

OVERALL BUDGET



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Overview

At a Glance

The County budget includes the resources necessary to maintain existing services and service levels. This year's budget contains impacts directly related to COVID-19 as well as items that address areas of growth and initiatives directed by Council to enhance service levels, increase efficiencies and plan for the future.

The budget includes:

- COVID-19 impacts totaling over \$7.4M
- Continued implementation of the 10-Year Affordable Housing and Homelessness Prevention Strategy, dedicating resources for increasing rental supplements, secondary suites and rental development
- The Simcoe County Housing Corporation capital program includes three major affordable housing developments; the City of Orillia, the City of Barrie and the Town of Bradford West Gwillimbury
- Continued implementation of the Lake Simcoe Regional Airport strategic plan through Airport Certification
- LTC - Homes 2022 capital includes the continuation of funding for the redevelopment of Simcoe Village
- Paramedic Services forecasts call volume growth to be 5.7% in 2022
- Continued development of an Environmental Resource Recovery Centre (ERRC) to improve efficiencies and increase waste diversion rates in the future
- Implementation of the new automated waste collection system to improve continuity of service. Transitioning of waste collection to a cart based automated system will help mitigate driver shortages by lowering the physical nature of the work
- Major road construction projects include CR4, CR 21, CR 22 and CR93 with related road, bridge and intersection components
- Implementation of the 2017 Provincial Growth Plan, including the completion of a Municipal Comprehensive Review in partnership with the member municipalities

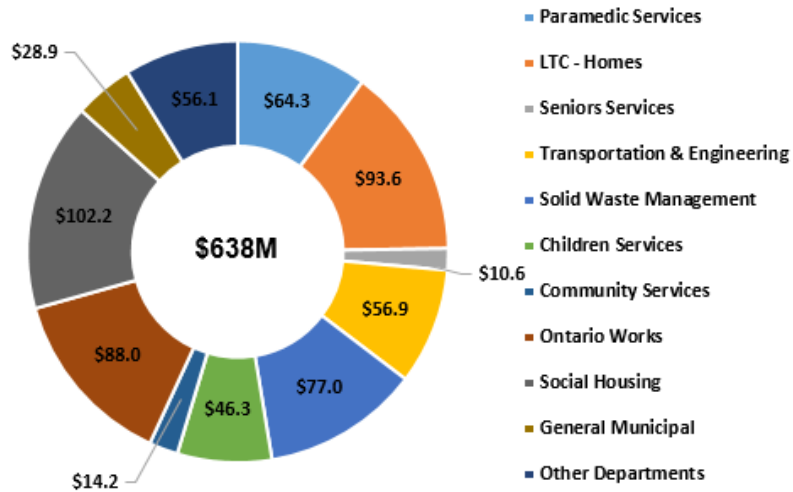
Financial Snapshot

This table summarizes the County of Simcoe high-level year over year budget comparison.

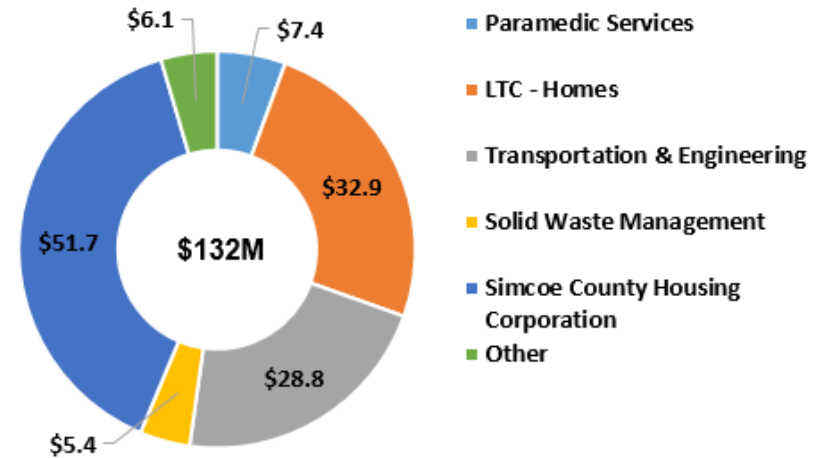
Comparison (\$000's)	2021	2021	2022	2022B vs 2021F Change		2022B vs 2021B Change	
	Budget	Forecast	Budget	\$	%	\$	%
Operating Revenues	488,658	533,271	520,113	(13,158)	(2.5)	31,454	6.4
Operating Expenses	468,174	512,675	505,854	(6,821)	(1.3)	37,679	8.0
Operating Balance	20,484	20,596	14,259	(6,337)	(30.8)	(6,225)	(30.4)
Gross Capital Requirement	95,869	112,826	132,187	19,361		36,319	
Net Capital Requirement	(26,844)	(26,955)	(57,043)	(30,088)		(30,200)	
External Debt	33,680	76,459	72,027	(4,432)		38,347	
Internal Debt	197,810	146,120	201,005	54,884		3,195	

The first graph highlights the County operating and capital expenditures breakdown by department. The second graph is a breakdown of the capital expenditures only by department.

Operating & Capital Expenditures - \$638M



Capital Expenditures - \$132M

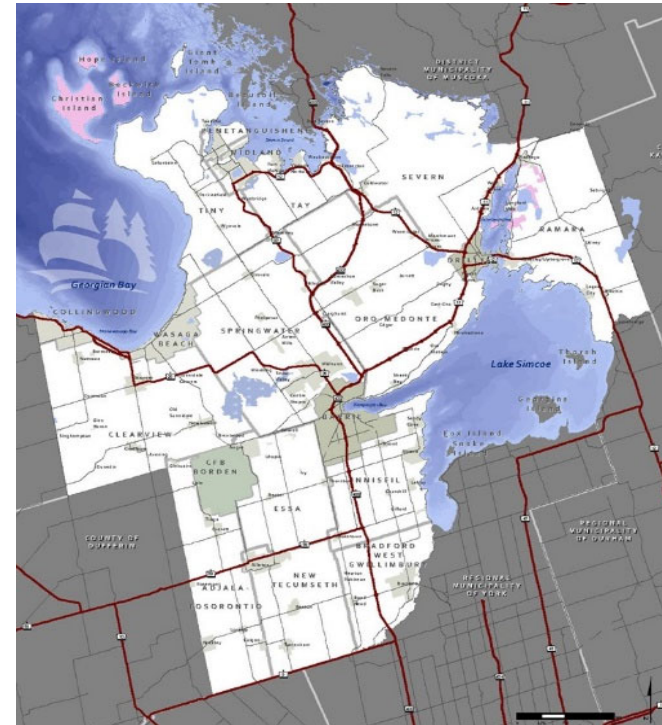


County Profile

The County of Simcoe delivers a wide variety of programs and services to meet the needs of local residents and businesses.

The County is a dynamic community that continues to experience sustained growth. Some key facts of the County of Simcoe are:

- Upper tier municipality consisting of 16 member municipalities
- Largest County in Ontario based on population from the 2016 census
- Third largest County in Ontario based on physical size
- Owns and manages 33,300 acres of County forests
- Borders on 500 km of shoreline
- Maintains 1,798 lane km of County roads, 203 bridges and structures, and 60 major signaled intersections
- Plays host to over nine million visitors annually
- Employs more than 2,000 full and part-time people



County of Simcoe - Council and Officials

Simcoe County Council 2018 – 2022



The County of Simcoe Council acts as the decision making body for the organization.

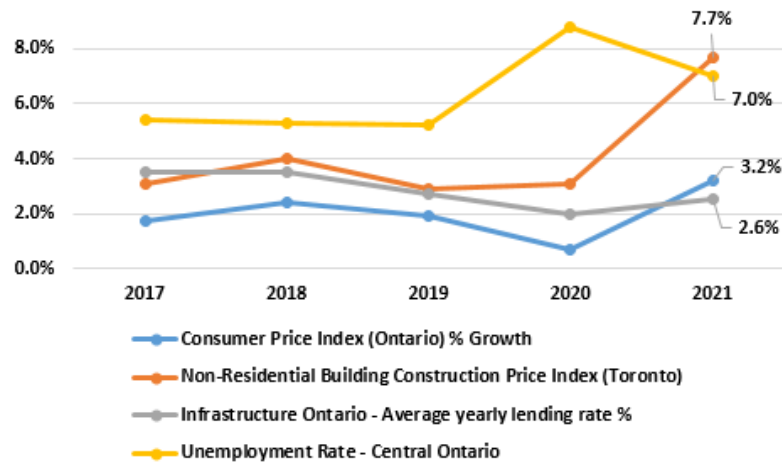
County Council is composed of the mayors and deputy mayors of each of the sixteen towns and townships located within Simcoe County. The Warden is the head of government for the County and is elected by his and her peers on County Council. The Office of Warden is a two-year term. The warden is elected at an 'Inaugural Meeting' of County Council held in December in the first and the third years of every term of Council.

All members of County Council sit as Committee of the Whole. Members of Council are also appointed to various internal and external committees and boards, such as the Accessibility Advisory Committee, Audit and Finance Committee, Economic Development Sub-Committee, the Children's Aid Society and the Local Health Integration Networks.

General Economic Index

Economic environment refers to external factors that influence the habits of consumers and businesses. Listed in the below graphs are indexes as well as cost related trends and population growth.

