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**Subject:** 2022 Levy Operating Budget

**Report to:** Budget Review Committee of the Whole

**Report date:** Thursday, December 9, 2021

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## Recommendations

1. That the 2022 net levy budget relating to the Niagara Regional Departments of \$239,899,186 as consolidated in Appendix 1 for an increase of \$5,004,785 or 2.15% (2.00% net of the rental revenue funding from Niagara Regional Housing) over the departmental operating budget **BE APPROVED** to support operations;
2. That an increase of \$3,428,589 or 0.85%, over the 2021 consolidated levy budget, being 1% or \$4,053,006 less the incremental capital funding included in the ABC budgets of \$624,417 **BE APPROVED** to support pay-as-you-go capital financing;
3. That an increase of \$1,935,000 or 0.48% over the 2021 consolidated levy budget **BE APPROVED** to support Council priorities as detailed in Appendix 5;
4. That a contribution of \$25,871,749 from the Taxpayer Relief Reserve, **BE APPROVED** to fund the net pressures related to the COVID-19 pandemic, \$25,122,922 for Regional Departments, and \$748,827 for the Agencies, Boards and Commissions COVID-19 pressures, as detailed in Appendix 2, for a net taxpayer impact of \$0;
5. That 1.32% or \$5,365,318 of assessment growth **BE APPROVED** to fund costs, as detailed in Appendix 3, in alignment with section 4.7 of By-law 2019-79 Budget Planning By-law;
6. That the 2022 net levy operating budget including the Niagara Regional Departments of \$250,628,093 (inclusive of growth, capital financing and council priorities) and Agencies, Boards, and Commissions of \$177,672,621 for a total general levy of \$428,300,714 or 4.35% increase **BE APPROVED**;
7. That the necessary by-law **BE PREPARED** and **PRESENTED** to Council for consideration;

## Key Facts

- The purpose of this report is to approve the Regional Departments budget increase of 2.00% inclusive of COVID-19 pressures that have been funded from Taxpayer Relief Reserve. The increase includes positions to support and funded by Niagara Regional Housing totalling \$0.3 million for a net increase of \$4.7 million or 2.00% increase over the departmental 2021 budget.
- The capital financing strategy proposed of 1.00% or \$4.0 million has been reduced to 0.85% to mitigate the ABC request for capital funding of \$0.6 million.
- The assessment growth for 2022 of 1.32% or \$5.4 million is recommended for 2021 Council's priority of funding NRPS 2021 base budget of \$3.5 million. The balance of growth is being used to fund development incentives, operating impacts of capital and 911 staffing resources as identified in Appendix 3.
- The ABC increase of \$7.3 million represents a \$3.8 million or 0.96% pressure in excess of the budget strategy. The capital portion of the ABC budget of \$0.6 million has been mitigated through a reduction in the 1.00% levy capital financing recommendation.
- A separate increase of 0.48% is recommended to support Council priorities; \$0.7 million Hospital Contribution (\$2.2 million annually until 2055) and \$1.0 million Hospice Niagara Contribution until 2025 and \$0.2 million McNally House Hospice Contribution until 2026.
- The 2022 Niagara Region consolidated levy budget inclusive of ABCs and Council Priorities amounts to \$428,300,714 and represents a 4.35% levy increase after assessment growth.

## Financial Considerations

The recommendations in this report are made in accordance with By-law 2019-79 "Budget Planning" with consideration of COVID-19 impacts per the 2022 budget planning strategy. The Regional Departments budget requests, exclusive of COVID-19 costs addressed separately, align with the budget planning strategy of 2.00% when net of \$0.3 million funding from Niagara Regional Housing for Housing Services labour related costs.

