

**THE CORPORATION OF THE TOWNSHIP OF ESSA
SPECIAL MEETING OF COUNCIL – 2023 CAPITAL AND OPERATING BUDGET
MARCH 22, 2023**

5:30 P.M.

- 1. OPENING OF MEETING BY THE MAYOR**
- 2. DISCLOSURE OF PECUNIARY INTEREST**
- 3. 2023 DRAFT BUDGET** (Refer to binders provided in February)
- 4. CLOSED SESSION**

Recommendation: *Be it resolved that Council move to Closed Session in order address matters pertaining to:*

- *Personal Matters about Identifiable Individual [s.239(2)(b)]*

Motion to Rise and Report from Closed Session Meeting of March 22, 2023.

Recommendation: *Be it resolved that Council rise and report from the Special Council Closed Session Meeting at _____ p.m.*

STAFF REPORTS AND MEMORANDUMS

5. FINANCE

- p. 1 **a. Staff Report TR005-23 submitted by the Manager of Finance, Manager of Public Works and the Chief Administrative Officer, re: 2023 Budget for Council Consideration.**

Recommendation: *Be it resolved that Staff Report TR005-23 be received; and*

That Council approve the 2023 budget of \$27,022,607 with a levy of \$10,754,172, with the exception of the portion relating to the Parks and Recreation Department; and

That Council approve the portion of the 2023 draft budget relating to the Parks and Recreation Department including the added amounts for an Angus splashpad, Baxter park and Thornton swings, removal of a new cleaning position and maintaining the municipal drain clean out as requested by the County; and

That Council instruct staff to prepare a tax rating by-law.

6. CONFIRMATION BY-LAW

By-law 2023-15

Recommendation: *Be it resolved that leave be granted to introduce By-law 2023-15, that being a By-law to confirm the proceedings of the Special Meeting of Council held on this 22nd day of March, 2023; and that said By-law be read a first, and taken as read a second and third time and finally passed.*

7. ADJOURNMENT

Recommendation: *Be it resolved that this Special Meeting of the Council of the Township of Essa adjourn at _____ p.m.*



TOWNSHIP OF ESSA STAFF REPORT

STAFF REPORT NO.: TR005-23

DATE: March 22nd, 2023

TO: Committee of the Whole

FROM: Deborah Dollmaier, Manager of Finance
Michael Mikael, P. Eng, Manager of Public Works
Colleen Healey-Dowdall, CAO

SUBJECT: 2023 Budget for Council Consideration

RECOMMENDATION

That Staff Report TR005-23 be received; and

That Council approve the 2023 budget of \$27,022,607 with a levy of \$10,754,172, with the exception of the portion relating to the Parks and Recreation Department; and

That Council approve the portion of the 2023 draft budget relating to the Parks and Recreation Department including the added amounts for an Angus splashpad, Baxter park and Thornton swings, removal of a new cleaning position and maintaining the municipal drain clean out as requested by the County; and

That Council instruct staff to prepare a tax rating by-law.

BACKGROUND

Council received staff budget presentations and reviewed the draft budget on February 15th and 17th 2023. The following changes have been made to the draft budget:

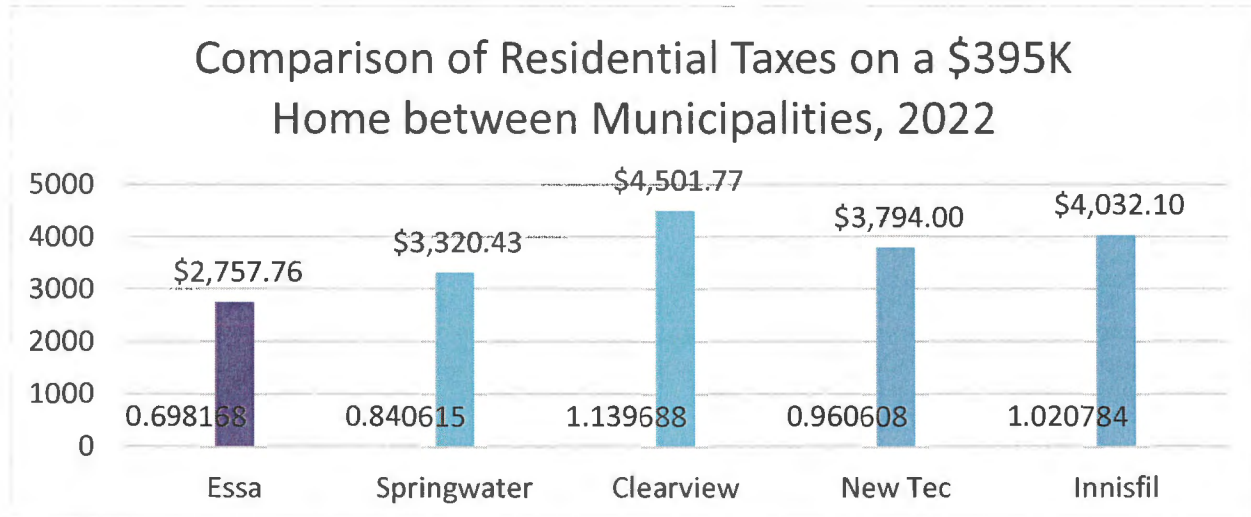
Added amounts for an Angus splashpad (\$400,000 from park reserves), Baxter park improvements (including but not limited to a basketball net) and Thornton swing set (\$36,000 collectively for Baxter and Thornton), removal of a new, proposed cleaning position and maintaining (including) the municipal drain clean out in Baxter as requested by the County.