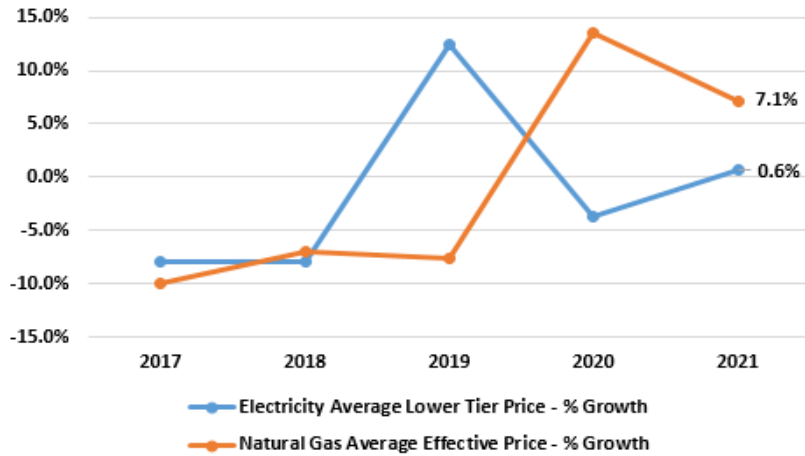
General Indexes



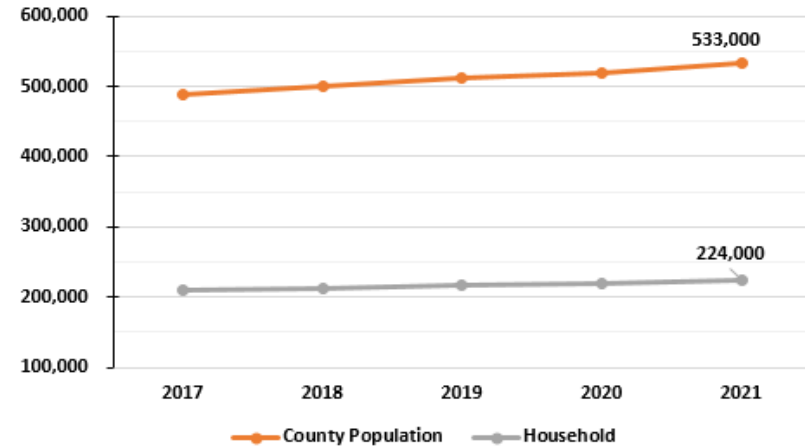
County Tax Rate Increase



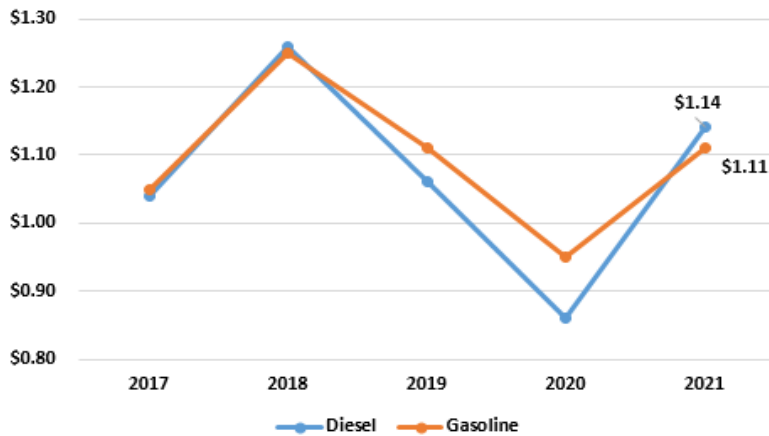
Electricity & Natural Gas rates



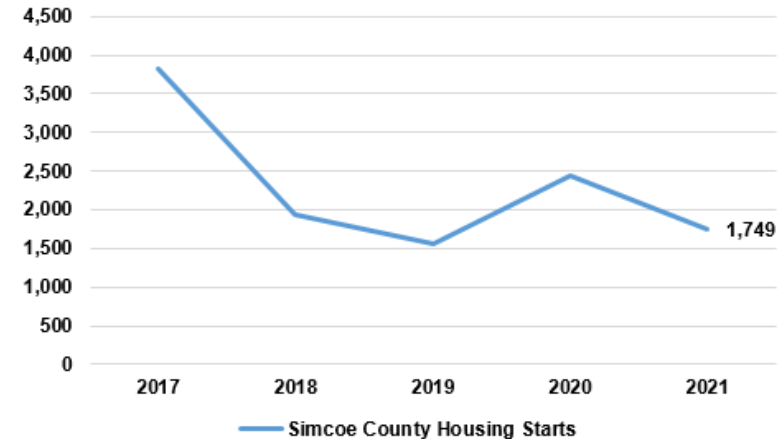
County of Simcoe population and household - includes Barrie & Orillia



Diesel and Gasoline estimated cost/litre



Housing Starts - excludes Barrie & Orillia



Financial Policies

The County has adopted several policies over time to help guide financial decisions. These policies guide County Staff in making sound and strategic decisions in relation to the County's fiscal responsibilities. Listed below are some of these key policies.

Reserve policy

Highlights the threshold and limits for reserve contribution, targets and funding sources. The policy also highlights the intended use of each reserve to ensure sufficient funds are available to meet the County's short and long-term obligations and be able to respond to unplanned events.

Investment, Cash Management and Debt policies

The investment policy defines the guidelines to ensure County funds generate additional value through interest and investment yields. The debt policy sets the limits for the use of debt to remain financially flexible and avoid the high cost of interest. The County has not set an internal debt limit as historically the debt levels are well below the allowable provincial Annual Repayment limit of 25% of own source revenues.

Asset Management policy

The asset management policy formalizes the County's commitment to asset management, aligns its asset management actions with strategic goals, plans and objectives, and provides direction to guide Council, management and staff on strategic investment decisions. This policy supports the County in focusing its asset management efforts on managing condition, service levels and risks; addressing asset priorities, and meeting short and long-term needs within the bounds of possible funding.

Tangible Capital Asset policy

The purpose of the TCA policy is to prescribe the accounting treatment of Tangible Capital Assets. Specifically, the TCA policy outlines the capitalization thresholds, asset useful lives, amortization method and disposal/write down treatment by asset class. The policy ensures; a consistent and accurate accounting treatment of asset related expenditures, effective asset management processes, fiscal responsibility and accountability, improved information to support long-term budgeting and that asset accounting complies with PSAB 3150.

Budget Framework

The County is committed to delivering core services to meet the growth in demand, enhancing programs and services while balancing the financial burden to the taxpayers.

This commitment is addressed annually through budget deliberations. Council decides on the overall level of services, the types of programs, the infrastructure and long-term investments necessary to support the growing community while preserving a valued lifestyle affordable to its residents.

The annual budget is a strategic planning document whereby the financial resources of the County are allocated to various programs and services to achieve the County of Simcoe's priorities and reflects the needs of residents. The budget establishes service levels, program offerings, replacement schedules as well as capital improvements. It also determines the amount of taxes to be collected from residents and businesses.

Balancing the need to provide core services to an expanding population with the desire to pursue new opportunities presents a challenge due to limited revenue sources. County staff have maximized other sources of revenues to support Simcoe County's history of maintaining low tax rates through a strong user pay for service and growth pays for growth philosophy.

Where appropriate, service fees and charges have been introduced or increased and services have been aligned with the needs of the growing community.

Multi-year financial planning in addition to the annual budgeting process ensures current and future impacts associated with decisions are understood and identified.

Council is required to approve a balanced budget for the calendar year (Jan 1 to Dec 31), before property taxes can be billed. The operating budget includes annual expenditures for staff, materials, services, debt servicing, reserve activity, taxation, subsidies and program costs. The capital budget identifies approved projects and their revenues and costs.

Recurring expenditures are funded from recurring sources of revenue. Non-recurring expenditures are funded from reserves or purpose specific funding. During the budget development process, Council will consider staffing, operational and capital expenditures to increase efficiencies and effectiveness.

Ontario Municipalities are not permitted to budget an operating deficit. Any operating surplus at the end of the year is allocated as per Council's direction during the strategic plan discussions.

Council and Management receive, on a regular basis, financial status reports on spending against budget and forecast to year-end.

The County of Simcoe strives to provide good value for tax dollars and works to enhance value for taxes by monitoring the efficiency and effectiveness of services.

Budget Process

The challenge of the budget process is to meet the many and varied needs of residents and businesses at a cost that is reasonable to County taxpayers.

The primary purposes of the County of Simcoe’s budget are to:

1. Set out the program of services provided by the County, their purpose and planned costs
2. Provide a method of controlling expenditures
3. Forecast revenues and funding to support services to the communities
4. Support and facilitate achievement of long term plans and objectives

The budget process covers base budget, growth and enhancements to service levels.

Base Budget	Service Growth	Enhancements
<ul style="list-style-type: none"> • Costs required to maintain existing service levels • Mandatory / Legislative • Non discretionary costs imposed by others • Carry over projects • Costs from prior year commitments 	<ul style="list-style-type: none"> • Costs required to maintain existing service levels for the increasing population • Funding of new initiatives by development charge revenues and property taxes identified by assessment growth • Long term financing strategies 	<ul style="list-style-type: none"> • New services or enhanced service levels • Funding to cover cost of providing these services depends on property taxes and growth in the assessment base that may lag the timing of expenditures

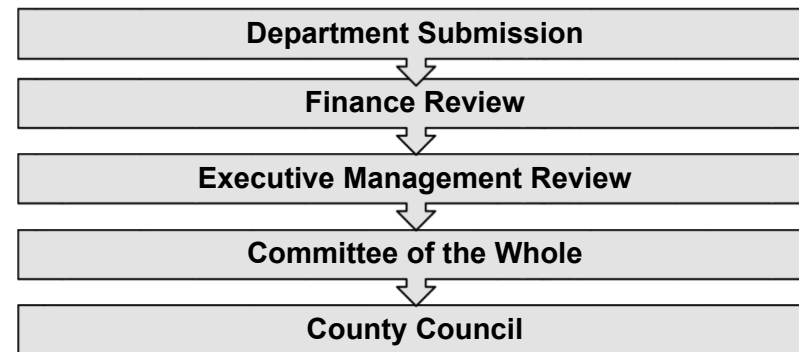
Budget Review

The budget review requires each department to meet with their Financial Controller and prepare a budget that ensures all relevant budgeting principles follow Generally Accepted Accounting Principles (GAAP).

The department budget outlines the associated revenues and expenditures, net operating balance, net capital requirement and the total department requirement.

Changes to operations, staffing complements and capital projects require an expenditure request form. All requests must support the County’s strategic plan and each department’s mandate. Executive Management reviews, challenges and assesses each proposal.

Once the reviews are complete, the budget is presented to the Committee of the Whole. The Committee of the Whole provides comments and direction to staff for any adjustments. The Committee of the Whole refers the budget to County Council with their recommendations for review and final approval.



Dates	Description
Nov. 04, 2021	Special budget meeting
Nov. 09, 2021	Follow-up and finalize budget
Nov. 23, 2021	Adoption of budget

Key Inputs

Plans, Acts and Regulations

The budget reflects the strategic initiatives and investment for the County of Simcoe. A number of planning processes, multi-year Master Plans and Acts, in addition to Ministry regulations, drive the development of the budget. Major elements include:

- Affordable Housing and Homelessness Prevention Strategy
- Ambulance Act
- Child Care and Early Years Act, 2014
- County of Simcoe Strategic Plan
- Development Charge Act
- Development Charge Background Study
- Environmental Protection Act
- Forest Management Plan
- Housing Services Act
- Long Term Care Act
- Long Term Financial Plan
- Ontario Planning Act
- Ontario Provincial Standards
- Ontario Works Act
- Simcoe County Official Plan
- Solid Waste Management Strategy
- Transit Feasibility and Implementation Study
- Transportation Master Plan

Economic Outlook

The economic prospects for the County of Simcoe are expected to remain good per the Standard & Poor's (S&P) 2020 report. The credit rating firm provided the following; "County of Simcoe 'AA' rating is based on exceptional liquidity, very low debt burden and contingent liabilities, a strong economy and budgetary performance with a stable outlook".

Provincial Subsidies

The County assumes that provincial subsidies will continue at the current known and committed level as a major source of operating revenue. The costs of providing provincially mandated services are based on Ministry regulations and guidelines.

Development Charges and Reserve Funds

Development Charges are fees imposed on development projects to pay for increased costs arising from growth-related development in the County. The rates for these fees are developed based on the growth forecasts and needs requirements within the County. Various long-term plans have been utilized to develop future rates; including the Transportation Master Plan and the Official Plan.

A requirement of the Public Sector Accounting Standards of the Chartered Professional Accountants of Canada (CPA Canada) is that obligatory reserve funds must be reported as deferred revenue. This requirement restricts how these funds may be used and under certain circumstances, how these funds may need to be refunded. Monies received from payment of Development Charges under the Development Charge By-Law are maintained in specific reserve funds and interest is allocated to each of the reserves increasing their balances.

Asset Management Plan

Ontario municipalities must develop asset management plans to meet provincial regulatory requirements. The County has an asset management plan that outlines the state of the local infrastructure including an asset inventory list identifying various attributes of an asset such as the asset condition and replacement cost estimates. The Asset Management Plan provides desired level of service, an asset management strategy and a financing strategy.

The County Asset Management Plan utilizes a risk assessment model based on an asset condition index and service impact to assist in the prioritization of assets across the County. Based on this model, an asset tagged with the risk rating of medium/high may be considered for replacement because of its potential impact on the County's level of service.

Debt Capacity

A Municipality may only issue new debt provided that the projected financial charges related to the outstanding debt will be within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs. This limit is set at 25% of a Municipality's own source revenues less debt charges and financial commitments.

The County has a current debt service capacity of \$52M available per year for payments relating to debt and financial obligations under provincial guidelines based on the 2019 Financial Information Return. This would allow additional borrowing if needed.

The additional borrowing which the County of Simcoe could undertake over a 5 year, 10 year, 15 year and 20 year period is illustrated below at 5% interest rate, for information purposes only.

Period	Maximum Borrowing
20 years	\$650M
15 years	\$541M
10 years	\$403M
5 years	\$226M

Basis of Accounting and Budgeting

The County of Simcoe's financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as recommended by the Public Sector Accounting Board (PSAB). The County of Simcoe follows the accrual basis of accounting, which recognizes revenues when they are earned and expenses when they are incurred rather than when a payment is made or received.

The County also utilizes a budgeting and reporting software that provides a central repository for the County's budgeting and planning requirements. This enhances consistency in budgeting methods, assumptions and data integrity among the divisions.

Financial Principles and Approach

The County's approach to financial management is to balance bottom line concerns with longer term financial planning for sustainable service delivery.

