

Agenda - Essex County Council, Regular Meeting

Date: Wednesday, February 19, 2025
Time: 6:00 PM
Location: Council Chambers, 2nd Floor
360 Fairview Avenue West
Essex, Ontario N8M 1Y6
<https://video.isilive.ca/countyofessex/live.html>

Accessible formats or communication supports are available upon request. Contact Clerk's Office, clerks@countyofessex.ca, 519-776-6441 extension 1353

Pages

1. Closed Meeting

There is no Closed Meeting scheduled for February 19, 2025.

2. Moment of Reflection

3. Singing of 'O Canada'

4. Land Acknowledgement Statement

We acknowledge the land on which the County of Essex is located is the traditional territory of the Three Fires Confederacy of First Nations, comprised of the Ojibway, Odawa and Potawatomie Peoples.

We specifically recognize Caldwell First Nation and other First Nations which have provided significant historical and contemporary contributions to this region.

We also value the contributions of all Original Peoples of Turtle Island, who have been living and working on this land from time immemorial.

5. Recording of Attendance

6. County Warden's Welcome and Remarks

7. Disclosure of Pecuniary Interest

8. Adoption of Regular Meeting Minutes

Minutes of the Essex County Council, Regular Meeting, dated February 5, 2025

Recommendation:

Moved by _____

Seconded by _____

That the minutes of the February 5, 2025 Regular Meeting of Essex County Council be adopted as presented.

(Vote by show of hands)

9. Delegations and Presentations

9.1 The Bridge Youth Resource Centre

Krista Rempel, Executive Director, to provide an update regarding The Bridge's Tiny Home Community

10. Communications

10.1 Correspondence

Recommendation:

Moved by _____

Seconded by _____

That the correspondence listed on the Regular Agenda for February 19, 2025, be received and any noted action approved.

(Vote by show of hands)

10.1.1	Peterborough County	27
	February 5, 2025 - US Imposition of Tariffs on Canadian Goods	
10.1.2	Town of Hanover	30
	February 5, 2025 - US Imposition of Tariffs on Canadian Goods	
10.1.3	Northumberland County	32
	January 31, 2025 - Deposit Return Program	

10.1.4 Association of Municipalities of Ontario (AMO)

- AMO Watchfile Newsletter
- AMO Policy Updates
- AMO Calendar - Education Events

10.2 Resolutions

There are no resolutions for consideration for February 19, 2025

11. Consent Agenda

Recommendation:

Moved by _____

Seconded by _____

That the recommendations in the Administrative Reports listed as items 11.1 and 11.2 on the Consent Agenda for February 19, 2025, be received and approved as required.

(Vote Electronically)

11.1 2024 Statement of Councillors’ Remuneration 37

Report number 2025-0219-FIN-R04-MR, 2024 Statement of Councillors’ Remuneration, dated February 19, 2025

11.2 Summary of Outstanding Reports 42

Report number 2025-0219-LLS-R07-KH, Summary of Outstanding Reports, dated February 19, 2025 from Katherine Hebert, County Clerk

12. Reports and Questions

12.1 2025 Tax Policy Discussion and Recommendation 46

Report number 2025-0219-FIN-R07-MR, 2025 Tax Policy Discussion and Recommendation, dated February 19, 2025 from Melissa Ryan, Director, Financial Services/Treasurer

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council receive this report for information.

And further that Essex County Council adopt the tax ratios as set out in By-law 2025-07 for the 2025 taxation year;

And further that the Essex County Tax Assistance Program for Low-Income Seniors and Low-Income Persons with disabilities established under By-law 04-2004 and amended under By-law 2021-05 continue with no amendments;

And further that the Essex County Charity tax Rebate Program established under By-law 16-2007 continue with no amendments.

(Vote Electronically)

12.2 Annual Credit Rating-Evaluation-Cost Benefit Analysis

70

Report number 2025-0219-FIN-R06-MR, Annual Credit Rating-Evaluation-Cost Benefit Analysis, dated February 19, 2025, from Melissa Ryan, Director, Financial Services/Treasurer

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council approve receive report number 2025-0219-06-FIN-MR, Annual Credit Rating Evaluation-Cost Benefit Analysis as information.

(Vote Electronically)

12.3 Appointment of Auditors for the County of Essex

99

Report number 2025-0219-FIN-R05-MR, Appointment of Auditors for the County of Essex, dated February 19, 2025, from Melissa Ryan, Director, Financial Services/Treasurer

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council receive report number 2025-0219-FIN-R05-MR, Appointment of Auditor and;

That Essex County Council approve the re-appointment of KPMG LLP for a five-year period, commencing January 1, 2025, subject to renewal and confirmation by By-law, in accordance with the fees presented on pg.15 of Appendix A-KPMG Fee Proposal 2025-2029.

(Vote Electronically)

12.4 Administration Building Renovations Phases

122

Report number 2025-0219-IPS-R05-AB, Administration Building Renovations Phases, dated February 19, 2025, from Allan Botham, Director, Infrastructure and Planning Services

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council receive report number 2025-0219-IPS-R05-AB, Administration Building Renovation Phases as information.

(Vote Electronically)

13. Unfinished Business

14. New Business

14.1 Invest Windsor-Essex - Rescind Previous Decision of Council and Approval of 2025 Budget for Invest Windsor-Essex

At the February 5, 2025 Regular Meeting of Essex County Council, Joe Bachetti raised the following:

Preamble:

Whereas at its December 4, 2024 meeting County Council passed resolution number 337-2024 which was duly moved by Tracey Bailey and seconded by Sherry Bondy as follows:

That Essex County Council reduce the funding allocation to Invest WindsorEssex by 15% to \$953,750; and

That a letter be sent to the Board of Directors and the interim CEO advising them of the reduction.

Whereas that motion was carried by a vote of 8-6 in favour by members of County Council.

Motion:

I move to rescind resolution 337-2024 which states That Essex County Council reduce the funding allocation to Invest Windsor Essex by 15% to \$953,750.

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council resolution # 337-2024 which states '*That Essex County Council reduce the funding allocation to Invest Windsor Essex by 15% to \$953,750*', be rescinded.

(Vote Electronically)

Recommendation:

Moved by _____

Seconded by _____

That Essex County Council approve 2025 funding of Invest Windsor Essex at the originally proposed level of \$1,122,060.

(Vote Electronically)

14.2 Removal of Interprovincial Trade Barriers

At the February 5, 2025 Regular Meeting of Essex County Council, Michael Akpata raised the following:

Preamble/Background:

Whereas the recent threats of an imposition of tariffs on Canadian production would have had a substantial effect on the items produced in the County of Essex.

And that there has only been granted a 30-day reprieve before they may be implemented.

And that these tariffs were going to be applied by another country and therefore can be deemed as being external to the Province and the Country.

And Whereby the Internal trade has been deemed by the Canadian Federation of Independent business (CFIB) to represent 18 % of Canada's GDP. And that in July, the CFIB released a report that said removing interprovincial barriers could boost the economy by up to \$200 billion annually. And that items produced, grown, and manufactured in Essex County are sent across Canada and are in many cases subject to these interprovincial barriers.

Motion:

That the County of Essex call upon both the Provincial and Federal Government to eliminate inter provincial trade barriers to ensure that items produced in the County of Essex can move without barriers freely across the country.

Recommendation:

Moved by _____

Seconded by _____

That the County of Essex call upon both the Provincial and Federal Government to eliminate inter provincial trade barriers to ensure that items produced in the County of Essex can move without barriers freely across the country.

(Vote Electronically)

14.3 Buy Canadian Procurement Strategy

At the February 5, 2025 Regular Meeting of Essex County Council, Michael Akpata raised the following:

Preamble/Background:

Whereas the recent threats of an imposition of tariffs on Canadian production would have had a substantial effect on the items produced in the County of Essex.

And that there has only been granted a 30-day reprieve before they may be implemented.

And that these tariffs were going to be applied by another country and therefore can be deemed as being external to the Province and the Country. And that the County of Essex, the Province of Ontario, and Canada as a whole has a widely diverse economic base.

And that much like any other 2 tier system the County of Essex is a consumer of both goods and services.

Motion:

That the County of Essex begin the process to examine the viability of beginning a "Buy Canadian Procurement strategy" And that as part of the strategy Canadian content is reviewed and percentages of Canadian content are clearly defined as part of the procurement; and,

That the County of Essex clearly define the term "Canadian Content" for the purposes of procurement of both goods and services.

Recommendation:

Moved by _____

Seconded by _____

That the County of Essex begin the process to examine the viability of beginning a “Buy Canadian Procurement strategy” And that as part of the strategy Canadian content is reviewed and percentages of Canadian content are clearly defined as part of the procurement; and,

That the County of Essex clearly define the term "Canadian Content" for the purposes of procurement of both goods and services.

(Vote Electronically)

15. Adoption of By-Laws

Recommendation:

Moved by _____

Seconded by _____

That By-laws 2025-06 through 2025-08, be given three readings, and having been read a first, second and third time, be finally passed and enacted.

(Vote Electronically)

15.1	By-law Number 2025-06	127
	Being a By-law to Appoint Auditors of the Corporation of the County of Essex for the five-year period commencing for the fiscal year ended December 31, 2025	
15.2	By-law Number 2025-07	130
	Being a By-law to Establish Tax Policy and Levy Property Taxes for the year 2025	
15.3	By-law Number 2025-08	141
	Being a by-law to Confirm the Proceedings of the Council of the Corporation of the County of Essex for the Regular Meeting held February 19, 2025	

16. Notice of Motion

17. **Adjournment**

Recommendation:

Moved by _____

Seconded by _____

That the Essex County Council meeting for February 19, 2025 be
adjourned at [Time] PM.

(Vote by show of hands)



Essex County Council, Regular Meeting Minutes

Wednesday, February 5, 2025

6:00 PM

Council Chambers, 2nd Floor

360 Fairview Avenue West

Essex, Ontario N8M 1Y6

<https://video.isilive.ca/countyofessex/live.html>

Council: Michael Akpata, Councillor
Joe Bachetti, Deputy Warden
Tracey Bailey, Councillor
Sherry Bondy, Councillor
Chris Gibb, Councillor
Hilda MacDonald, Warden
Gary McNamara, Councillor
Crystal Meloche, Councillor
Michael Prue, Councillor
Dennis Rogers, Councillor
Rob Shepley, Councillor
Larry Verbeke, Councillor
Kirk Walstedt, Councillor

Absent: Kimberly DeYong, Councillor

Administration: Allan Botham, Director, Infrastructure & Planning Services
Katherine Hebert, County Clerk
Justin Lammers, Chief, Essex-Windsor EMS
Darrel Laurendeau, Director, Information Technology
Don McArthur, Manager, Communication and Organizational Development
Kyla Pritiko, Director, Human Resources
Melissa Ryan, Director, Financial Services / Treasurer
David Sundin, Director, Legislative and Legal Services / County Solicitor
Crystal Sylvestre, Manager, Records and Accessibility / Deputy Clerk
Sandra Zwiers, Chief Administrative Officer
Rebecca Belanger, Manager, Planning Services

1. Closed Meeting

There was no Closed Meeting held on February 5, 2025.

2. Moment of Reflection

3. Singing of 'O Canada'

4. Land Acknowledgement Statement

We acknowledge the land on which the County of Essex is located is the traditional territory of the Three Fires Confederacy of First Nations, comprised of the Ojibway, Odawa and Potawatomie Peoples.

We specifically recognize Caldwell First Nation and other First Nations which have provided significant historical and contemporary contributions to this region.

We also value the contributions of all Original Peoples of Turtle Island, who have been living and working on this land from time immemorial.

5. Recording of Attendance

Warden MacDonald and members of Council attended the meeting at the Essex County Administration Building, in the Council Chambers, with the exception of Kimberly DeYong who was absent.

6. County Warden's Welcome and Remarks

Warden MacDonald welcomed guests to the meeting and reminded everyone that February was Black History Month – a time to celebrate and honour the legacy and contributions of Black Canadians and communities to the fabric of our nation and our County dating back 400 years.

The Warden offered some information on local events planned to celebrate Black History Month.

Chief Lammers expressed appreciation for the contributions of EWEMS Paramedic Dan Pickel, over the course of his 42-year career.

Warden MacDonald and Chief Lammers presented Dan Pickel with tokens of appreciation from the Province, County and Service.

7. Disclosure of Pecuniary Interest

There were no disclosures of pecuniary interest raised.

8. Adoption of Meeting Minutes

027-2025

Moved By Chris Gibb

Seconded By Crystal Meloche

That Minutes of Essex County Council Regular meeting of November 28, 2024 be adopted as amended, and Minutes of the Regular and Special meetings dated January 15, 2025 be adopted as presented.

(Voted by show of hands)

Carried

Note: The meeting was briefly recessed to address a technical issue with the livestream broadcast. The matter was resolved, and the meeting continued at 6:25PM.

9. Delegations and Presentations

9.1. ORH

Andrew Greggan, Senior Consultant ORH provided a presentation regarding the Essex-Windsor EMS 10-year Master Plan. A detailed outline of the research and data collection results were shared with Council. ORH examined areas such as:

- Call volumes
- Ratios of staffing levels
- Response times and type analysis
- Population growth patterns in the region and demographics forecasting of future state
- Performance metrics
- Geographic efficiency analysis of base locations
- Modeling options for service configuration vis-à-vis available skilled labour resources and need in the region

Note: To be considered with item 12.1 of Reports and Questions Report 2025-0205-EMS-R01-JL EWEMS Master Plan Results

028-2025

Moved By Dennis Rogers

Seconded By Michael Prue

That the order of business be amended so that agenda item 12.1 2025-0205-EMS-R01-JL, Essex-Windsor Emergency Medical Services Master Plan Results Report, be considered in conjunction with the ORH Delegation.

(Voted by show of hands)

Carried

10. Communications

10.1 Correspondence

031-2025

Moved By Gary McNamara

Seconded By Joe Bachetti

That the correspondence listed on the Regular Agenda for February 5, 2025, be received and any noted action approved.

(Voted by show of hands)

Carried

10.1.1 Tourism Windsor Essex Pelee Island (TWEPI)

[W.E. Keep You Informed: Last Call for Visitor Guide Sales, Best of Windsor Essex Nominations ON NOW, Win Cirque du Soleil tix & MUCH MORE!](#)

10.1.2 Association of Municipalities of Ontario (AMO)

- AMO [Watchfile Newsletter](#)
- AMO [Policy Updates](#)
- AMO [Calendar](#)

10.1.3 Windsor Essex Regional Chamber of Commerce

- [Chambers News](#)
- [2025 Warden's Luncheon March 28, 2025](#)

10.1.4 Invest Windsor Essex

Correspondence dated January 28, 2025 - Battery Boost Job Days Program, from Holly Connelly, Executive Liaison, IWE

10.1.5 Western Ontario Warden's Caucus

January Newsletter

10.1.6 City of Peterborough

January 21, 2025 RE Bill 242 Safer Municipalities Act, 2024

10.1.7 Windsor-Essex Regional Chamber of Commerce

January 28, 2025 - [Newsletter WERCC](#)

10.2 Resolutions

There were no resolutions for consideration for February 5, 2025.

11. Consent Agenda

032-2025

Moved By Larry Verbeke

Seconded By Chris Gibb

That the recommendations in the Administrative Reports listed as items 11.1, 11.4 and 11.5, on the Consent Agenda for February 5, 2025, be approved and further that the Minutes presented as information listed as items 11.2 and 11.3 on the said Consent Agenda be received.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

11.1 Summary of Outstanding Reports

Report number 2025-0205-LLS-R06-KH, Summary of Outstanding Reports for February 5, 2025, from Katherine Hebert, County Clerk

11.2 Windsor Essex Regional Community Safety and Well-being Systems Leadership Table - Minutes

Minutes of the Windsor Essex Regional Community Safety and Well-being Systems Leadership Table meeting, dated June 12, 2024

11.3 Essex-Windsor Solid Waste Authority

Minutes of the Essex-Windsor Solid Waste Authority Board Meeting, dated November 5, 2024

11.4 ROMA 2025 Delegation Update

Report number 2025-0205-CAO-R02-SZ, ROMA 2025 Delegation Update, dated February 5, 2025 from Sandra Zwiers, Chief Administrative Officer

11.5 Correction to the 2025 Budget

Report number 2025-0205-FIN-R02-MR, Correction to the 2025 Budget, dated February 5, 2025 from Melissa Ryan, Director, Financial Services/Treasurer

12. Reports and Questions

12.1 Essex-Windsor Emergency Medical Services Master Plan Results

Report number 2025-0205-EMS-R01-JL, Essex-Windsor Emergency Medical Services Master Plan Results, dated February 5, 2025 from Justin Lammers, Chief, Essex-Windsor EMS

Chief Justin Lammers provided background on the lead-up to the Master Plan Update. It was noted that a service-wide analysis following the Covid-19 Pandemic was needed to adapt the Master Plan to the changed EMS Service environment. The most significant of changes identified in the Master Plan Review is a move to a 'Hub and Spoke' base model which would support patient and operational efficiencies.

Discussion took place with regard to the need for adequate financial resources to be available for the potential change in base model, on an accelerated timeline. It was further noted that a need to bolster advancing new paramedics is critical, and that partnerships with St. Clair College may be warranted.

