



---

# 2026 Budget Deliberations

December 8<sup>th</sup>, 2025



# Introduction

# What the Day will Consist of

- We will do a quick recap and briefly discuss any changes that have happened since the budget walkthrough presentation before heading into deliberations.
- The meeting will be led by council with support from all administration
- Finance will be tracking any changes made to the budget throughout the course of the day and providing the revised tax rate.

# Agenda

Topic
Purpose of Deliberations
Budget Walkthrough Follow-ups
Changes Since Budget Walkthrough
Council Deliberates
Final Resolutions

# Goals/Resolutions

- 2026 Proposed Operating Budget as presented be adopted, inclusive of all adjustments
- 2026 Proposed Capital Budget as presented be adopted, inclusive of all adjustments
  - Review section by section and pull out any projects that need further discussion
- Authorization be granted to complete, in fiscal year 2026, any previously approved projects that remain outstanding as of December 31, 2025, and do not appear in the 2026 Budget as presented, so long as the project costs do not exceed previously approved funding amounts or allocations.
- Reduce the time period as set out in subsection 7(3) and 7(1) of O. Reg 530/22 with respect to budget amendments and veto
- Approve the increase to the Essex Centre Business Improvement Area (BIA) Levy

# Follow-ups from Budget Walkthrough

# Breakdown of Growth

Property Type	2026 Growth Allocation	2026 Growth Percentage
Residential	66%	1.19%
Multi Res	23%	0.41%
Commercial	10%	0.19%
All Other (Industrial, Farm)	1%	0.01%
<b>Total</b>	<b>100%</b>	<b>1.80%</b>

# BIA Rates

BIA Rates	
Year	Percentage Increase
2023	2.6%
2024	3.9%
2025	2.2%
Average	2.9%

# Communications Cost Center 2026 Change

<b>Communications Cost Center: Breakdown of 2026 Increase</b>	
Salaries (includes net of new position plus contractual increases)	\$ 73,992
Net Impact of new Website (no longer receiving County rate)	\$ 7,198
Emergency Alert System (reallocated from Emergency Operations)	\$ 10,780
Inflationary Increases (City Works, professional fees)	\$ 5,742
<b>Total</b>	<b>\$ 97,712</b>

# Essex Library Cost Center 2026 Change

<b>Essex Library Cost Center: Breakdown of 2026 Increase</b>	
Revenue (charge the County for Utilities Cost)	\$ (416)
Utilities*	\$ 3,016
Contractors	\$ 250
<b>Total</b>	<b>\$ 2,851</b>

\*Utilities were increased to align with actuals



# 2026 Proposed Budget Summary

# Snapshot (page 13)

The Town has proposed a 2026 Budget with revenues and expenses of \$80.4 million and over \$21.5 million of that dedicated towards capital initiatives. The main priorities and themes of the 2026 Budget were as below:

## **Addressing contractual obligations while maintaining services levels**

- This budget incorporates contractual increases from the current policing contract as well as the phased-in impact of the 2024 negotiated union contract.
- The Town continues to dedicate monies to the asset management program, with a current 1% levy presented in the 2026 budget, to ensure readiness for asset replacement and that continued service level targets are met.

## **Incorporating the Town's strategic pillars with a strong focus on infrastructure planning and innovations**

- Key projects set up to guide the Town to further development include the Residential Intensification Guidelines, Fire Station 3 Replacement, and Maidstone Avenue/Talbot Street Intersection Improvements
- Innovative projects include phase one of Enterprise Resource Planning and a hybrid Bylaw Enforcement patrol vehicle.

## **Finding alternative ways to assist in stabilizing tax increases**

- The Town established a longer-term tax impact plan which is incorporated into this budget
- User fees were analyzed and adjusted in accordance with increases in related costs

The Proposed 2026 Budget proves that when working together, great things can be accomplished for the Town of Essex.