The principles followed in the preparation of this budget are:

1. Ensure long-term financial sustainability
 - Determine on a multi-year basis the financial requirements for operating and capital needs
 - Identify any funding gap between revenues and expenditures
 - Ensure there are sufficient revenues to meet long-term operating and financial requirements and balance spending with revenues
 - Plan for the replacement of assets and maintenance of assets through asset management and replacement reserves
 - Maintain existing service levels
 - Keep tax levy impact within cost indices

2. Deliver services in a cost-effective and efficient manner

- Ongoing reviews of programs on a regular basis to ensure services are delivered in a cost-effective and efficient manner
- Identify and implement efficiencies
- Provide sustainable service levels

3. User Fees

- Ensure that user fees recover program operating costs

4. Manage capital assets to maximize long-term community benefit

- Maintain the County's assets in a 'state of good repair' in accordance with the Asset Management Plan

5. Implement a capital funding plan to address the County's requirements

- New asset requirements
- Develop debt financing program to address the County's capital needs
- Ensure debt terms are consistent with the life of the asset

6. Maintain reserves at appropriate levels

- Establish reserves to provide funding for future assets

7. Prudent investment management

- Invest the County's reserves to achieve optimum return within appropriate risk tolerances

County View

The County derives its annual budget by determining the yearly needs of the County. These needs or costs are the expenditures, which are offset by the money that comes into the municipality, known as revenue. The revenue is generated through different streams such as provincial subsidies, service partner contributions, user fees, miscellaneous income, grants, reserves, capital funding and the county levy. The County builds its budget based on assumptions to create projections and an estimated view.

Assumptions

- COVID-19 impacts - See COVID-19 Impacts section
- Tax rate increase of 2% as directed by Council
- Provision of 1% of the levy set aside for strategic land purchases
- Provision of 1% of the levy set aside for Economic Development
- Based on the five year trend, the property asset/additions growth assumption is estimated at 2.7%
- Consumer Price Index 2%
- Supplementary Taxes are estimated at \$2.7M net of write offs based on the five year trend
- Non Residential Building Construction Price Index 3.1%
- Increase of 15% for the construction costs per square foot due to COVID-19
- Utilities projected increase (Natural Gas 4%, Water 4% and Hydro 2%)
- Gasoline and diesel fuel increase estimated at 1%
- Municipal Property Assessment Corporation (MPAC) 1% increase
- Simcoe Muskoka District Health Unit increase of 2%
- Provision of \$500K for Hospice capital funding
- Hospital Alliance grant of \$3M
- Post-secondary funding of \$1.5M
- Age Friendly grant \$550K
- Lake Simcoe Regional Airport operating costs reflect 90% ownership
- Salaries & Benefits are based on current contracts and non-union compensation plan
- Cost sharing with the Cities of Barrie and Orillia are estimated based on the shared services agreement
- Staffing requirement for FTE's have been projected to meet departmental objectives

COVID-19 Impacts

County staff have been monitoring and assessing the potential financial impacts of COVID-19 to the County since the beginning of the pandemic. This includes an ongoing review of significant operating revenues, expenditures and impact to the capital projects.

Revenue Impacts

Description	Revenue Type	Department	Impacts+/(-) 2022
COVID-19 Share of Expenses	Service Partners	Various	952
COVID-19 Final Funding	Subsidies	LTC - Homes	365
COVID-19 Funding of Pandemic Shifts	Transfer from Reserve	LTC - Homes	4,134
COVID-19 Funding of security costs	Transfer from Reserve	Simcoe County Housing Corporation	651
Total Revenue Impacts			6,101

Expense Impacts

Description	Expense Type	Department	Impacts+/(-) 2022
Pandemic Shifts	Salaries & Benefits	LTC - Homes & Seniors Services	4,283
Home Services Assistants	Salaries & Benefits	LTC - Homes & Seniors Services	1,878
CAST Staffing - COVID-19	Salaries & Benefits	Paramedic Services	580
PPE & Cleaning	Cost of Service Delivery	Various	462
Security Costs	Cost of Service Delivery	Simcoe County Housing Corporation	651
Microsoft Office 365	Software	Information Technology	342
Lower Meals, Training, Travel, mileage & Other	Administration	All	(750)
Total Expense Impacts			7,446
Net COVID-19 Impact - Surplus/(Deficit)			(1,345)

Operating Revenues

The following revenue components represent major sources of revenue to fund the operating expenditures

Subsidies

Subsidies are one time or ongoing funding from provincial or federal programs.

Service Partners

Service Partners refers to revenues received for the delivery of services to the cities of Barrie and Orillia. Services provided include Ontario Works, Children and Community Services, Social Housing, Paramedic Services and Long Term Care. The County and the Cities are parties to a Municipal Services Management Agreement that outlines the management governance, performance, communications, and cost sharing structure for these services. The current agreement covers a period of five years.

County Levy

The County Levy includes property taxes, property asset/additions, Supplementary Taxes, Heads & Beds and Linear Acreage charges. Property taxes are calculated by multiplying the property assessment values established by Municipal Property Assessment Corporation (MPAC) by the tax rate set for each property class.

The taxes levied for municipal purposes are used to fund the County's financial condition, investment in infrastructure, on-going expenditures and liabilities incurred.

User Fees

User Fees are utilized by the County to fund services that are user based versus community as a whole. This reduces the need for property tax by requiring the users of the service to pay for the cost of those services.

Miscellaneous Income

Miscellaneous Income are revenue sources that the County has little control over in terms of the amount, timing or conditions associated with receiving them. Examples are funding from senior levels of government for a specific purpose, an operating surplus or gain from the sale of an asset and recycled materials revenue.

Transfer from Reserves

Transfer from Reserves represent funds that have been previously set aside by Council to fund asset management plans, both the growth and non-growth components of projects, and other specific initiatives.

Operating Revenues Summary

This table highlights the year over year budget and forecast changes for operating revenues.

Operating Revenues Summary (\$000's)	2021 Budget	2021 Forecast	2022 Budget	2022B vs 2021F Change \$	2022B vs 2021B Change \$
Total Operating Revenues	488,658	533,271	520,113	(13,158)	31,454
Subsidies	212,729	256,854	223,346	(33,508)	10,617
Service Partners	28,264	26,868	29,215	2,347	951
County Levy	184,635	184,635	192,206	7,571	7,571
User Fees	39,445	38,126	39,279	1,152	(167)
Miscellaneous Income	5,356	11,121	6,607	(4,514)	1,251
Transfer from Reserve	18,229	15,667	29,461	13,794	11,231

Property Taxation

Each year County Council is responsible for making tax policy decisions that are sensitive to local needs and priorities. Those decisions define the local property tax landscape.

Assessment valuations reflect changes in real estate market conditions that are driven by economic factors, demographics, etc. Generally, valuation reflects the impact of reassessment which involves updating the current assessed value of properties to reflect a more recent effective valuation date.

The impact on the tax rate and the taxes paid by an individual property owner will vary depending on the property's new assessment applied by Municipal Property Assessment Corporation (MPAC) relative to the average assessment and the four year phase-in provisions.

These types of assessment changes will not affect municipal revenue because tax rates must be restated.

They will however affect the overall distribution of the tax burden among taxpayers as rates of valuation change vary by class.

Property taxes are collected and administered by the local area municipality in which the property is located. The County collects its taxes by providing a tax requisition to member municipalities who levy separate tax rates for County purposes. The County sets tax ratios and tax rates to raise the property tax amount from its member municipalities.

Property taxes are charged to property owners according to the assessed value of each property. The value of the property assessment is determined by the Municipal Property Assessment Corporation (MPAC). MPAC is an independent body established by the Ontario Property Assessment Corporation Act.

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County Levy Detail

The County Levy reconciliation and description of each component is outlined in the following table.

Component	2022 Levy Budget (\$000's)	Description
2021 Levy Budget	180,462	The County levy estimate included in the 2021 budget.
2021 Property Asset/Additions Adjustment	(1,094)	Adjustments made to reflect the actual 2021 returned roll property changes (asset/additions and deletions). This amount does not increase the taxes for the current taxpayer.
2021 Levy adjusted for the 2021 returned roll property changes - assets/additions	179,368	This reconciles the 2021 budget to the 2021 tax ratios and tax rate by-law levy estimate.
2022 Property Asset/Additions Estimate	4,861	Estimated at 2.7% growth, the property asset/additions is based on a 5-year historical trend of assessment revenue growth provided by MPAC. This amount does not increase the taxes for the current taxpayer.
2022 Property Tax Increase	3,685	2022 property tax rate increase is set at 2% as directed by Council.
2022 Annual Levy Base	187,914	Used for the 2022 tax rate by-law levy estimate.
2022 Supplementary Taxes	4,195	Supplementary taxes are non-recurring and are the result of growth related assessments/taxes received within the calendar year. Supplementary taxes are estimated based on a 5-year historical trend. This amount does not increase the taxes for the current taxpayer.
2022 Heads & Beds and Linear Acreage	97	Heads & Beds: these are payments in lieu of taxes for provincial institutions such as public hospitals, universities, community colleges, and correctional facilities. Linear acreage: this property taxation is for certain Railway, Power & Utility Lands as defined by the Municipal act.
2022 County Levy Budget	192,206	

The following table illustrates the breakdown of the \$192M County Levy budget by the major services areas.

Levy Support Area	Your Tax Dollars		
	% of Tax Dollars	(\$000's)	Per \$100K Residential Assessment Value*
Paramedic Services	11.1%	21,423	\$31.10
LTC - Homes/Seniors Services	6.6%	12,655	\$18.37
Ontario Works	2.2%	4,233	\$6.15
Children Services	1.6%	3,066	\$4.45
Community Services	1.3%	2,549	\$3.70
Social Housing	10.2%	19,674	\$28.56
Transportation & Engineering	10.9%	20,977	\$30.45
Solid Waste Management	29.2%	56,172	\$81.55
Planning, Economic Development	3.3%	6,415	\$9.31
Transit	1.7%	3,206	\$4.65
Administrative & Statutory Support **	5.8%	11,228	\$16.30
General Municipal Services ***	8.5%	16,346	\$23.73
Allocation of Operating to Capital	7.4%	14,259	\$20.70
Total Taxes based on Support Areas	100.0%	192,206	\$279.03

*All numbers are rounded

**CAO, Clerks, Service Simcoe, Corporate Performance

***SMDHU, MPAC, Age Friendly Grant, Hospital, Educational Support, Hospice, YMCA, Strategic land purchases

Reserve Use

The below table highlights the usage of reserves for both operating and capital projects.

Reserves - (\$000's)	Transfer From Reserves breakdown			Description
	Operating	Capital	Total	
Museum Contingency	0	250	250	- HVAC Replacement
Homes Contingency	780	226	1,006	- Operating: \$336K repair/replace small equipment and miscellaneous building items identified through the building condition assessment and equipment lists \$444K to cover the deficit in Georgian Village Centre - Capital: Various Capital/Equipment repair/replacement as identified on the Building Condition Assessment (BCA) & equipment lifecycle. These items meet the County of Simcoe Fixed Asset Policy criteria as Capital costs.
Paramedic Contingency	0	150	150	- Power Stretcher replacement
Sunset Village - Residents	0	50	50	- Passenger elevator upgrade

Transfer From Reserves breakdown				
Reserves - (\$000's)	Operating	Capital	Total	Description
General Contingency	13,000	35	13,035	<ul style="list-style-type: none"> - \$100K Aerospace Grant - \$5.2M COVID-19 Funding - \$1.1M Simcoe Muskoka District Health Unit - \$1.3M Funding for education - last year Georgian College grant - \$500K Transfer for YMCA - \$35K Transfer for vehicle purchase - \$651K Security costs in SCHC - \$4.1M LTC pandemic shifts costs
Social Services	801	0	801	<ul style="list-style-type: none"> - \$801K MEDU Transitional Grant offsetting Child care increase for County, Barrie, Orillia
Social Housing	2,962	6,232	9,194	<ul style="list-style-type: none"> - Operating: \$1.9M County Share of Non Profit provider loans \$1.1M, - Capital: \$571K; County share of the Asset Management Plan requirements; \$5.6M Affordable housing developments

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Transfer From Reserves breakdown				
Reserves - (\$000's)	Operating	Capital	Total	Description
Economic Development & Planning	100	0	100	- \$100K Economic Development In-Market Grant
Forestry Reserve	1,324	43	1,367	\$1.3M - Funding of forestry management expenses \$43K - Pick up truck addition for Bylaw Officer addition
Waste Management Contingency	4,230	238	4,468	- \$4.2M waste management costs - \$238K screening plant replacement
Hospital Reserve	3,000	0	3,000	- Annual Hospital Funding
Administration Building Contingency	37	0	37	- Asset Management Plan requirements
Various other reserves	151	156	307	- Miscellaneous
Total Transfer from Non-DC Reserve/Reserve Funds	26,386	7,380	33,765	
Development Charges	3,074	40,329	43,403	- \$2.8M T&E Construction debt payment - \$6.4M Simcoe Manor redevelopment - \$15.7M Affordable Housing - \$14.7M T&E Construction projects - \$2.8M Paramedic stations - \$1.0M Other
Total Transfer From Reserves	29,460	47,709	77,169	

Operating Expenses

The following are the expense categories used to outline costs within the County.