Table 1 - Departmental Levy Budget

Item	2021	2022	\$ Change	% Change
Departmental Base Budget	\$234.9	\$239.9	\$5.0	2.15%
Departmental COVID-19 Pressure	\$17.2	\$25.1	\$7.9	
Reserve Funding for COVID-19	(\$17.2)	(\$25.1)	(\$7.9)	
NRH funding for Housing Services		(\$0.3)	(\$0.3)	-0.15%
<b>Departments Total</b>	<b>\$234.9</b>	<b>\$239.6</b>	<b>\$4.7</b>	<b>2.00%</b>

The proposed consolidated 2022 Tax Levy inclusive of ABCs, Capital Financing and Council Priorities as per Table 2 totals \$428.3 million. This represents a \$23 million increase or 4.35%.

Table 2 – Consolidated Levy Budget

Item	2021	2022	\$ Change	% Change	% Levy Change
<b>Departments Subtotal</b>	<b>\$234.9</b>	<b>\$239.6</b>	<b>\$4.7</b>	<b>2.00%</b>	
NRH funding for Housing Services included below		\$0.3	\$0.3	0.15%	
<b>Departmental Subtotal</b>	<b>\$234.9</b>	<b>\$239.9</b>	<b>\$5.0</b>	<b>2.15%</b>	<b>1.22%</b>
NRPS	\$161.1	\$168.4	\$7.3	4.53%	1.80%
NPCA	\$5.9	\$6.3	\$0.4	6.78%	0.10%
Courts	(\$0.7)	(\$0.9)	(\$0.2)	28.57%	-0.05%
NRH	\$4.1	\$3.9	(\$0.2)	-5.33%	-0.05%
ABC COVID-19 Costs	\$1.6	\$0.7	(\$0.9)		
Reserves for ABC COVID-19	(\$1.6)	(\$0.7)	\$0.9		
<b>ABCs Subtotal</b>	<b>\$170.4</b>	<b>\$177.7</b>	<b>\$7.3</b>	<b>4.28%</b>	<b>1.80%</b>
<b>Dept. &amp; ABC Subtotal</b>	<b>\$405.3</b>	<b>417.6</b>	<b>\$12.3</b>	<b>3.02%</b>	<b>3.02%</b>
Capital Financing		\$3.4	\$3.4		0.85%
Council Priorities		\$1.9	\$1.9		0.48%
<b>Subtotal before Growth</b>	<b>\$405.3</b>	<b>\$422.9</b>	<b>\$17.6</b>	<b>4.35%</b>	<b>4.35%</b>
Costs funded from Assessment Growth		\$5.4	\$5.4	1.32%	1.32%
Assessment Growth					-1.32%
<b>Consolidated Levy Budget</b>	<b>\$405.3</b>	<b>\$428.3</b>	<b>\$23</b>	<b>5.67%*</b>	<b>4.35%</b>

\*Increase before assessment growth

## Analysis

The 2022 departmental levy budget was developed giving consideration to historical actual results inclusive of 2021 forecast for the year, operational concerns, service delivery requirements, and impacts as a result of COVID-19.

### Budget for Base Services

The departmental base budget was prepared to align with the 2022 budget planning strategy of 2.00% when net of the NRH funding (rental revenue) for Housing Services for a net increase of \$4.7 million for base services attributed to the following items:

- Labour related costs increase of \$8.1 million or 3.1% increase reflects:
  - \$5M or 2.0% in current collective agreements and strategies, inclusive of the \$0.7 million in one day savings as well the incremental costs of \$0.4 million in benefits mainly attributable to CPP.
  - \$2.3 million gross, \$0.9 million net relates to human resources, Public Health Strategic Project Coordinator (to address health impact assessments) and transportation.
  - The \$0.9 million temporary complement increase is due to the Bridge Housing Facility 10.6 temporary.
- \$1 million of Buchanan Supportive Housing operating expenses were funded by reserves in 2021 and now require base funding.
- \$0.8 million use of reserves to reduce the 2021 levy from 2% to 1.8% requires sustainable funding in 2022.
- \$0.7 million increase in consulting costs mainly due to transit governance as well as climate change initiatives.
- \$0.7 million in insurance premium increases on policy renewal.
- \$0.7 million increase to support the capital financing requirements.
- \$0.4 million in software costs, increases related to software licensing for Microsoft and Peoplesoft systems due to increase in head count as well as changes in the Microsoft licensing model to the cloud.