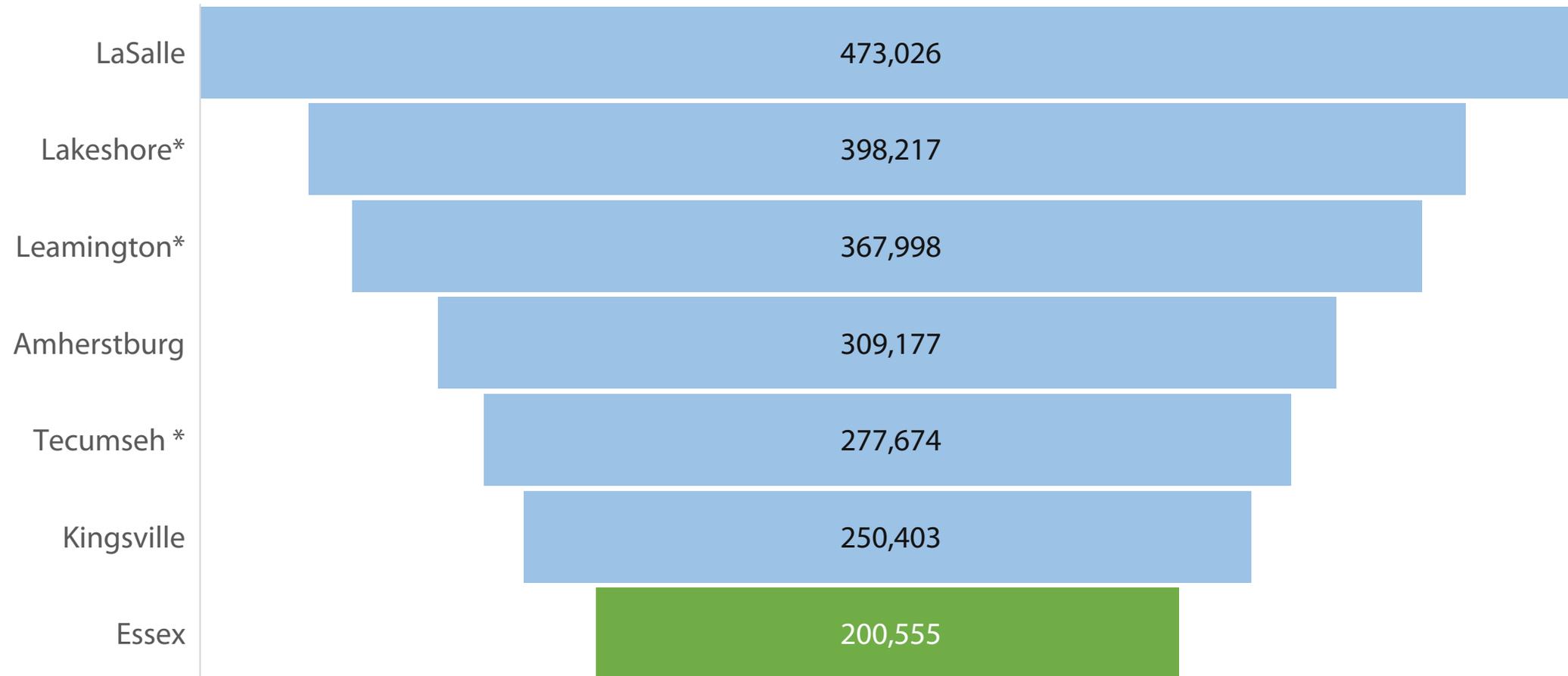
# Understanding Property Taxes and Property Assessment

- Heavy reliance on assessment data to collect taxes
- MPAC video

<https://youtu.be/nrWry5i3TBU>

# But what does 1% increase look like across the County? (page 17)

## 1% Mill Rate increase Comparison



\*The above graphics have been calculated using the submitted 2024 FIR and does not include any supplementary taxation or taxation adjustments, if 2024 FIR wasn't available then 2023 data was used



# Positive Tax Rate Adjustments

<b>Affect to Tax Rate - Increase (Decrease)</b>	
<b>Revenue</b>	<b>(1.56)</b>
Ontario Municipal Partnership Fund (OMPF)	(0.44)
User Fees and Service Charges	(0.35)
Drainage Block Assessments	(0.49)
Crushing	(0.29)
<b>Expenses</b>	<b>(1.78)</b>
Projected Debt - Town Hall Consolidation	(0.36)
Utilities, Insurance and Property Taxes	(0.52)
New Requests	(0.46)
Additional Operating Expenses	(0.45)
<b>Total Tax Rate Change - Increase (Decrease)</b>	<b>(3.35)</b>