Client Benefits

Client Benefits are expenses paid out to clients or service providers for services that are available and benefit the population of the County. These include Ontario Works benefits, childcare fee subsidy and housing client benefits.

Salaries and Benefits

Salaries and Benefits are the costs related to County of Simcoe employees including wages, health benefits, overtime, group insurance, short-term disability and OMERS.

Administration

Administration costs are the County's non-salary operating expenditures such as MPAC fees, liability insurance, professional services, rent, advertising, office expenses, training and development.

Facilities

Facilities costs refer to the expenses associated to maintain and run the County owned or leased facilities, including building maintenance, utilities and property taxes.

Cost of Service Delivery

Cost of Service Delivery cover the expenditures associated directly with providing services to the residents of the County. These include tipping fees, waste contract and export, food and care supplies, road sand and salt, vehicle expenses, transit costs, grants and health unit assessment.

Transfer to Reserves

Transfer to Reserves are critical to the County's long-term financial plan. They represent funds that are being set aside for future asset management plan requirements, projects or initiatives. Reserves are used to provide stability by smoothing the effect of variable or unanticipated expenditures. Transfer purposes include hospital alliance, strategic land purchases, economic development fund, asset management and future initiatives

Operating Expenses Summary

This table highlights the year over year budget and forecast changes for operating expenses.

Operating Expenses Summary (\$000's)	2021 Budget	2021 Forecast	2022 Budget	2022B vs 2021F Change \$	2022B vs 2021B Change \$
Total Operating Expenses	468,174	512,675	505,854	(6,821)	37,679
Client Benefit	148,364	151,778	154,615	2,838	6,252
Salaries and Benefits	162,538	176,750	173,331	(3,419)	10,793
Administration	20,831	22,824	23,281	457	2,450
Facilities	27,843	27,665	29,142	1,477	1,300
Cost of Service Delivery	91,079	94,522	103,962	9,439	12,883
Transfer to Reserve	17,520	39,136	21,522	(17,614)	4,003

Operating Balance

The operating balance is the remaining amount after operating expenses are deducted from operating revenues.

This table outlines the County's total current year operating balance budget as well the historical trend. The operating balance is used to partially fund the capital requirements for the current year.

Operating Balance (\$000's)	2019	2020	2021	2021	2022	2022B vs 2021F		2022B vs 2021B		
	Actual	Actual	Budget	Forecast	Budget	\$	%	\$	%	
Operating Revenues										
Subsidies	213,625	225,642	212,729	256,854	223,346	(33,508)	(13.0)	10,617	5.0	
Service Partners	23,507	22,972	28,264	26,868	29,215	2,347	8.7	951	3.4	
County Levy	172,125	178,873	184,635	184,635	192,206	7,571	4.1	7,571	4.1	
User Fees	37,234	38,482	39,445	38,126	39,279	1,152	3.0	(167)	(0.4)	
Miscellaneous Income	11,987	12,527	5,356	11,121	6,607	(4,514)	(40.6)	1,251	23.4	
Transfer from Reserve	10,040	12,928	18,229	15,667	29,461	13,794	88.0	11,231	61.6	
Total Revenues	468,518	491,425	488,658	533,271	520,113	(13,158)	(2.5)	31,454	6.4	
Operating Expenses										
Client Benefit	145,292	140,662	148,364	151,778	154,615	2,838	1.9	6,252	4.2	
Salaries	148,516	161,852	162,538	176,750	173,331	(3,419)	(1.9)	10,793	6.6	
Administration	21,432	19,819	20,831	22,824	23,281	457	2.0	2,450	11.8	
Facilities	26,757	26,919	27,843	27,665	29,142	1,477	5.3	1,300	4.7	
Cost of Service Delivery	70,169	79,934	91,079	94,522	103,962	9,439	10.0	12,883	14.1	
Transfer to Reserve	29,769	33,388	17,520	39,136	21,522	(17,614)	(45.0)	4,003	22.8	
Total Expenses	441,936	462,575	468,174	512,675	505,854	(6,821)	(1.3)	37,679	8.0	
Total Operating Balance	26,582	28,850	20,484	20,596	14,259	(6,337)	(30.8)	(6,225)	(30.4)	

Capital Financing

The current capital budget includes total expenditures of \$132.2M. Capital is funded by the operating balance, reserves, development charge reserves, service partners and senior levels of government.

Development Charges are collected to recover the growth-related costs on capital projects that are associated with residential and non-residential development. As a significant portion of the County's capital expenditures are growth related, development charges are a major source of financing for the capital plan.

Any shortfall is financed through various debt instruments. In 2022, the financing requirement is \$42.8M as outlined in the table.

2022 Capital Financing		(\$000's)
Capital Expenses		132,187
Less: Capital Revenues		
CCBF*	5,650	
Subsidies	(131)	
Service Partners	21,916	
Reserves	<u>47,709</u>	
Total Capital Revenues		75,144
Operating Balance available for Capital		14,259
2022 Capital Financing Requirement		42,784

*Canada Community Building Fund, Formerly known as Gas Tax

Operating Cash Balance

The following table shows the estimated operational cash balance for 2022. Other funds are held separately and may be used for cash management and emergency cash purposes.

Operating Cash Balance		(\$000's)
Cash Balance Beginning of Year		133,967
Sources from Operations		
Operating Revenues	490,652	
Capital Revenues	27,435	
Development Charge receipts	26,293	
Less:		
Uses for Operations		
Operating Expenses	480,331	
Capital Expenses	121,741	
Net Cash from Operations		(57,692)
Finance Sources - (Uses)		
Service Partners - MFC		(12,575)
Financing		
Building Hope Program		75
Provincial LTC Funding Recovery		1,009
Cash Balance - End of Year		64,784

Debt Financing

Section 401 of the Municipal Act grants Council the authority to incur a debt when deemed in the best interest of the taxpayers to finance its own capital expenditures.

“Best Interest” for the County of Simcoe will be consistent with the County’s strategic directions which includes fiscal management that contains both financial principles and policies.

This philosophy is also reflected in the County of Simcoe’s capital financing and debt policy.

The following key objectives were set out:

- Adhere to statutory requirements
- Ensure long term financial flexibility
- Limit financial risk exposure
- Minimize long term cost of financing
- Match term of financing to the useful life of the related asset

The total principal and interest payments in 2022 are \$11.4M with an estimated 2022 year-end debt balance of \$273M

Debt Financing - (\$000's)	Forecasted Year End 2021	Principal Payments	Interest Payments	2022 Debt	Estimated Year End 2022
Roads Debenture	42,767	1,692	1,143		41,075
Paramedic Station Debenture	24,608	1,367	650		23,241
Simcoe County Housing Corporation	5,865	1,263	219		4,602
Landfill Debt Payment to Municipalities	3,218	110			3,108
Unfinanced Development Charges	27,934			17,110	45,044
Unfinanced Capital	118,186	5,009		42,784	155,961
Total	222,579	9,442	2,013	59,894	273,031

Reserve Balances

Operating Reserves

Under the Municipal Act, Council has the authority to establish reserves as required. Reserves and Reserve Funds are setup to meet specific objectives.

Reserve - (\$000's)	Projected Reserves					2022 Year End Budget Balance
	2021 Funds Available	Transfer to Reserves Operating	Transfer from Reserves Operating	Transfer to Reserves Capital	Transfer from Reserves Capital	
Waste Management Contingency	13,017	3,700	4,230	0	238	12,250
Archives Contingency	152	1	0	0	0	154
Museum Contingency	325	59	0	0	250	134
Forestry Reserve	4,538	1,936	1,324	0	43	5,108
Homes Contingency	737	1,767	780	0	226	1,498
General Contingency	23,931	4,639	13,000	0	35	15,535
Simcoe Village Reserve	434	95	12	0	67	449
Roads Contingency	5,802	0	0	0	0	5,802
Paramedic Contingency	557	411	0	0	150	818
Administration Building Contingency	602	150	37	0	0	715
Economic Development & Planning	0	1,879	100	0	0	1,779
Simcoe Tourism	256	0	0	0	0	256
Social Services	9,653	0	801	0	0	8,852
Social Housing	23,236	3,681	2,962	0	6,232	17,722
Sunset Village Reserve	22	42	11	0	10	44
Total Reserves	83,262	18,360	23,258	0	7,251	71,114

Reserve Funds

Reserve Funds - (\$000's)	Projected Reserves					2022 Year End Budget Balance
	2021 Funds Available	Transfer to Reserves Operating	Transfer from Reserves Operating	Transfer to Reserves Capital	Transfer from Reserves Capital	
Sunset Village Residents	122	0	0	0	50	72
Georgian Village Suites - Residents	416	60	38	0	77	362
Georgian Village Homes - Residents	112	20	1	0	2	129
Hospital Reserve	4,905	3,000	3,000	0	0	4,905
Georgian Manor Donations	16	35	35	0	0	16
Simcoe Manor Donations	9	15	15	0	0	9
Sunset Manor Donations	23	15	15	0	0	23
Trillium Manor Donations	22	15	15	0	0	22
Paramedic (Donations)	91	0	10	0	0	81
Alcona Development	62	0	0	0	0	62
C. Matthews Museum Reserve Fund	4,982	0	0	0	0	4,982
Honour Guard	70	3	0	0	0	73
Total Reserve Funds	10,830	3,162	3,128	0	129	10,735

Trust Funds

Trust Funds - (\$000's)	Projected Reserves					2022 Year End Budget Balance
	2021 Funds Available	Transfer to Reserves Operating	Transfer from Reserves Operating	Transfer to Reserves Capital	Transfer from Reserves Capital	
Estate of S.O. Bain	102	0	0	0	0	102
Estate of H.P. Brown	362	0	0	0	0	362
Ross Channen Memorial Fund	3	0	0	0	0	3
Total Trust Funds	467	0	0	0	0	467
Grand Total	94,560	21,522	26,386	0	7,380	82,316

Development Charge Reserves

Development Charges are collected to recover the growth-related costs associated with residential and non-residential development of capital projects.

A background study for the current Development Charge by-law occurred early in 2016. Process reviews were conducted to ensure stakeholders understand the methods and assumptions used in determining the development charge rates. This process helps to ensure stakeholders understand the infrastructure needs, associated costs, methods and address any concerns. The budget includes estimates based on the County of Simcoe's Development Charge By-Law effective January 1, 2017. The County is completing the 2021 background study. The bylaw will be effective January 1, 2022.

The Development Charge Act, 1997 and other legislation require that municipalities maintain specific reserves. Such reserves include Development Charge Deferred Revenue.

