



Mayoral Direction
(Part VI.1 of the *Municipal Act, 2001*)

Decision Number: SMP-25-003

Date: May 1, 2025

Purpose: Direction to staff to prepare the 2026 Budget

In accordance with section 284.16 of the *Municipal Act, 2001* (the "**Act**") and section 7 of 0. Regulation 530/22, the Mayor for The Corporation of the Town of Essex (the "**Town**") shall, on or before February 1 of each year, prepare a proposed budget for the Town and provide the proposed budget to Town Council for its consideration.

In accordance with section 284.3 of the Act, the Mayor hereby directs the Chief Administrative Officer and Chief Financial Officer of the Town to present an operating and capital budget to Town Council in December, 2025, which budget shall be prepared based on the following:

1. The demonstrated connection of budget investment to deliver the outcomes approved in the Council Strategic Plan (2023 - 2027).
2. The adherence to Council-approved financial policies.
3. The delineation of municipal operating and capital budget requirements to:
 - a. maintain current service levels and minimize risk;
 - b. deliver service levels in accordance with legislative changes;
 - c. keep service levels aligned with the pace of growth;
 - d. improve / enhance service levels from what is currently being delivered.
4. That the Town will budget for local board and shared service transfers as submitted by the respective governance bodies. The budgets for these local boards and shared service transfers will also be detailed in the Town's budget
5. The costs to maintain current service delivery are based on validated inflationary estimates consistent with contractual agreements and the appropriate commodity/price indices. It is expected that all assumptions are disclosed to Town Council.



6. Inflation on user fee revenues will keep pace with escalations in expenses where possible. In other words, user fee revenues as a per cent of expenses will be maintained.
7. The capital budget is prepared based upon capital transfers and other identified sources of capital funding including debt financing in alignment with established financial strategies and policies with additional capital funding requirements beyond established strategies disclosed to Town Council.
8. The operating budget impacts that will result from the approval of a capital project are clearly presented.
9. That staff will disclose all deferred and/or deprioritized budget investments that were not recommended to Town Council on the basis of affordability.

This direction takes effect at 12:01 am on the date first set out above and remains in effect until modified or revoked in writing.

Signed this 1st day of May 2025.

A handwritten signature in black ink that reads "Sherry Bondy". The signature is written in a cursive style and is positioned above a horizontal line.

Sherry Bondy

Mayor