It was further discussed that the need for an immediate Service Delivery Review of the Essex-Windsor Emergency Medical Service was in order.

029-2025

Moved By Chris Gibb

Seconded By Rob Shepley

That Essex County Council receive report number 2025-0206-EMS-R001-JL, Essex-Windsor EMS Master Plan Update, for information.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

030-2025

Moved By Sherry Bondy

Seconded By Rob Shepley

That Essex County Council approve a Service Delivery Review being advanced to 2025, with the County's share of the cost for same being paid for from the County's Rate Stabilization Reserve.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

12.2 Proposed Changes to Fees and Charges By-law for 2025

Report number 2024-0205-FIN-R03-MR, Proposed Changes to Fees and Charges By-law for 2025, dated February 5, 2025 from Melissa Ryan, Director, Financial Services/Treasurer

Melissa Ryan provided a brief summary of the changes to the Fees and Charges By-law for 2025 and noted that the changes related to covering actual costs of programs and to costs associated with projects requiring a final inspection. It is expected that the increase up-front cost will ensure inspections are scheduled to release the refundable deposit amounts for some projects.

033-2025

Moved By Rob Shepley

Seconded By Gary McNamara

That Essex County Council approve report number 2025-0205-FIN-R03-MR, Proposed Revisions to Fees and Charges By-law for 2025, and direct administration to charge the updated deposits and fees from the date of approval of the By-Law.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

12.3 Phragmites Control Across the County

Report number 2025-0205-IPS-R02-AB, Phragmites Control Across the County, dated February 5, 2025 from Allan Botham, Director, Infrastructure and Planning Services

Allan Botham provided Council with an update with regard to phragmites mitigation activities throughout the County.

At this time there is a decentralized and fragmented effort for the eradication of phragmites in Essex County. The County continues to facilitate workshops and seeks funding opportunities along with the Essex Region Conservation Authority.

Discussion took place with regard to the level of engagement that is warranted and desired by County Administration with regard to leading and coordinating efforts for a Phragmites Working Group with all local municipalities with the goal of harmonizing the action plan across the region.

Moved By Michael Prue

Seconded By Gary McNamara

That Essex County Council receive report number 2025-0205-IPS-R02-AB, Phragmites Control Across the County as information, and

That Essex County Council direct Administration to begin a governance process to consult with local municipalities towards a concerted effort led by the County to establish a Phragmite Control program. **(No Vote Taken – see resolution 034-2025)**

034-2025

Moved By Kirk Walstedt

Seconded By Rob Shepley

That Essex County Council postpone the motion to the March 19, 2025 Regular Meeting.

(Voted electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

035-2025

Moved By Chris Gibb

Seconded By Crystal Meloche

That Essex County Council receive report number 2025-0205-IPS-R02-AB, Phragmites Control Across the County as information.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

12.4 Summary of Public Comments OPA 7 - 810 Mersea Road 4

Report number 2025-0205-IPS-R04-RB, Summary of Public Comments OPA 7 - 810 Mersea Road 4, dated February 5, 2025 from Rebecca Belanger, Manager, Planning Services

Rebecca Belanger provided a summary of comments received regarding official plan amendment on Mersea Road 4 in the Municipality of Leamington.

036-2025

Moved By Larry Verbeke

Seconded By Crystal Meloche

That Essex County Council receive report number 2025-0205-IPS-R04-RB, Summary of Public Comments OPA 7 – 810 Mersea Road 4, as information and that By-law 2025-02 being a by-law to adopt Official Plan Amendment number 7 be approved at the appropriate time.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

12.5 Leamington to Windsor Transit Funding 2025

Report number 2025-0205-IPS-R03-AB, Leamington to Windsor Transit Funding 2025, dated February 5, 2025 from Allan Botham, Director, Infrastructure and Planning Services

Allan Botham provided Council with background information regarding the Leamington to Windsor transit line which was originally established through grant funding and contracted services. It was noted that Council support is being requested in order for the service to continue. It was further noted that the establishing of a regional transit system is part of the County's Strategic Plan. What is being proposed is a first step and integration with other existing transit lines established independently by local municipalities may be aggregated over time, should the working group find justification

If the County does not proceed with support for this service, the line will cease operating. Grant funding has come to an end, and there is not currently another option available for funding the service.

Discussion took place regarding the best path forward for regional transit, and for the immediate need of the Leamington line.

037-2025

Moved By Chris Gibb

Seconded By Larry Verbeke

That Essex County Council receive report number 2025-0205-IPS-R03-AB, for information.

(Voted Electronically)

In Favour (11): Michael Akpata, Joe Bachetti, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, and Larry Verbeke

Opposed (2): Tracey Bailey, and Kirk Walstedt

Carried

038-2025

Moved By Chris Gibb

Seconded By Larry Verbeke

That Essex County Council direct Administration to establish a Regional Transit Working Group to engage all local municipalities

regarding their interest in establishing regional transit services in their communities; and

That Administration bring a follow up report to County Council summarizing the work of the Regional Transit Working Group later in 2025 and prior to the 2026 budget.

(Voted Electronically)

In Favour (9): Michael Akpata, Joe Bachetti, Sherry Bondy, Chris Gibb, Hilda MacDonald, Crystal Meloche, Michael Prue, Dennis Rogers, and Larry Verbeke

Opposed (4): Tracey Bailey, Gary McNamara, Rob Shepley, and Kirk Walstedt

Carried

039-2025

Moved By Dennis Rogers

Seconded By Joe Bachetti

OPTION A

That County Council approve the funding of 50% of the 2025 net operating deficit costs of the LTW regional transit service up to a maximum of \$100,000 as follows:

- 2025 Budget Amendment – to be debated and considered at the February 19, 2025 Council Meeting

(Voted Electronically)

In Favour (3): Joe Bachetti, Hilda MacDonald, and Dennis Rogers

Opposed (10): Michael Akpata, Tracey Bailey, Sherry Bondy, Chris Gibb, Gary McNamara, Crystal Meloche, Michael Prue, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Lost

040-2025

Moved By Chris Gibb

Seconded By Michael Prue

OPTION B

That County Council approve the funding of 50% of the 2025 net operating deficit costs of the LTW regional transit service up to a maximum of \$100,000 as follows:

- Transfer from the Rate Stabilization Reserve

(Voted Electronically)

In Favour (8): Joe Bachetti, Sherry Bondy, Chris Gibb, Hilda MacDonald, Michael Prue, Dennis Rogers, Rob Shepley, and Larry Verbeke

Opposed (5): Michael Akpata, Tracey Bailey, Gary McNamara, Crystal Meloche, and Kirk Walstedt

Carried

13. Unfinished Business

There was no unfinished business to consider for February 5, 2025.

14. New Business

14.1 New Hospital Update

During deliberations at the November 28, 2024 Essex County Council Meeting, discussion regarding the status of the progress of the New Regional Hospital resulted in an informal request for a delegation to be requested to attend a future meeting of County Council. The purpose will be to further discuss and update Council on progress and next steps. Administration received direction and made the request, however no scheduled delegation has been set at this time.

At the January 15, 2025 Regular meeting of Essex County Council, Councillor Bondy brought forward a Notice of Motion:

That Essex County Council request that representation from the new hospital committee attend County Council and explain where they are in the stage of the construction and share what health care services they will be offering in the first or second quarter of 2025.

041-2025

Moved By Sherry Bondy

Seconded By Joe Bachetti

That Essex County Council request that representation from the new hospital committee attend County Council and explain where they are in the stage of the construction and share what health care services they will be offering in the first or second quarter of 2025

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

14.2 Provincial Election - County of Essex Advocacy Campaign

Deputy Warden Bachetti raised the matter of the upcoming Provincial Election, and the need for continued advocacy for the County of Essex. It was noted that in previous Provincial and Federal election cycles, the County of Essex strategically put forward some priorities for consideration by the engaged parties during the election. Was the County prepared to put forward a renewed advocacy campaign for the upcoming Provincial election?

Sandra Zwiers indicated that Administration is prepared to put forward a campaign of renewed advocacy for the County priorities with this election cycle.

042-2025

Moved By Sherry Bondy

Seconded By Rob Shepley

That Essex County Council direct Administration to invite the elected MPP's to County Council to discuss common priorities in the region.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

15. Adoption of By-Laws

043-2025

Moved By Rob Shepley

Seconded By Crystal Meloche

That By-laws 2025-01 and 2025-04 through 2025-05, be given three readings, and having been read a first, second and third time, be finally passed and enacted.

(Voted Electronically)

In Favour (13): Michael Akpata, Joe Bachetti, Tracey Bailey, Sherry Bondy, Chris Gibb, Hilda MacDonald, Gary McNamara, Crystal Meloche, Michael Prue, Dennis Rogers, Rob Shepley, Larry Verbeke, and Kirk Walstedt

Carried

15.1 By-law Number 2025-02

Being a By-law to adopt Official Plan Amendment Number 7 – 810 Mersea Road 4, to the County of Essex Official Plan

15.2 By-law Number 2025-04

Being a By-law to Impose Fees and Charges by the Corporation of the County of Essex

15.3 By-law Number 2025-05

Being a By-law to confirm the proceedings of the Council of the Corporation of the County of Essex Regular and Closed Meetings held February 5, 2025

16. Notice of Motion

16.1 Deputy Warden Joe Bachetti brought forward the following two Notices of Motions:

1. Preamble/Background:

Whereas at its December 4, 2024 meeting County Council passed resolution number 337-2024 which was duly moved by Tracey Bailey and seconded by Sherry Bondy as follows:

That Essex County Council reduce the funding allocation to Invest WindsorEssex by 15% to \$953,750; and

That a letter be sent to the Board of Directors and the interim CEO advising them of the reduction.

Whereas that motion was carried by a vote of 8-6 in favour by members of County Council.

Motion:

I move to rescind resolution 337-2024 which states That Essex County Council reduce the funding allocation to Invest Windsor Essex by 15% to \$953,750.

2. Motion:

I move to approve 2025 funding of Invest Windsor Essex at the originally proposed level of \$1,122,060.

16.2 Councillor Michael Akpata brought forward the following two Notices of Motion:

1. Preamble:

Whereas the recent threats of an imposition of tariffs on Canadian production would have had a substantial effect on the items produced in the County of Essex.

And that there has only been granted a 30-day reprieve before they may be implemented.

And that these tariffs were going to be applied by another country and therefore can be deemed as being external to the Province and the Country.

And Whereby the Internal trade has been deemed by the Canadian Federation of Independent business (CFIB) to represent 18 % of Canada's GDP. And that in July, the CFIB released a report that said removing interprovincial barriers could boost the economy by up to \$200 billion annually. And that items produced, grown, and manufactured in Essex County are sent across Canada and are in many cases subject to these interprovincial barriers.

Motion:

That the County of Essex call upon both the Provincial and Federal Government to eliminate inter provincial trade barriers to ensure that items produced in the County of Essex can move without barriers freely across the country.

2. Preamble:

Whereas the recent threats of an imposition of tariffs on Canadian production would have had a substantial effect on the items produced in the County of Essex.

And that there has only been granted a 30-day reprieve before they may be implemented.

And that these tariffs were going to be applied by another country and therefore can be deemed as being external to the Province and the Country. And that the County of Essex, the Province of Ontario, and Canada as a whole has a widely diverse economic base.

And that much like any other 2 tier system the County of Essex is a consumer of both goods and services

Motion:

That the County of Essex begin the process to examine the viability of beginning a "Buy Canadian Procurement strategy" And that as part of the strategy Canadian content is reviewed and percentages of Canadian content are clearly defined as part of the procurement; and,

That the County of Essex clearly define the term" Canadian Content" for the purposes of procurement of both goods and services.

17. Adjournment

044-2025

Moved By Michael Prue

Seconded By Chris Gibb

That the Essex County Council meeting for February 5, 2025 be adjourned at 8:46 PM.

(Voted by show of hands)

Carried

Hilda MacDonald,
Warden, County of Essex

Katherine J. Hebert,
County Clerk

Date Signed



February 5, 2025

To Whom it May Concern,

Re: Proposed U.S. tariffs on Canadian Goods

Please note at their Regular meeting held on February 5, 2025, Peterborough County Council passed the following resolution:

Resolution No. 19-2025

Moved by Deputy Warden Senis
Seconded by Warden Clark

Whereas the federal government is currently in negotiations with the U.S. government on their proposed 25% tariffs on Canadian goods exported to the U.S.; and

Whereas Premier Doug Ford has outlined several plans to combat the impact the proposed tariffs would have on Ontario including Fortress Am-Can which focus on strengthening trade between Ontario and the U.S. while bringing good jobs back home for workers on both sides of the border; and

Whereas the federal government has also outlined several ways to address the current relationship with the U.S. including establishing the Council on Canada-U.S. relations to support the federal government as it negotiates with the U.S on tariffs; and

Whereas trade between Ontario and the United States is very important to our residents and local economies and requires all levels of government to work together in the best interest of those residents; and

Whereas according to data from the Association of Municipalities of Ontario, across Ontario municipalities are expected to spend between \$250 and \$290 billion on infrastructure in the next 10 years; and



Whereas municipalities have traditionally treated all procurements from trade partners equally and fairly; and

Whereas municipalities can assist in the Team Canada effort to combat tariffs and support businesses in our procurement for capital and infrastructure programs; and

Whereas there are trade barriers between Canadian provinces.

Therefore, be it resolved that, the County of Peterborough supports the provincial and federal governments on the measures they have put in place in response to the proposed U.S. tariffs on Canadian goods and ask that they take any and all measures to protect the interests of Ontario in any upcoming trade negotiations;

And that federal and provincial governments remove any impediments to municipalities preferring Canadian companies and services for capital projects and other supplies;

And that the provincial and federal governments take action to remove trade barriers between provinces as a response to US tariffs and support Canadian businesses.

And that the CAO be directed to bring back a report detailing a temporary purchasing policy that integrates and addresses these concerns;

And that County Economic Development & Tourism Division be directed to implement a “Buy Local Peterborough County, Buy Canadian” campaign to encourage residents and businesses to purchase locally made and Canadian goods and services.

Be it further resolved, that copies of this motion be sent to:

- The Right Hon. Justin Trudeau, Prime Minister of Canada
- The Hon. Doug Ford, Premier of Ontario
- The Hon. Melanie Joly, Minister of Foreign Affairs
- The Hon. Vic Fedeli, Minister of Economic Development, Job Creation and Trade
- The Hon. Nate Erskine-Smith, Minister of Housing, Infrastructure and Communities
- The Hon. Paul Calandra, Minister of Municipal Affairs and Housing
- Rebecca Bligh, President, FCM and Councillor, City of Vancouver



- Robin Jones, President, AMO and Mayor of Westport
- Bonnie Clark, Chair, Eastern Ontario Wardens' Caucus
- Jeff Leal, Chair, Eastern Ontario Leadership Council
- John Beddows, Chair, Eastern Ontario Mayors' Caucus
- All provincial and territorial Premiers.
- All local MPs and MPPs,
- All Ontario Municipalities for their support.

Carried

Should you have any questions or concerns please contact Kari Stevenson, Director of Legislative Services/Clerk at kstevenson@ptbocounty.ca.

Yours truly,

Holly Salisko
Administrative Services Assistant – Clerk's Division/Planning
hsalisko@ptbocounty.ca

February 6, 2025

The Right Honourable Justin Trudeau
Prime Minister of Canada
80 Wellington Street
Ottawa, ON K1A 0A2
Via fax

The Honourable Doug Ford
Premier of Ontario
Legislative Building, Queen's Park
Toronto, ON M7A 1A1
Via email

Robin Jones, President, AMO
Association of Municipalities of Ontario
155 University Avenue, Suite 800
Toronto, ON M5H 3B7
Via email

Rebecca Bligh, President, FCM
Federation of Canadian Municipalities
24 Clarence Street
Ottawa, ON K1N 5P3
Via email

Re: United States Imposition of Tariffs on Canada

Please be advised that the Council of the Town of Hanover, at their regular meeting of February 3, 2025, adopted the following resolution with respect to the above noted matter:

“Whereas United States President Donald Trump, issued executive orders to impose tariffs on imports from Canada effective February 4, 2025; and

Whereas these tariffs will have a significant detrimental impact on the economic stability in both countries; and

Whereas federal and provincial leaders are encouraging Canadians to buy Canadian; and

Whereas municipalities have significant purchasing power through capital and infrastructure programs; and

Whereas according to data from the Association of Municipalities of Ontario, Ontario municipalities are expected to spend \$250 to \$290 billion on infrastructure in the next 10 years; and

Whereas municipalities have traditionally been prevented by trade agreements and legislation from giving preference to the purchase of Canadian products and services; and

Whereas municipalities can assist in the effort to combat tariffs and support businesses in the procurement for capital and infrastructure programs;

Now therefore be it resolved that the Council of the Town of Hanover endorse the federal and provincial call to action to buy Canadian where and when possible; and

That the federal and provincial governments work with municipalities on measures to protect Canadian consumers and businesses; and

That council call on the federal and provincial government to remove any impediments to municipalities preferring to engage Canadian companies for capital projects and supplies when appropriate and feasible; and

That this resolution be forwarded to the Prime Minister Justin Trudeau, Premier Doug Ford, the Association of Municipalities of Ontario, the Federation of Canadian Municipalities and all Ontario municipalities.

