶ Total \$2.1 million over the forecast
 - ▶ Project timing is dependent on funding
(assumptions used for subsidies in forecast)
 - ▶ County share is funded through the new Climate Change Mitigation reserve



Capital Plan: Land Ambulance

- ▶ Ambulance Station Redevelopment – projects delayed another year in the forecast due to Provincial uncertainty in funding and service delivery
 - ▶ Erin (2019 - 2023 - \$1.5 million)
 - ▶ Guelph/Eramosa (2024-2025 - \$2.0 million)
 - ▶ Arthur (2026-2027 - \$3.6 million)
 - ▶ Drayton (2028-2029 - \$1.9 million)
 - ▶ Mount Forest (2030-2031 - \$2.2 million)
 - ▶ Funded through County Property Reserve - to be leased back to ambulance service
- ▶ Other Land Ambulance Capital (County share approx. 40%)
 - ▶ Ambulances and related equipment - \$4.3 million (County portion) over 10 years
 - ▶ Delhi Street Station – 2028 - \$1.8 million (County portion)
 - ▶ Funded through Ambulance Reserve



Capital Plan: Wellington Terrace

- ▶ Facility improvements and lifecycle replacements of building components total \$2.1 million over the ten years
- ▶ \$1.8 million for equipment and technology replacements
 - ▶ Nutrition Services Equipment (2022)
 - ▶ Wireless Phones and Wifi replacements (2022, 2027 and 2029)
 - ▶ Cell Booster (2022)
 - ▶ Tablet replacements (2025 and 2029) and Network equipment (2026-2027)
 - ▶ Resident van (2027)
 - ▶ Nursing equipment throughout the forecast



Capital Plan: Library

- ▶ New Erin Branch Library Construction (\$7.5 million)
 - ▶ Property acquisition, design and tender in 2022, construction in 2023-24
 - ▶ Funded by a mix of reserves and debt
- ▶ Lifecycle replacements of building components of \$2.8 million
- ▶ Programming related projects for \$930,000
 - ▶ Software, Technology and Collection Enhancements
 - ▶ Library Master Plan in 2025
 - ▶ Review all aspects of library services and inform future programme initiatives

Capital Plan: Museum and Wellington Place

- ▶ Museum Programming
 - ▶ Medicine Garden and Pavilion (2022)
 - ▶ Funded by community donations
 - ▶ Plan on applying for grants, which may expand scope of the project
- ▶ Museum Facilities
 - ▶ Building lifecycle replacements of \$1.2 million funded through the property reserve
- ▶ Wellington Place
 - ▶ Road Work
 - ▶ 2022 – Rehabilitation of Charles Allen Way
 - ▶ 2023 – County portion of Township work on Beatty Line: Garafraxa St W to St Andrew St.
 - ▶ 2024 – Construction of Samuel Honey Drive – timing may change based on need



Capital Plan: Economic Development

- ▶ Rural Broadband Improvements
 - ▶ \$4.0 million County contribution over 5 years (2021-2025)
 - ▶ To complete the fibre optic broadband buildout
 - ▶ Based on Wellington's percentage of underserved roadways identified through SWIFT
 - ▶ To be funded by the General Capital Reserve
 - ▶ Contributions from operating of \$400,000 annually over 10 years