These base pressures have been partly offset by:

- \$2.0 million for corporate program support costs and debt servicing costs recovered from rate and ABCs budget (indirect allocation recovery).
- \$1.7 million increase in investment income due to rightsizing following concessions provided to Local Area Municipalities and growth in the portfolio.

- \$1.1 million from the end of obligations related to Connect to Innovate grant (\$0.4 million) and Canada Summer Games operating grant reduction from \$1 million to \$0.3 million for Canada Summer Games Park capital reserve contribution.
- \$1.0 million reduction in homelessness prevention programs specifically in Housing Stability Plan and Niagara Emergency Energy Fund in favour of more sustainable housing investments.
- \$1.4 million increase in subsidy for EMS and Long Term Care and recovery from NRH for incremental staffing.
- \$0.5 million related to end of vacancy rebate program.

### Capital Financing

The 2022 Budget Strategy proposed an additional 1.00% increase on the 2021 levy budget for enhanced capital funding as per the 2022 budget planning strategy. This was proposed as an alternative to the 2.16% increase reported in the capital financing strategy to close the infrastructure funding gap over 10 years.

Recognizing that the ABCs also identified infrastructure funding gaps and base budget funding requirements totalling \$0.6 million the levy recommendation is that this amount be accommodated within the 1% 2022 budget strategy. Therefore, the Region's portion of the 1.00% or \$4.0 million has been reduced to 0.85%, or \$3.4 million to mitigate the incremental capital funding requirements for the ABC's.

The recommended 2022 Capital Budget requires the full \$4 million to fund all projects (listed in Appendix 3 of CSD 51-2021 2022 Capital Budget), therefore the difference has been accommodated within the overall departmental base budget increase of 2.00%. The annual contributions to capital reserves will be \$25 million. The target based on the 2017 Asset Management Plan's annual asset renewal investment (AARI) is \$66 million.

### COVID-19 Impacts

Staff have estimated the 2022 levy departments net COVID-19 impacts of \$25.1 million (\$25.9 million inclusive of ABCs). Due to uncertainty of the long-term need for these measures, the costs are proposed to be funded on a one-time basis using the Tax Payer Relief Reserve which will be replaced with Provincial funding if and when confirmed. Only confirmed Provincial funding has been included in the budget and no incremental funding is available for these expenses at this time. If funding is received in year Reserve will not be required.

Departmental COVID-19 pressures are \$25.1M with funding from Taxpayer Relief Reserve. The pressures focus on the following key services:

- \$18.7 million for the Pandemic Response Division including the six months for the mass immunization team. At the time of preparing the 2021 budget the Region had not yet determined its role in the mass immunization program. Subsequently the Province approved Public Health pandemic related costs of \$21.5 million. Public Health is proposing \$19.8 million for 2022 before confirmed funding. The budget reflects the reduction in the duration of the mass immunization program but an increase in the cost of call centres.
- \$2.1 million long-term care staff (Registered Practical Nurses, Personal Support Workers, Housekeeping). The 2021 Covid-19 costs for Long Term Care was \$6.2 million which has been significantly reduced as per report (COM 26-2021) which approved 112 FTEs for enhanced level of care at the Region's long term care homes fully funded by the province and added to the base budget. This also explains the reduction in temporary Covid-19 FTEs.
- \$2.4 million personal protective equipment, supplies, screening staff and enhanced sanitization at various sites.
- \$1.1 million in EMS for increased staffing and enhanced sanitization.
- \$0.8 million for homelessness programs net of subsidized funding.

A listing of COVID-19 pressures is provided in Appendix 2 and the business cases are available in the 2022 Budget Detail. Currently there is minimal confirmed funding for Public Health and Long Term Care homes for 2022.

Table 3 provides a forecast of the Taxpayer Relief Reserve balance to 2024 based on the budget estimates. As of December 31, 2022 it is forecasted to have a balance of \$33.3 million which represents 5% of proposed 2022 gross operating expenditures (excluding ABCs, reserve transfers, and capital costs) in comparison to the reserve policy target of 10% to 15%. The decrease in the reserve balance impacts the ability to mitigate future unknown/unbudgeted risks.