# Proposed tax rate at November 24<sup>th</sup>

(page 14)

2026 Proposed Residential Tax Rate	2025 Tax Rates		2026 Tax Rates		Proposed Change (2025 to 2026)	
	Mill Rate	Median Property Taxes	Mill Rate	Median Property Taxes	%	\$
<b>Ward 1 and 4</b>						
General Municipal Levy	0.00906	1,739.33	0.00951	1,826.55	5.01%	87.22
Urban Levy	0.00095	181.44	0.00099	190.02	4.73%	8.58
Garbage Collection and Disposal Levy	0.00128	246.34	0.00135	258.41	4.90%	12.07
<b>Total Ward 1 and 4 Town of Essex Levy</b>	<b>0.01129</b>	<b>2,167.10</b>	<b>0.01185</b>	<b>2,274.98</b>	<b>4.98%</b>	<b>107.88</b>
<b>Ward 2 and 3</b>						
General Municipal Levy	0.00906	1,739.33	0.00951	1,826.55	5.01%	87.22
Rural Levy	0.00030	57.02	0.00030	57.02	0.00%	0.00
Garbage Collection and Disposal Levy	0.00128	246.34	0.00135	258.41	4.90%	12.07
<b>Total Ward 2 and 3 Town of Essex Levy</b>	<b>0.01064</b>	<b>2,042.69</b>	<b>0.01116</b>	<b>2,141.98</b>	<b>4.86%</b>	<b>99.29</b>
<b>Average Town of Essex Levy Increase (Wards 1 to 4)</b>	<b>0.01096</b>	<b>2,104.90</b>	<b>0.01150</b>	<b>2,208.48</b>	<b>4.92%</b>	<b>103.58</b>
<b>Upper Tier &amp; Provincial Levies</b>						
County of Essex Levy (proposed)	0.00560	1,075.20	0.00575	1,103.69	2.65%	28.49
Education Levy	0.00153	293.76	0.00153	293.76	0.00%	0.00
<b>Total Upper Tier &amp; Provincial Levies</b>	<b>0.00713</b>	<b>1,368.96</b>	<b>0.00728</b>	<b>1,397.45</b>	<b>2.08%</b>	<b>28.49</b>
<b>Total Average Increase for all Wards</b>	<b>0.01809</b>	<b>3,473.86</b>	<b>0.01878</b>	<b>3,605.93</b>	<b>3.80%</b>	<b>132.08</b>
<b>Median Residential Single-Family Detached Assessment</b>						<b>192,000</b>



# Summary of Changes

Item	Description	Impact	Amount
Insurance	Reduction in insurance cost due to results of RFP	Reduce Expenses and thus reduce property tax revenue required	(\$102,413)
Essex Region Conservation Authority	Reduce in budget for Conservation Authority	Reduce Expenses and thus reduce property tax revenue required	(\$7,500)
Essex Recreation Centre	Adjustments	Reduce Expenses which impacts both property tax revenue and misc. revenue	(\$30,500)

