

2003 BUDGET HIGHLIGHTS

Expenditures

In 2002, gross expenditures for Counties requirements were estimated at \$59,200,287. The 2003 Budget estimates gross expenditures in the amount of \$66,628,681; an increase of \$7,428,394 or 12.55%. This budget also reflects the debt management for the Maple View Lodge redevelopment and provides for the commencement of contributions to the OMERS pension plan, as well as providing for a salary increase for all non-union and union employees.

Other factors that have influenced the budget is the Counties' continued commitment to advance a roads capital improvement and replacement program to a sustainable level of service. The budget also addresses the competitive escalation of wages in land ambulance services across the province while maintaining provincial standards and equal community access across Leeds and Grenville.

The Counties remains committed to providing the services of weed inspection, 911, fire emergency dispatch, land severances, a county park, planning and economic development, as well as, ongoing funding commitment to hospital redevelopment projects serving the residents of Leeds and Grenville.

The Counties continues to work in partnership with the City of Brockville and the Towns of Gananoque and Prescott to provide for the delivery of land ambulance, social services and child care, social housing and Provincial Offences Act administration. The costs for the delivery of these services are shared between the four municipalities using formulas based on weighted assessment. In 2003 the Counties percentage of weighted assessment has increased and this has resulted in an increased share of these costs. The direct administration costs of the Joint Services Committee amount to \$21,056 with the Counties' share being \$12,383.

Revenue

In 2002, budgeted gross revenue was estimated at \$43,022,829. The 2003 budget estimates gross revenue in the amount of \$48,735,617 representing an increase of \$5,732,788 or 1.33%. Increased revenues reflect the inclusion of offsetting revenue from the Province for the Maple View Lodge Redevelopment bed subsidy amounting to \$74,000, increased POA revenue in the amount of \$147,744, transfers from reserve in the amount of \$2,901,520, increased CRF funding of \$387,000 and increased EMS base funding of \$275,981.

The total County levy for 2003 is \$17,893,064, an increase of \$1,715,606 over last year's

levy of \$16,177,458. Although this represents a 10.60% increase to the amount levied from the local municipalities this will result in no increase in the residential tax rate for 2003. The increase in levy expressed as a percentage of the 2002 gross expenditures equates to 2.89%.

Taxation

For the 2003 taxation year, an assessment update has been conducted by the Municipal Property Assessment Corporation (MPAC) to update the values of all property to current values at June 30, 2001. This has resulted in an average growth in new assessment of 1.57% for all property classes and an increase in assessment due to updated property values of 9.22%. The Counties' responsibilities concerning taxation include the examination of various tax tools, the establishment of tax ratios and the passing of appropriate by-laws pertaining to tax policy.

General Government

This budget includes the final stages of the implementation of the Organizational Review that commenced in 2002. The Corporate Services Division which will provide support services in the areas of finance, human resources and information technology continues to be developed. During 2003, an interactive web site will be launched which will allow portals for county residents to access county, municipal and province information. This budget also provides for capital, technological and upgrades for County Administration facilities in Brockville at 32 Wall Street and 25 Central Avenue. The purchase of the facility at 25 Central Avenue will provide for the centralization of many of the services currently located throughout the City of Brockville. With the purchase of this new facility operational efficiencies will be achieved and reflected in future budgets.

Protection to Person and Property

The Protection to Persons and Property section of the budget includes the services of Provincial Offences, Fire Emergency, Emergency Measures and Weed Inspection. The increase in expenditures of \$138,946 is offset substantially by increased net POA fine revenues of \$282,244. This budget includes new expenditures for the counties' increased role in emergency preparedness as mandated by the Province.

This budget also reflects the reduced net costs of \$27,890 associated with the replacement of the 911 Bell Canada emergency answering service with the O.P.P. in fall of 2002.

Transportation Services

In 2003, the Roads program reflects the third year of the Counties Council's three year plan to move toward a sustainable funding level for the County Roads system. Gross expenditures at \$8,086,650, have been increased by approximately \$250,000 over the 2002 budget amount and are offset by a contribution from reserve of \$1,100,000. Projects for 2003 include rehabilitation of County Road 32 from County Road 13 northerly for 2.3 km; County Road 34 from County Road 2 northerly for 2.3 km; County Road 20 from Roebuck to Spencerville (4.8 km); County Road 21 from 1.4 km east of Limerick Road to County Road 44 (4.8 km); County Road 17 from Jasper northerly for approximately 3.8 km; County Road 14 from Narrows Lock northerly for 1.2 km; County Road 5 - Mill Street in Athens (200 m); County Road 22 - Shanly Road in Cardinal (700 m). Other contemplated projects include bridge repairs at Outlet and Jones Falls, new or upgraded guide rail protection at a number of locations and rehabilitation and re-roofing at one sand dome.