Table 3 – Taxpayer Relief Reserve Forecast

Description (in millions)	2022 Budget	2023 Forecast	2024 Forecast
<b>Opening Balance (after year-end transfer)</b>	<b>\$60.0</b>	<b>\$33.3</b>	<b>\$33.7</b>
Annual contribution	0.9	0.9	0.9
Transfers for one-time operations	(1.6)	(0.5)	
2022 COVID-19 Rate requirements (November 4 <sup>th</sup> BRCOTW)	(0.2)		
2022 COVID-19 ABC requirements (November 25 <sup>th</sup> BRCOTW)	(0.7)		
2022 COVID-19 Levy requirements	(25.1)		
<b>2022 Forecasted Year-end Balance</b>	<b>\$33.3</b>	<b>\$33.7</b>	<b>\$34.6</b>

Operating programs that are time limited or one time in nature may be funded by reserves as per the Budget Planning by-law. As seen above in Table 3, transfers for one-time operations in 2022 are \$1.6 million. The one time operations request includes consulting contracts, implementation of software, building condition assessments, property valuations and Council election change over and strategic plan expenses.

### Assessment Growth

Assessment growth for 2022 is estimated at 1.32% (\$5.4 million); this is defined as the net increase in the Region's tax revenue from property assessment from new development. Assessment growth is allocated in alignment with the Budget Planning By-law and detailed in Appendix 3. The 2022 assessment growth has been allocated as follows:

- \$3.5 million to address council's priority of funding NRPS 2021 base budget. In order to recommend a sustainable budget it is advisable that this incremental confirmed revenue be utilized for the incremental confirmed expenses established in the 2021 budget.
- \$0.5 million for tax increment grant agreements as per Niagara's approved incentives.
- \$0.6 million for four 911 dispatchers to support increased call volumes for the service provide by the NRPS on behalf of the Region.
- \$0.4 million operating costs of capital assets approved in the 2022 Capital Budget that have an incremental operating impact such as EMS vehicle maintenance costs, IT software and hardware costs to maintain and operate new applications.
- \$0.3 million for Smarter Niagara Incentive Program simple grants being reinstated as per the direction related to the incentive review. There is not adequate assessment growth to fund the full amount therefore \$0.28 million is being funded from growth and the remaining \$0.02 million is funded by the Smarter Niagara Incentive Reserve.

Revenue generated from assessment growth during the year is primarily attributed to the residential tax class. All other tax classes in aggregate resulted in a net zero change during 2021. The positive assessment growth in the non-residential sectors was offset by significant assessment write-offs that occurred over the course of 2021.

### Staff Complement

The recommended 2022 Regional Department Operating Budget includes a staff complement of 2,568.6 permanent full time equivalents (FTE) and 361 temporary FTEs. A list of the staffing changes including position title is available in Appendix 4.

This is a net increase of 16.2 permanent FTEs and 22.4 temporary FTEs.

- Permanent FTEs increase primarily due to addition of 6 FTEs to support human resources services and community safety & well being initiative, 1 FTE to support health impact assessments, 4 FTEs to support housing facilities. It is also

recommended that 5 FTEs in Corporate Administration and Transportation be made permanent.

- Temporary FTEs increase primarily due to 3.5 FTEs to support long term care home operations and homelessness facilities, 9.5 FTEs related to EMS Community Paramedicine Long Term Care program and 10.6 FTEs for the bridge housing facility.

Household Impact

Based on the 2022 cost for levy programs, the average household assessed at \$278,764 is estimated to increase from \$1,638 to \$1,708 in 2022, an increase of \$70.