Should you have any questions or concerns, please contact the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read "Vicki McDonald".

Vicki McDonald
Clerk

/tp

cc: Honourable Rick Byers, MPP Bruce-Grey-Owen Sound
All Ontario Municipalities



Northumberland County

Council Resolution

SENT VIA EMAIL

January 31, 2025

Honourable Andrea Khanjin (Minister of Environment, Conservation and Parks)
Honourable Peter Bethlenfalvy (Minister of Finance)
Honourable David Piccini (Minister of Labour, Immigration, Training and Skills Development
and MPP for Northumberland Peterborough-South)
Association of Municipalities of Ontario (AMO)
All Ontario Municipalities

Re: Correspondence, Municipality of St. Charles 'Deposit Return Program'

At a meeting held on January 22, 2025 Northumberland County Council approved Council Resolution # 2025-01-22-035, adopting the below recommendation from the January 6, 2025 Public Works Committee meeting:

Moved by: Councillor Mandy Martin
Seconded by: Councillor John Logel

"**That** the Public Works Committee, having considered correspondence from the Municipality of St. Charles regarding 'Deposit Return Program' recommend that County Council support this correspondence; and

Further That the Committee recommend that County Council direct staff to send a copy of this resolution to the Honourable Andrea Khanjin (Minister of Environment, Conservation and Parks), the Honourable Peter Bethlenfalvy (Minister of Finance), the Honourable David Piccini (Minister of Labour, Immigration, Training and Skills Development and MPP for Northumberland Peterborough-South), the Association of Municipalities of Ontario (AMO), and all Ontario Municipalities."

Council Resolution # 2025-01-22-035

Carried

If you have any questions regarding this matter, please do not hesitate to contact the undersigned at matherm@northumberland.ca or by telephone at 905-372-3329 ext. 2238.

Sincerely,
Maddison Mather



Manager of Legislative Services / Clerk
Northumberland County

Council Resolution

Moved By M. Martin
Seconded By J. Fogel

Agenda
Item 10

Resolution Number
2025-01-22- 035

Council Date: January 22, 2025

"That Council adopt all recommendations from the three Standing Committees, as contained within the Committee Minutes (meetings held January 6 and 8, 2025)."

Recorded Vote
Requested by _____
Councillor's Name

Deferred _____
Warden's Signature

Carried  _____
Warden's Signature

Defeated _____
Warden's Signature

Public Works Committee Resolution

Committee Meeting Date: January 6, 2025

Agenda Item: 7.b

Resolution Number: 2025-01-06- 004

Moved by: B. Ostrander

Seconded by: J. Logel

Council Meeting Date: January 22, 2025

"**That** the Public Works Committee, having considered correspondence from the Municipality of St. Charles regarding 'Deposit Return Program' recommend that County Council support this correspondence; and

Further That the Committee recommend that County Council direct staff to send a copy of this resolution to the Honourable Andrea Khanjin (Minister of Environment, Conservation and Parks), the Honourable Peter Bethlenfalvy (Minister of Finance), the Honourable David Piccini (Minister of Labour, Immigration, Training and Skills Development and MPP for Northumberland Peterborough-South), the Association of Municipalities of Ontario (AMO), and all Ontario Municipalities."

Carried _____


Committee Chair's Signature

Defeated _____

Committee Chair's Signature

Deferred _____

Committee Chair's Signature

**The Corporation of the Municipality of St. Charles
RESOLUTION PAGE**



Regular Meeting of Council

Agenda Number: 8.2.
Resolution Number 2024-403
Title: Resolution Stemming from October 16, 2024 Regular Meeting of Council - Item 8.1 - Correspondence #4
Date: November 20, 2024

Moved by: Councillor Loftus
Seconded by: Councillor Lachance

BE IT RESOLVED THAT Council for the Corporation of the Municipality of St.-Charles hereby supports the letter dated September 20, 2024 by the Town of Bradford West Gwillimbury, regarding the Ontario Deposit Return Program;

AND BE IT FURTHER RESOLVED THAT a copy of this Resolution be sent to the Minister of the Environment, Conservation and Parks, Andrea Khanjin; the Minister of Finance, Peter Bethlenfalvy; the Association of Municipalities of Ontario (AMO); our local Member of Provincial Parliament (MPP); and all Ontario Municipalities.

CARRIED


MAYOR

September 20, 2024

BY E-MAIL

Hon. Andrea Khanjin, Minister of the Environment, Conservation and Parks
5th Floor
777 Bay St.
Toronto, ON M7A 2J3

Dear Minister Khanjin:

Ontario Deposit Return Program

I hope this letter finds you well. I am writing to formally address the recent discussions surrounding the Ontario Deposit Return Program, particularly regarding our community residents asking us about the recycling of nonalcoholic beverage plastics.

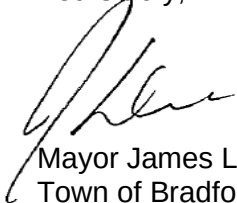
Whereas the Ontario Deposit Return Program has successfully incentivized the recycling of alcoholic beverage containers, resulting in the removal of over 204,000 tonnes of greenhouse gas emissions, we recognize the potential for similar success with nonalcoholic beverages.

The Ministry of the Environment, Conservation and Parks highlighted in their June 2023 letter that they are considering the adoption of a deposit-and-return system for nonalcoholic beverages. This initiative presents a unique opportunity to further promote recycling, reduce litter, and encourage sustainable practices among consumers.

Therefore, I am proud to announce that our Council endorses the expansion of the Ontario Deposit Return Program to include nonalcoholic beverage containers. We believe that this expansion will not only enhance environmental stewardship but also foster a culture of sustainability within our community.

We encourage all stakeholders to support this initiative and work collaboratively towards its implementation. Together, we can make a significant impact on our environment and set a positive example for future generations.

Yours truly,



Mayor James Leduc
Town of Bradford West Gwillimbury

CC:

Hon. Peter Bethlenfalvy, Minister of Finance
Hon. Caroline Mulroney, Member of Provincial Parliament for York-Simcoe
MPP Sandy Shaw, Opposition Environment, Conservation and Parks Critic
Ontario's Municipal Councils and Conservation Authorities



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, February 19, 2025

Subject: 2024 Statement of Councillors' Remuneration

Report #: 2025-0219-FIN-R04-MR

Purpose

To provide County Council with the 2024 Statement of Councillors' Remuneration and the 2024 Schedule of Other Remuneration, as required by S.284 of the Municipal Act, S.O. 2001, c.25, as amended.

Background

Annually, no later than March 31, administration provides County Council with a detailed report outlining the remuneration and schedule of other compensation disbursed to members of Council in the preceding year. This report fulfills the requirements of Section 284 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, which mandates that the Treasurer of a municipality must present to Council an itemized statement of remuneration and expenses paid to each Council member for their services.

Furthermore, Section 284 of the Act stipulates that, notwithstanding the *Municipal Freedom of Information and Protection of Privacy Act*, the statement of remuneration and expenses must be made available as a public record, ensuring transparency and accountability in the use of public funds.

Sections 283(1) and (2) of the Act authorize Council to establish provisions for reimbursing, either fully or partially, the expenses incurred by Council members in the course of their official duties. In addition, Section 283(2)(b) empowers Council to establish compensation through specified amounts or rates in lieu of actual expenses incurred, reasonably reflecting typical expenditures such as daily meal allowances and mileage.

Discussion

Attached as Schedule A, are the 2024 Statement of Councillors' Remuneration and the 2024 Schedule of Other Remuneration. The general corporate authority overseeing the payment of remuneration and expenses paid in 2024 is outlined in By-law 2024-27 and the Council and Committee Remuneration Policy which was approved on June 5, 2024.

Typically, the annual payments would be made in accordance with allocations made in the approved Budgets of the County of Essex (including the Essex County Library), Resolution 039-2024 and the Essex Windsor Solid Waste Authority (EWSWA), Resolution 365-2023.

However, during the 2024 year a third-party market study of Council Remuneration was conducted as well as a review of the existing remuneration formula which brought about change mid-way through the 2024 year, after the 2024 County budget was finalized. Any excess funds required above the 2024 budgeted amounts were funded by rate stabilization reserves.

Financial Implications

The County of Essex previously paid remuneration to County Council members based on a formula established by a citizens committee dating back to 2008. County Council salaries were calculated by averaging the remuneration paid to members in the seven local municipalities. This calculation was updated at the beginning and mid-point of every term of council.

During the December 6, 2023 County Council meeting, concerns were raised about the relevance and competitiveness of the existing remuneration formula. Subsequently, at the December 20, 2023 meeting, Council approved a recommendation to move forward with a Council Remuneration Study in 2024.

On June 5, 2024, Report 2024-0605-CAO-R09-SZ, *Council Remuneration*, was presented to Council, introducing a new market-based salary review to be conducted at least once per Council term. This policy will serve as the framework for determining Council remuneration moving forward, unless amended by a future By-law.

The data contained in Appendix A represents payments made to members during the 2024 calendar year and therefore includes earnings from December 2023 (paid in January 2024) through to November 2024 (paid in December 2024).

Consultations

Amy Wolters, Deputy Treasurer/Manager of Accounting - Operations

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
☐ Scaling Sustainable Services through Innovation ☐ Focusing "Team Essex County" for Results ☐ Advocating for Essex County's Fair Share	☐ Being an Employer with Impact ☐ A Government Working for the People ☒ Promoting Transparency and Awareness	☐ Providing Reliable Infrastructure for Partners ☐ Supporting Dynamic and Thriving Communities Across the County ☐ Harmonizing Action for Growth ☐ Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2025-0219-FIN-R04, 2024 Statement of Councilors' Remuneration as information.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	2024 Statement of Councillors' Remuneration and 2024 Schedule of Other Remuneration

Name	Earnings: Salary	Earnings: Indemnities	Earnings: Mileage	Earnings: Total	Conferences: Per Diem	Conferences: Expenses	Conferences: Total	Out of Town Meetings: Per Diem	Out of Town Meetings: Expenses	Out of Town Meetings: Total	Association Meetings: Per Diem	Association Meetings: Expenses	Association Meetings: Total	Total Remuneration
Akpata, Michael	29,534.47	1,218.47	822.74	31,575.68	875.00	3,280.26	4,155.26	0.00	0.00	0.00	0.00	0.00	0.00	35,730.94
Bachetti, Giuseppe	38,873.46	6,147.80	2,159.84	47,181.10	700.00	2,536.49	3,236.49	0.00	0.00	0.00	0.00	0.00	0.00	50,417.59
Bailey, Tracey	29,794.47	996.93	1,342.80	32,134.20	1,050.00	6,156.95	7,206.95	0.00	0.00	0.00	0.00	0.00	0.00	39,341.15
Bondy, Sherry	29,794.47	2,713.87	1,543.88	34,052.22	875.00	3,752.95	4,627.95	0.00	0.00	0.00	0.00	0.00	0.00	38,680.17
Deyong, Kim	29,534.47	1,329.24	651.34	31,515.05	700.00	3,549.16	4,249.16	0.00	0.00	0.00	0.00	0.00	0.00	35,764.21
Gibb, Chris	29,794.47	996.93	1,327.11	32,118.51	700.00	2,407.35	3,107.35	0.00	0.00	0.00	0.00	0.00	0.00	35,225.86
MacDonald, Hilda	92,719.51	3,433.87	3,911.63	100,065.01	1,750.00	7,200.16	8,950.16	0.00	0.00	0.00	0.00	0.00	0.00	109,015.17
McNamara, Gary	29,794.47	886.17	642.72	31,323.36	525.00	1,837.22	2,362.22	0.00	0.00	0.00	0.00	0.00	0.00	33,685.58
Meloche, Crystal	29,534.47	996.96	816.24	31,347.67	700.00	3,517.80	4,217.80	0.00	0.00	0.00	0.00	0.00	0.00	35,565.47
Prue, Michael	29,274.47	553.85	973.34	30,801.66	700.00	4,044.16	4,744.16	0.00	0.00	0.00	0.00	0.00	0.00	35,545.82
Rogers, Dennis	29,794.47	443.08	856.50	31,094.05	700.00	1,984.71	2,684.71	0.00	0.00	0.00	0.00	0.00	0.00	33,778.76
Shepley, Rob	29,794.47	1,329.24	279.44	31,403.15	875.00	3,737.26	4,612.26	0.00	0.00	0.00	0.00	0.00	0.00	36,015.41
Verbeke, Larry	29,794.47	0.00	673.68	30,468.15	700.00	3,806.09	4,506.09	0.00	0.00	0.00	0.00	0.00	0.00	34,974.24
Walstedt, Kirk	29,794.47	110.77	428.55	30,333.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,333.79
Subtotal	\$487,826.61	\$21,157.18	\$16,429.81	\$525,413.60	\$10,850.00	\$47,810.56	\$58,660.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$584,074.16

County of Essex - 2024 Schedule of Other Remuneration

Name	Earnings: Salary	Earnings: Indemnities	Earnings: Mileage	Earnings: Total	Conferences: Per Diem	Conferences: Expenses	Conferences: Total	Out of Town Meetings: Per Diem	Out of Town Meetings: Expenses	Out of Town Meetings: Total	Association Meetings: Per Diem	Association Meetings: Expenses	Association Meetings: Total	Total Remuneration
Alexander, Deborah	0.00	1,329.24	298.46	1,627.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,627.70
Blais, Katie	0.00	180.00	2.52	182.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182.52
Burns, Terry	0.00	664.62	178.50	843.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	843.12
Carrick, Mark	1,040.00	0.00	100.80	1,140.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,140.80
City of Windsor	0.00	1,455.00	0.00	1,455.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,455.00
Currie, Sherri	0.00	1,550.78	125.78	1,676.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,676.56
Gaffan, Tony	520.00	0.00	53.20	573.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	573.20
Houston, Brian	520.00	0.00	52.36	572.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	572.36
Jewell, Rachel	0.00	1,329.24	278.86	1,608.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,608.10
Kerr, John	520.00	0.00	77.00	597.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	597.00
Kirkbride, Diana	0.00	1,218.47	427.07	1,645.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,645.54
Latam, Heather	0.00	886.16	246.96	1,133.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,133.12
Masse, Louise	0.00	120.00	36.40	156.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	156.40
McPherson, Maria	0.00	180.00	63.00	243.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.00
Miles, Julie	0.00	1,329.24	324.80	1,654.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,654.04
Morand, Susan	0.00	180.00	63.00	243.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.00
Polewski, Tadeusz	0.00	120.00	51.80	171.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	171.80
Pouget, Diane	1,261.54	0.00	291.20	1,552.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,552.74
Sanson, Dennis	0.00	2,658.56	386.40	3,044.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,044.96
Segedin, Lauren	0.00	996.93	236.88	1,233.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,233.81
Tiessen, Paul	630.77	0.00	148.23	779.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	779.00
Verbeek, Kim	370.77	225.00	86.17	681.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	681.94
Subtotal	\$4,863.08	\$14,423.24	\$3,529.39	\$22,815.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,815.71

Grand Total	\$492,689.69	\$35,580.42	\$19,959.20	\$548,229.31	\$10,850.00	\$47,810.56	\$58,660.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$606,889.87
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Summary of Outstanding Reports

Meeting Date: Wednesday, February 19, 2025

Report #: 2025-0219-LLS-R07-KH

Purpose

To provide County Council with a summary of outstanding reports and an estimated timeline for reporting back to Council on such matters.

In accordance with Procedure By-law 2024-26, Section 11.13.2., items listed have been requested by Council, by resolution during the current term of Council.