*Note that the Township's Insurer has made the request concerning a swing set in Thornton, and the Manager of Parks and Recreation, the request concerning the cleaning position.

The 2023 draft budget represents a blended increase of 6.39% which equals approximately \$44.62 per \$100,000 of residential assessment.

The Municipal Property Assessment Corporation (MPAC) is the provincial body responsible for assessing and classifying properties in Ontario. According to MPAC, the median assessment for all residential-class properties in Essa is \$395,000. In 2022, the taxes collected on the 'median home' in Essa were \$2,757.76. The proposed budget would mean an increase of approximately

home' in Essa were \$2,757.76. The proposed budget would mean an increase of approximately \$170 per year on the same house. Taxes on the same house in New Tecumseth are approximately \$3,487 (2022 rate applied to a much older home of the same size). Essa has one of the lowest tax rates in Simcoe County (refer to Attachment 1).



COMMENTS AND CONSIDERATIONS

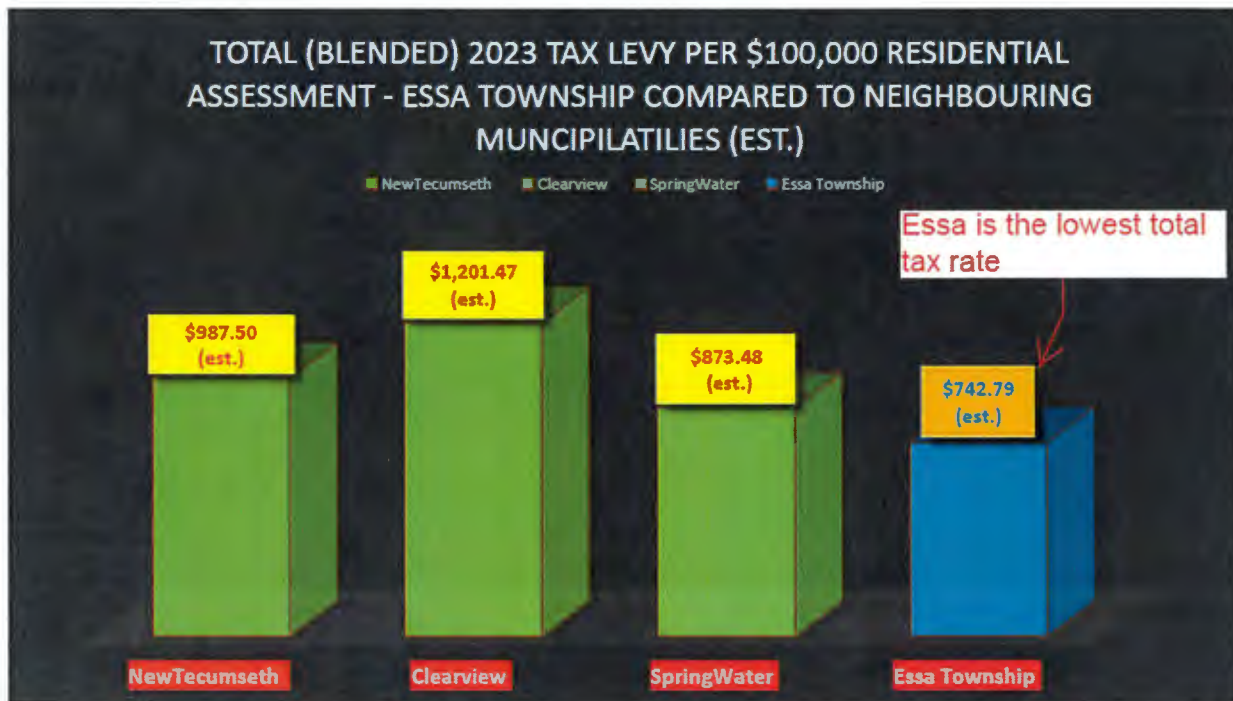
The 2023 draft budget is a responsible budget which responds to the financial challenges facing the municipality and as well maintains existing services and service levels. Some highlights of the 2023 draft budget are:

- New and improved recreational services as the Township increases its programs and offerings
- 1 new snow plow to be ordered for the next winter season
- New part time Building Staff to facilitate faster building permit approvals including reviewing and allowing for second housing units on one property – called Additional Residential Units (ARU) to assist with providing additional affordable housing in the municipality
- The municipality has taken over the management of Essa's Angus and Thornton cemeteries which translates into additional costs at this time
- 20 percent increase in insurance costs
- New, mandated Fire Community Risk Assessment and a Fire Master Plan to help plan for the future in terms of fire services in the municipality, as well, new fire Records Management software and a vehicle for the Deputy Chief; dress uniforms for officers and continued replacement of gear and apparatus plus on-going training
- Essa will continue with a second full time Municipal Law Enforcement Officer added last year in an attempt to address the increased demand put on by-law enforcement in the municipality
- Continuance of a planning consultant to work towards a new Official Plan for the municipality which will guide future growth and development, both in terms of population and employment opportunities; continued opportunity for increased public input, tree maintenance and climate change policies
- Road upgrades to the 9th and 11th Lines and rural intersections; plus continued traffic calming measures to improve on road safety

- Continued study of the 5th Line bridge (Bridge No. 9, “Miller’s Bridge”) to prepare for bridge repairs
- Commencement of an Environmental Assessment of the water system in Angus

FINANCIAL IMPACT

The 2023 draft budget of \$27,022,607 represents a blended increase of 6.39% which equals approximately \$44.62 per \$100,000 of residential assessment. The municipality will be transferring an amount equal to a 3.7% tax contribution to Asset Management in keeping with its adopted Asset Management Plan.



Neighbouring Municipalities	Total (Blended) 2023 Tax Levy Per \$100,000 Residential Assessment (Est.)
NewTecumseth	\$987.50
Clearview	\$1,201.47
SpringWater	\$873.48
Essa Township	\$742.79

SUMMARY/OPTIONS

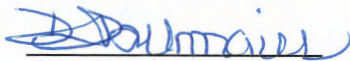
Council may:

1. **Approve the 2023 budget of \$27,022,607 with a levy of \$10,754,172, with the exception of the portion relating to the Parks and Recreation Department.**
2. **Approve the portion of the 2023 draft budget relating to the Parks and Recreation Department and including the added amount for an Angus splashpad, Baxter park and Thornton swings, removal of a new cleaning position and maintaining the municipal drain clean out as requested by the County.**
3. **Instruct staff to prepare a tax rating by-law.**
4. Direct staff as Council deems appropriate.

CONCLUSION:

Options 1 - 3 are recommended.

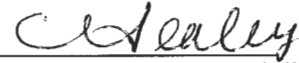
Respectfully submitted:



Deborah Dollmaier
Manager of Finance



Michael Mikael, P. Eng.
Manager of Public Works



Colleen Healey-Dowdall
CAO

Attachments:

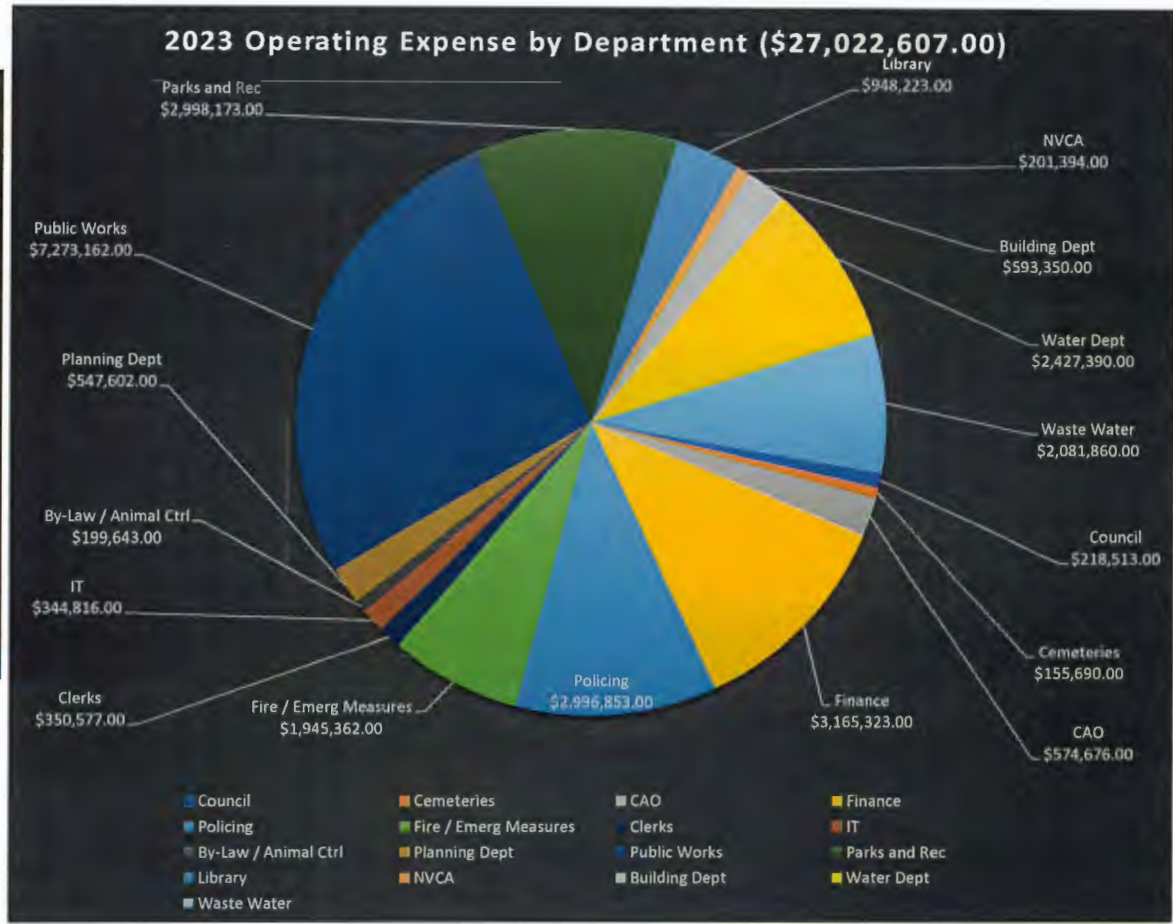
2022 Municipal Tax Rates across the County
2023 Operating Expense by Department Chart
2023 Tax Levy by Department
Current Reserves and Development Charges Funds, March 2023