Development Charge reserves have been advanced resulting in development charge unfinanced capital. In 2022 unfinanced development charges are to increase by \$17.1M, resulting in a year end unfinanced development charge balance of \$41.2M

2022 Development Charge Balance	(\$000's)
Receipts	26,293
Expenditures	43,403
Development Charge Balance	(17,110)

Development Charge Reserves (\$000's)	2021 Funds Available	Transfer to Reserve Operating	Transfer from Reserves Operating	Transfer from Reserves Capital	2022 Year End Balance
Paramedic Services	(8,554)	572	0	2,792	(10,774)
Long Term Care	(3,563)	1,576	0	6,437	(8,424)
Social Housing	(21,601)	3,032	0	15,726	(34,295)
Public Works	542	258	0	0	800
General Government	415	156	239	0	332
Roads and Related	6,258	20,042	2,835	15,036	8,428
Solid Waste Management	2,373	656	0	338	2,692
Total Development Charge Reserves	(24,130)	26,293	3,074	40,329	(41,241)

Risks and Opportunities

The following risks and opportunities could impact the ability to achieve the budget as outlined.

Risks

- Ongoing COVID-19 pandemic unplanned events and costs such as increased cleaning costs, extra PPEs, Homelessness prevention system
- Further provincial funding reductions or changes
- In-year non-profit housing capital loan requests
- Future collective agreements, interest arbitration settlements and pay equity settlements
- Delays in regulatory approval and their impact on construction projects
- Delays in utility relocations and their impact on construction projects
- Unplanned initiatives requiring funding
- Unforeseen legal/legislative challenges
- Human Resources - lost time management
- Current funding model stability
- The Waste Free Ontario Act - timing of regulations and transition of blue box program plan
- Uncertainty in the provincial legislation related to growth plan
- Reduced development charge revenues
- Supplementary Taxes shortfall if growth trend does not continue
- Innisfil Heights employment infrastructure funding
- Construction cost impacts from trade agreements and tariffs

- Provincial funding for Transit
- Local municipal service challenges as it relates to planning regulations
- Increased inflation causing price increases beyond anticipated levels

Opportunities

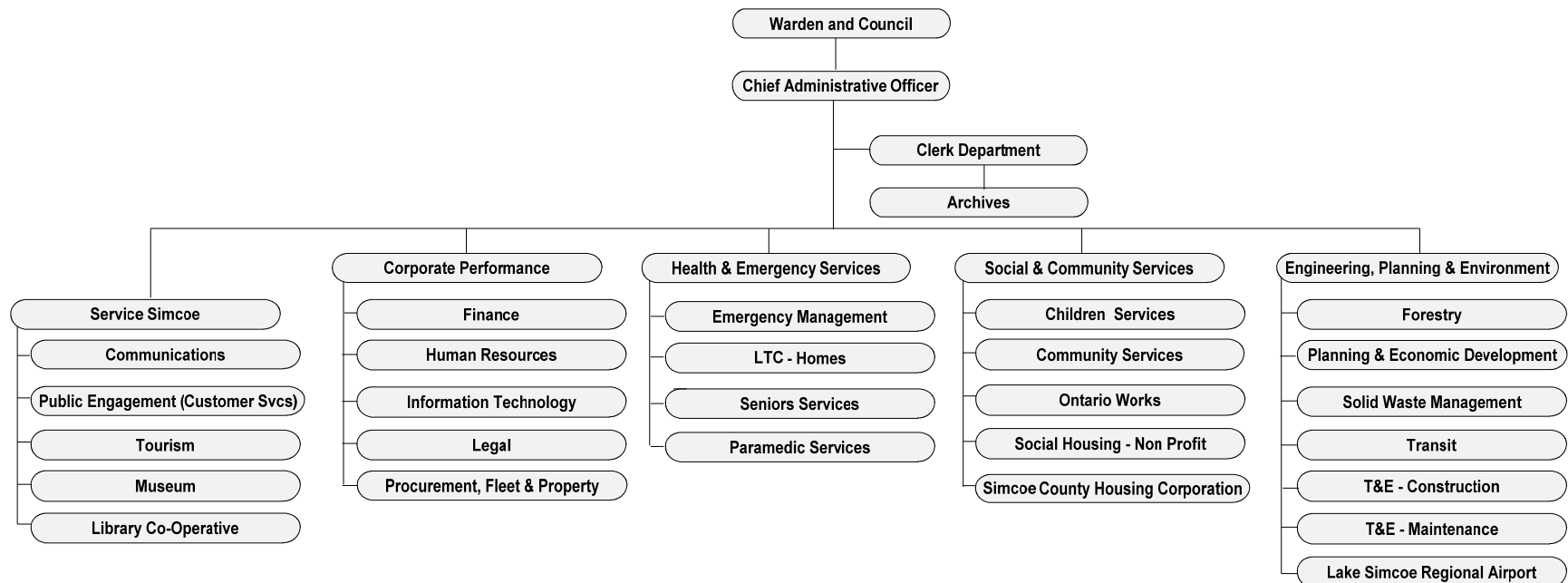
- Municipal partnerships to achieve economies of scale in common service areas
- Taking advantage of additional borrowing opportunities at historical low interest rates
- Receive potential rebates
- Realize market appreciation on County assets (i.e. housing, lands)
- Engage federal government to further support Affordable Housing Strategies
- Federal funding for transit
- Long Term Care (LTC) capital funding
- Lake Simcoe Regional Airport future development and growth

Departmental View

Organizational Structure

The County of Simcoe is organized into six major areas: (Warden, CAO, Clerks and Archives), (Service Simcoe), (Corporate Performance), (Health & Emergency Services), (Social & Community Services) and (Engineering, Planning & Environment). Each area includes departments covering specific services.

County of Simcoe Organizational Structure



Departmental Summaries

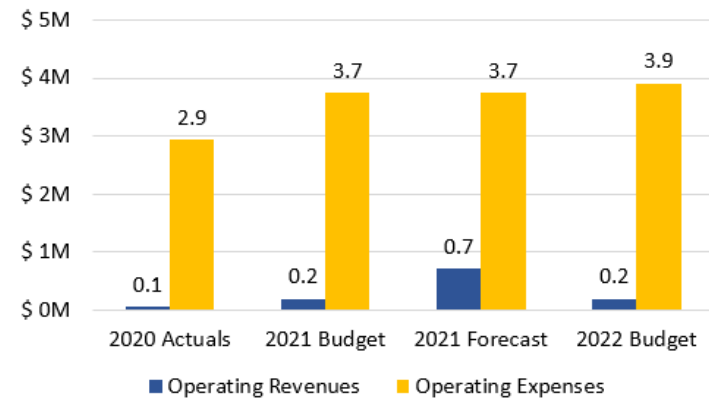
Warden, CAO, Clerks and Archives

Overview

This area consists of the Warden & Council, CAO, Clerks and Archives departments and captures all activities of Council, provides leadership, strategic direction and ensures compliance with the Municipal Act.

Core Activities

CAO implements Council's decisions and strategic direction. County Clerk performs statutory duties assigned by provincial legislation and County Council. The Archives department preserves and promotes the County's cultural and visible heritage.



2022 Highlights

- Governance and service delivery consideration resulting from the Regional Governmental Review (RGR) process.
- Modernization and efficiency initiatives
- Activities related to Council election year
- Ongoing deployment of Electronic Records & Information Management
- Ongoing enhancements in digital preservation and records processing procedures
- Planning phase of the multi-year renovation project at the Archives facility.

Service Simcoe

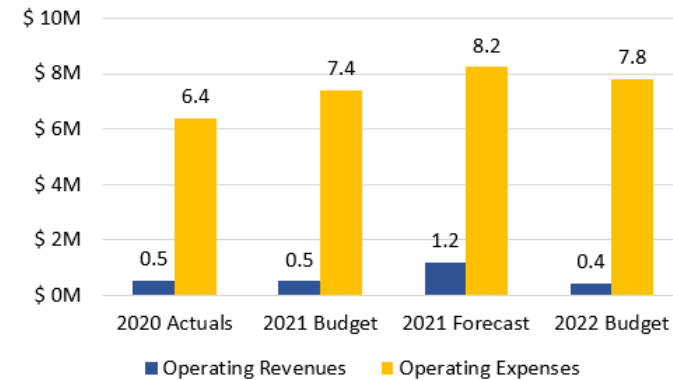
Overview

Created in 2017, Service Simcoe is the customer service experience for the County of Simcoe to advance current and future service needs of the County with the goal of an enhanced client service and customer experience.

Core Activities

The portfolios include: Communications and Events, Marketing and Creative Services, Public Engagement, Tourism Simcoe County, Simcoe County Museum and Library Co-operative.

By placing greater emphasis on public engagement, communication, and marketing efforts both corporately and regionally, through greater synergies with departments, and continuously looking for smoother, and where possible, seamless customer touch points, the goal is to make resident business with the County more informed, easy and faster.



2022 Highlights

- Regular Capital Asset Management
- Support with education and promotion of new Solid Waste Management Automated Cart Collection programs
- Support with ongoing education, public engagement, and promotion of Long-Term Care and Seniors, including the Simcoe Manor Redevelopment project
- Cross corporation support for pandemic related communications, including internal and external customer service impacts

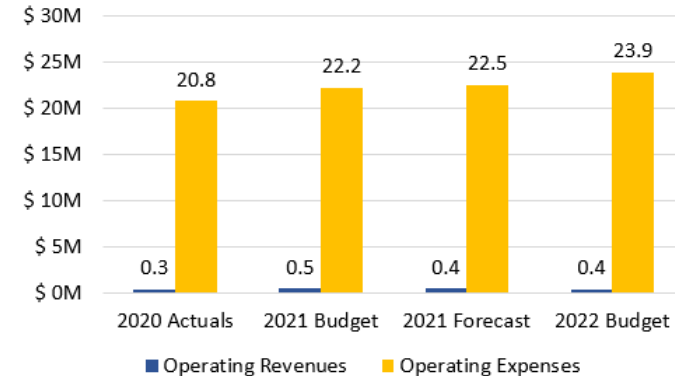
Corporate Performance

Overview

The Corporate Performance division consists of the support functions: Finance, Human Resources, Information Technology, Legal Services and Procurement, Fleet and Property

Core Activities

These areas are responsible for the overall administration and support to the operating divisions of the County.



2022 Highlights

- Automation to improve operational effectiveness and ongoing cyber security concerns continue to put pressure on IT resources.
- COVID-19 impact and growth continue to create higher demand for services in Finance, Human Resources and Procurement, Fleet and Property where additional resources have been added.
- Employee health and wellness programs continue to be improved and developed and include a new mobile wellness application to encourage employee's participation.
- Facilities and maintenance team continue the optimization efforts at the administration center and other facilities throughout the County. Operational external costs have been reduced in 2022 budget and additional resource is requested to implement and further enhance these initiatives.
- Asset Management strategy and initiatives continue to be implemented to move towards an advanced state of asset management environment.

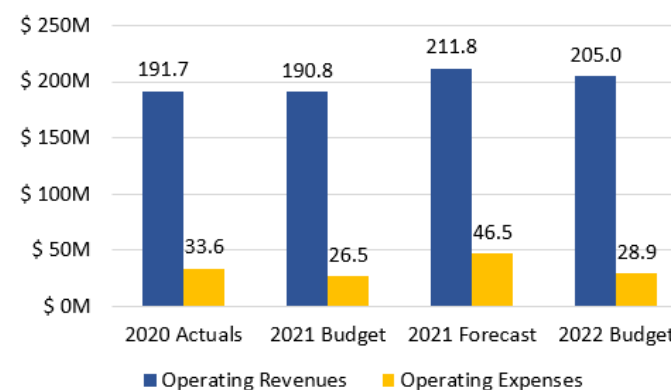
General Municipal

Overview

The General Municipal department manages corporate functions within the County.

Core Activities

Responsible investment and debt management, assessment base management and property taxation are the main functions of Corporate Municipal Services. Funding and grants to various community stakeholders such as hospitals and educational institutions are administered through this department.



2022 Highlights

- The 2022 General Municipal budget includes a 2% levy increase.
- Simcoe Muskoka District Health Unit annualized levy is \$6.4M
- MPAC municipal share of levy is \$5.8M
- Other major Community contributions include:
 - Simcoe County Hospital Alliance - \$3M
 - Post-secondary capital support \$1.5M
 - Hospice capital funding \$0.5M
 - Age Friendly grant \$0.6M
 - YMCA Initiative \$0.5M

Health & Emergency Services

Health & Emergency Services division deliver programs and services that supports the health and safety of the County of Simcoe population.