Note: There are no changes to the Outstanding Reports for February 19, 2025

Summary Table

Meeting Date	Direction/Motion	Status/Action Taken	Anticipated Report/Completion
2024-04-03	099-2024 Moved by Gary McNamara Seconded by Chris Gibb That Essex County Council direct Administration to consult with ERCA on the feasibility of reviewing and enhancing the Clean Water Green Spaces Program with an aim at achieving an accelerated rate of natural restoration in the County and provide a report back to Council; And, further that Essex County Council direct Administration to bring back a report and draft by-law/policy to meet the obligations of Section 270(1)7 of the Municipal Act with regard to the protection and enhancement of tree canopy.	In-Progress Rebecca Belanger (Further consultation required amending the expected completion date.)	TBD

Meeting Date	Direction/Motion	Status/Action Taken	Anticipated Report/Completion
2024-08-14	212-2024 Moved by Chris Gibb Seconded by Michael Prue That Administration of the County of Essex complete a review of traffic and pedestrian conditions at and near the intersection of County Road 20 and Lowes Side Road; and, That the County of Essex consider a reduction in the posted speed limit along County Road 20 from Lowes Side Road and southerly approximately 500 metres; and, That the County of Essex consider installing signage indicating pedestrians crossing at the County Rd 20 at Lowes Side Rd intersection; and, That the Administration communicate with the Town of Amherstburg, Infrastructure Services department as part of the review.	Assigned Allan Botham	2025-04-16
2024-09-18	251-2024 Moved By Crystal Meloche Seconded By Sherry Bondy That Essex County Council direct administration to bring a report to council in advance of the annual AMO conference advising County Council on delegations with Ministers at the annual conference and materials be provided to Council.	Assigned Sandra Zwiers	2025-07-16
2024-09-18	253-2024 Moved By Michael Prue Seconded By Chris Gibb That County Administration prepare a report to review the rate of speed on County Road 46 at the intersection of County Road 19 Moved by Joe Bachetti Seconded by Gary McNamara <i>Pursuant to section 13.4.4 of the</i>	Assigned Allan Botham	2025-03-19

Meeting Date	Direction/Motion	Status/Action Taken	Anticipated Report/Completion
	<i>Procedure By-law, a Postponement of the matter, until such a time as the Administrative Report requested under resolution 253-2024 is presented for Council as follows:</i> That the rate of speed on County Rd 46 be reduced to 60km/hr leading into the intersection at County Rd 19; and, That signs be posted in both directions to notify drivers of the rate of speed.		
2024-10-02	Direction/Discussion by Admin on Agenda Item 12.1 – Road Safety Management Program The network screening is expected to be completed by November 2024, with design work for safety improvements potentially beginning in 2025. A report will be brought to Council in Spring outlining the analysis.	Assigned Jerry Behl	2025-04-16
2024-10-16	284-2024 Moved By Kirk Walstedt Seconded By Sherry Bondy That Essex County Council receive and support the correspondence and resolution from the Municipality of Lakeshore regarding Renaud Line and County Road 42. <i>[Resolution #306-09-2024 from Lakeshore: Be it resolved that the Council of the Municipality of Lakeshore request that the County of Essex complete a traffic review for the corner of Renaud Line Rd. and County Rd. 42; And that the follow-up report include data over the past 5 years relating to accidents, traffic volumes, and recommended improvements to improve traffic flows and safety.]</i>	Assigned Jerry Behl	2025-05-07

Meeting Date	Direction/Motion	Status/Action Taken	Anticipated Report/Completion
2025-01-15	016-2025 Moved By Sherry Bondy Seconded By Joe Bachetti Essex County Council direct Administration to commence a formal procurement process with respect to an Intensive Supportive Housing Program in the County, report back to Council regarding the outcome of same and for further direction, to pursue a short-term contract with a service provider until the RFP process concludes.	Assigned David Sundin	2025-03-19

Recommendation

That Essex County Council receive report number 2025-0219-LLS-R07-KH, Summary of Outstanding Reports as information.

Approvals

Respectfully Submitted,

Katherine Hebert
Katherine Hebert, Clerk

Concurred With,

Sandra Zwiers
Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, February 19, 2025

Subject: 2025 Tax Policy Discussion and Recommendation

Report #: 2025-0219-FIN-R07-MR

Purpose

To provide recommendations to County Council regarding 2025 Property Tax Policies for the County of Essex.

Background

In accordance with Section 308 of the Municipal Act, 2001, as amended, the County of Essex is responsible for establishing the tax ratios and property tax policy for the local municipalities within the geographic boundaries of the County of Essex for the current year. Following the approval of the Corporation's Annual Budget, an administrative report is prepared to present recommendations for County Council to set the Tax Policy that the County and all local municipalities will follow to determine the relative tax burden of each class of property for the current taxation year.

In terms of process, the Director of Financial Services / Treasurer annually chairs a regional meeting attended by Treasurers and Tax Collectors representing each local municipality. There is a long-standing tradition of collaborative decision making on tax policy topics. Even though the County has the jurisdictional authority to set policy for the whole of the County, recommendations have always resulted from input from every municipality. Tax policy for the County and its locals has been rooted in the principles of stability, equity, transparency and simplicity.

In December 2024, the regional treasurer and tax collector group held a final review of existing tax policies and evaluated optional tax tools for the 2025 taxation year. During this meeting, they examined various tax options and assessed the potential impacts of proposed changes on tax revenue and

their communities. The recommendations outlined in this report reflect unanimous support from representatives of all seven local municipalities.

Discussion

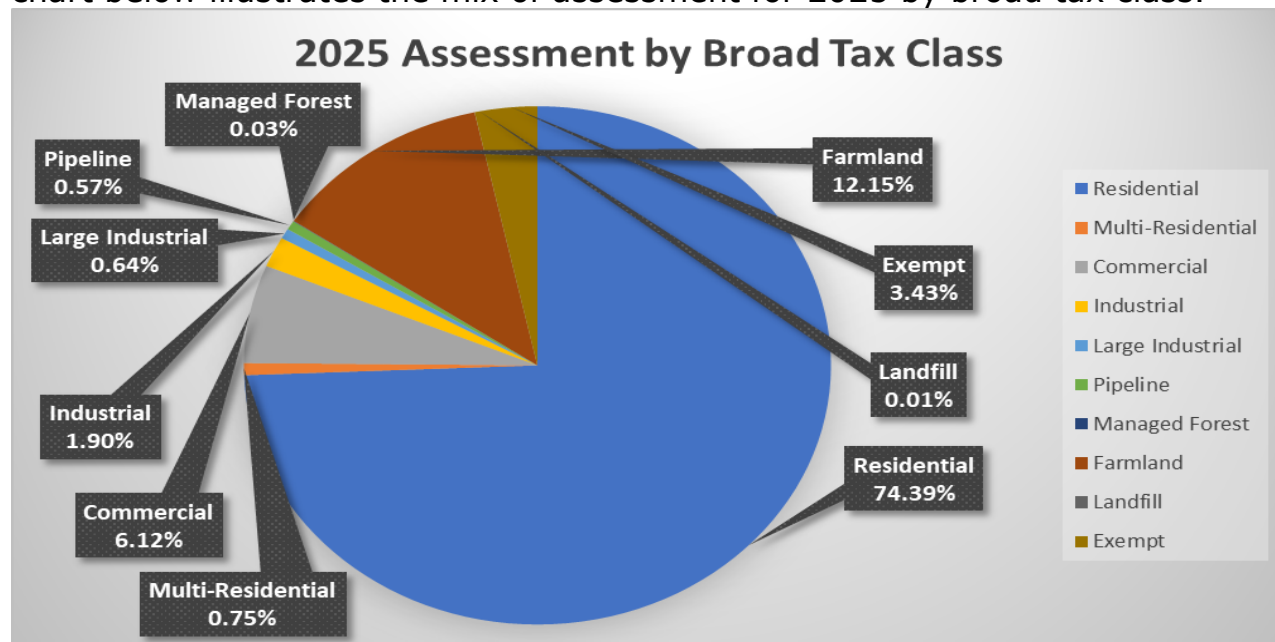
The regional group reviewed a number of tax policies and by-laws. The following discussion summarizes the issues and recommendations made by the group.

Part One – Current Value Assessment (CVA)

The Ministry of Finance postponed the re-assessment cycle for the 2025 year again. Taxation in the province has been frozen at January 1, 2016 levels since 2020. At the time of writing this report, the review of the property assessment and taxation system is ongoing, as such the province-wide property tax reassessment will continue to be deferred. The province remains silent on when the next re-assessment cycle will commence and what the CVA base year will be. As a result of the freeze, only in year growth/changes are impacting year over year CVA.

A comparison of the 2024 and 2025 returned rolls shows a 2.37% increase in raw assessment. The most notable growth occurred in the residential and new multi-residential classes. The residential class increased in raw assessment by \$447,856,578 and the new multi-residential class increased by \$13,951,000.

The County continues to be heavily weighted in the residential classes. The chart below illustrates the mix of assessment for 2025 by broad tax class.



Part Two – Tax Tools

In response to municipal need, the Province establishes tax tools from time to time. On an annual basis, the regional treasurers and tax collectors group reviews the tools available to determine their applicability to the taxation circumstance of the County.

Below are the typical tools that are discussed annually at the Regional Treasurer and Tax Collector meeting, as well as new tools that were introduced by the Province in 2024.

Optional Tax Classes

The County has the authority to establish optional tax classes, providing a valuable tool to refine how property taxes are applied. These classes enable municipalities to tailor tax policies to align with local priorities and community needs. By offering flexibility, incentivizing development or conservation, and promoting equity in tax distribution, optional tax classes help municipalities address unique challenges and opportunities. To implement these classes, municipalities must pass a bylaw and adhere to provincial guidelines, ensuring that tax rates and ratios remain fair and consistent across residential and non-residential properties.

Here are the detailed discussions had on some of the main optional classes the County has considered in the past.

Optional Small Business Class

In May 2021, the Province released the regulation related to the implementation of an optional small business class. The primary objective of the optional class is to assist municipalities that have gross assessment inequities among their commercial properties. The regional group analyzed the assessment of the County's commercial classes and did not find support for gross inequities; therefore, the group decided not to pursue this option. This analysis has been conducted each year since 2021 and, consistent with previous years, the regional group deemed this optional class unnecessary. For context, since the optional class was introduced in 2021, only a few municipalities have chosen to implement it, and it varies across municipalities, with each jurisdiction establishing specific eligibility criteria and tax relief measures based on local priorities and economic conditions. For example, in Toronto, the optional subclass provides targeted tax relief to small businesses in areas like Kensington Market, where rising property assessments have threatened the viability of local shops.

Small-Scale On-Farm Business Subclass

In May 2018, the Province established two optional subclasses for small-scale on-farm businesses to promote and support local farms across Ontario. The commercial and industrial subclasses were created to provide a tax rate that is 75% lower than the commercial and industrial tax rates that would otherwise apply. The Province established a two-tier threshold for qualifying commercial and industrial assessment. The first subclass limit is \$50,000 and the second subclass limit is equal to assessment exceeding \$50,000 up to \$100,000. An analysis of the properties in the County revealed only 17 eligible properties. A comparison of the estimated relief to eligible properties against the administrative costs of implementing the optional subclass resulted in the regional group declining the creation of the subclass. This analysis has been conducted each year since 2018 and, consistent with previous years, the regional group recommends against adoption of the subclass. It is important to note that regardless of whether a subclass is adopted, all eligible properties will continue to receive an education tax reduction.

New Multi Residential (2017)

In 2017, the Province made the New Multi-Residential tax class mandatory. Prior to 2017, the class was optional and hadn't been adopted by the County of Essex. The range of fairness for the tax ratio established for the class was prescribed between 1.0 and 1.1. In 2017, the County established the ratio at 1.1 for this new multi-residential class. The tax class capturing multi-residential assessment prior to 2017 had a tax ratio of 1.9554. In essence, multi-residential properties captured in the original tax class were taxed nearly double what a new multi-residential property was taxed in the new class. At the October 7, 2020 Regular Meeting of County Council, a recommendation, in principle, was approved that provided for the phased reduction of the multi-residential tax ratio over a four-year period. Beginning in 2021, the multi-residential tax ratio was reduced by 0.21385 annually, and reductions continued through to 2024. This ratio is now in parity with the new multi-residential tax ratio (1.1).

New Multi Residential Subclass (2024)

On April 4, 2024, Ontario introduced a new property tax option to encourage the development of purpose-built rental housing as part of its strategy to address the housing crisis. This initiative allows municipalities to create an optional subclass within the multi-residential property class, offering a reduced municipal property tax rate for new multi-residential rental properties.

Key Features

- **Tax Reduction:** Municipalities can offer a tax reduction of up to 35% for qualifying properties. If the new multi residential class was established, it would shift the burden to others in this multi residential tax class.
- **Eligibility:** Only newly constructed multi-residential developments qualify, provided building permits are issued on or after a date specified in the municipality's by-law.
- **Duration:** The reduced tax rate applies for 35 years once construction is completed, and the building is ready for occupancy.
- **Implementation:** Municipalities must pass a by-law to adopt the subclass and set the reduction percentage.

This tax tool is intended to incentivize investment in rental housing construction, providing long-term stability to developers while addressing housing shortages.

During the annual discussion, the group raised concerns about the proposed 35-year duration for this new multi-residential subclass, deeming it excessively long. There was also consensus that the current new multi-residential tax ratio, which achieved alignment with the old multi-residential ratio last year, already addresses the parity goals of the County. Furthermore, it was noted that some Local Partners already incentivize rental housing construction through existing By-laws or Community Improvement Plans. Given these considerations, the group agreed there is no need to adopt this additional new multi-residential subclass for the 2025 year.

Municipal Vacant Home Tax (VHT)

The Municipal Vacant Home Tax (VHT) is a strategic taxation tool aimed at addressing housing shortages by encouraging property owners to sell or rent out unoccupied homes. This penalty tax is applied to the assessed value of vacant residential properties and supports the province's broader objectives of improving housing affordability and availability.

Before 2024, only the cities of Toronto and Ottawa had the authority to impose a Vacant Home Tax, which was set at 1% of the Current Value Assessment (CVA) of vacant properties. Effective March 27, 2024, the Ontario government expanded this authority to all single-tier and upper-tier municipalities, introducing a Provincial Policy Framework to guide implementation and ensure consistency. Municipalities now have the

flexibility to establish their own tax rates and define exemptions, such as for principal residences, seasonal homes, or properties undergoing significant renovations.

The VHT is expected to reduce vacancy rates, support local housing supply, and generate additional municipal revenue for housing initiatives. To ensure transparency and accountability, municipalities are required to conduct public consultations, establish clear processes for determining property vacancy, and report annually on the tax's outcomes, including the number of properties taxed and revenue collected. This initiative aligns with Ontario's housing goals and encourages the responsible use of residential properties.

To date the following municipalities have implemented the vacant home tax and each program is unique in what they set as a tax rate and how they administer the program: Toronto, Ottawa, Hamilton, Windsor, Sault Saint Marie.

At the annual Treasurer and Tax Collector meeting, the Vacant Home Tax (VHT) was discussed in detail. Earlier in the year, when the Province communicated the expanded authority for municipalities to implement a VHT, it was suggested that all Local Partners analyze homes with low water usage as a means of estimating the number of potentially vacant homes in the County. This approach was identified as the most feasible method to approximate vacancy rates without conducting physical inspections of all properties or relying on complaints through a 311/211 system, which the County currently does not have.

As of this report, data has been received from a few Local Partners. While the preliminary numbers appear high, they likely include secondary homes or cottages, which could significantly skew the estimates. This highlights the need for further refinement and investigation to determine whether implementing a VHT would be administratively and financially worthwhile for the County. The revenue generated by a VHT would need to be able to cover the administrative cost of managing the program.

The consensus at the meeting was to continue exploring the feasibility of this tax, including assessing its potential revenue, administrative requirements, and overall impact. A detailed report outlining estimated numbers, potential processes for implementation, and expected benefits will be presented to County Council in Quarter 2 of 2025. At that time, Council will be asked to provide direction on whether to proceed with implementing the VHT in 2026.

Part Three – Regional Tax Subclass Discounts

Commercial Excess and Industrial Vacant & Excess Discounts

Since 1998, the mandatory vacant and excess land subclass reduction program provided tax relief to commercial and industrial property owners. Recognizing evolving municipal priorities, the Province has empowered local governments with flexibility to modify or eliminate these discounts through changes to the *Municipal Act* introduced in the Province's 2020 Budget Bill. This allowed municipalities to better align tax policies with local needs and community development goals.

In February of 2024, County Council approved the removal of the subclass discounts for Commercial Excess Land (30%) and Industrial Vacant Land (35%). At the December 2024 Treasurer and Tax Collector meeting, the implementation of this decision was discussed with all the Local Municipal Partners. While there were some questions raised from the public about the removal of the discounts, there was no significant opposition expressed by affected parties.

The decision to remove subclass discounts reflects a growing trend across Ontario to phase out or eliminate such discounts. Municipalities like Halton, Durham, and Waterloo Regions have already completed this process, and Niagara Region concluded its phased removal in 2024.

Farmland Awaiting Development

Currently, and in the past taxation years, the County has applied subclass discounts for farmland awaiting development to help landowners manage the transition from agricultural use to development. These discounts, set at 75% for Residential Subclass I and all other property classes under Subclass II, as outlined in O.Reg. 393/98, provide financial relief while farmland remains in a holding stage. For other property classes under Subclass I, a formula-based discount is used, allowing some flexibility to meet specific needs. These discounts have supported the County's growth strategies by encouraging farmland preservation during the planning process and providing stability for landowners. While they have been effective in facilitating development transitions, the County regularly reviews these policies to ensure they balance revenue needs, align with long-term plans,

and remain fair to all taxpayers. The group recommends continuing with these discounts for 2025.

Part Four – Aggregate Extraction Sites

Effective January 1, 2025, a new property class for aggregate extraction sites was introduced in Ontario. This class is designed to standardize tax rates for properties used in the extraction of aggregates such as gravel, sand, and stone, and aims to create a more predictable and equitable taxation system. A total of approximately \$6 million in provincial and municipal tax reductions will be allocated, split evenly between municipal and education taxes. As part of this transition, Ontario Regulations 510/24, 509/24, 511/24, and 512/24 outline the specific tax ratio ranges, levy restrictions, and the education tax rate framework.

At the annual Treasurer and Tax Collector meeting key considerations discussed included the potential benefits of the new framework, such as creating a fairer tax distribution and incentivizing sustainable extraction practices. However, concerns were raised regarding the shift in municipal revenue as these properties were previously taxed at the Industrial rate, 1.942500 and are now set at a transitional ratio of 1.580625.