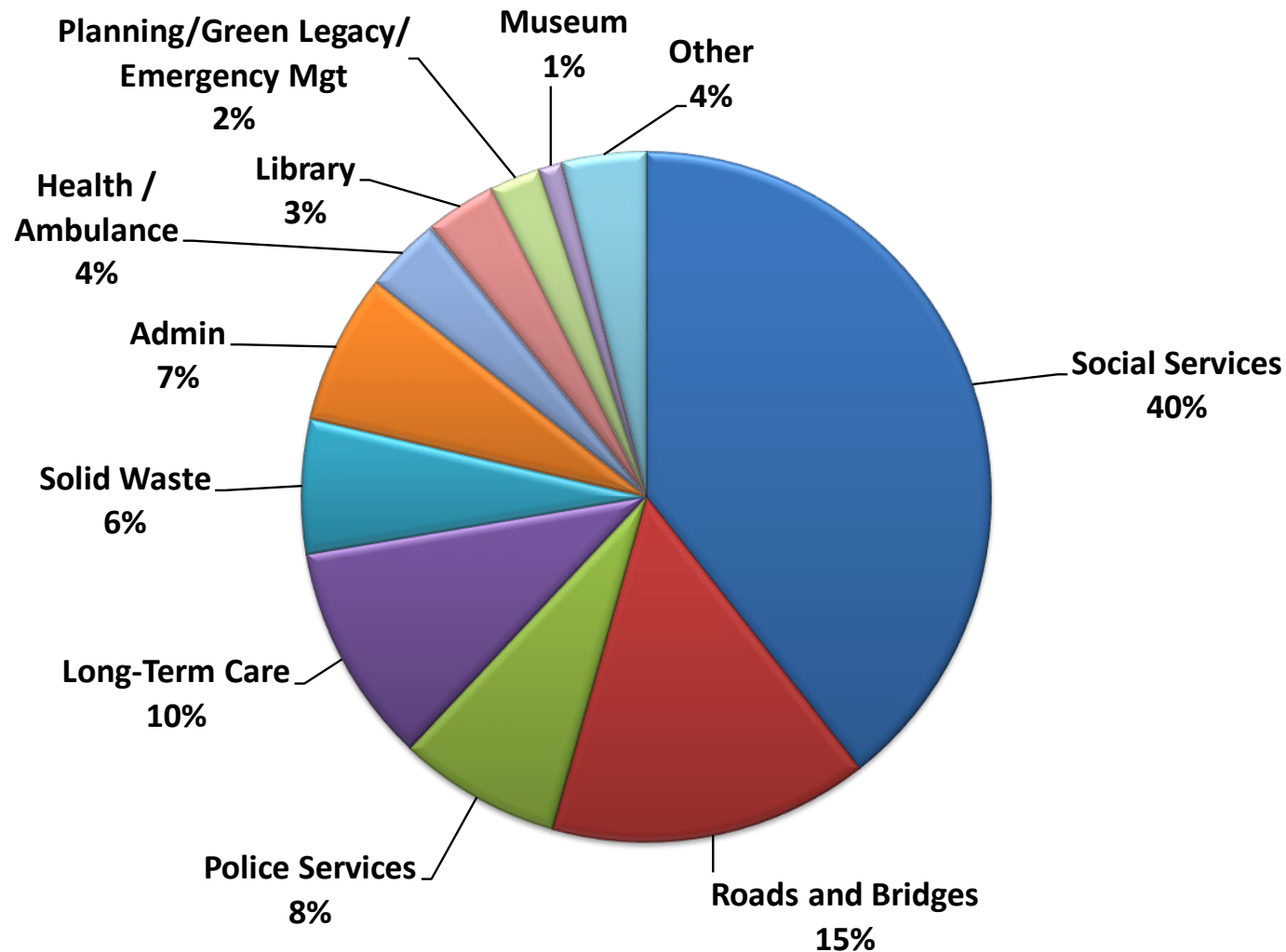


Operating Budget Forecast

- ▶ \$247.3 million in expenditures and transfers in 2022
- ▶ Forecast to grow to \$315.9 million by 2031
 - ▶ Average annual increase of 3.1% over 10 years
 - ▶ Mainly driven by infrastructure requirements (capital transfers)
- ▶ Totals just under \$2.8 billion in projected spending over 10 years
- ▶ In 2022 -1% tax increase/decrease = \$1,112,000
- ▶ 2022 Assessment growth = 2.2%