2022 MUNICIPAL TAX RATES

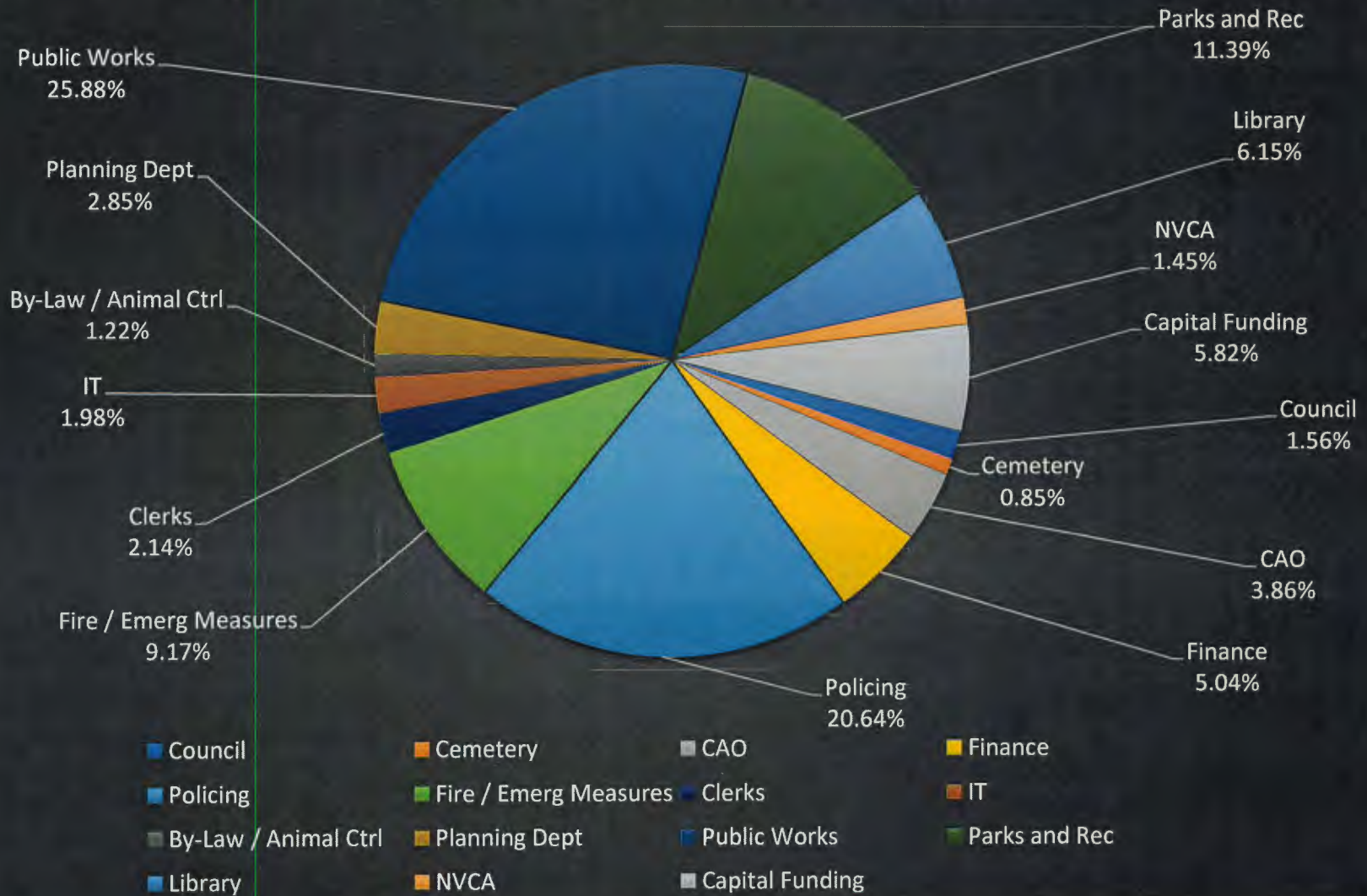
Essa	.00266134
Adjala-Tosorontio	.00297602
Tiny	.00328992
Springwater	.00408581
Severn	.00439784
Oro-Medonte	.00468100
Bradford	.00513393
New Tecumseth	.00528574
Innisfil	.00548444
Ramara	.00588750
Wasaga Beach	.00593935
Tay	.00664930
Clearview	.00707654
Collingwood	.00724073
Penetanguishene	.01035089
Midland	.01095323

	Assessed Value	2022 Municipal only
Essa	<u>\$500,000</u>	<u>\$1,330.67</u>
Adjala-Toso	\$500,000	\$1,488.01
Springwater	\$500,000	\$2,042.91
New Tec	\$500,000	\$2,642.87
Innisfil	\$500,000	\$2,943.75