Following discussion, the County and its Local Municipal Partners agreed on a transitional ratio of 1.580625 for the new property class to comply with O.Reg. 510/24.

Part Five – Tax Assistance Programs

Essex County Tax Assistance Program for Low-Income Seniors and Low-Income Persons with Disabilities (By-law 2021-05)

Section 319 of the Municipal Act 2011, S.O. 2001, c.25, as amended, provides that, for the purposes of relieving financial hardship, a municipality, other than a lower tier municipality, shall pass a by-law providing for deferrals or cancelation of, or other relief in respect of, all or part of a tax increase on property in the residential class for persons assessed as owners who are, or whose spouse are low-income seniors as defined in the by-law or low-income persons with disabilities as defined in the by-law. The maximum amount that an eligible applicant would be able to receive, according to the provisions of the Act, would be the difference between the total taxes for the property in the current year less the total taxes for that

property in the most recent re-assessment year. The upper tier municipality may opt to provide some relief that is less than the maximum amount, albeit some type of tax relief program is mandatory under Section 319. The County of Essex has had a tax assistance program for low-income seniors and low-income persons with disabilities in place since 1998.

The program is reviewed annually by the regional group. Similar to the experience for the 2023 taxation year, applications received at the local level have remained consistent during the 2024 taxation year.

The regional group recommends continuation of this program as represented in By-law 2021-05.

Essex County Charity Rebate Program

Section 361 of the Municipal Act 2001, S.O. 2001, c.25 as amended, mandates an upper tier or single tier municipality to pass a by-law implementing rebate policies of at least 40% for registered charities and similar charitable and non-profit organizations, for the purpose of providing relief from taxes on properties occupied in the commercial or industrial property tax class. Section 361 also provides an option to extend this rebate program to charities and similar organizations occupying property that is not assessed in the commercial and industrial property classes.

The Essex County Charity Rebate program has been in place since 1998 and provides a rebate of 40% of taxes paid by eligible charities and similar organizations that occupy property in the commercial and/or industrial tax class and that make application.

This program is reviewed annually by the regional group. There are no changes being recommended for 2025 and no amendments to Bylaw 16-2007, which sets out the eligibility criteria and process for applying for this tax assistance program.

Financial Implications

The proposed tax policy recommendations contained in this report reflect tax ratios and programs that consider the principles of fairness, affordability and equity in support of the continued long-term fiscal sustainability of the Corporation and its local municipalities.

Consultations

Regional Treasurers and Tax Collectors

Tracy Pringle, Municipal Property Assessment Corporation

Jana Thiessen, Municipal Property Assessment Corporation

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
☐ Scaling Sustainable Services through Innovation ☐ Focusing “Team Essex County” for Results ☐ Advocating for Essex County’s Fair Share	☐ Being an Employer with Impact ☐ A Government Working for the People ☒ Promoting Transparency and Awareness	☐ Providing Reliable Infrastructure for Partners ☐ Supporting Dynamic and Thriving Communities Across the County ☐ Harmonizing Action for Growth ☐ Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive this report for information.

And further that Essex County Council adopt the tax ratios as set out in By-law 2025-07 for the 2025 taxation year;

And further that the Essex County Tax Assistance Program for Low-Income Seniors and Low-Income Persons with disabilities established under By-law 04-2004 and amended under By-law 2021-05 continue with no amendments;

And further that the Essex County Charity tax Rebate Program established under By-law 16-2007 continue with no amendments.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	By-law 2025-07 A By-law to establish tax policy and levy property taxes for the year 2025.
B	By-law 04-2004
C	By-law 2021-05 (to amend By-law 04-2004)
D	By-law 16-2007

THE CORPORATION OF THE COUNTY OF ESSEX

BY-LAW NO. 04-2004

**A BY-LAW TO ALLOW THE CANCELLATION
OF RESIDENTIAL TAX INCREASES FOR LOW-
INCOME SENIORS AND LOW-INCOME
PERSONS WITH DISABILITIES IN THE COUNTY
OF ESSEX.**

WHEREAS Section 319 of the *Municipal Act 2001*, S.O. 2001 c.25 as amended, provides that for the purposes of relieving financial hardship, a municipality, other than a lower tier municipality, shall pass a by-law providing for deferrals or cancellations of, or other relief in respect of, tax increases on property in the residential property class for persons assessed owners who are, or whose spouses or same-sex partners are:

- a) low income seniors as defined in this by-law; or
- b) low income persons with disabilities as defined in this by-law.

**NOW THEREFORE, THE COUNCIL OF THE CORPORATION OF THE COUNTY OF
ESSEX ENACTS AS FOLLOWS:**

1. The plan of tax assistance established by this by-law shall be known as the Essex County Tax Assistance Program.
2. In this by-law:
 - a) **"Tax increases"** means for a tax increase beginning in a taxation year in which a general reassessment occurs, the tax increase is the tax increase determined under subsection 318(3);
 - b) **"Corporation"** means a lower tier municipality within the County of Essex;
 - c) **"Date of eligibility"** means the first day January in each year;
 - d) **"Eligible amount"** means the "tax increase" applicable to the residential property portion of the assessment for a property provided that the said 'tax increase' for any single year exceeds \$50;
 - e) **"Eligible person"** means a low-income person with disabilities or a low-income senior or the spouse or same sex partner of such eligible person;
 - f) **"Low-income person with disabilities"** means a person who is in receipt of an increment paid under the *Ontario Disability Support Program Act*;
 - g) **"Low-income senior"** means a person who is 65 years of age or older and in receipt of an increment paid under the Guaranteed Income Supplement (GIS) as established under Part II of the *Old Age Security Act (Canada)*;
 - h) **"Owner"** means a person assessed as the owner of residential real property, and includes an owner within the meaning of the *Condominium Act*;
 - i) **"Spouse"** means a person of the opposite sex,
 - a) to whom the person is married, or
 - b) with whom the person is living outside marriage in a conjugal relationship, if the two persons,
 - (1) have cohabited for a least one year,
 - (2) are together the parents of a child, or
 - (3) have together entered into a cohabitation agreement under Section 53 of the *Family Law Act*;
 - j) **"Treasurer"** means the Treasurer of the Corporation in which the subject property is located.

3. Tax relief granted pursuant to this by-law shall be in the form of a cancellation of the annual eligible amount provided that:
 - a) such owner or the spouse of such owner, or both, legally occupy or occupies the property in respect of which real property taxes are imposed, as his, her or their principle residence on a continuous basis, in which case such property is hereinafter referred to as the "eligible property";
 - b) such owner or the spouse of such owner or both have been assessed as the owner of the eligible property for a period of not less than one year immediately preceding the date of application for cancellation, and;
 - c) such owner or the spouse of such owner or both is an eligible person as of the date of eligibility;
 - d) all tax arrears including penalties and interest are paid in full prior to the approval of an application for cancellation;
 - e) for properties which are jointly held or co-owned by persons other than spouses, both or all co-owners must qualify under the eligibility criteria;
4. Annual eligible amounts shall be cancelled until the happening of any one of the following,
 - a) the eligible property is sold or transferred, or;
 - b) both the owner and the spouse of the owner cease to be eligible persons, whether by death or otherwise, or;
 - c) any one of the owners referred to in 2(e) ceases to become an eligible owner, or;
 - d) no application for cancellation is submitted by the date of eligibility in a succeeding year or the Treasurer determines, upon review of such application, that neither the owner nor the spouse of the owner continues to be an eligible person or the property is no longer an eligible property, or;
 - e) the balance of the property tax, being the portion not eligible for cancellation, is not paid in full by December 31st of the current taxation year.
5. All applications for tax relief must be in writing on a form prescribed by the Corporation for such purpose and must be submitted to the Corporation on or before the first day of September in the year for which the application applies. Applications must include documentation in support thereof to establish that the applicant is an eligible person and that the property with respect to which the application is made is eligible property.
6. By-law # 17-2001 is hereby repealed.
7. This by-law shall come into force and effect on the 18th day of February 2004.


MICHAEL RAYMOND, WARDEN


MARY S. BRENNAN, CLERK

1st reading – February 18th, 2004
2nd reading – February 18th, 2004
3rd reading – February 18th, 2004

CLERK'S CERTIFICATE

I, Mary S. Brennan, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy of By-law Number 04-2004 passed by the Council of the said Corporation on the 18th day of February, 2004.

Mary Brennan, Clerk
Corporation of the County of Essex



The Corporation of the County of Essex

By-Law Number 2021-05

A By-law to Amend By-law 04-2004, being a By-law to Allow the Cancellation of Residential Tax Increases for Low-Income Seniors and Low-Income Persons with Disabilities in the County of Essex.

Whereas the Municipal Act, 2001, S.O. 2001, c.25, section 319 provides that for the purposes of relieving financial hardship, a municipality other than a lower tier municipality, shall pass a by-law providing for deferrals or cancellations of, or other relief in respect of tax increases on property in the residential property class for persons assessed owners who are, or whose spouse or same-sex partners are, low- income seniors or low-income persons with disabilities;

And Whereas on February 18, 2004 the Corporation of the County of Essex passed By-law 04-2004 to establish a tax relief program for low-income seniors and low-income persons with disabilities;

And Whereas the Council of the Corporation of the County of Essex considers it desirable to expand the eligibility criteria to support greater access to financial relief for qualifying applicants;

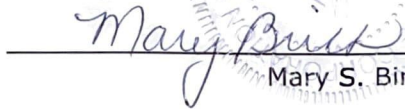
Now therefore the Council of the Corporation of the County of Essex hereby enacts as follows:

- 1) That By-law 04-2004 be amended by removing section 3 (d) requiring all tax arrears including penalties and interest to be paid in full prior to the approval of an application for cancellation.
- 2) This By-law shall come into force and take effect after the final passing.

Read a first, second and third time and Finally Passed this 17th day of February, 2021.



Gary McNamara, Warden



Mary S. Birch, Clerk

Clerk's Certificate

I, Mary S. Birch, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy, of **By-law Number 2021-05** passed by the Council of the said Corporation on the **17th**, day of **February 2021**.

Mary S. Birch, Clerk
Corporation of the County of Essex

THE CORPORATION OF THE COUNTY OF ESSEX

BY-LAW NUMBER 16-2007

**A BY-LAW TO ESTABLISH PROPERTY TAX REBATES FOR
CHARITABLE ORGANIZATIONS AND SIMILAR
ORGANIZATIONS IN THE COUNTY OF ESSEX**

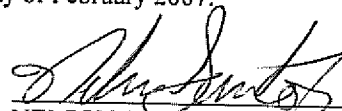
WHEREAS Section 361 of the *Municipal Act 2001*, S.O. 2001 c.25 as amended, provides that the Council of a municipality, other than a lower tier municipality, shall provide a tax rebate program for eligible charities for the purpose of giving them relief from taxes on eligible property they occupy,

AND WHEREAS the Act prescribes certain requirements for the provision of such rebates;

**NOW THEREFORE, THE COUNCIL OF THE CORPORATION OF THE COUNTY OF ESSEX
ENACTS AS FOLLOWS:**

- 1) In this by-law:
 - a) "Charity" means a registered charity as defined in subsection 248(1) of the *Income Tax Act* (Canada) that has a registration number issued by the Canada Customs and Revenue Agency.
 - b) "Similar Organizations" means an organization established for charitable purposes and engaging in charitable activities that devotes substantially all of its resources to the promotion of the charitable activities. Charitable purposes are identified as activities which promote the following:
 - i) the relief of poverty
 - ii) the advancement of education
 - iii) the advancement of religion
 - iv) any other purposes that may be determined by the Corporation to be beneficial to the community as a whole.
 - c) "Corporation" means a lower tier municipality within the County of Essex.
 - d) "Tax" means property taxes levied for upper tier, lower tier and education purposes and business improvement charges within the meaning of subsections 361(12) and (13) of the *Municipal Act, 2001*, as amended.
 - e) "Treasurer" means the Treasurer of the Corporation in which the subject property is located.
 - f) "Eligible Property" means a property owned or occupied by a charity or similar organization located in one of the commercial classes or industrial classes, within the meaning of subsection 308 (1) of the *Municipal Act 2001*, as amended.
- 2) Tax relief granted pursuant to this by-law, shall be in the form of a tax rebate equal to 40%, or such other percentage as the Minister of Finance may prescribe, of the taxes payable by the eligible charity or similar organization on eligible property it occupies. If the charity or similar organization is required to pay an amount under section 367 or 368, the amount of the rebate shall be the total of the amounts the charity or similar organization is required to pay under those sections.
- 3) An application for a taxation year must be submitted to the Treasurer after January 1 of the year and no later than the last day of February of the following year.
- 4) Proof of eligibility shall be submitted to the Treasurer in a manner prescribed by the Corporation.

- 5) The municipality shall not charge a fee to process an application.
- 6) Disputes with respect to the determination of the eligibility of a 'similar organization' shall be resolved by the Council of the Corporation.
- 7) All rebates shall be paid by the Treasurer directly to the eligible charity or similar organization.
- 8) Payment of one-half of the rebate must be made within 60 days after receipt by the Treasurer of the application of the eligible charity or similar organization, for the taxation year, and the balance of the rebate must be paid within 120 days of the receipt of the application.
- 9) The eligible charity or similar organization may make an application for a rebate for a taxation year based on an estimate of the taxes payable by the eligible charity or similar organization on the property it occupies. Final adjustments shall be made, in respect of differences between the estimated rebate paid by the municipality and the rebate to which the charity is entitled, after the taxes paid by the eligible charity or similar organization can be determined.
- 10) As a condition of receiving a rebate for a year, a charity or similar organization shall repay any other municipality amounts by which the rebates the charity received for the year from that other municipality exceed the rebates from that other municipality to which the charity is entitled for the year.
- 11) The costs of the rebate of taxes on a property shall be shared by the lower and upper tier municipalities and school boards in the same proportion that they share in the revenues.
- 12) The Treasurer shall provide each charity or similar organization receiving a rebate, a written statement of the proportion of the costs of the rebate that is shared by school boards.
- 13) The municipality shall pay interest, at the same rate of interest that applies under subsection 257.11(4) of the Education Act, on the amount of any rebate to which the eligible charity or similar organization is entitled under this section, if the municipality fails to rebate or credit the amount within the time specified with Section 8 or within such other time as the Minister of Finance may prescribe.
- 14) By-law # 05-2004 is hereby repealed.
- 15) This by-law shall come into force and effect on the 7th, day of February 2007.


NELSON SANTOS, WARDEN


MARY S. BRENNAN, CLERK

1st reading – February 7th, 2007
2nd reading – February 7th, 2007
3rd reading – February 7th, 2007

CLERK'S CERTIFICATE

I, Mary S. Brennan, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy of By-law Number 16-2007 passed by the Council of the said Corporation on the 7th, day of February, 2007.