Environmental Services

The Counties continues to be committed to the development of ED19, the preferred waste management site and an annual Household Hazardous Waste Collection Day.

Health Services

The Health Services section of the Budget includes the land ambulance service, county contributions to the health unit and hospital redevelopment programs. The County share of the Leeds, Grenville and Lanark District Health Unit has increased by \$44,132.

Land ambulance operational expenditures have decreased by \$95,736 as a result of operational efficiencies and decreased insurance premiums, while increased contributions to capital reserves for future needs are included. With the change in the cost sharing percentage the counties' share of this budget increases by \$98,851.

Donations to the redevelopment projects at Brockville General Hospital, Perth and Smiths Falls District Hospital, Winchester Memorial Hospital and Kemptville District Hospital remain unchanged from 2002 at \$126,100.

Homes for the Aged

The Counties continues to provide financial support to St. Lawrence Lodge in partnership with the municipalities of Brockville, Gananoque and Prescott. The Counties' share has increased by \$9,811.

Counties Council committed to the redevelopment of Maple View Lodge commencing in 2002. The project will see the construction of two new residential wings with increases to the number of beds from forty-one to sixty and improvements to other operational areas of the building. The project is expected to cost approximately \$8.3 million dollars and a debenture issue for the amount was issued in the fall of 2002 while interest rates were at an

all time low. The remainder of the project will be funded by fundraising and donations, provincial subsidy of up to \$75,000 per bed. The project began in the fall of 2002 and will be completed by the fall of 2003.

Social and Family Services

The overall budget which includes Social Assistance, Child Care and Social Housing has increased in 2003 by \$290,114 or 3.88%. Through the Joint Services Committee the Counties' share incorporates the impact of a change in the cost sharing arrangement for Social Assistance and Child Care, of which the Counties' share for 2003 is based on 50% caseload and 50% weighted assessment. The Social Assistance (Ontario Works) budget is influenced by a number of factors including the local economy, caseload composition, funding cuts by the province and new information technology costs. This program is highly regulated, has little flexibility and operates in a target-based environment in which resources are critical to support achievement of established targets. The county portion of this budget has increased by \$183,022 or 3.38% from 2002 mainly due to the increased weighted assessment cost sharing percentage.

The structure and scope of the Child Care programs that are included in the 2003 budget have changed significantly with the introduction of the Ontario Early Years Centre in the spring of this year, however, these changes have not impacted costs due to 100% funding from the province. Program activities and associated costs for all existing programs remain constant with minor changes relating to inflation and new connectivity costs. The county portion of this budget has increased by \$42,437 or 18.88%.

The Leeds and Grenville Housing Corporation was dissolved and fully integrated with the County in the fall of 2002. Community Housing continues to be a work in progress and 2003 will see the beginning of a much more comprehensive long-term planning process. The foundation of this process will be provided through a Housing Study and a Building Condition Audit. The County portion of this budget has increased by \$64,655 or 3.53%.

Recreation and Cultural Services

The Counties operates a park at Charleston Lake in the Township of Athens at an annual cost of \$9,250.

Planning and Development

The Planning and Development section of the budget includes, Planning, Geographic Information Systems (GIS), Land Severance, Economic Development Services, and Forest

Management. This budget provides for a county planning function to meet the designated approval authority for subdivision and condominium development transferred from the Province, and provides advice and support to local municipalities. The ongoing development of a Geographical Information System (GIS) in 2003, will serve as the foundation for a county wide municipal information system. This provides the County with a unique opportunity to obtain government funding which will allow for the development throughout the county in this budget year and provide more timely and accurate information to our member municipalities. The Counties requirement for the Planning and GIS Budgets amounts to \$214,160 which is \$45,840 lower than last year. Land Division services are operated on a cost recovery basis. The Counties role in economic development is currently being considered by a special committee of councillors of the County, the City of Brockville and the Towns of Gananoque and Prescott. The 2003 budget reflects an increase of \$5,000 over 2003.

The Counties has taken a more active role in Forest Management, as a result of the termination of the management agreement for Limerick Forest with the Ministry of Natural Resources in 2002. The budget expenditures have increased by \$65,650 to provide resources for a full year. Revenues have been realized in the amount of \$80,000 from the sale of cutting rights in 2003. This is a new revenue source and has thereby resulted in a net decrease of \$14,350 in the overall budget.

In Summary...

This budget has provided for additional contributions to reserve to allow known future capital needs. This is the first step in the development of a long range financial and capital plan for the Counties, which will be further implemented in future budgets. The purpose of these two plans to provide a long term view of needs thus mitigating large impact on annual budget requirements.

This budget meets the challenges of 2003. It continues to create a foundation for a financial and operational base to effectively deliver the Counties new service responsibilities while enhancing traditional core services that meet the needs and expectations of the communities in Leeds and Grenville, now and in the future.