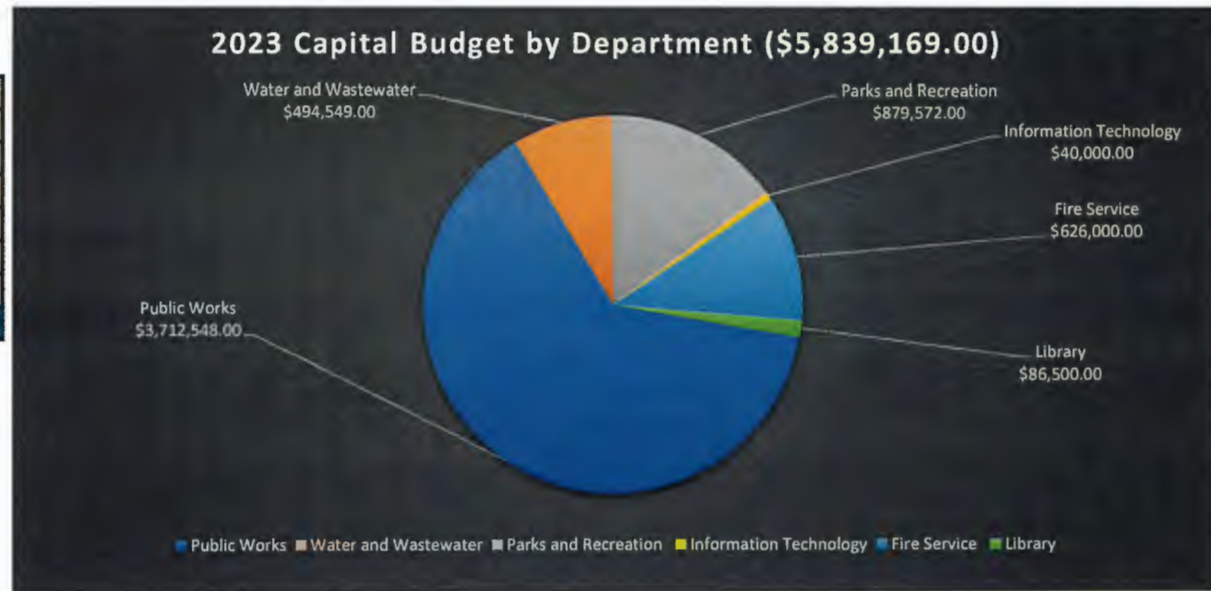
Department	Operating Expense
Council	\$218,513.00
CAO	\$574,676.00
Public Works	\$7,273,162.00
Finance	\$3,165,323.00
Policing	\$2,996,853.00
Fire / Emerg Measures	\$1,945,362.00
Clerks	\$350,577.00
IT	\$344,816.00
By-Law / Animal Ctrl	\$199,643.00
Planning Dept	\$547,602.00
Cemeteries	\$155,690.00
Parks and Rec	\$2,998,173.00
Library	\$948,223.00
NVCA	\$201,394.00
Building Dept	\$593,350.00
Water Dept	\$2,427,390.00
Waste Water	\$2,081,860.00
Total	\$27,022,607.00



2023 Tax Levy(\$10,754,172) by Department



Department	Capital Budget
Public Works	\$3,712,548.00
Water and Wastewater	\$494,549.00
Parks and Recreation	\$879,572.00
Information Technology	\$40,000.00
Fire Service	\$626,000.00
Library	\$86,500.00
Total	\$5,839,169.00





Township of Essa
2023 Approved Budget

Township of Essa
Estimated 2023 Schedule of Reserves and Reserve Funds
Based on Approved Budget

Reserves		Balance	Interest for Hydro	Repayment	Transfer From	Transfer to	Redistribution	Balance	Interest for Hydro	Repayment	Transfer from	Transfer From	Transfer to	Redistribution	Estimated
Account #	Description	Dec 31/2021	& Water Sewer	(55.4.2)	Current Revenues	Reserves	(operating)	Dec 31/2022	& Water Sewer	(55.4.2)	Reserve	Current Revenues	Capital	(operating)	Balance
02-80-002-060-3544	Project Carry Forward	\$ 47,738			\$ 47,738	\$ 236,000		\$ 236,000							\$ -
02-80-002-060-3548	Infrastructure Renewal	\$ 877,435			\$ 38,253	\$ 349,843		\$ 1,189,965				\$ 347,800	\$ (207,000)		\$ 1,329,865
02-80-002-060-3550	Working Capital	\$ 1,873,321						\$ 1,873,321							\$ 1,873,321
02-80-002-060-3552	Uncollectible	\$ 19,159						\$ 19,159							\$ 19,159
02-80-002-060-3553	Contingencies	\$ 37,372						\$ 37,372							\$ 37,372
02-80-002-060-3554	Special Projects	\$ 2,763,033			\$ 13,584	\$ 5,535,440		\$ 2,749,449					\$ (842,600)		\$ 1,446,449
02-80-002-060-3555	Parks & Recreation	\$ -						\$ 5,535,440							\$ 4,692,840
02-80-002-060-3556	Policing	\$ 109,903						\$ 109,903							\$ 109,903
02-80-002-060-3557	Capital Equipment/Roads	\$ 38,253						\$ 38,253							\$ 38,253
02-80-002-060-3559	Fire Department	\$ 150,000			\$ -	\$ -		\$ 150,000					\$ (65,000)		\$ 85,000
02-80-002-060-3561	Fire Dept. Training	\$ 83,368			\$ 6,198	\$ -		\$ 77,168							\$ 77,168
02-80-002-060-3562	Future Enforce Build Code Act	\$ 1,052,967					\$ (64,033)	\$ 988,934						\$ (69,966)	\$ 818,968
02-80-002-060-3571	Excess Election Funds	\$ 36,203				\$ (36,203)		\$ (0)				\$ 15,000			\$ 15,000
02-80-002-060-3572	Trail	\$ 2,086						\$ 2,086							\$ 2,086
02-80-002-060-3573	Fishing Parks	\$ -				\$ 74,504		\$ 74,504							\$ 74,504
02-80-002-060-3580	Sale of Thornton Hydro	\$ 35,677						\$ 35,677							\$ 35,677
02-80-002-060-3581	Asset Mgmt	\$ 2,879,983				\$ 47,738		\$ 2,927,721							\$ 2,927,721
	Subtotal:	\$ 9,806,498	\$ -		\$ 198,773	\$ 6,207,362	\$ (64,033)	\$ 15,844,052	\$ -		\$ -	\$ 362,800	\$ (1,140,600)	\$ (69,966)	\$ 14,996,286
02-80-002-060-3580	Water Rate Stabilization	\$ 606,345						\$ 606,345							\$ 606,345
02-80-002-060-3592	Water Infrastructure	\$ 3,469,457				\$ 153,771		\$ 3,623,228		\$ 152,050					\$ 3,775,278
02-80-002-060-3593	Sewer Rate Stabilization	\$ 405,776						\$ 405,776							\$ 405,776
02-80-002-060-3595	Sewer Infrastructure	\$ 632,899						\$ 632,899							\$ 632,899
	Total:	\$ 14,920,973	\$ -		\$ 198,773	\$ 6,361,139	\$ (64,033)	\$ 21,112,306	\$ -	\$ 152,050	\$ -	\$ 362,800	\$ (1,140,600)	\$ (69,966)	\$ 20,416,590