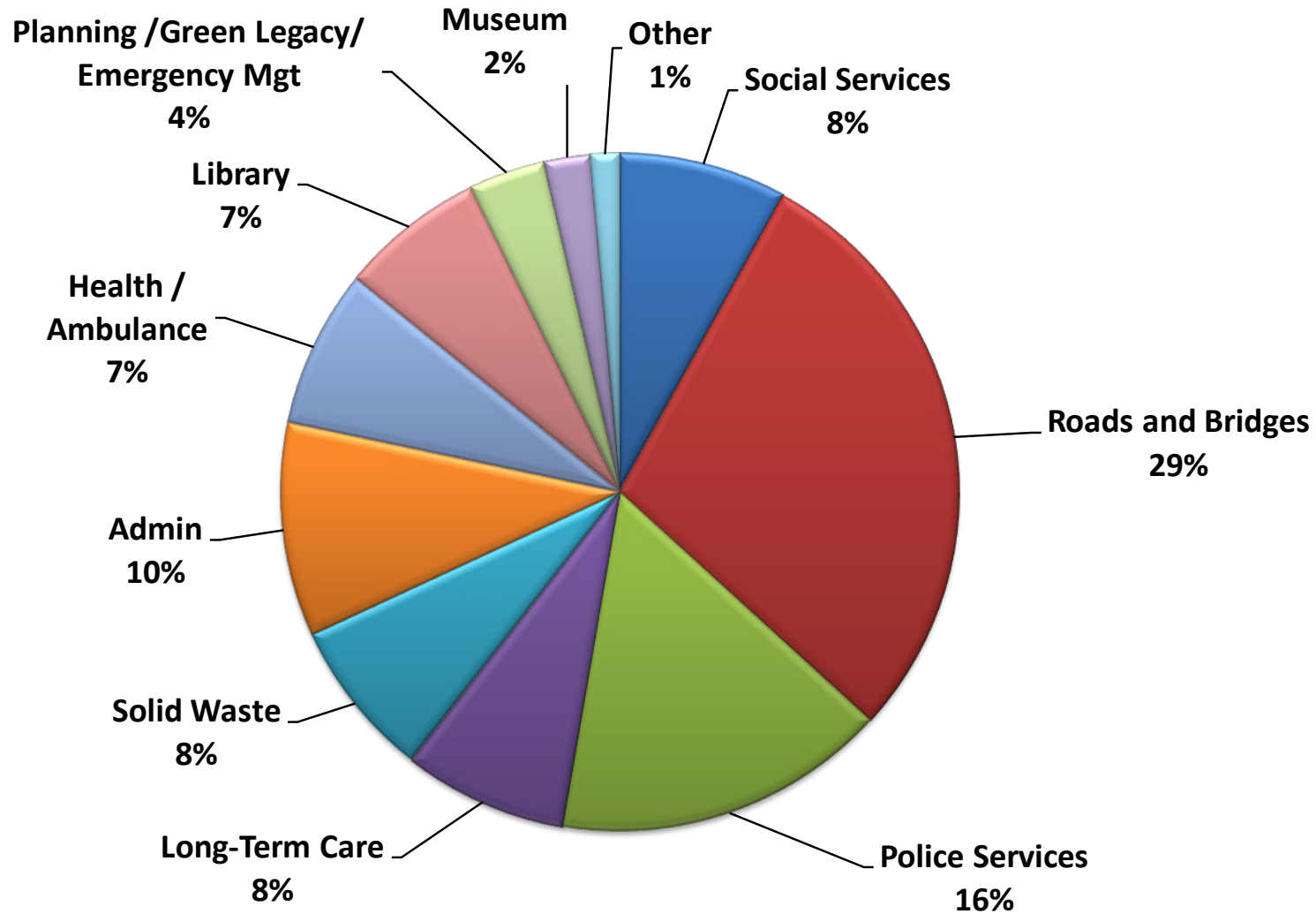
Operating Budget By Department



Other includes: Property Assessment, Economic Development, Tax Write-offs, Corporate Legal, Transfer of Interest to Reserves, Provincial Offences, Debt and Grants to Organizations.