Table 4 – Household Tax Impact

Item	2022 impact to household	Cost to household
<b>2021 Cost per Typical Household</b>		<b>1,638</b>
Departmental Base Budget	20	
Capital Financing	14	
Funded by Assessment Growth	21	
Assessment Growth	(21)	
Council Priorities	8	
NPCA	1	
NRH	(1)	
NRPS	29	
Court Services	(1)	
<b>2022 Est. Cost per Typical Household</b>	<b>70</b>	<b>1,708</b>

The actual cost per household may change depending on tax policy decisions that are made in 2022; particularly around the phase-out of the vacant and excess land subclasses for commercial and industrial properties. The impact on individual property owners will depend on the increase in assessment that they experience; those with an increase greater than the average property would experience a larger tax impact, while those with an increase less than the average property would experience a smaller tax impact.

Multi-year

Items that are affecting the multi year forecast of 4.2% in 2023 and beyond are the following; continued pressure related to insurance premium, software costs, funding to support the infrastructure gap and the transit upload. The 2023 forecast currently does not include 0.41% increase on the levy to support the EMS Hub project as outlined in PHD 3-2021, this is dependent on Council endorsement to move forward with the Hub project in the 2023 Capital Budget.



## Risks and Opportunities

Niagara Region budget is prepared based on information available at a point in time. Services and/or the actual operational costs can be impacted by the following:

- Inflation is trending higher than 2% (risk).
- Increased Provincial funding for Long Term Care permanent staff resources has reduced one time COVID -19 costs (opportunity).
- Shared service arrangements continue to be analyzed for future implementation for example transit, dispatch etc. (opportunity).
- Incremental COVID-19 funding may reduce Taxpayer Relief Reserve requirement (opportunity).
- Vision Zero is a new program so there is an inherent risk that revenue and costs estimated will be different than budgeted (risk).
- DC background study and by law may impact grants and availability of levy funding (risk).

## Sinking Fund

As per the Municipal Act, Section 289, Niagara Region is required to prepare and adopt a budget including amounts to be raised for sinking funds. Additionally, as per Section 424, the Treasurer must prepare for Council, an annual statement of the amount to be raised for a sinking fund. This report will also serve to carry out Niagara Region's responsibilities as prescribed in the Municipal Act.

Niagara Region's sinking fund is a separate fund maintained for the purpose of providing the repayment of all sinking fund debt when it becomes due and payable. Proportionally, 88.05% of the fund relates to Niagara Region and the remaining 11.95% relates to the City of St. Catharines. The debt issued on June 30, 2010 subject to repayment through the sinking fund is \$78,079,000. This amount is repayable in full on June 30, 2040. The annual budget for Niagara Region's portion of the debt charges associated with the sinking fund is \$4,906,470 (\$1,331,695 principal, \$3,574,775 interest). This amount has been included in the 2021 budget, and subject to Niagara Region achieving the annual required rate of return of 3.50%, will remain in effect until the sinking fund matures on June 30, 2040. To date the Niagara Region has been able to invest in bonds yielding on average greater than the required rate of return.

## **Alternatives Reviewed**

At the discretion of Council, they can identify to eliminate/add programs from/to the budget. Business cases identifying the impacts/risks of adding or removing programs related to growth, mitigations, and COVID-19.

## **Relationship to Council Strategic Priorities**

The 2022 levy budget supports all facets of the organization in their support of Council's priorities.

## **Other Pertinent Reports**

CSD 40-2021	2022 Budget Planning
CSD 51-2021	2022 Capital Budget
CSD0 78-2021	Q3 2021 Financial Update
CSD 36-2021	Hospital Financing Strategy

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**Appendices**

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| Appendix 1 | Niagara Region Departments Base Budget |
| Appendix 2 | COVID-19 Pressures                     |
| Appendix 3 | Assessment Growth Funded Costs         |
| Appendix 4 | Full-time Equivalents Summaries        |
| Appendix 5 | Council Strategic Priorities           |