Reserve Funds		Balance	Investment	Transfer From	Transfer to	Redistribution	Balance	Investment	Other	Transfer From	Transfer to	Redistribution	Estimated
Account #	Description	Dec 31/2021	Income	Current Revenues	Capital	(operating)	Dec 31/2022	Income	Fees	Current Revenues	Capital	(operating)	Balance
56-80-002-060-3632	Water Levies	\$ 57,336	\$ 537,057				\$ 594,393						\$ 594,393
50-80-002-060-3633	Sewer Levies	\$ 165,894	\$ 468,871				\$ 634,765		\$ (29,500)	\$ (132,000)			\$ 473,265
55-80-002-060-3640	Library Reserves	\$ 17,755	\$ 5,541		\$ (25,051)		\$ 7,245			\$ 1,755			\$ 10,750
60-80-002-060-3665	Cemetery Earth Care & Maintenance	\$ 7,158	\$ 900				\$ 8,058						\$ 8,058
60-80-002-060-3689	Business Improved Area	\$ 13,005	\$ 3,000				\$ 16,005		\$ 3,000				\$ 19,005
	Total:	\$ 201,149	\$ 1,012,675		\$ (25,051)		\$ 1,188,773		\$ 3,000	\$ (29,500)	\$ (130,245)		\$ 1,032,028

Total Reserves and Reserve Funds		\$ 15,122,122	\$ -	\$ 1,012,675	\$ 108,773	\$ 6,336,088	\$ (64,033)	\$ 22,301,079	\$ -	\$ 155,050	\$ (29,500)	\$ 232,555	\$ (1,140,600)	\$ (69,966)	\$ 21,446,618
		\$ 105,773.07 \$ 6,272,055.00 Total					Total \$ 232,555.00 \$ (1,210,566.00)								