Levy Requirement By Department



Operating Budget: Roads

- ▶ Capital Funding Requirements
 - ▶ Have increased by \$2.1 million in 2022
 - ▶ To address infrastructure deficit requirements identified in the County's Asset Management Plan
- ▶ Service Level Changes
 - ▶ \$150,000 increase for street light and crosswalk upgrades on an annual basis
 - ▶ \$130K traffic signal maintenance services to Minto, Wellington North and Centre Wellington
 - ▶ Fully offset by a municipal recovery
- ▶ Winter Control
 - ▶ Budget of \$6.4 million in 2022 (\$218K reduction)
 - ▶ Includes reduction to sand, salt and deicer expense and snowplow GPS costs
- ▶ Departmental Restructuring
 - ▶ Additional Roads Operations Clerk, reduced winter control radio shift hours and replacing vacant Operations Manager position with a lower job grade
 - ▶ Resulting in savings of \$35,000



Operating Budget: Solid Waste Services

- ▶ Revenue changes
 - ▶ Increased RPRA funding of \$456K in 2022
 - ▶ Sales revenue is up by \$342K as plastics and metal prices have increased
 - ▶ User pay bags reduced by \$100K due to curbside collection usage trends
 - ▶ Tipping fees reduced by \$45K in 2022 as the curbside collection programme has been in place a full year
- ▶ Expenditure changes
 - ▶ Leaf and Yard Waste Collection increase of \$50K for two additional weeks of pickup
 - ▶ User pay bag increase of \$70K as prices have increased significantly
 - ▶ HHW Technician position moved to full-time hours



Operating Budget: Police

- ▶ O.P.P. contract
 - ▶ \$17.3 million in 2022 (net of \$450,000 provision to account for expected savings from the annual contract reconciliation)
 - ▶ The 2022 budget includes a new Sergeant to lead the Community Safety Services (CSS) unit and a new constable
 - ▶ 10 year forecast includes projected contract amounts, the Sergeant in 2022 and 1 new officer/year throughout the forecast

	2021 budget	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	2027 estimate	2028 estimate	2029 estimate	2030 estimate	2031 estimate	2022/21 change
OPP Base Contract <small>*Net of Reconciliation Provision</small>	\$16,822,000	\$16,957,000	\$17,342,000	\$17,736,000	\$18,138,000	\$18,549,000	\$18,970,000	\$19,399,000	\$19,838,000	\$20,287,000	\$20,746,000	0.80%
1 new officer cost <small>*2022 budget for CSS officer not hired in 2021</small>	\$108,000	\$314,000	\$597,000	\$783,000	\$989,000	\$1,202,000	\$1,434,000	\$1,651,000	\$1,888,000	\$2,133,000	\$2,395,000	
OPP Contract with 1 new Officer	\$16,930,000	\$17,271,000	\$17,939,000	\$18,519,000	\$19,127,000	\$19,751,000	\$20,404,000	\$21,050,000	\$21,726,000	\$22,420,000	\$23,141,000	2.01%



Operating Budget: Social and Affordable Housing

- ▶ Staffing changes for 2022 include:
 - ▶ Housing Stability Coordinator 1.0 FTE – approved in 2021
 - ▶ Housing Planning and Policy Analyst 0.75 FTE (April 1st start date)
 - ▶ Both positions are 2 year contracts, entirely covered by provincial Reaching Home funding
- ▶ COVID-related costs include:
 - ▶ Additional cleaning at County-owned units
 - Estimated cost of \$225,000 (\$135K City and \$90K County)
 - County's portion funded from the Shared Services Stabilization reserve
- ▶ Affordable Housing capital requirements (ie: air conditioning system at Fergusson Place) requires additional operating transfers
 - ▶ \$200,000 annual transfer to Housing Capital reserve has been added to fund lifecycle replacements



Operating Budget: Children's Early Years

- ▶ Goal of providing equitable child care available for each municipality
 - ▶ In order to accomplish this goal, the number of child care spaces are increasing at a faster rate in the County
 - ▶ The cost split for available general operating grant funds has shifted to 75% City and 25% County (Previously 85% City, 15% County).
 - ▶ Results in a \$230,000 cost increase for the County, and a corresponding decrease for the City.
- ▶ There are increases to 100% provincial funding programmes including:
 - ▶ Child Care and Early Years Workforce Funding - \$1.4 M
 - ▶ Early Learning and Child Care (ELCC) - \$297,000
 - ▶ EarlyON - \$148,000