The HES division is broken down into four major departments:

- Paramedic Services
- Emergency Management
- LTC - Homes
- Seniors Services



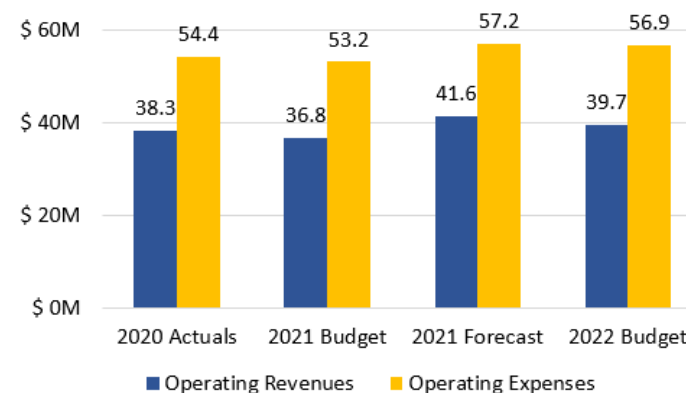
Paramedic Services

Overview

Paramedic Services provide land ambulance services at a Primary Care paramedic and Advanced Paramedic level of service, training programs and public education.

Core Activities

Provide land ambulance services. Offer training programs, public education and public access defibrillator programs and the community Paramedicine services.



2022 Highlights

- Community Paramedicine - Long Term Care - fully funded new four year program intended to reduce LTC Homes admissions
- Increased staffing levels to address increased emergency and patient transfer call volumes as well as increased hospital wait times plus temporary continuance of COVID-19 assistance
- Proof of concept program investigating drone aircraft technology including automated flight, navigation and payload delivery
- Continued shared staffing resources with Long Term Care & Seniors Service programs for community and Ontario Health based activities
- Continued development regarding Paramedic stations and posts to address changing response times

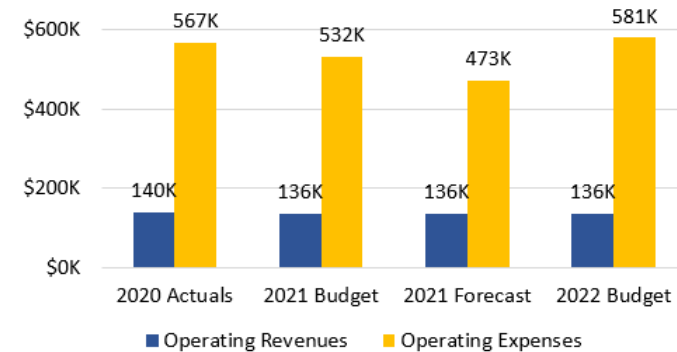
Emergency Management

Overview

Responsible for organization and direction of the County of Simcoe's Emergency Response strategies.

Core Activities

Prepare and manage the County of Simcoe Emergency response plan, public and municipal emergency preparedness education and the administration of the 911 regional system.



2022 Highlights

- Coordinating the County of Simcoe response to COVID-19
- Continue development of the Community Safety and Wellbeing plan
- Hosting the Emergency Management forum
- Continued support to the City of Barrie Chemical Biological Radiological and Nuclear training program & equipment

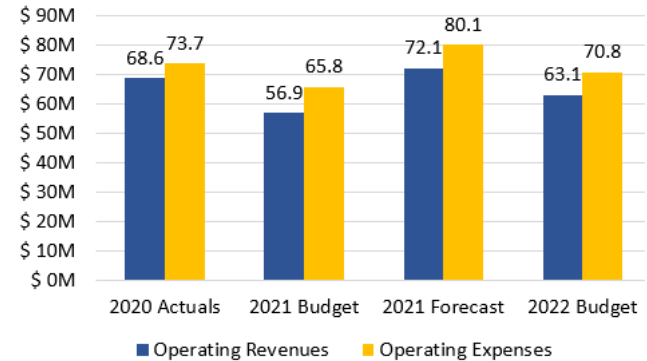
Long Term Care & Seniors Services

Overview

Provide effective, high quality, safe and efficient long-term care services in a home-like setting for the clients and families that we serve.

Core Activities

Manage Long Term care facilities. Provide residents with various age-in-place seniors housing and programs.



2022 Highlights

- Temporary COVID-19 staffing to support pandemic challenges
- Staffing in response to the Ministry of Long Term Care overall requirement to increase direct resident care hours per day to three by 2022
- Continued shared staffing resources with Paramedic Services programs for community and Ontario Health based activities
- Continue the redevelopment of Simcoe Manor in Beeton Ontario
- Implementation of a new scheduling software

Social & Community Services

The Social & Community Services division delivers programs and services that enhance the quality of life for the County of Simcoe residents.

The Social & Community Services division is broken down into five major departments: Children Services, Community Services, Ontario Works, Social Housing Non Profit and Simcoe County Housing Corporation. These departments provide key services such as childcare programs, financial assistance to residents and housing support.



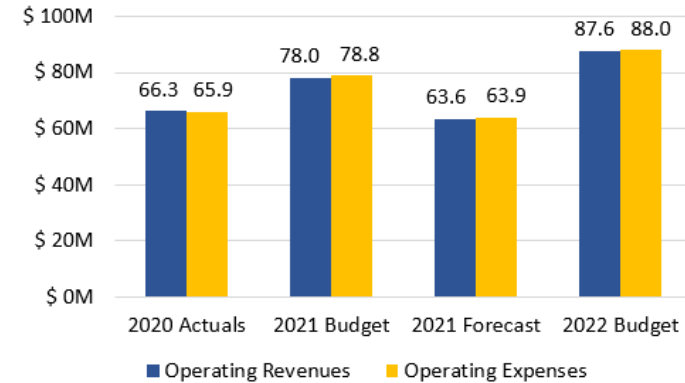
Ontario Works

Overview

Ontario Works is a program that provides financial, employment and life stabilization supports to people in financial need.

Core Activities

This department manages the Ontario Works program, which provides financial and discretionary benefits. It also provides services to non-social assistance recipients within defined program guidelines.



2022 Highlights

- Align programs and supports that meet the needs of recipients post pandemic
- Implement, monitor and refine service modernization initiatives that align with Ministry expectations
- Offer targeted pre-employment training programs that support local needs within the hospitality and healthcare sector

Children Services

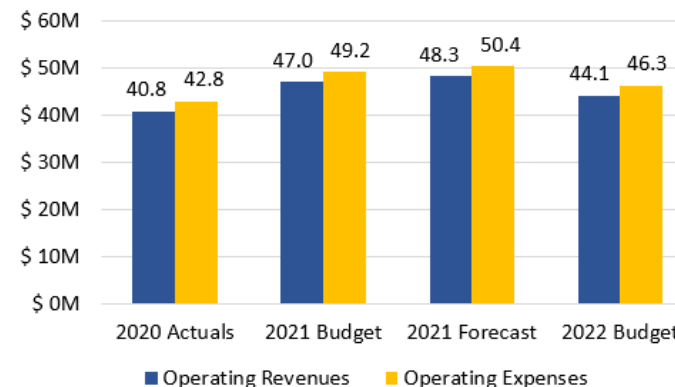
Overview

In its role of Consolidated Municipal Service Manager, the County of Simcoe is responsible for planning, managing, and funding the local system of Early Learning and Child Care. This system comprises 196 Licensed Child Care Programs, four Special Needs Resource Agencies, and 36 EarlyON Child and Family Centre locations.

Core Activities

The Children Services Department provides families with access to a range of early learning programs and supports. County staff directly administer a Licensed Child Care Fee Subsidy Program which enables parents to work or attend school, knowing their children are being cared for in legislated settings, with professional staff.

Through a standard contract management process, Children Services staff administer funding to the local system to support quality programming and operating costs. The County additionally provides a robust slate of professional development opportunities, intended to continuously enhance program quality and build greater system capacity across the region.



2022 Highlights

- Early Learning and Child Care System post pandemic recovery
- Licensed child care stabilization including enhanced capacity for recruitment and retention of qualified child care professionals
- Child Care Fee Subsidy provision for eligible families, to support attachment to the workforce, and provide children with positive learning environments
- EarlyON Child and Family Centre supports and services targeting diverse populations

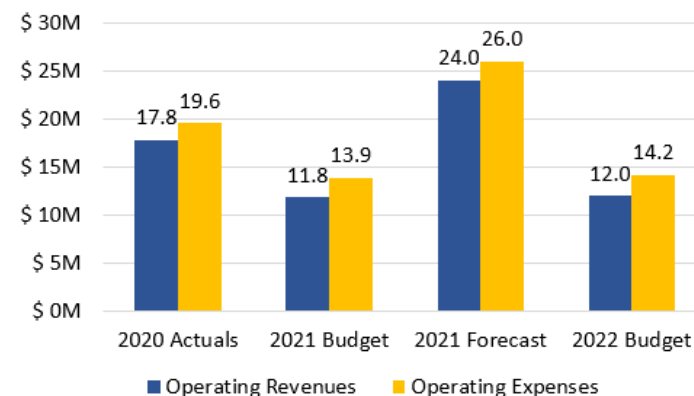
Community Services

Overview

Provide leadership and administer municipal, provincial and federal funding to the system of homelessness supports and services, guide and support poverty reduction initiatives and lead the Local Immigration Partnership Strategy.

Core Activities

Community Planning and contract management with Service Providers who deliver Homelessness Prevention and related supports and services (Emergency shelter services, Housing Retention Fund program, Community Homelessness Prevention Initiative), poverty reduction initiatives and, local immigrant/newcomer planning activities.



2022 Highlights

- Emphasis on homelessness system management and post-pandemic transition
- Increase capacity to identify and action emerging opportunities for homelessness prevention supports and services in alignment with the County's 10-Year Affordable Housing and Homelessness Strategy
- Local outcomes based system planning (By Name Lists, Coordinated Access, Homeless Individuals and Families Information System and the Regional Enumeration process)
- Increase capacity to support initiatives contained within the Local Immigration Partnership Community Settlement Strategy

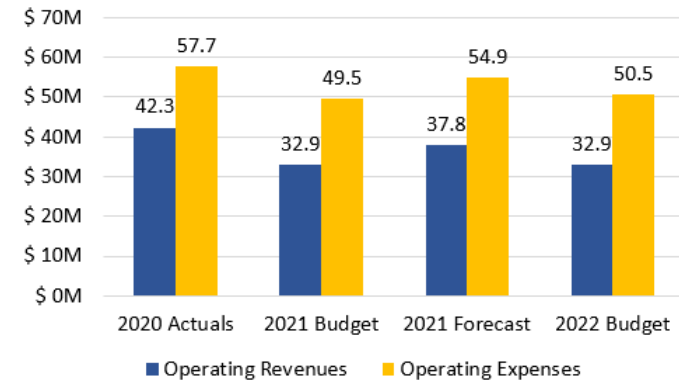
Social Housing

Overview

The County of Simcoe has responsibility as legislated Service Manager for the Social Housing system across the County of Simcoe, and is responsible for administration and planning of that system. Additionally the County owns and operates Simcoe County Housing Corporation.

Core Activities

The social housing department is comprised of two business functions, which encompass administration of the social and affordable housing programs and the direct delivery of community housing.



2022 Highlights

- Regular Capital Asset Management
- Orillia, Bradford, and Barrie Affordable Rental Development
- Housing Our Future - Our Community 10-Year Affordable Housing and Homelessness Prevention Strategy
- Delivery of Social and Affordable Housing Programs

Engineering, Planning & Environment

Engineering, Planning and Environment Division is responsible for the County road system, Solid Waste Management, Planning, Economic Development, Forestry, Transit and Lake Simcoe Regional Airport.