Township of Essa 2023 Approved Budget

2023 Estimated schedule of Development Charges and Obligatory Reserve Funds
Based on Approved Budget

Title	Account #	Balance Dec 31/2021	Actual DC's Rec'd	Actual DC's for funding	Balance Dec 31/22	Investment Income	Development Fees	Grants	Reserve Funds		Unadjusted Balance Dec 31/23
									Transfer to Capital Fund	Transfer to Current Fund	
Obligatory Reserves											
Parks & Rec	50-80-002-060-3630	\$ 433,400.84	\$ -	\$ -	\$ 433,400.84	\$ 4,581.05					\$ 437,981.89
Federal Gas Tax	50-80-002-060-3635	\$ 76,560.06	\$ 668,650.58	\$ (735,121.01)	\$ 10,089.63	\$ 97.80		\$ 697,722.00	\$ (597,000.00)		\$ 110,909.43
OCIF	50-80-002-060-3636	\$ 4,960.68	\$ 1,140,808.00	\$ (348,616.63)	\$ 797,152.05	\$ 9,864.11		\$ 969,687.00	\$ (1,204,687.00)		\$ 572,016.16
Total Obligatory Reserves		\$ 514,921.58	\$ 1,809,458.58	\$ (1,083,737.64)	\$ 1,240,642.52	\$ 14,542.96	\$ -	\$ 1,667,409.00	\$ (1,801,687.00)	\$ -	\$ 1,120,907.48
Development Charges											
Administration-Growth	50-80-002-050-3650	\$ 127,112.63	\$ 1,466.00		\$ 128,578.63	\$ 1,842.99	\$ 1,929		\$ (10,800.00)		\$ 121,550.30
Police	50-80-002-050-3651	\$ 239,871.92	\$ 2,133.00		\$ 242,004.92	\$ 2,496.70	\$ 3,630				\$ 248,131.70
Protection - Fire	50-80-002-050-3652	\$ 1,102,507.00	\$ 211,417.00	\$ (68,841.00)	\$ 1,245,083.00	\$ 9,394.86	\$ 311,271		\$ (200,000.00)		\$ 1,365,748.86
Roads & Related Service	50-80-002-050-3654	\$ 6,608,401.29	\$ 674,391.00	\$ (1,012,282.00)	\$ 6,270,510.29	\$ 63,312.87	\$ 627,051		\$ (1,189,188.00)	\$ (50,000.00)	\$ 5,721,686.19
Public Works & Fleet	50-80-002-050-3655	\$ 95,234.68	\$ 60,652.00		\$ 155,886.68	\$ 4,158.49	\$ 90,414				\$ 250,459.45
Park Development & Facilities	50-80-002-050-3657	\$ 4,500,736.00	\$ 210,750.00	\$ (4,014.00)	\$ 4,707,472.00	\$ 47,625.63	\$ 230,550		\$ (236,972.00)		\$ 4,748,675.63
Libraries	50-80-002-050-3658	\$ 26,708.00	\$ 26,592.00		\$ 53,300.00	\$ 175.51	\$ 1,232		\$ (16,050.00)		\$ 34,657.51
Angus Water	50-80-002-050-3660	\$ 2,283,044.00	\$ 127,741.00		\$ 2,410,785.00	\$ 21,383.96	\$ 132,417		\$ (288,000.00)		\$ 2,276,585.96
Sewer	50-80-002-050-3662	\$ 6,093,428.00	\$ 80,713.00		\$ 6,174,141.00	\$ 62,718.67	\$ 95,623				\$ 6,332,482.67
Thornton Water	50-80-002-050-3664	\$ 323,529.00	\$ 48,262.00	\$ (24,951.00)	\$ 346,840.00	\$ 2,454.13	\$ 52,100		\$ (45,049.00)		\$ 356,345.13
Total DC's		\$ 21,400,572.52	\$ 1,444,117.00	\$ (1,110,088.00)	\$ 21,734,601.52	\$ 215,563.81	\$ 1,546,217	\$ 0	\$ (1,986,059.00)	\$ (50,000.00)	\$ 21,460,323.40
		\$ 21,915,494.10	\$ 3,253,575.58	\$ (2,193,825.64)	\$ 21,975,244.04	\$ 230,106.77	\$ 1,546,217.07	\$ 1,667,409.00	\$ (3,787,746.00)	\$ (50,000.00)	\$ 22,581,230.88

THE CORPORATION OF THE TOWNSHIP OF ESSA

BY-LAW 2023-15

Being a By-law to confirm the proceedings of the Special Meeting of Council held on the 22nd day of March, 2023.

THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF ESSA
HEREBY ENACTS AS FOLLOWS:

THAT the action of the Council at its Special Meeting held on the 22nd day of March, 2023, and, in respect of each motion, resolution and other action passed and taken by Council at the said meeting, is, except where prior approval of the Ontario Municipal Board is required, hereby adopted, ratified and confirmed.

THAT the Mayor and the proper officials of the Township of Essa are hereby authorized and directed to do all things necessary to give effect to the said actions or to obtain approvals where required, and to execute all documents as may be necessary in that behalf and the Clerk is hereby authorized and directed to affix the Corporate Seal to all such documents.

READ A FIRST, AND TAKEN AS READ A SECOND AND THIRD TIME AND
FINALLY PASSED on this the 22nd day of March, 2023.

Sandie Macdonald, Mayor

Lisa Lehr, Manager of Legislative Services