**Appendix 1 - Niagara Region Departments Base Budget**

<b>Object of Expenditure</b>	<b>2021 Budget*</b>	<b>2021 Covid-19</b>	<b>2021 Base excl Covid-19</b>	<b>2022 Budget~</b>	<b>\$ Variance</b>	<b>% Variance</b>	<b>Note</b>
Labour Related Costs	289,465,885	27,716,457	261,749,429	269,870,271	8,120,842	3.10%	(1)
Administrative	25,795,299	558,889	25,236,409	27,590,909	2,354,500	9.33%	(2)
Operational & Supply	45,734,705	1,928,682	43,806,022	44,039,441	233,418	0.53%	
Occupancy & Infrastructure	15,735,511	1,515,821	14,219,690	14,445,632	225,942	1.59%	
Equipment, Vehicles, Technology	9,616,374	228,328	9,388,046	11,064,566	1,676,519	17.86%	(3)
Community Assistance	199,430,858	873,159	198,557,698	197,061,244	(1,496,455)	-0.75%	
Partnership, Rebate, Exemption	15,141,872	-	15,141,872	13,210,817	(1,931,055)	-12.75%	(4)
Financial Expenditures	71,112,420		71,112,420	72,078,738	966,318	1.36%	
Transfers to Funds	31,132,038	161,215	30,970,823	32,194,371	1,223,548	3.95%	(5)
Allocations To Rate and ABCs	(690,018)		(690,018)	(695,585)	(5,567)	0.81%	
<b>Total Expenditures before Indirect Allocations</b>	<b>702,474,944</b>	<b>32,982,552</b>	<b>669,492,393</b>	<b>680,860,404</b>	<b>11,368,011</b>	<b>1.70%</b>	
Indirect allocations recovery from Rate and Courts	(7,069,909)	(50,000)	(7,019,909)	(7,645,321)	(625,412)	8.91%	
Capital Allocations recovery from Rate and Courts	(15,722,089)	-	(15,722,089)	(17,292,253)	(1,570,164)	9.99%	(6)
<b>Total Expenditure</b>	<b>679,682,947</b>	<b>32,932,552</b>	<b>646,750,395</b>	<b>655,922,830</b>	<b>9,172,434</b>	<b>1.42%</b>	
Taxation	(16,069,990)	1,008,263	(17,078,253)	(17,186,080)	(107,827)	0.63%	
Federal & Provincial Grants	(346,811,583)	(24,926,309)	(321,885,274)	(325,311,915)	(3,426,641)	1.06%	(7)
By-law charges & Sales	(12,214,333)	3,462,077	(15,676,410)	(16,341,703)	(665,293)	4.24%	(8)
Other Revenue	(46,067,697)	113,489	(46,181,186)	(48,318,252)	(2,137,065)	4.63%	(9)
Transfers from Funds	(23,624,943)	(12,590,072)	(11,034,872)	(8,865,695)	2,169,177	-19.66%	(10)
<b>Total Revenue</b>	<b>(444,788,546)</b>	<b>(32,932,552)</b>	<b>(411,855,994)</b>	<b>(416,023,644)</b>	<b>(4,167,649)</b>	<b>1.01%</b>	
<b>Net Departmental Levy</b>	<b>234,894,401</b>	<b>(0)</b>	<b>234,894,401</b>	<b>239,899,186</b>	<b>5,004,785</b>	<b>2.15%</b>	

\*includes in-year adjustments

~excludes 2021 program changes for COVID-19 and Growth Costs

**Notes:**

1. Labour related costs includes compensation increases in accordance with collective agreements, stat benefit pressure including CPP, staff complement increases offset by one day savings.
2. Administrative cost increases includes \$0.7 million for transit and climate change consulting costs, \$0.7 million insurance premiums, \$0.7 million increase in software cost and other inflationary costs.
3. Equipment, Vehicle & Technology costs includes \$0.8 million related to IT license/support and medical technology, \$0.5 million related to fuel, \$0.3 million inflationary costs, \$0.2 million related to minor equipment and R&M, offset by \$0.1 million savings across all departments.
4. Partnership, Rebate and Exemption includes savings of \$0.7 million from Canada Summer Games, \$0.6 million from Commercial Vacancy program being ended, \$0.4 million from Connect To Innovate.
5. Transfer to funds includes \$0.7 million transfer to capital reserves
6. Capital Financing Allocation includes increase in debt charges allocated to the Rate program.
7. Federal & Provincial Grants includes increases to the Long Term Care and Public Health Program, this includes the funding for the increase in FTEs.
8. By-law charges and sales includes \$0.5 million transit fare revenue removed from other revenue OE to By-law charges & Sales.
9. Other Revenue includes \$1.7 million increase in investment income and vision zero revenue offset by expenses, net impact 0.
10. Transfer from Reserves includes elimination of one time items and \$1 million 2021 transfer from reserve to fund Buchanan operating costs