The Division's six main departments are:

- 1) Transportation and Engineering,
- 2) Solid Waste Management,
- 3) Planning and Economic Development,
- 4) Forestry,
- 5) Transit and
- 6) Lake Simcoe Regional Airport



2022 BUDGET



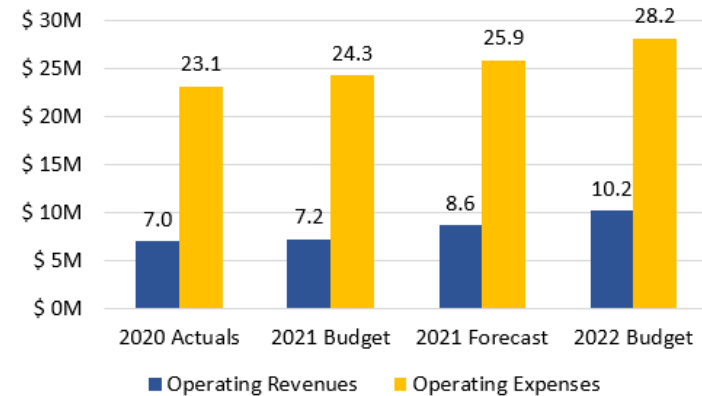
Transportation and Engineering

Overview

Deliver the operational, maintenance and construction services required for the County roads and bridges system for the safe and efficient operation for the public, both at present and in the future.

Core Activities

Daily road maintenance, Winter maintenance, traffic operations, rehabilitation program, reconstruction of roads and bridge infrastructure.



2022 Highlights

- In 2022 the capital transportation budget includes continuation of multi-year road projects including County Road 21 and County Road 4, as well as a number of structures and intersection improvements including County Road 21 and 56 and County Road 88 and 53.

Solid Waste Management

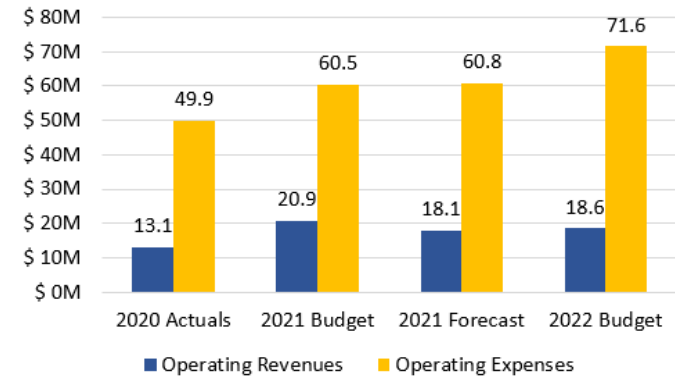
Overview

Responsible for all solid waste management duties and requirements of the County of Simcoe.

Core Activities

Curbside collection of garbage, organics and recycling utilizing the new automated cart system. Special curbside collections of leaf and yard waste, Christmas trees, batteries, textiles and electronics. Transfer operations, processing and disposal for all waste materials. Public drop-off facility operations including eighteen diversion programs.

Landfill operations including environmental monitoring/compliance and management of closed facilities. Environmental/landfill remediation projects and future capacity planning.



2022 Highlights

- First full year of curbside waste collection utilizing carts, which includes purchase of additional carts to account for growth and replacement carts.
- Site improvements to support waste drop off facilities and compost operations.
- Equipment replacements that are recommended based on the County's Asset Management Plan
- Additional staffing to support the new transfer station and bulky and cart maintenance programs.

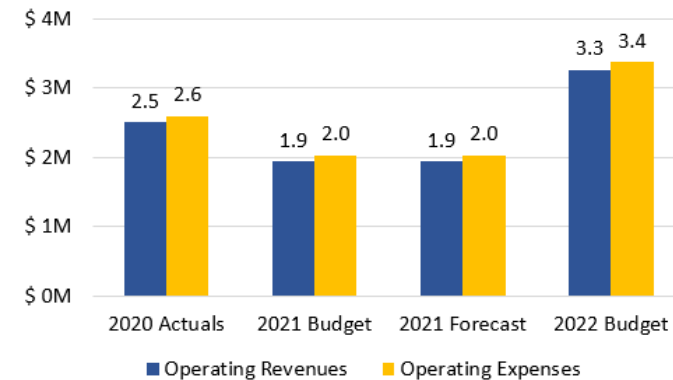
Forestry

Overview

Primarily responsible for the management of the County Forest to maximize the ecological, social and economic values it provides. Also responsible for the administration and enforcement of the Forest Conservation By-law which protects woodlands on private lands.

Core Activities

Long range planning includes updates to a 20-year management plan. Forest operations including tree planting, controlled burning, invasive species management and selective harvesting is designed to maximize value while improving forest health and diversity. Managing recreational uses includes building and maintaining partnerships, property maintenance and enforcement.



2022 Highlights

- Simcoe County Forest 100th anniversary celebrations.

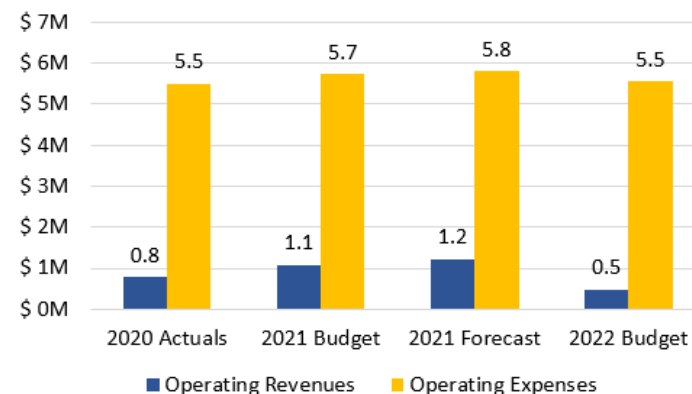
Planning & Economic Development

Overview

Planning guides the growth and development of the County of Simcoe. Economic Development works with regional partners on implementation of the County's Economic Development Strategy 2021-25.

Core Activities

Evaluation of development applications received by the County. Responsible for reviewing and providing approval recommendations for local Official Plans and Amendments. Implements provincial and County strategic land use policies. Responsible for long-term growth management planning to 2051. Ensures the County uses its land base efficiently by prioritizing development of settlements, and minimizing growth impacts on natural heritage features, agricultural lands, and other key resources. Assists in the achievements of the County objectives and interests in transportation, waste management, affordable housing, natural heritage, and forestry.



2022 Highlights

- Work continues on the Municipal Comprehensive Review and related studies.

2022 BUDGET



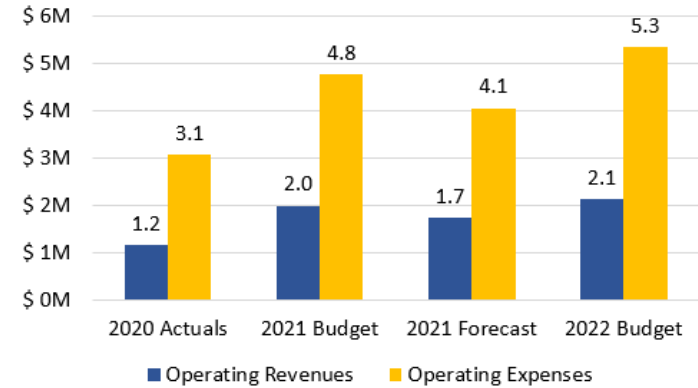
Transit

Overview

Conventional and Specialized public transit system that links major urban hubs and local transit services within the County of Simcoe.

Core Activities

The LINX transit system provides citizens and visitors reliable and courteous transit system in clean, safe and accessible vehicles.



2022 Highlights

- Regular Capital Asset Management
- Contracted Conventional (LINX) and Specialized (LINX+) service hours and operating expenses for six routes.
- Purchase of one additional 30 foot - 24 passenger bus

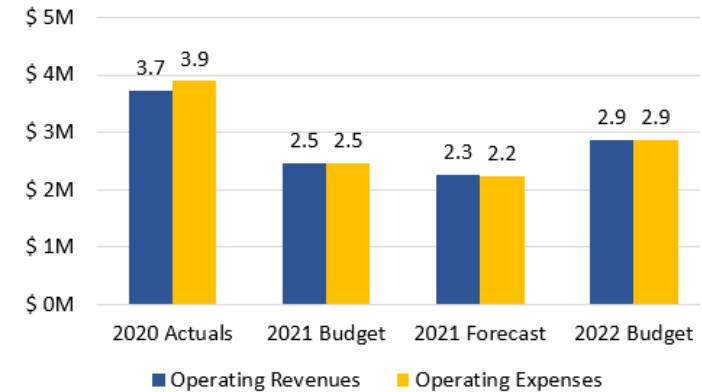
Lake Simcoe Regional Airport

Overview

Air transportation conduit and economic catalyst serving the residents, businesses and essential service providers within the broader County of Simcoe extending to international markets.

Core Activities

Provides and maintains infrastructure to support regional, domestic and international air service activities including private air carriers, flight departments, air charters, cargo and essential service providers (Hydro One Helicopter Services, OPP, air ambulance and Department of National Defence). Further serves as an economic hub for direct and indirect employment and commercial tenant developments and operations.



2022 Highlights

- Regular Capital Asset Management
- Continue to manage and oversee current airport operation activities including compliance with all Federal regulations, aircraft refuelling services, property and tenant management relations and general airport infrastructure/facility management and maintenance.
- Continue to pursue strategic priorities outlined in the Council approved Strategic plan including Airport Certification process and introduction of aircraft de-icing services.

Salaries and Benefits

The County employs more than 2,000 full and part-time employees including seasonal staff which equates to approximately 1,671 Full Time Equivalent (FTE) staff.

An FTE is calculated by determining the total staffing hours required to provide the service and dividing by a full time employee work hours.

The staffing summary by department table illustrates the number of FTE staff members required to deliver services to residents in 2022. It also highlights the financial impact associated with the 2022 staffing requests.

Details regarding staffing changes and staffing requests are included in the Department Budgets section.

Salaries and Benefits

Salaries and Benefits have increased by \$10.8M (6.6%) over the 2021 budget.

This increase consists of the following:

1. 2021 Council Approved FTE's totals \$4.6M with a net County impact of \$1.6M. The FTE's were in Solid Waste Management - \$705K, LTC - Homes - \$1.3M, Paramedic Services - \$2.1M, Simcoe County Housing Corporation - \$287K and Communications - \$215K.
2. 2022 Staffing Requests totals \$3.8M with a net County impact of \$1.8M. This amount represents a 38.1 net staffing change split between a reduction in temp of 6.2 and an increase of 44.3 permanent.
3. 2022 Compensation & Benefits net adjustment total \$2.4M. Compensation and Benefits Adjustment encompass COLA, salary progression, performance, union contracts and benefits increase.

Salaries & Benefits Summary (\$000's)	2021	2022	Gross Salaries and Benefits Changes	
	Budget	Budget	\$ +/-	%
Total Salaries and Benefits	162,538	173,331	10,793	6.6%
- 2021 Council Approved FTE's			4,580	2.8%
- 2022 Staffing Requests			3,802	2.3%
- 2022 Compensation & Benefit Adjustments			2,410	1.5%

Staffing Summary by Department

The table summarizes the FTE count by department. It also highlights the gross salaries and benefit costs and the net county impact costs. Further details are included in the Department Budget section.