Operating Budget: Long-Term Care

- ▶ New provincial funding announced
 - ▶ To increase direct hours of care to 4 hrs per resident day by 2024-25
 - ▶ To increase allied health professionals to 36 mins per resident day by 2022-23
 - ▶ 2022 funding allocation of \$1.5 million
- ▶ Staffing changes:
 - ▶ 2021 in-year changes
 - ▶ Infection Control Nurse - for cleaning, swabbing and additional resident care
 - ▶ Restructuring to better align with resident needs
 - ▶ repurposed a part-time Office Clerk and 4 part-time Neighbourhood Clerks into 3 full-time Neighbourhood Clerks
 - ▶ 2022 Proposed Budget Changes
 - ▶ Two part-time Personal Support Workers (1.4 FTE)
 - ▶ Staffing provision of \$100K to allow for a complete analysis of the guidelines attached to the new funding



Operating Budget: Ambulance Services

- ▶ Service enhancements for 2022 include:
 - ▶ Additional paramedic shift to increase services in Centre Wellington to 24/7
 - ▶ City still determining exact location of enhancements
 - ▶ Net County cost is estimated to be \$235,000
- ▶ Total contract cost is increasing by \$404,000
 - ▶ Includes slight increase to County share of ambulance calls (now at 38.5%)
 - ▶ Includes contingency for additional COVID-related expenses



Operating Budget: Planning (Climate Change)

- ▶ Future Focused – a Climate Change Mitigation Plan for the County of Wellington:
 - ▶ Two new contract positions
 - ▶ Energy Data and Engagement Assistant
 - ▶ Sustainability Programme Assistant (split with Smart Cities) and offset by \$30K in grant funding
- ▶ Two new programmes to be partially offset by grants
 - ▶ Home Energy Retrofit programme (\$350K) – net cost of \$70K after grant
 - ▶ Living Labs Study (\$150K) – net cost of \$25K after grant
- ▶ Electric vehicle adoption by the community (\$50K) – includes outreach and education
- ▶ The overall operating impacts of corporate climate change initiatives will be \$260K



Operating Budget: Library

- ▶ Library late fees
 - ▶ In November, the Library Board approved a staff report that library late fees be discontinued
 - ▶ Late fees (\$62,800) have been removed from the 2022 budget
- ▶ Staffing changes include:
 - ▶ Additional branch supervisor hours at Palmerston and Drayton
 - ▶ Change two part-time positions to full-time to meet staffing level requirements
- ▶ Library materials and resource increases:
 - ▶ Book budget - \$30K
 - ▶ Digital devices for patron use - \$28K
 - ▶ Computer replacements - \$26K



Operating Budget: CAO / Clerks

- ▶ Information Management and Technology
 - ▶ Modernization initiatives driven by provincial grants are requiring additional investments in information management and IT
 - ▶ New staffing positions include:
 - ▶ System Administrator
 - ▶ Supervisor of IT Infrastructure
 - ▶ Information Management Analyst
 - ▶ IT Service Delivery Review
 - ▶ Conducted in cooperation with 6 of 7 local municipalities
 - ▶ Includes a one-time increase of \$105,000 in 2022 to complete next steps:
 - ▶ Collaborate on IT strategic planning and innovation
 - ▶ Define and implement common standards
- ▶ Communications:
 - ▶ New Communications Officer
 - ▶ To meet the needs brought on by new County initiatives



Operating Budget: Human Resources

- ▶ Staffing changes include:
 - ▶ Disability Management Coordinator
 - ▶ To address increasing disability claims and mental health initiatives undertaken by the County
- ▶ Employee Wellness Strategy and Initiatives
 - ▶ Partnership with Canadian Mental Health Association (CMHA)
 - ▶ Here4Hope programme extended another 3 years from July 2022 to June 2025
 - ▶ Impact of \$43K in 2022
- ▶ Modernization Initiatives
 - ▶ New Human Resources Information System (HRIS)
 - ▶ \$100K increase to software maintenance and licensing
 - ▶ Partially offset by modernization grant funding of \$65K



Operating Budget: General Rev and Exp.