**Appendix 2 - Covid-19 Pressure Business Cases**

<b>Department</b>	<b>Description</b>	<b>Pressure</b>	<b>Funding</b>	<b>Transfer from Reserve</b>
Community Services	Child Care Centres	237,039	(237,039)	-
Community Services	Homelessness Services	2,745,730	(1,984,178)	761,552
Community Services	Seniors Services	2,779,105	(669,750)	2,109,355
Corporate Administration	Human Resource Support	437,595	-	437,595
Corporate Services	Facilities & IT	1,974,849	-	1,974,849
Emergency Services	EMS Increased Staffing, PPE & Cleaning Supplies	1,105,481	-	1,105,481
Public Health	Pandemic Response	19,894,091	(1,160,000)	18,734,091
<b>Departments Total</b>		<b>29,173,890</b>	<b>(4,050,967)</b>	<b>25,122,923</b>
Courts Services	Increased Staffing Resources	221,039		221,039
Niagara Regional Housing	PPE, Cleaning & Supplies	417,366		417,366
NPCA	Increased PPE & Cleaning Supplies	110,422		110,422
<b>ABCs Total</b>		<b>748,827</b>	<b>-</b>	<b>748,827</b>
<b>Total</b>		<b>29,922,717</b>	<b>(4,050,967)</b>	<b>25,871,750</b>

**Appendix 3 - Assessment Growth Funded Costs**

<b>Description</b>	<b>Amount \$</b>	<b>% increase</b>
Gross Assessment Growth	(5,365,318)	-1.32%
Tax Increment Grants on new assessment	560,965	0.14%
<b>Council priorities</b>		
2021 Base Services funded from reserve	3,589,680	0.89%
<b>Incremental costs of new growth</b>		
911 Dispatch Resources	539,292	0.13%
Operating impacts of the Capital Budget	399,000	0.10%
<b>Programs aimed at driving economic growth</b>		
Smarter Niagara Incentive Program grants	276,381	0.07%
<b>Total Costs of Growth</b>	<b>5,365,318</b>	<b>1.32%</b>

**Appendix 4 - Full Time Equivalent Summaries**

Employees are reported as an equivalent of a full-time employee (full-time equivalent, FTE) providing service throughout a fiscal year. Depending on the category of employee and nature of service, the fixed number of hours tied to an FTE may vary (35, 37.5, 40, or 42 hour weeks.) Permanent FTEs can only be added through the annual budget process or budget adjustments where there is funding available and approved by Council.

**Permanent Full-time Equivalents**

<b>Item</b>	<b>FTE</b>	<b>Comments</b>
<b>2021 Approved FTEs</b>	<b>2,388.4</b>	Per 2021 Budget Summary
Community Services	51.0	NRH ASD - staff transferred to Community Services Housing division.
Community Services	112.0	COM 26-2021 - LTC staffing resources fully funded.
Corporate Services	1.0	Supervisor Customer Service (FTE moved from Courts to Corporate Services)
<b>2021 Adjusted FTEs</b>	<b>2,552.4</b>	
<b>Program Delivery Changes</b>		
Corporate Administration	1.0	* Digital Multimedia Advisor
Corporate Administration	1.0	* Diversity Equity & Inclusion Program Manager
Corporate Administration	1.0	* Economic Development Officer
Corporate Administration	1.0	* Talent Acquisition Representative
Corporate Administration	1.0	Community Safety & Well-Being Program Manager
Corporate Administration	4.0	Human Resources Positions
Corporate Administration	1.0	Sustainability Specialist (Climate Change)
Corporate Services	0.3	Office Cleaners
Community Services	4.0	Housing Services FTEs funded by NRH
Public Health & Emergency Services	(0.1)	Updated hours due to rounding
Public Health & Emergency Services	1.0	Strategic Project Coordinator
Transportation	1.0	* Transportation Administration
<b>Program Delivery Changes</b>	<b>16.2</b>	
<b>Increase in Perm FTEs</b>	<b>16.2</b>	
<b>2022 Total Perm FTEs</b>	<b>2,568.6</b>	