Mary S. Brennan, Clerk
Corporation of the County of Essex

Schedule 1 – 2025 Estimate of All Sums Required to be Raised

Detail	Department	2024 Budget	2024 Projection (unaudited)	2025 Budget
Net Operating Expenditures	Community Services	750,380	756,580	761,950
Net Operating Expenditures	Sun Parlor Home	12,517,040	11,917,430	12,515,040
Net Operating Expenditures	Emergency Medical Services	13,910,970	13,842,580	15,378,720
Net Operating Expenditures	Infrastructure Services	12,397,330	12,693,480	12,865,640
Net Operating Expenditures	Library Services	5,699,850	5,699,850	5,920,060
Net Operating Expenditures	General Government Services	4,537,180	4,551,090	5,437,130
Net Operating Expenditures	External Commitments	35,755,470	35,322,640	39,687,390
Net Operating Expenditures	Operating Surplus	0	782,570	0
Operating Expenditures	Total	85,568,220	85,566,220	92,565,930
Net Capital Expenditures	Community Services	12,300	6,100	730
Net Capital Expenditures	Sun Parlor Home	1,579,300	1,578,940	1,581,300
Net Capital Expenditures	Emergency Medical Services	1,937,030	2,001,150	2,125,210
Net Capital Expenditures	Infrastructure Services	39,615,040	39,593,020	39,893,410
Net Capital Expenditures	Library Services	1,055,800	1,055,800	1,086,400
Net Capital Expenditures	General Government Services	2,514,500	2,580,900	2,622,400
Net Capital Expenditures	Capital Surplus	0	-99,940	0
Capital Expenditures	Total	46,713,970	46,715,970	47,309,450
Total Department Requirement	Community Services	762,680	762,680	762,680
Total Department Requirement	Sun Parlor Home	14,096,340	13,496,370	14,096,340
Total Department Requirement	Emergency Medical Services	15,848,000	15,843,730	17,503,930
Total Department Requirement	Infrastructure Services	52,012,370	52,286,500	52,759,050
Total Department Requirement	Library Services	6,755,650	6,755,650	7,006,460
Total Department Requirement	General Government Services	7,051,680	7,131,990	8,059,530
Total Department Requirement	External Commitments	35,755,470	35,322,640	39,687,390
Total Department Requirement	Overall County Surplus	0	682,630	0
Total County Requirement		132,282,190	132,282,190	139,875,380

Schedule 2A: Property Tax Parameters, Rates and Estimates

	Residential Rate	0.0055932794					
Property Class / Subclass	RTCRTQ	Tax Ratio	Subclass Discount	Weighted Ratio	County Tax Rate	CVA	County Levy (Taxable)
Residential	RT	1.000000	0.00%	1.000000	0.0055932794	20,427,823,645	\$114,258,524
Residential	RH	1.000000	0.00%	1.000000	0.0055932794	988,800	\$5,531
Residential First Subclass of Farmland Awaiting Development	R1	1.000000	75.00%	0.250000	0.0013983199	8,030,600	\$11,229
Farmland	FT	0.250000	0.00%	0.250000	0.0013983199	3,340,847,077	\$4,671,573
Managed Forest	TT	0.250000	0.00%	0.250000	0.0013983199	7,023,100	\$9,821
New Multi-Residential	NT	1.100000	0.00%	1.100000	0.0061526073	50,020,200	\$307,755
Multi-Residential	MT	1.100000	0.00%	1.100000	0.0061526073	156,981,000	\$965,842
Commercial Residual	CT	1.082044	0.00%	1.082044	0.0060521744	1,359,020,330	\$8,225,028
New Commercial	XT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Shopping Centre	ST	1.082044	0.00%	1.082044	0.0060521744	173,227,820	\$1,048,405
New Shopping Centre	ZT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Commercial	CH	1.082044	0.00%	1.082044	0.0060521744	1,902,200	\$11,512
Commercial Excess Land	CU	1.082044	0.00%	1.082044	0.0060521744	22,272,436	\$134,797
New Commercial Excess Land	XU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Shopping Centre Excess Land	SU	1.082044	0.00%	1.082044	0.0060521744	249,200	\$1,508
New Shopping Centre Excess Land	ZU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Commercial First Subclass of Farmland Awaiting Development	C1	1.082044	76.89%	0.250000	0.0013983219	6,094,000	\$8,521
Commercial Small Scale On-Farm Business Sub-Class 1	C7	1.082044	0.00%	1.082044	0.0060521744	156,500	\$947
Commercial Small Scale On-Farm Business Sub-Class 2	C0	1.082044	0.00%	1.082044	0.0060521744	139,200	\$842
New Commercial Small Scale On-Farm Business Sub-Class	X7	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Office Building	DT	1.082044	0.00%	1.082044	0.0060521744	9,818,516	\$59,423
New Office Building	YT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Office Building Excess Land	DU	1.082044	0.00%	1.082044	0.0060521744	27,500	\$166
New Office Building Excess Land	YU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Parking Lot/Vacant land		0.582500	0.00%	0.582500	0.0032580853	2,678,500	\$8,727
Commercial Vacant Land	CX	0.582500	0.00%	0.582500	0.0032580853	31,732,200	\$103,386
Industrial Residual	IT	1.942500	0.00%	1.942500	0.0108649452	467,305,937	\$5,077,253
New Industrial	JT	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Industrial	IH	1.942500	0.00%	1.942500	0.0108649452	4,090,900	\$44,447
Industrial Excess Land	IU	1.942500	0.00%	1.942500	0.0108649452	10,249,800	\$111,364
New Industrial Excess Land	JU	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Industrial Excess Land Shared PIL	IK	1.942500	0.00%	1.942500	0.0108649452	1,380,900	\$15,003
Industrial Vacant Land	IX	1.942500	0.00%	1.942500	0.0108649452	23,613,000	\$256,554
Industrial Vacant Land Shared PIL	IJ	1.942500	0.00%	1.942500	0.0108649452	149,400	\$1,623
Industrial First Subclass of Farmland Awaiting Development	I1	1.942500	87.13%	0.250000	0.0013983185	843,600	\$1,180
Industrial Small Scale On-Farm Business Sub-Class 1	I7	1.942500	0.00%	1.942500	0.0108649452	594,400	\$6,458
Industrial Small Scale On-Farm Business Sub-Class 2	I0	1.942500	0.00%	1.942500	0.0108649452	349,800	\$3,801
New Industrial Small Scale On-Farm Business Sub-Class	J7	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Large Industrial	KT	2.686100	0.00%	2.686100	0.0150241078	0	\$0
New Large Industrial	LT	2.686100	0.00%	2.686100	0.0150241078	171,863,400	\$2,582,094
New Large Industrial Excess Land	KU	2.686100	0.00%	2.686100	0.0150241078	0	\$0
Large Industrial Excess Land	LU	2.686100	0.00%	2.686100	0.0150241078	3,452,500	\$51,871
Aggregate Extraction	VT	1.580625	0.00%	1.580625	0.0088408773	14,758,000	\$130,474
Pipeline	PT	1.303000	0.00%	1.303000	0.0072880431	157,871,000	\$1,150,571
Total Taxable						26,455,555,461	\$139,266,231

[1] First Subclass of Farmland Awaiting Development

[2] Small Scale On-Farm Business Sub-Class

Schedule 2B: Payment in Lieu of Tax, Rates and Estimates

Residential Rate	0.0055932794						
Property Class / Subclass	RTC RTQ	Tax Ratio	Subclass Discount	Weighted Ratio	County Tax Rate	CVA	County Levy (Payment in Lieu)
Residential	RF	1.000000	0.00%	1.000000	0.0055932794	7,143,520	\$39,955.70
Residential	RG	1.000000	0.00%	1.000000	0.0055932794	5,526,500	\$30,911.26
Residential	RP	1.000000	0.00%	1.000000	0.0055932794	865,400	\$4,840.42
Farm	FP	0.250000	0.00%	0.250000	0.0013983199	0	\$0.00
Commercial Residual	CF	1.082044	0.00%	1.082044	0.0060521744	68,604,400	\$415,205.79
Commercial Residual	CG	1.082044	0.00%	1.082044	0.0060521744	6,073,100	\$36,755.46
Commercial Residual	CP	1.082044	0.00%	1.082044	0.0060521744	1,900	\$11.50
Excess Land	CV	1.082044	0.00%	1.082044	0.0060521744	31,800	\$192.46
Parking Lot / Vacant Land	GF	0.582500	0.00%	0.582500	0.0032580853	160,000	\$521.29
Parking Lot / Vacant Land	CZ	0.582500	0.00%	0.582500	0.0032580853	207,100	\$674.75
Parking Lot / Vacant Land	CY	0.582500	0.00%	0.582500	0.0032580853	507,500	\$1,653.48
Industrial Residual	IG	1.942500	0.00%	1.942500	0.0108649452	0	\$0.00
Vacant Land	IY	1.942500	0.00%	1.942500	0.0108649452	2,600	\$28.25
Landfill	HF	1.047098	0.00%	1.047098	0.0058567117	2,135,600	\$12,507.59
Total Payment in Lieu						91,259,420	\$543,258

**Schedule 3A: Estimates of Taxes to be raised for Upper-Tier
Purposes by Local Area Municipalities during the 2025 Taxation Year**

Property Class	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
Residential	\$13,780,915	\$10,068,949	\$13,190,489	\$27,781,839	\$22,384,644	\$12,549,404	\$14,519,045	\$114,275,284
Farm	\$280,821	\$493,385	\$1,145,545	\$1,009,662	\$53,036	\$1,529,360	\$159,763	\$4,671,573
Managed Forest	\$676	\$5,290	\$1,403	\$1,119	\$72	\$1,034	\$226	\$9,821
Multi-Residential	\$221,560	\$118,225	\$147,975	\$38,521	\$77,128	\$435,479	\$234,708	\$1,273,597
Commercial Residual	\$990,337	\$889,378	\$1,201,637	\$1,467,083	\$946,124	\$1,730,882	\$2,206,120	\$9,431,561
Office Building	\$0	\$0	\$5,783	\$3,584	\$0	\$30,251	\$19,971	\$59,590
Parking Lot/Vacant Land	\$17,537	\$12,408	\$6,225	\$33,213	\$14,300	\$20,192	\$8,239	\$112,113
Industrial Residual	\$408,980	\$263,509	\$479,898	\$1,295,416	\$280,432	\$661,586	\$2,127,862	\$5,517,683
Operating Expenditures	\$0	\$267,925	\$184,179	\$1,818,668	\$121,064	\$113,444	\$128,684	\$2,633,965
Aggregate Extraction	\$77,326	\$0	\$13,854	\$0	\$0	\$39,294	\$0	\$130,474
Pipeline	\$97,660	\$79,607	\$186,559	\$417,197	\$83,849	\$174,199	\$111,500	\$1,150,571
Total Taxable	\$15,875,811	\$12,198,676	\$16,563,549	\$33,866,302	\$23,960,649	\$17,285,126	\$19,516,118	\$139,266,231

**Schedule 3B: Estimates of Payments in Lieu of Tax to be raised for
Upper-Tier Purposes by Local Area Municipalities during 2025
Taxation Year**

Property Class	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
Residential	\$14,314	\$35,553	\$265	\$13,578	\$7,354	\$908	\$3,735	\$75,707
Farm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Residual	\$72,333	\$93,162	\$81,063	\$77,780	\$8,397	\$96,027	\$25,731	\$454,493
Parking Lot / Vacant Land	\$0	\$0	\$0	\$0	\$521	\$0	\$0	\$521
Industrial Residual	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$28
Landfill	\$0	\$12,508	\$0	\$0	\$0	\$0	\$0	\$12,508
Total Payment In Lieu	\$86,676	\$141,223	\$81,328	\$91,358	\$16,272	\$96,935	\$29,466	\$543,258

Schedule 4: Schedule of Instalments due to the County of Essex during 2025 by Local Municipalities

<i>Estimates/ Instalments</i>	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
<i>2024 Levy as Adjusted</i>	<i>\$14,950,920</i>	<i>\$11,698,270</i>	<i>\$15,651,061</i>	<i>\$32,457,713</i>	<i>\$22,604,466</i>	<i>\$16,233,545</i>	<i>\$18,686,215</i>	<i>\$132,282,190</i>
2025 Taxable Levy Estimate	\$15,875,811	\$12,198,676	\$16,563,549	\$33,866,302	\$23,960,649	\$17,285,126	\$19,516,118	\$139,266,231
2025 PIL Estimate	\$86,676	\$141,223	\$81,328	\$91,358	\$16,272	\$96,935	\$29,466	\$543,257
2025 Linear Property Estimate	\$1,717	\$180	\$4,636	\$53,984	\$1,663	\$0	\$3,711	\$65,891
Total County Estimate	\$15,964,204	\$12,340,079	\$16,649,512	\$34,011,644	\$23,978,585	\$17,382,061	\$19,549,295	\$139,875,380
Payment 1, Due Mar. 28	\$3,737,730	\$2,924,568	\$3,912,765	\$8,114,428	\$5,651,117	\$4,058,386	\$4,671,554	\$33,070,548
Payment 2, Due Jun. 27	\$4,244,372	\$3,245,472	\$4,411,991	\$8,891,394	\$6,338,176	\$4,632,644	\$5,103,094	\$36,867,142
Payment 3, Due Sept. 26	\$3,991,051	\$3,085,020	\$4,162,378	\$8,502,911	\$5,994,646	\$4,345,515	\$4,887,324	\$34,968,845
Payment 4, Due Dec. 12	\$3,991,051	\$3,085,020	\$4,162,378	\$8,502,911	\$5,994,646	\$4,345,515	\$4,887,324	\$34,968,845



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, February 19, 2025

Subject: Annual Credit Rating-Evaluation-Cost Benefit Analysis

Report #: 2025-0219-FIN-R06-MR

Purpose

The purpose of this report is to assess the costs and benefits of the annual credit rating exercise conducted at the County.

Background

For the past 24 years, S&P Global has conducted an annual credit rating evaluation for the County of Essex. Over this time, the cost of the service has steadily increased, reaching approximately \$28,000 for the most recent evaluation in 2024.

In 2024, S&P Global conducted an evaluation of Essex County, which included an in-depth interview with the County's Director of Financial Services/Treasurer. This interview provided firsthand information about the County's political, administrative, and financial stewardship. Wendy Stark, Director of Business Retention & Expansion at Invest WindsorEssex, also participated, offering insights into the region's economic outlook.

At the presentation of the 2024 credit rating on November 20, 2024, County Council raised questions about the rising cost of the service and its benefits. This report has been prepared to address those questions and support Council in making an informed decision moving forward.

Discussion

Cost-Benefit Analysis

To assess the value of continuing the annual credit rating exercise, Administration consulted with key stakeholders, including Infrastructure Ontario (IO), Local Municipal Treasurers, the upper-tier Treasurer group, and S&P, the County's credit rating vendor for the past 24 years.

Feedback from Infrastructure Ontario (IO)

Administration sought to understand how the County's credit rating affects borrowing for Local Municipal Partners by asking IO the following:

- **Does IO consider the County's credit rating when lending to local municipalities?**

IO confirmed that the County's credit rating is not a significant factor. Their internal underwriting process includes a simple internal rating system, but it does not influence loan approvals. A significant downgrade might prompt additional questions but would not restrict borrowing.

- **Do credit ratings impact the interest rates IO offers?**

IO stated that interest rates are consistent across all municipalities, regardless of credit ratings.

- **Would discontinuing the County's annual credit rating affect borrowing rates?**

IO clarified that discontinuing the credit rating would not impact rates or borrowing terms for the County or Local Municipalities.

These responses indicate that maintaining an annual credit rating does not provide a direct financial benefit to Local Municipalities in terms of borrowing costs or access to debt with IO.

Survey of Local Municipal Treasurers

Administration surveyed Local Treasurers to explore their borrowing practices and whether the County's credit rating impacts their decisions. Key findings included:

- All Local Municipalities with debt borrow exclusively from IO due to its consistently favorable rates.

- In the rare instance where a Local Municipality borrowed from an alternative lender, the County's credit rating was not a consideration in the decision-making process.
- Local Municipal Partners were asked to determine if the County's credit rating had broader benefits for their financial operations and none were identified.

Jurisdictional Scan

Survey of Upper Tier Treasurers

Among upper-tier municipalities surveyed, only two of six respondents conduct annual credit rating exercises. Both of these municipalities carry significant upper-tier debt. This suggests that annual credit ratings are more relevant for municipalities with substantial debt obligations, which is not the County's current situation.

Single Tier Regional Municipalities

A review of available information from S&P and Moody's reports on Canadian government credit ratings indicates that Single-Tier and Regional Municipalities frequently conduct annual credit rating assessments. Notable municipalities following this practice include Toronto, London, Ottawa, Durham, Halton, Peel, Waterloo, Windsor, and York.

Insights from S&P

S&P, the County's credit rating vendor, provided the following key points:

- **Costs:** The County's annual surveillance fee of \$28,000 is at the lower end of the range for small/mid-sized local governments (C\$24,000–C\$60,000). However, discontinuing the credit rating and reinstating it later would incur a re-initiation fee of approximately \$40,000, exceeding the current annual cost.
- **Mandatory Annual Surveillance:** Public credit ratings require annual updates to remain valid. Skipping an annual review would result in a stale rating being posted on S&P's public website, potentially harming the County's financial reputation.
- **Access to Resources:** S&P highlighted tools like the Ratings360 platform, which provides access to research, peer comparisons, and commentary. These tools are helpful but depend on active use by staff to maximize their value.
- **Recent Commentary and Insights:** S&P shared recent analysis of Canadian Local Government Issuers and comparative

statistics, which could be useful for financial planning. They are included as Appendix A and B to the report for additional information on how they use credit ratings and financial information obtained from the credit rating process to benchmark other municipalities.

Analysis of County Specific Factors

The County's annual credit rating exercise offers some non-financial benefits, such as enhancing transparency through an independent review of its financial position and enabling comparisons with other municipalities. It also helps reassure vendors and partners of the County's financial stability. The County has a practice of not providing vendor references when establishing accounts with vendors. The basis for this practice is the existence of an independent credit rating that vouches for the County's low risk of default. Additionally, maintaining a strong credit rating, such as AAA, serves as a public indicator of the County's sound financial management, reinforcing confidence among residents, businesses, and stakeholders.

The County's debt levels, while currently low, are anticipated to increase in the near future. Growth pressures combined with a lack of provincial grant funding will require a greater reliance on debt to meet capital related expansion needs.

Financial Implications

The 2025 County budget includes funding within the Finance department to cover the cost of the annual credit rating exercise. Should Council decide to discontinue this service beyond 2025, direction should be given to Administration so that notice can be given to S&P and the draft 2026 Budget can be adjusted accordingly.

Consultations

Elisa Lopez Cortes, S&P, Senior Analyst, Sovereign, and International Public Finance

Anthony Ivancich, S&P, Senior Director- Relationship Management

Rabi Chowdhury, Senior Relationship Manager, Infrastructure Ontario

Upper Tier Municipal Treasurers

Local Municipal Partner Treasurers

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
☐ Scaling Sustainable Services through Innovation ☒ Focusing "Team Essex County" for Results ☐ Advocating for Essex County's Fair Share	☐ Being an Employer with Impact ☒ A Government Working for the People ☐ Promoting Transparency and Awareness	☐ Providing Reliable Infrastructure for Partners ☐ Supporting Dynamic and Thriving Communities Across the County ☒ Harmonizing Action for Growth ☐ Advancing Truth and Reconciliation

Recommendation

That Essex County Council approve receive report number 2025-0219-06-FIN-MR, Annual Credit Rating Evaluation-Cost Benefit Analysis as information.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
Appendix A	S&P Risk Indicators for Canadian Local and Regional Governments

Appendix	Title
Appendix B	Subnational Government Outlook 2025

Comparative Statistics:

Risk Indicators For Canadian Local And Regional Governments: Strong Fiscal Management Is Key To Withstand Population Pressures

September 19, 2024

This report does not constitute a rating action.