- ▶ General Revenues:
 - ▶ OMPF Funding - \$926,300
 - ▶ Interest earnings - \$3.2 million
 - ▶ PILs and supplementary taxes - \$2.9 million

- ▶ General Expenses:
 - ▶ Contribution to MPAC for property assessment - \$1.5 million
 - ▶ Tax write-offs - \$1.0 million



Operating Budget: Staffing Changes

2022 Staffing Summary				
2021 Approved staff complement (expressed as full time equivalents)	721.6			
Annualization of positions approved in the 2021 budget	1.5			
2021 In-Year Staffing Adjustments	FTE	Gross Cost (Sal & Ben.)	Other Funding / Savings	Net County Cost
Housing: Housing Stability Coordinator - 2 year contract	1.0	100,800	(100,800)	-
Long-Term Care: Nursing hours change to full-time for Infection Control (COVID)	0.2	35,000	(35,000)	-
Long-Term Care: 4 part-time Neighbourhood Clerks changed to 3 full-time positions	0.2	30,000	(30,000)	-
Long-Term Care: remove part-time Office Clerk	(0.6)		(54,000)	(54,000)
Roads Departmental Restructuring: new Roads Operations Clerk; reduce Winter Radio Shift hours; other vacant position(s) regraded lower	0.5	36,000	(71,000)	(35,000)
Economic Development Departmental Restructuring: Economic Development Officer to full-time; other vacant position(s) regraded lower	0.3	36,000	(31,000)	5,000
Library: Branch Supervisors to full-time from part-time hours at Palmerston, Drayton	0.3	34,000		34,000
Temporary Adjustments due to COVID-19				
Long-Term Care: Additional swabbing hours	0.2	14,700	(14,700)	-
Child Care: Screeners (AM)	0.9	36,950	(36,950)	-
Child Care: Screeners (PM)	0.6	26,650	(26,650)	-
Total 2021 In-Year Staffing Adjustments	3.5	\$ 350,100	\$ (400,100)	\$ (50,000)
Adjusted 2021 Staff Complement	726.6			



Operating Budget: Staffing Changes

2022 Staffing Summary				
2022 Proposed Staffing Changes	FTE	Gross Cost (Sal & Ben.)	Other Funding / Savings	Net County Cost
Long-Term Care: additional part-time Personal Support Worker (PSW) hours	1.4	92,400	(92,400)	-
Housing: staffing restructuring as of July 1st	1.0	133,800	(133,800)	-
Housing: Housing Planning and Policy Analyst - 2 year contract	0.8	68,000	(68,000)	-
Climate Change (Planning): Sustainability Programme Assistant – Agriculture (2 year contract)	0.8	51,400	(30,000)	21,400
Climate Change (Planning): Energy Data and Engagement Assistant (2 year contract)	0.8	51,400		51,400
SWS: Household Hazardous Waste (HHW) Technician change from part-time to full-time hours	0.4	32,000		32,000
Emergency Management: Summer Student	0.3	12,500		12,500
CAO & Clerks: Communications Officer; Information Management Analyst	1.6	157,400	(13,200)	144,200
IT: System Administrator; Supervisor of IT Infrastructure	1.7	176,900	(36,800)	140,100
HR: Disability Management Co-ordinator	0.8	80,400	(80,400)	-
Property: Property Services Coordinator (2021 contract to March 2022)	(0.8)	(58,000)	58,000	-
Proposed changes to Staff Complement	8.6	\$ 798,200	\$ (396,600)	\$ 401,600
2022 Proposed Staff Complement (full time equivalents)	735.2			



2022 Operating Budget Summary

- ▶ Roads capital funding requirements (1.9% on tax levy)
- ▶ Museum and affordable housing capital requirements (0.5% on tax levy)
- ▶ Ambulance service (Centre Wellington) and other enhancements (0.4% on tax levy)
- ▶ Corporate climate change initiatives (0.2% on tax levy)
- ▶ Offset by Assessment Growth (2.0% reduction to tax impact)
- ▶ Current tax impact at 2.0%



County of Wellington Tax Impact (2022-2031)