# Updated Tax Rate Graphic with Changes since Walkthrough

2026 Proposed Residential Tax Rate	2025 Tax Rates		2026 Tax Rates		Proposed Change (2025 to 2026)	
	Mill Rate	Median Property Taxes	Mill Rate	Median Property Taxes	%	\$
<b>Ward 1 and 4</b>						
General Municipal Levy	0.00906	1,739.33	0.00945	1,814.40	4.32%	75.08
Urban Levy	0.00095	181.44	0.00099	190.02	4.73%	8.58
Garbage Collection and Disposal Levy	0.00128	246.34	0.00135	258.41	4.90%	12.07
<b>Total Ward 1 and 4 Town of Essex Levy</b>	<b>0.01129</b>	<b>2,167.10</b>	<b>0.01179</b>	<b>2,262.83</b>	<b>4.42%</b>	<b>95.73</b>
<b>Ward 2 and 3</b>						
General Municipal Levy	0.00906	1,739.33	0.00945	1,814.40	4.32%	75.08
Rural Levy	0.00030	57.02	0.00030	57.02	0.00%	0.00
Garbage Collection and Disposal Levy	0.00128	246.34	0.00135	258.41	4.90%	12.07
<b>Total Ward 2 and 3 Town of Essex Levy</b>	<b>0.01064</b>	<b>2,042.69</b>	<b>0.01109</b>	<b>2,129.83</b>	<b>4.27%</b>	<b>87.15</b>
<b>Average Town of Essex Levy Increase (Wards 1 to 4)</b>	<b>0.01096</b>	<b>2,104.90</b>	<b>0.01144</b>	<b>2,196.33</b>	<b>4.34%</b>	<b>91.44</b>
<b>Upper Tier &amp; Provincial Levies</b>						
County of Essex Levy (Approved in Principle)	0.00560	1,075.20	0.00573	1,099.39	2.25%	24.19
Education Levy	0.00153	293.76	0.00153	293.76	0.00%	0.00
<b>Total Upper Tier &amp; Provincial Levies</b>	<b>0.00713</b>	<b>1,368.96</b>	<b>0.00726</b>	<b>1,393.15</b>	<b>1.77%</b>	<b>24.19</b>
<b>Total Average Increase for all Wards</b>	<b>0.01809</b>	<b>3,473.86</b>	<b>0.01870</b>	<b>3,589.48</b>	<b>3.33%</b>	<b>115.63</b>
<b>Median Residential Single-Family Detached Assessment</b>						<b>192,000</b>

**Avg. Blended Increase per Month \$9.64**



# Final Resolutions:

- Adoption of 2026 Operating Budget in Principal
- Adoption of 2026 Capital Budget in Principal
  - Review section by section and pull out any projects that need further discussion
- Authorization to Complete Prior Approved Capital Projects not listed on the carryforward list in the 2026 fiscal year

# Final Resolutions:

- Reduce the time period as set out in subsection 7(3) and 7(1) of O. Reg 530/22 with respect to budget amendments and veto
- Approve the increase to the Essex Centre Business Improvement Area (BIA) Levy
- If 2026 Budget is not adopted, next meeting date:
  - Tuesday, December 9<sup>th</sup>, 2025 (12pm-4:30pm)



# Council Deliberates

# Operating Budget:

**Goal:** Adoption of 2026 Operating Budget

- Item to consider:
  - Council directed projects
  - AMP adjustments
  - New positions
  - Operating Notice of Motion
  - BIA Rate
- Other Council Considerations

**Recap of all Changes after this section**



# Council Directed Projects

## **Project 1:** Erie Street South & Wellington Avenue Pedestrian Crossing

- **Resolution number:** R25-03-093 (R24-10-462)
- **Initiated by:** Deputy Mayor Shepley