S&P Global Ratings assigns credit ratings to local and regional governments (LRGs) based on its qualitative and quantitative analysis of a range of financial, economic, managerial, and institutional factors. We articulate our analytical framework for rating LRGs around six major components resulting from our methodology: the institutional framework; economy; financial management; budgetary performance; liquidity; and debt burden.

Our assessment of the institutional framework is an important component of the rating. The institutional and legislative environment in which an LRG operates provides important context to our evaluation of the LRG's individual credit profile. Therefore, we combine our assessment of the institutional framework and the five other factors listed above to determine an indicative credit level for an individual LRG. We then adjust this level for certain overriding factors to provide the final rating for the respective LRG (see "Methodology For Rating Local And Regional Governments Outside Of The U.S.," published July 15, 2019, on RatingsDirect).

LRG Characteristics By Rating Category

We project Canadian LRGs will experience more volatility in terms of credit quality over the coming year, compared to our previous publication. This could result in more upgrades, given three provinces and three cities are on positive outlooks, while only one province and one city are on negative outlooks.

Nevertheless, it is important to note that 86% of Canadian LRGs rated by S&P Global Ratings are on a stable outlook. In our view, governments in Canada face many operating pressures and are increasing capital investment, but should maintain their overall creditworthiness despite near-term challenges.

We expect most Canadian LRGs, namely municipalities, to remain well positioned to manage elevated cost pressures because of their strong management, high liquidity, and moderate debt burdens, coupled with our expectation for a moderate rebound in the economy in the next 12-18 months. Overall, we project that revenue collection will keep pace with higher expenditure, which

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Comparative Statistics: Risk Indicators For Canadian Local And Regional Governments: Strong Fiscal Management Is Key To Withstand Population Pressures

is driven by the needs of a growing population. Yet, while Canadian municipalities typically hold robust dedicated reserves for maintenance-related work, increasing growth-related infrastructure needs could also lead to higher borrowing requirements.

Table 1

Canadian provincial government risk indicators

	Rating factor assessments						
	Foreign currency ratings *	Institutional framework	Economy	Financial management	Budgetary performance	Liquidity	Debt burden
Alberta (Province of)	AA-/Stable/A-1+	2	2	2	3	1	4
British Columbia (Province of)	AA-/Negative/A-1+	2	1	2	5	3	4
Nova Scotia (Province of)	AA-/Stable/A-1+	2	3	2	3	2	4
Quebec (Province of)	AA-/Stable/A-1+	2	1	2	4	1	5
Saskatchewan (Province of)	AA/Stable/A-1+	2	1	2	3	1	3
Newfoundland and Labrador (Province of)	A/Stable/A-1	2	3	2	3	4	5
Manitoba (Province of)	A+/Stable/A-1	2	1	2	3	3	4
New Brunswick (Province of)	A+/Positive/A-1+	2	3	2	2	1	4
Ontario (Province of)	A+/Positive/A-1	2	1	2	3	1	4
Prince Edward Island (Province of)	A/Positive/A-1	2	2	2	5	3	4

*Issuer credit rating as of Sept. 19, 2024. Institutional framework assessment is based on a six-point scale where 1 is the strongest and 6 the weakest, while the other factors consider a scale from 1 to 5, being 1 the strongest score and 5 the weakest.

Table 2

Canadian provincial government financial statistics

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)							Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
			Operating balance (% of operating revenues)	Balance after capital accounts (% of total revenues)	Direct debt (% of operating revenues)							
	2023a	2023a	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average	2023* Five-year average
Median	49,632.1	53,431.2	0.5	1.7	-7.0	-5.7	157.6	163.2	163.6	169.1	5.8	6.3
Alberta (Province of)	69,603.2	53,431.2	12.9	12.5	4.5	4.1	121.6	124.4	125.7	128.4	4.2	4.1

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Table 2

Canadian provincial government financial statistics (cont.)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)	Operating balance (% of operating revenues)		Balance after capital accounts (% of total revenues)		Direct debt (% of operating revenues)		Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
British Columbia (Province of)	54,841.5	53,431.2	-5.1	-3.5	-18.1	-15.3	131.3	144.6	134.6	147.5	4.4	4.9
Nova Scotia (Province of)	39,361.7	53,431.2	4.4	1.7	-4.1	-6.2	114.8	129.0	115.1	129.3	3.8	4.2
Quebec (Province of)	47,394.6	53,431.2	-1.2	-1.6	-12.2	-11.7	180.7	189.1	191.1	199.3	7.3	7.2
Saskatchewan (Province of)	69,971.6	53,431.2	-0.2	3.3	-6.9	-4.7	142.4	154.7	148.2	160.1	5.9	6.4
Newfoundland and Labrador (Province of)	52,596.1	53,431.2	2.6	5.1	-2.4	0.2	181.2	192.0	222.1	231.9	8.5	8.1
Manitoba (Province of)	45,614.8	53,431.2	-4.0	1.6	-13.2	-5.3	271.9	262.2	272.6	262.8	9.7	9.4
New Brunswick (Province of)	40,929.0	53,431.2	6.7	6.9	-0.8	-0.4	172.8	171.8	179.0	178.0	5.8	6.2
Ontario (Province of)	51,869.5	53,431.2	1.2	1.1	-7.2	-7.4	218.0	215.7	228.4	225.7	6.4	6.6
Prince Edward Island (Province of)	42,616.5	53,431.2	-1.1	-0.4	-8.6	-8.5	130.0	134.7	130.8	135.3	5.7	5.8

Five-year averages cover 2022-2026. For provinces, 2023a is for the fiscal year 2023 ended March. *Data refers to actuals whenever available, then estimates or base cases whenever available. a--Actual. The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer.

In the current budget cycle (ending March 31, 2025), most provinces have revised down their 2024 economic forecast and medium-term growth projections. The revision is in line with our expectation for more subdued growth in the national economy in 2024. Of note, more resource-dependent provinces are recording strong growth based on continued high energy prices. In addition, provinces have had to contend with higher operating demands stemming from stronger-than-expected population gains and upward pressure on wages. The downward revision in economic growth and higher operating spending have led to a moderate deterioration in fiscal performance compared to previous projections. Nevertheless, most Canadian provinces will continue posting operating surpluses or very modest operating deficits, with deficits after capital accounts, on average, over 2022-2026. We expect consolidation efforts to strengthen and the tax-supported debt burden to moderately increase because of high projected spending needs.

In our view, Canadian provinces operate under a very predictable and well-balanced institutional

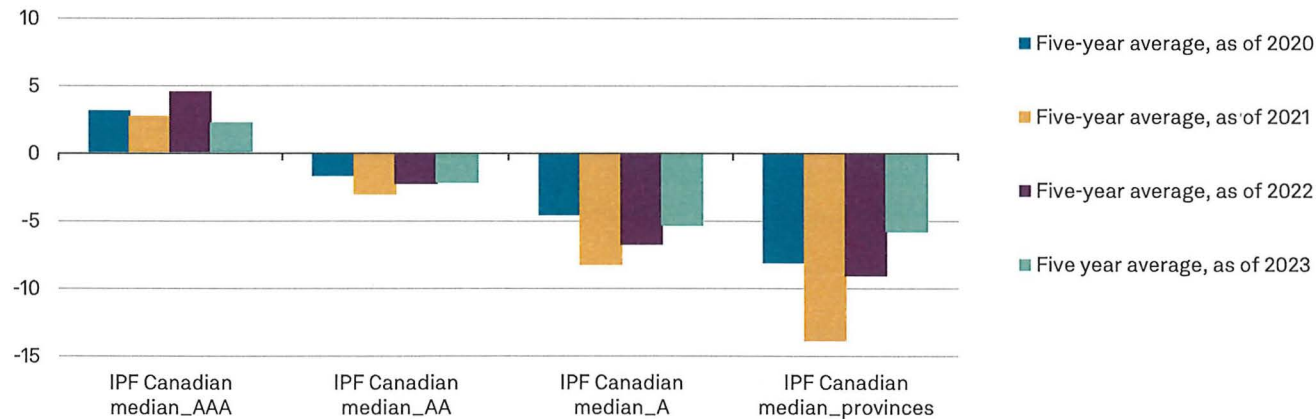
framework. Provinces have almost full revenue and expenditure autonomy for the powers and responsibilities granted to them under the constitution. Still, political considerations and tax competitiveness constrain their ability to increase revenue and key spending responsibilities, such as health care, effectively constrain expenditure autonomy. This results in relatively high budgetary deficits and debt levels compared with those of international peers.

The institutional framework for Canadian municipalities is extremely predictable and supportive due to their track record of sound fiscal performance through multiple crises, and strong intergovernmental support received during periods of severe economic stress. In our view, Canadian municipalities operate under stronger revenue and expenditure balances than provinces. They can set tax rates and some fees, and post stronger and more stable budgetary results than Canadian provinces despite some constraints.

We believe most of our ratings on Canadian LRGs remain resilient to periods of stress. For those in the 'AA' category, our updated medians on deficits after capital accounts as a percentage of total revenue and tax-supported debt as a percentage of consolidated revenue reflect an improving trend (see charts 1 and 2).

Chart 1

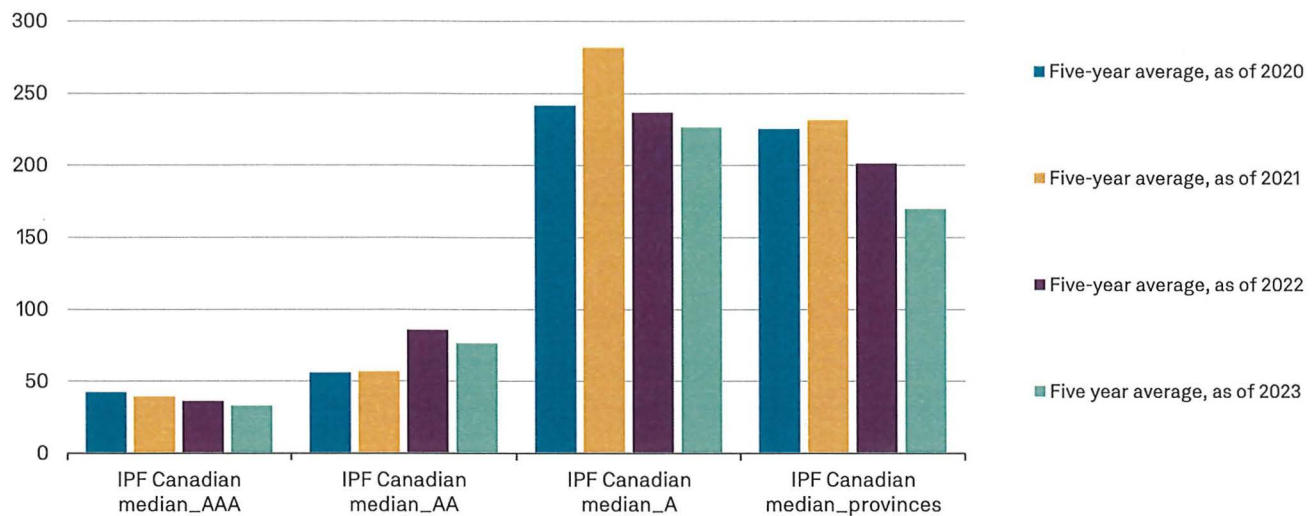
Median Canadian after-capital balances are generally stable; provincial medians are improving
Balance after capital accounts (% of total revenues)



Five-year averages cover two historical years, the current year, and two future years. For example for 2023, averages cover 2022-2026. Source: S&P Global Ratings.
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Chart 2

Median tax-supported debt is modestly falling across rating categories in Canada
Tax-supported debt (% of consolidated operating revenues)



Five-year averages cover two historical years, the current year, and two future years. For example for 2023, averages cover 2022-2026.
Source: S&P Global Ratings.
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'AAA'

We rate 14 Canadian municipalities in the 'AAA' category. These LRGs operate in an extremely predictable and supportive institutional framework, and they compare favorably with international peers. They have very strong economies, reflected in high income levels; solid financial management; and well-documented medium- to long- term financial planning. They also have manageable contingent liabilities that wouldn't weaken the LRGs' financial positions if they materialize, in our view. All LRGs in this category have exceptional internal liquidity and satisfactory access to external liquidity to fund any unexpected short-term financial needs.

Other common characteristics that we observe among LRGs at this level include:

- Strong to very strong budgetary performance by international standards. Median operating surpluses as a percentage of operating revenue average 16.6% over 2022-2026. Most 'AAA' rated LRGs also show surpluses after capital accounts during the same period. We expect those surpluses to decrease between 2022 and 2026, with a median level of 2.2% of total revenue, compared to 3.7% in 2023.
- Relatively low debt burdens. We project median tax-supported debt will increase to an average of 32.1% of consolidated operating revenue over 2022-2026 from 24.1% in 2023. At the same time, all Canadian LRGs have relatively low and stable median interest expenses when compared internationally, at about 1.3% of operating revenue, with almost half at this rating level below 1.0%. They also have the lowest ratios compared to other rating categories in Canada. We note that regional municipalities tend to have higher debt burdens and interest

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expenses compared to cities and counties due to their large investment programs and the inclusion of debt borrowed on behalf of the lower-tier municipalities as part of the total.

Table 3

Canadian local and regional government risk indicators ('AAA' rated)

	Rating factor assessments						
	Foreign currency ratings *	Institutional framework	Economy	Financial management	Budgetary performance	Liquidity	Debt burden
Brampton (City of)	AAA/Stable/--	1	1	2	1	1	2
Guelph (City of)	AAA/Stable/--	1	1	2	3	1	1
Hamilton (City of)	AAA/Stable/--	1	1	2	2	1	1
Mississauga (City of)	AAA/Stable/--	1	1	1	1	1	2
Regina (City of)	AAA/Negative/--	1	1	2	2	1	3
Saskatoon (City of)	AAA/Stable/--	1	1	1	1	1	1
Vancouver (City of)	AAA/Stable/A-1+	1	1	1	1	1	2
Essex (County of)	AAA/Stable/--	1	2	2	1	1	1
Oxford (County of)	AAA/Stable/--	1	2	2	2	1	1
Wellington (County of)	AAA/Stable/--	1	1	2	1	1	1
Durham (Regional Municipality of)	AAA/Stable/--	1	1	1	1	1	1
Halton (Regional Municipality of)	AAA/Stable/--	1	1	1	1	1	1
Peel (Regional Municipality of)	AAA/Stable/--	1	1	1	1	1	3
York (Regional Municipality of)	AAA/Stable/--	1	1	1	1	1	1

*Issuer credit rating as of Sept. 19, 2024. Institutional framework assessment is based on a six-point scale where 1 is the strongest and 6 the weakest, while the other factors consider a scale from 1 to 5, being 1 the strongest score and 5 the weakest.

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Table 4

Canadian local and regional government financial statistics ('AAA' rated)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)	Operating balance (% of operating revenues)		Balance after capital accounts (% of total revenues)		Direct debt (% of operating revenues)		Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
Global median	87,417.3	55,592.0	10.3	10.6	0.5	0	28.9	34.4	29.4	32.3	0.9	0.9
Canadian median		53,431.2	17.3	16.6	2.2	1.4	22.2	27.8	23.8	32.1	1.1	1.3
Brampton (City of)	N.A.	53,431.2	10.3	12.7	2.2	0.9	14.3	16.7	15.1	17.5	0.9	1.0
Guelph (City of)	N.A.	53,431.2	11.9	12.2	-0.7	-4.9	21.3	23.0	21.3	23.0	0.6	0.6
Hamilton (City of)	N.A.	53,431.2	12.7	13.2	-1.7	-0.6	16.1	19.7	16.1	19.7	0.5	0.6
Mississauga (City of)	N.A.	53,431.2	11.0	11.9	-1.3	0.3	20.5	26.3	20.5	26.3	0.5	0.7
Regina (City of)	N.A.	53,431.2	14.0	13.8	-5.0	-4.6	32.2	51.6	43.1	62.5	2.0	1.8
Saskatoon (City of)	N.A.	53,431.2	22.3	22.1	3.1	2.7	7.0	15.9	24.6	32.0	1.1	1.4
Vancouver (City of)	N.A.	53,431.2	18.8	17.1	8.7	7.7	28.1	29.3	31.0	32.1	1.4	1.4
Essex (County of)	N.A.	53,431.2	22.2	23.3	10.8	13.0	23.1	22.8	23.1	22.8	1.5	1.5
Oxford (County of)	N.A.	53,431.2	18.1	18.4	-2.2	-3.8	35.1	41.5	35.1	41.5	1.2	1.3
Wellington (County of)	N.A.	53,431.2	13.7	13.3	2.2	1.9	17.6	21.4	17.6	21.4	0.6	0.8
Durham (Regional Municipality of)	N.A.	53,431.2	18.5	18.6	4.2	3.7	14.8	43.1	14.8	43.1	0.5	1.2
Halton (Regional Municipality of)	N.A.	53,431.2	20.3	21.2	10.4	10.1	34.8	37.6	34.8	37.6	1.1	1.6
Peel (Regional Municipality of)	N.A.	53,431.2	16.5	16.0	-4.3	-3.0	47.6	62.9	47.6	62.9	2.4	3.3

Table 4

Canadian local and regional government financial statistics ('AAA' rated) (cont.)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)			Operating balance (% of operating revenues)	Balance after capital accounts (% of total revenues)	Direct debt (% of operating revenues)	Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)		
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
York (Regional Municipality of)	N.A.	53,431.2	26.6	27.0	16.4	13.0	77.1	70.0	77.1	70.0	3.5	3.7

Five-year averages cover 2022-2026. *Data refers to actuals whenever available, then estimates or base cases whenever available. a--Actual. N.A.--Not available. The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer.