\*offset with a reduction in temporary FTE in following table

**Temporary Full-time Equivalents**

<b>Item</b>	<b>FTE</b>	<b>Comments</b>
<b>2021 Approved FTEs</b>	<b>232.1</b>	Per 2021 Budget Summary
Public Health & Emergency Services	171.7	PHD-6-2021 - Pandemic Response NRH ASD - staff transferred to Community Services
Community Services	9.1	Housing division.
Public Health & Emergency Services	9.0	EMS Community Paramedicine
Corporate Services	3.0	IT Project Managers
<b>2021 Adjusted FTEs</b>	<b>424.9</b>	
<b>Expiring</b>		
Planning & Development	(1.0)	Senior Planner Official Plan
Planning & Development	(1.0)	Planning Analyst ROP
Planning & Development	(1.0)	Official Plan Policy Consultant
<b>Expiring</b>	<b>(3.0)</b>	
<b>Program Delivery Changes</b>		
Corporate Administration	(1.0) *	Digital Multimedia Advisor
Corporate Administration	(1.0) *	Diversity Equity & Inclusion Program Manager
Corporate Administration	(1.0) *	Economic Development Officer
Corporate Administration	(1.0) *	Talent Acquisition Representative
Corporate Administration	1.0	Total Rewards Specialist
Corporate Services	0.5	Business Licensing Officer
Community Services	10.6	Bridge Housing Facility
Community Services	1.0	Social Worker
Community Services	0.6	Community Services Encoder
Community Services	1.0	Housing Service Project Manager (funded by capital)
Community Services	0.5	Manager Social Assistance
Community Services	3.5	Staffing to support LTC Operations
Public Health & Emergency Services	6.0	Paramedics & ECN for CPLTC
Public Health & Emergency Services	0.5	Mental Health Nurse & Supervisor
Public Health & Emergency Services	3.0	System Status Controller
Transportation	(1.0) *	Transportation-Administration
Transportation	1.2	Surveys Analyst
Transportation	1.0	Fleet Driver
<b>Program Delivery Changes</b>	<b>25.4</b>	
<b>Increase in Temp FTEs excluding Covid-19</b>	<b>22.4</b>	
<b>COVID-19</b>		
Corporate Administration	4.8	HR Staffing Support
Corporate Services	1.6	Office Cleaner
Corporate Services	0.7	Screeener
Community Services	(63.4)	Long Term Care Homes
Community Services	(3.6)	Covid-19 Shelters (Jan-Mar)
Public Health & Emergency Services	2.0	Fleet Custodian
Public Health & Emergency Services	1.0	Administrative Assistant
Public Health & Emergency Services	(29.4)	Mass Immunization Program (6 months vs. 1 yr.)
<b>COVID-19</b>	<b>(86.3)</b>	
<b>Increase in Temp FTEs including Covid-19</b>	<b>(63.9)</b>	
<b>2022 Total Temp FTEs</b>	<b>361.0</b>	



**Appendix 5 - Council Strategic Priorities**

<b>Description</b>	<b>Amount</b>	<b>% increase on levy</b>
South Niagara Hospital Contribution until 2055	1,000,000	0.25%
Hospice Niagara Contribution until 2025	715,000	0.18%
McNally House Hospice Contribution until 2026	220,000	0.05%
<b>Total Costs of Growth</b>	<b>1,935,000</b>	<b>0.48%</b>