## **Project 2:** Irwin Avenue & Gosfield Townline Pedestrian Crossing

- **Resolution number:** R25-09-436
- **Initiated by:** Councillor McGuire-Blais

## **Project 3:** Traffic Studies

- **Resolution number:** R25-08-373
- **Initiated by:** Councillor McGuire-Blais

## **Project 4:** Safety Review of Nottingham Drive

- **Resolution number:** R25-09-411
- **Initiated by:** Councillor Allard

# AMP Reserves Transfer

## Asset Management Lifecycle Reserve Forecast

Asset Management Lifecycle Reserve Forecast		Asset Management Lifecycle Reserve Revenue and Expense Activity						
Description	Note	Beginning Balance	Revenue			Interest	Committed/ Proposed Asset Management Expenditures	Ending Balance
			Asset Management Financial Strategy		Operating Lifecycle Reserve Contributions			
			Landfill Reserve	Capital Levy				
<b>2026 Projected Beginning Balance</b>		<b>10,379,997</b>						
Landfill Reserve Contribution (60% + 20% Top-Up)	Per new Asset Management Financial Strategy		1,954,161					
Capital Levy per Asset Management Financial Strategy	Fixed Amount			277,089				
<b>Approved</b> - Capital Levy to Cover lifecycle contributions (1.6%+1%+1%+1%)	Capital Levy (introduced with AMP financial strategy)			721,487				
<b>Proposed</b> - Capital Levy to Cover lifecycle contributions (1%)	Capital Levy (introduced with AMP financial strategy)			201,046				
Annual Consolidated Lifecycle Capital Contribution	Fixed Amount from General Levy				900,000			
Interest Calculation	Estimated (2.5%)					308,354		
Investment Income						300,000		
Funding Requirement for Capital							(6,197,500)	
<b>2026 Estimated Ending Balance</b>								<b>8,844,633</b>
<b>2027 Estimated Ending Balance</b>								<b>7,434,591</b>
<b>2028 Estimated Ending Balance</b>								<b>5,615,144</b>
<b>2029 Estimated Ending Balance</b>								<b>8,510,102</b>
<b>2030 Estimated Ending Balance</b>								<b>6,796,945</b>

- Most municipalities struggle with the annual infrastructure deficits, and it will take many years to achieve a fully funded program.
- In many of the categories the Town's investment is below the AMPs annual recommendation for both core and non-core assets.



# New Position Recap

New Position	Division	Net Proposed Impact
Network Systems Administrator	Information Technology	65,699
Assistant Manager, Financial Analysis & Planning	Finance	136,910
Communications & Events Coordinator	Communications	65,416
Career Compass and Youth in Action Program	Council	12,356

# Affordable Housing Subsidy



**Requested Budget:**  
**\$12,500**

**Rationale:** Following the November 17<sup>th</sup> notice of motion, Administration will investigate options for an affordable housing subsidy program to help non-profits who supply Affordable Residential Units

**Funding Source:** Taxation  
(currently not included in budget)

# BIA Rate Approval

2026 Proposed BIA Tax Rate	2025 BIA Rates		2026 BIA Rates		Proposed Change (2025 to 2026)	
	BIA Rate	BIA Taxes per Average Assessment	BIA Rate	BIA Taxes per Average Assessment	%	\$
<b>Ward 1 Commercial</b>						
BIA Rate	0.00184	921.90	0.00189	945.85	3.00%	27.55
<b>Median Commercial Assessment</b>						<b>500,000</b>

- The above increase is averaged and is actually a 3% increase, as well as an increase to the annual cap of \$6,300 to \$6,500.

# Other Council Considerations

## **Requests resulting from Council's review of the draft budget**

- Please bring forward any other items for discussion within the operating budget at this time

# RECAP OF TABLE A

- Review of all amendments made to-date for operating in the excel tracker



# Capital Budget:

**Goal:** Adoption of 2026 Capital Budget

- Items to consider:
  - Departmental review
- Other Council Considerations

**Recap of all Changes after this section**

# Departmental review

- Review of capital projects for each department
- Projects to be pulled out and debated by Council
- All remaining to be approved as presented

# Other Council Considerations

## **Requests resulting from Council's review of the draft budget**

- Please bring forward any other items for discussion within the capital budget at this time

# RECAP OF TABLE A, B, C & D

- Review of all amendments made in the excel tracker



# Resolutions

# RESOLUTIONS

**That** the proposed 2026 Budget as presented and inclusive of all adjustments summarized in Table A, Table B and Table D, be received.

**That** authorization be granted to complete, in fiscal year 2026, any previously approved projects that remain outstanding as of December 31, 2025 and do not appear in the 2026 Budget as presented, so long as the project costs do not exceed previously approved funding amounts or allocations.

# RESOLUTIONS

**That** Council approve the 3% increase to the Essex Centre Business Improvement Area (BIA) Levy; and

**That** Council approves increasing the cap from \$6,300 to \$6,500.

# RESOLUTIONS

**That** Council reduce the time period as set out in subsection 7(3) of O. Reg 530/22 to pass a resolution making an amendment to the proposed budget from 30 days to 17 days; and

**That** Council reduce the time period as set out in subsection 7(10) of O. Reg 530/22 to override the head of council's veto of an amendment to the proposed budget from 15 days to 0 days.