2022 Budget Staffing Summary by Department								
Division	Department	FTE				(\$000's)		
		2021 Budget	2021 Approved	2022 Requests		Total 2022 FTE	Gross Salaries & Benefits	Net County Impact
				Temp	Perm			
Warden, CAO, Clerks and Archives	CAO	3.0				3.0		
	Clerks	7.3				7.3		
	Archives	8.0				8.0		
Service Simcoe	Communications	10.0	2.0	(2.0)	2.0	12.0	36	36
	Public Engagement	15.6		(2.0)		13.6	(158)	(158)
	Library	5.0				5.0		
	Museum	19.2			1.4	20.6	119	119
	Tourism	6.3				6.3		
Corporate Performance	Finance	34.3			2.0	36.3	242	61
	Human Resources	24.5		(1.0)	1.0	24.5	31	31
	Information Technology	41.3			1.0	42.3	98	98
	Legal	4.0				4.0		
	Procurement, Fleet & Property	38.5		(1.0)	2.0	39.5	129	34
Health and Emergency Services	Paramedic Services	264.3	15.5	4.4	9.4	293.6	1,494	1,010
	Emergency Management	2.3				2.3		
	LTC - Homes	571.4	13.2	0.3	13.0	597.9	1,015	133
	Seniors Services	85.0			1.2	86.2	109	

Staffing summary by Department (continued)

2022 Budget Staffing Summary by Department								
Division	Department	FTE				(\$000's)		
		2021 Budget	2021 Approved	2022 Requests		Total 2022 FTE	Gross Salaries & Benefits	Net County Impact
				Temp	Perm			
Social and Community Services	Ontario Works	141.7				141.7		
	Children Services	29.2			0.0	29.2	(66)	(11)
	Community Services	12.3			1.0	13.3	225	108
	Simcoe County Housing Corporation	49.2	3.0		3.0	55.2	300	208
	Social Housing - Non-Profit	13.3				13.3		
Engineering, Planning & Environment	Roads - T&E - Construction	10.8			0.0	10.8		
	Roads - T&E - Maintenance	72.5			1.6	74.1	97	97
	Solid Waste Management	83.0	9.1	(4.9)	1.4	88.6	(203)	(203)
	Forestry	6.7			1.5	8.2	131	0
	Planning & Economic Development	18.7			0.3	19.0	23	23
	Transit	3.0			1.0	4.0	72	72
	Lake Simcoe Regional Airport	9.6			1.5	11.1	107	107
Total Staffing by Department		1590.0	42.8	(6.2)	44.3	1670.9	3,802	1,764

Capital Summary by Project and Department

This table highlights the capital revenue and expenses by major category within the departments. The detailed project listing and supporting budget request form can be found under the departmental section of the budget binder.

2022 Capital Summary by Project and Department (\$000's)									
Project Description	Total Project Cost	2022 Budget Expenses	Revenues						County Impact
			CCBF	DC	Other	City of Barrie	City of Orillia	Reserves	
Equipment/Hardware/Software	800	50	0	0	0	0	0	0	50
Facility - Asset Management	1,630	65	0	0	0	0	0	0	65
Warden, CAO, Clerks and Archives	2,430	115	0	0	0	0	0	0	115
Facility - Asset Management	1,136	1,136	0	0	0	0	0	250	886
Service Simcoe	1,136	1,136	0	0	0	0	0	250	886
Equipment/Hardware/Software	7,362	2,612	0	0	0	0	0	0	2,612
Facility - Asset Management	1,225	1,100	0	0	0	0	0	0	1,100
Fleet	120	120	0	0	0	0	0	35	85
Corporate Performance	8,707	3,832	0	0	0	0	0	35	3,797
Equipment/Hardware/Software	2,662	1,507	0	0	0	384	79	150	893
Facility - Asset Management	1,687	1,687	0	0	0	430	89	0	1,168
Fleet	325	325	0	198	0	83	17	0	28
Bradford Station	5,739	2,360	0	1,532	0	596	116	0	115
Severn Station	4,004	525	0	240	0	134	28	0	124
Springwater South Post	2,439	874	0	768	0	220	45	0	(0)
Waubaushene Station	3,073	120	0	55	0	31	6	0	28
Paramedic Services	19,929	7,398	0	2,792	0	1,877	380	150	2,198

Capital Summary by Project and Department (continued)

2022 Capital Summary by Project and Department									
(\$000's)									
Project Description	Total Project Cost	2022 Budget Expenses	Revenues						County Impact
			CCBF*	DC	Other	City of Barrie	City of Orillia	Reserves	
Facility - Asset Management	1,567	1,567	0	0	0	175	172	9	1,211
Simcoe Manor Redevelopment	203,469	31,298	0	6,437	(131)	2,132	1,513	0	21,347
LTC - Homes	205,036	32,865	0	6,347	(131)	2,307	1,685	9	22,557
Facility - Asset Management	383	383	0	0	0	0	0	383	0
Fleet	40	40	0	0	0	0	0	40	0
Seniors Services	423	423	0	0	0	0	0	423	0
Affordable Housing (Barrie)	5,630	125	0	20	0	16	3	73	12
Affordable Housing (Bradford)	28,433	12,519	0	4,834	0	3,192	658	1,248	2,587
Affordable Housing (Orillia)	79,441	36,644	0	10,872	0	9,171	1,890	4,339	10,372
Facility - Asset Management	2,394	2,394	0	0	0	610	126	571	1,087
Simcoe County Housing Corporation	115,898	51,682	0	15,726	0	12,989	2,676	6,232	14,058
Active Transportation BCRY	6,581	2,026	0	0	0	0	0	0	2,026
Fleet	43	43	0	0	0	0	0	0	43
Intersection	43,310	12,207	5,650	5,998	0	0	0	0	559
Roads Construction	311,849	9,999	0	8,644	0	0	0	0	1,354
Structures (bridges/culverts)	42,927	2,305	0	81	0	0	0	0	2,224
T&E - Construction	404,710	26,579	5,650	14,723	0	0	0	0	6,205
Facility - Asset Management	281	281	0	0	0	0	0	0	281
Fleet and Heavy Equipment	1,910	1,910	0	313	0	0	0	0	1,597
T&E - Maintenance	2,191	2,191	0	313	0	0	0	0	1,878

Capital Summary by Project and Department (continued)

2022 Capital Summary by Project and Department (\$000's)									
Project Description	Total Project Cost	2022 Budget Expenses	Revenues						County Impact
			CCBF*	DC	Other	City of Barrie	City of Orillia	Reserves	
Equipment/Hardware/Software	639	639	0	0	0	0	0	0	639
Facility - Asset Management	3,743	1,484	0	287	0	0	0	0	1,197
Fleet and Heavy Equipment	2,733	2,733	0	0	0	0	0	238	2,495
SWM - Site 10 Compost Pad Expansion	208	208	0	19	0	0	0	0	189
SWM - Site 15 Compost Pad Expansion	353	353	0	32	0	0	0	0	321
Solid Waste Management	7,676	5,417	0	338	0	0	0	238	4,841
Fleet	43	43	0	0	0	0	0	43	0
Forestry	43	43	0	0	0	0	0	43	0
Fleet	508	508	0	0	0	0	0	0	508
Transit	508	508	0	0	0	0	0	0	508
Total	768,686	132,187	5,650	40,329	(131)	17,174	4,742	7,380	57,043

*Canada Community Building Fund, formerly known as Gas Tax

Fleet Inventory by Department

This table highlights the vehicle purchases and disposals by department that meet the definition of tangible capital assets (TCA). The details of each vehicle addition and disposal are available in the department budget section.

2022 Vehicle Summary						
Division	Department	Vehicle Count			Total 2022	Budget (\$ 000's)
		Total 2021	Addition (+)	Disposal (-)		
Warden, CAO, Clerks & Archives		1	-	-	1	-
Service Simcoe		6	1	0	7	35
Corporate Performance		8	2	0	10	120
Health and Emergency Services	Paramedic Services	77	13	(11)	79	2,012
	Emergency Planning	3	-	-	3	
	LTC - Homes/ Seniors Services	7	1	(1)	7	40
Social and Community Services	Social Housing	3	-	-	3	-
Engineering, Planning & Environment	T&E - Construction	3	1	(1)	3	43
	T&E - Maintenance	99	11	(10)	100	1,910
	Solid Waste Management	92	14	(9)	97	2,733
	Forestry	6	1	-	7	43
	Transit	30	1	-	31	508
Total Vehicles		335	45	(32)	348	7,444

Long Term Planning

Budgeting and the Long Term Plan

Long term planning is a powerful tool to help make informed decisions to ensure the County's future vitality and economic stability. The long-term plan identifies and analyzes current and future events and their effect on the County's short and long-range goals and objectives. Building upon these efforts, the 2022 budget and long-term financial plan will refer to some of the major issues facing the County of Simcoe.

The budgeting process is an integral component of the cycle of planning, budgeting, forecasting, measuring activities and results. The foundation of these forward looking processes are the County's strategic objectives and long term business plan. By remaining focused on these strategic initiatives, we ensure that the Corporation's plans, budgets, and forecasts reflect the actions and activities necessary to achieve the strategic objectives and targets.

The County of Simcoe updates the strategic plan and long term financial plan annually which serves as a framework by which County departments, agencies and other municipal partners can align their goals and strategies, thereby making budgetary decisions more consistent, sustainable and transparent. The budget is a subset of these long term plans that encompasses directed and approved service levels, capital projects, debt levels and revenue sources.



The long-term plan reflects the nature of the planning process at the County of Simcoe. Several master plans drive the development of the long-term plan. Included are:

- Affordable Housing and Homelessness Prevention Strategy
- Ambulance Act
- Child Care and Early Years Act, 2014
- County of Simcoe Strategic Plan
- Development Charge Act
- Development Charge Background Study
- Environmental Protection Act
- Forestry Management Plan
- Housing Service Act
- Long Term Care Act
- Long Term Financial Plan
- Ontario Planning Act
- Ontario Works Act
- Simcoe County Official Plan
- Solid Waste Management Strategy
- Transit Feasibility and Implementation Study
- Transportation Master Plan

Growth continues to be a primary driver of the budget and Long Term Financial Plan with the majority of the projects targeted for new capital infrastructure to address capacity and development demands. However, emphasis is placed on maintaining the County of Simcoe’s infrastructure and providing for its eventual replacement to Ontario Provincial Standards

Long Term Financial Plan		
Rehabilitation/ Replacement	Growth/ Expansion	Improvement/ Enhancement
Costs required for ongoing maintenance or replacement of existing assets	Costs required to maintain existing levels of service for the County’s increase in population	Expenditures that increase the level of quality of service currently provided

Long Term Financial Plan

The 2022 budget plus the next five years of the long-term financial plan has been included to provide a view of the budget in relation of the longer term outlook. Considering the long term will ensure the County continues to be in a strong financial position. The LTFP is the 2022-2031 version approved by Council.

County of Simcoe - (\$000's)	2022 Budget	2022 LTFP	2023 LTFP	2024 LTFP	2025 LTFP	2026 LTFP	2027 LTFP
Operating Revenues							
Subsidies	223,346	225,253	213,939	219,330	223,620	224,289	227,296
Service Partners	29,215	28,374	31,207	29,900	31,584	34,348	31,963
County Levy	192,206	192,206	199,799	207,699	215,918	224,469	233,365
User Fees	39,279	39,441	39,546	47,676	47,897	48,218	51,467
Miscellaneous Income	6,607	5,931	5,967	6,168	4,324	4,342	4,362
Transfer From Reserve	29,461	20,765	21,400	16,603	12,808	12,837	11,424
Total Revenues	520,113	511,970	511,857	527,376	536,151	548,502	559,877
Operating Expenses							
Client Benefit	154,615	154,568	148,174	144,145	145,515	144,587	141,307
Salaries	173,331	169,076	172,905	183,782	188,633	193,203	198,306
Administration	23,281	23,332	22,500	22,593	22,907	23,703	23,349
Facilities	29,142	29,070	29,720	30,396	31,216	35,573	33,653
Cost of Service Delivery	103,962	100,619	101,746	104,320	101,898	103,166	104,997
Transfer To Reserve	21,522	18,758	19,053	21,290	21,155	21,120	21,837
Total Expenses	505,854	495,422	494,098	506,528	511,323	521,352	523,449
Total Operating Balance	14,259	16,548	17,759	20,848	24,828	27,151	36,428
Capital							
Capital Revenue	75,144	95,780	124,744	85,809	83,633	71,994	58,397
Capital Expenses	132,187	180,607	186,207	157,432	133,097	126,283	75,181
Net Capital	(57,043)	(84,827)	(61,464)	(71,623)	(49,464)	(54,289)	(16,784)
Net Requirement	(42,784)	(68,280)	(43,705)	(50,775)	(24,636)	(27,139)	19,644