'AA'

We rate 26 Canadian LRGs in the 'AA' category. Most LRGs in this category are municipalities, which operate under an extremely predictable and supportive institutional framework. We also have 'AA' ratings on five provinces and all--except the Province of Nova Scotia, which contends with demographic challenges from an aging population--have very strong economies. Financial management practices in this rating category are solid, although political and managerial strengths are not as robust as in the 'AAA' category.

After our previous review, we upgraded the Province of Alberta in December 2023 to 'AA-' with a stable outlook, from 'A+', on strong fiscal performance.

Key economic and financial risk indicators that we observe for the 'AA' rated LRGs are:

- High income levels but in some cases weaker economic profiles than those of 'AAA' rated peers.
- Usually sound operating surpluses. We expect the median to reach 14.3% and 15.4% of operating revenue respectively for cities and counties in 2022-2026, with deficits of 3.1% and 0.5% of total revenue each.
- Cities have higher debt levels compared to counties. We project median tax-supported debt will reach 76.0% in 2022-2026 for cities, compared to only 27.6% for counties. The same applies to median interest, which we project will reach about 3.0% of operating revenue for cities compared to 0.8% for counties during the same period.
- Provinces have weaker budgetary performance. We project the median operating margin at this rating category will reach 1.7% in 2022-2026, with some entities posting operating deficits and a median after-capital deficit of 6.2% of total revenue over the same period. Tax-supported debt as a percentage of consolidated operating revenue is higher than that of other 'AA' Canadian peers and we project it will moderately increase, with median levels at 169.1% for 2022-2026 (from 147.5% in 2023). Similarly, we expect median interest to reach 4.9% of total revenue over the same period.

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Table 5

Canadian local and regional government risk indicators ('AA' rated)

	Rating factor assessments						
	Foreign currency ratings *	Institutional framework	Economy	Financial management	Budgetary performance	Liquidity	Debt burden
Barrie (City of)	AA+/Stable/--	1	1	2	1	1	2
Calgary (City of)	AA+/Stable/A-1+	1	2	1	1	1	3
Edmonton (City of)	AA/Positive/A-1+	1	2	1	3	1	4
Greater Sudbury (City of)	AA+/Stable/--	1	2	2	2	1	3
Kingston (City of)	AA+/Stable/--	1	1	2	2	1	3
Laval (City of)	AA+/Stable/--	1	1	2	3	1	3
Montreal (City of)	AA/Stable/--	1	1	3	3	1	4
Ottawa (City of)	AA+/Stable/--	1	1	2	3	1	3
Peterborough (City of)	AA+/Stable/--	1	2	3	3	1	3
Sault Ste. Marie (City of)	AA+/Stable/--	1	3	3	2	1	1
St. John's (City of)	AA-/Positive/--	1	2	3	1	2	4
Thunder Bay (City of)	AA+/Stable/--	1	2	3	1	1	1
Toronto (City of)	AA/Positive/A-1+	1	1	2	3	1	3
Windsor (City of)	AA+/Stable/--	1	2	2	3	1	1
Winnipeg (City of)	AA+/Stable/--	1	1	2	2	1	3
Haldimand (County of)	AA/Stable/--	1	3	3	2	1	1
Lambton (County of)	AA+/Stable/--	1	3	3	1	1	1
Simcoe (County of)	AA+/Stable/--	1	2	3	2	1	1
Norfolk County	AA/Stable/--	1	3	3	2	1	1
Alberta (Province of)	AA-/Stable/A-1+	2	2	2	3	1	4
British Columbia (Province of)	AA-/Negative/A-1+	2	1	2	5	3	4
Nova Scotia (Province of)	AA-/Stable/A-1+	2	3	2	3	2	4
Quebec (Province of)	AA-/Stable/A-1+	2	1	2	4	1	5
Saskatchewan (Province of)	AA/Stable/A-1+	2	1	2	3	1	3

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Table 5

Canadian local and regional government risk indicators ('AA' rated) (cont.)

	Rating factor assessments						
	Foreign currency ratings *	Institutional framework	Economy	Financial management	Budgetary performance	Liquidity	Debt burden
Niagara (Regional Municipality of)	AA+/Stable/--	1	3	2	2	1	2
Yukon (Territory of)	AA/Stable/--	1	3	2	4	1	1

*Issuer credit rating as of Sept. 19, 2024. Institutional framework assessment is based on a six-point scale where 1 is the strongest and 6 the weakest, while the other factors consider a scale from 1 to 5, being 1 the strongest score and 5 the weakest.

Table 6

Canadian local and regional government financial statistics ('AA' rated)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)										
			Operating balance (% of operating revenues)		Balance after capital accounts (% of total revenues)		Direct debt (% of operating revenues)		Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
Global median	39,246.40	53,431.20	10.2	9.7	-3.7	-3.4	103.6	106.2	98.0	99.0	2.9	3.1
Canadian median	54,841.5	53,431.2	14.8	13.7	-3.1	-2.1	70.9	73.8	72.7	75.6	3.0	3.0
Barrie (City of)	N.A.	53,431.2	19.1	18.8	11.8	6.5	72.0	73.5	73.8	75.3	2.7	2.8
Calgary (City of)	N.A.	53,431.2	16.7	17.6	7.0	5.8	100.1	104.4	101.7	105.5	3.8	3.7
Edmonton (City of)	N.A.	53,431.2	16.2	16.1	-4.4	-6.1	133.7	138.5	133.7	138.5	4.9	4.9
Greater Sudbury (City of)	N.A.	53,431.2	15.2	14.1	4.3	-1.6	45.7	52.4	45.7	52.4	1.4	1.5
Kingston (City of)	N.A.	53,431.2	15.5	17.1	-4.7	-1.7	86.9	85.6	86.9	85.7	3.4	3.0
Laval (City of)	N.A.	53,431.2	10.3	10.3	-13.8	-9.8	79.7	87.8	79.7	87.8	2.8	3.0
Montreal (City of)	N.A.	53,431.2	16.5	14.3	-5.4	-6.0	153.7	154.0	158.8	159.4	6.6	7.4
Ottawa (City of)	N.A.	53,431.2	8.0	8.2	-14.0	-9.4	89.8	91.8	92.5	94.6	3.4	3.5
Peterborough (City of)	N.A.	53,431.2	14.8	14.3	-6.6	-4.7	51.7	52.0	52.1	52.0	1.0	1.4
Sault Ste. Marie (City of)	N.A.	53,431.2	14.8	14.3	0.8	-2.1	6.6	10.9	7.5	11.7	0.5	0.8
St. John's (City of)	N.A.	53,431.2	18.2	16.6	7.7	8.0	89.3	91.2	89.7	91.5	4.4	6.4

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Table 6

Canadian local and regional government financial statistics ('AA' rated) (cont.)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)		Operating balance (% of operating revenues)	Balance after capital accounts (% of total revenues)		Direct debt (% of operating revenues)		Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
Thunder Bay (City of)	N.A.	53,431.2	15.1	15.7	-2.2	1.0	31.9	31.8	31.9	31.8	1.1	1.1
Toronto (City of)	52,693.4	53,431.2	12.3	14.2	-7.5	-5.4	61.5	60.3	68.1	66.8	3.1	3.1
Windsor (City of)	N.A.	53,431.2	12.1	13.0	0.4	-3.7	13.3	11.7	13.3	11.7	0.6	0.5
Winnipeg (City of)	N.A.	53,431.2	15.2	12.8	-3.2	-3.1	69.8	74.1	71.5	76.0	3.8	3.9
Haldimand (County of)	N.A.	53,431.2	20.4	21.3	-2.4	-0.5	34.8	45.8	34.8	45.8	1.2	1.4
Lambton (County of)	N.A.	53,431.2	9.7	10.7	0.2	1.0	6.5	6.2	14.6	14.4	0.4	0.3
Simcoe (County of)	N.A.	53,431.2	9.7	9.5	2.3	-1.3	14.3	16.5	14.3	16.5	0.4	0.4
Norfolk County	N.A.	53,431.2	20.8	20.2	1.7	-0.4	37.6	38.7	37.6	38.7	1.1	1.1
Alberta (Province of)	69,603.2	53,431.2	12.9	12.5	4.5	4.1	121.6	124.4	125.7	128.4	4.2	4.1
British Columbia (Province of)	54,841.5	53,431.2	-5.1	-3.5	-18.1	-15.3	131.3	144.6	134.6	147.5	4.4	4.9
Nova Scotia (Province of)	39,361.7	53,431.2	4.4	1.7	-4.1	-6.2	114.8	129.0	115.1	129.3	3.8	4.2
Quebec (Province of)	47,394.6	53,431.2	-1.2	-1.6	-12.2	-11.7	180.7	189.1	191.1	199.3	7.3	7.2
Saskatchewan (Province of)	69,971.6	53,431.2	-0.2	3.3	-6.9	-4.7	142.4	154.7	148.2	160.1	5.9	6.4
Niagara (Regional Municipality of)	N.A.	53,431.2	14.9	13.4	-3.0	-1.7	62.0	71.7	62.0	71.7	2.2	2.6
Yukon (Territory of)	70,437.8	53,431.2	1.9	4.3	-4.6	-2.1	1.0	0.7	11.4	10.3	0.1	0.0

Five-year averages cover 2022-2026. *Data refer to actuals whenever available, then estimates or base cases whenever available. a--Actual. N.A.--Not available. The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer.

'A'

We rate the remaining five Canadian provinces in the 'A' category, but no municipalities. As with all other provinces in Canada, entities in this category operate in a very predictable and well-balanced institutional framework. Typically, financial management is satisfactory, although commitment to prudent fiscal policies has varied over the years. Most individual credit profiles are weaker than those of 'AA' rated LRGs. This is mainly because of weaker budgetary performance, lower budgetary flexibility, significantly higher debt burdens and interest payments, and notably weaker liquidity.

The 'A' rated LRGs exhibit the following common characteristics:

- Budgetary performance is notably weaker than higher-rated peers. We estimate the median operating surplus as a percentage of operating revenue will only modestly improve to 1.6% in 2022-2026, from 1.2% in 2023 (ended March 31, 2024). At the same time, we expect the median after-capital deficit as a percentage of total revenue to narrow to 5.3% in 2022-2026 from 7.2% in 2023. We note somewhat stronger performance from the Province of Newfoundland and Labrador and Province of New Brunswick, posting positive balances after capital accounts or minor deficits. This can be attributed to Newfoundland's commodity exposure and New Brunswick's sound fiscal management.
- Indebtedness is high in both an international and Canadian context. We estimate median tax-supported debt as a percentage of consolidated operating revenue will reach about 225.7% in 2022-2026. We note that the Province of Edward Island is less indebted than other 'A' rated peers, with an average tax-supported debt of 135.3% over 2022-2026.
- During the same period, we project median interest expense as a percentage of operating revenue of 6.6%, which is considerably higher than that of 'AA' and 'AAA' rated Canadian peers.

Table 7

Canadian local and regional government risk indicators ('A' rated)

	Rating factor assessments						
	Foreign currency ratings *	Institutional framework	Economy	Financial management	Budgetary performance	Liquidity	Debt burden
Newfoundland and Labrador (Province of)	A/Stable/A-1	2	3	2	3	4	5
Manitoba (Province of)	A+/Stable/A-1	2	1	2	3	3	4
New Brunswick (Province of)	A+/Positive/A-1+	2	3	2	2	1	4
Ontario (Province of)	A+/Positive/A-1	2	1	2	3	1	4
Prince Edward Island (Province of)	A/Positive/A-1	2	2	2	5	3	4

*Issuer credit rating as of Sept. 19, 2024. Institutional framework assessment is based on a six-point scale where 1 is the strongest and 6 the weakest, while the other factors consider a scale from 1 to 5, being 1 the strongest score and 5 the weakest.

Table 8

Canadian local and regional government financial statistics ('A' rated)

	Local GDP (nominal) per capita (US\$) (single units)	National GDP (nominal) per capita (US\$) (single units)							Tax-supported debt (% of consolidated operating revenues)		Interest (% of operating revenues)	
	2023a	2023a	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average	2023*	Five-year average
Global median	39,877.50	34,216.30	7.6	7.5	-2.7	-1.2	146.1	137.2	156.1	151	4.0	3.8
Canadian median	45,614.8	53,431.2	1.2	1.6	-7.2	-5.3	181.2	192.0	222.1	225.7	6.4	6.6
Newfoundland and Labrador (Province of)	52,596.1	53,431.2	2.6	5.1	-2.4	0.2	181.2	192.0	222.1	231.9	8.5	8.1
Manitoba (Province of)	45,614.8	53,431.2	-4.0	1.6	-13.2	-5.3	271.9	262.2	272.6	262.8	9.7	9.4
New Brunswick (Province of)	40,929.0	53,431.2	6.7	6.9	-0.8	-0.4	172.8	171.8	179.0	178.0	5.8	6.2
Ontario (Province of)	51,869.5	53,431.2	1.2	1.1	-7.2	-7.4	218.0	215.7	228.4	225.7	6.4	6.6
Prince Edward Island (Province of)	42,616.5	53,431.2	-1.1	-0.4	-8.6	-8.5	130.0	134.7	130.8	135.3	5.7	5.8

Five-year averages cover 2022-2026. *Data refer to actuals whenever available, then estimates or base cases whenever available. a--Actual. N.A.--Not available. The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer.

Related Research

- Institutional Framework Assessments For Local And Regional Governments Outside Of The U.S., Sept. 18, 2024
- Global LRGs Rating History List, June 17, 2024
- China Local Governments: The Slow Road To Stabilization, June 13, 2024
- U.K. Local Authorities Are Bending, But Adapting, June 6, 2024
- Mexico's New Administration Faces Old Challenges, Report Says" was transmitted to CreditWire news services via LinX on June 3, 2024
- Your Three Minutes In Argentine Provinces: Debt Restructurings Will Likely Be Case By Case, April 30, 2024
- Your Three Minutes In Spanish Regional Finance: Higher Expenditure May Limit Deleveraging, April 24, 2024
- China LRGs: Recouping Revenue Is Key To Fiscal Sustainability, March 27, 2024

Comparative Statistics: Risk Indicators For Canadian Local And Regional Governments: Strong Fiscal Management Is Key To Withstand Population Pressures

- Brazil's Fiscal Recovery Programs Support Local And Regional Governments' Finances Amid Budget Rigidities, March 14, 2024
- Paris' Lean Olympics Are Unlikely To Blow Any Budgets, March 11, 2024
- Subnational Debt 2024: Fiscal Policy Differences Influence Borrowing In Developed Markets, March 4, 2024
- Subnational Debt 2024: Focus on debt sustainability, Feb. 29, 2024
- Subnational Debt 2024: Canadian Local And Regional Governments Are Running Fast To Stay In Place, Feb. 29, 2024
- Subnational Debt 2024: Chinese Governments Reach Their Limits; Other Emerging Markets Taper Borrowing, Feb. 29, 2024
- Subnational Debt 2024: Infrastructure Spending Succumbs To Economic Slowdown, Feb. 29, 2024
- Global Ratings List: International Public Finance Entities January 2024, Jan. 18, 2024

Comparative Statistics: Risk Indicators For Canadian Local And Regional Governments: Strong Fiscal Management Is Key To Withstand Population Pressures

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Subnational Government Outlook 2025: Canadian LRG Revenues Will Play Catchup To Meet Higher Operating Costs And Stabilize Debt Growth

January 16, 2025

This report does not constitute a rating action.

Key Takeaways

- Higher spending on wages and the reduction of the federal government's new immigration targets for nonpermanent residents will lead to smaller operating surpluses for Canadian provinces, with capital investment and refinancing of maturing debt underpinning borrowing in the next two years.
- In the medium term, provincial utilities' higher operating and capital spending, coupled with varying water levels affecting revenue performance, could increase provincial borrowing beyond our forecast.
- S&P Global Ratings expects total provincial and municipal debt will rise by about 6.5% in fiscal 2025 and by 4% annually in the following two years, reaching C\$1.3 trillion by the end of fiscal 2027.
- Debt issuance will remain bond-based, dominated by fixed rate provincial bonds issued in the domestic market.

S&P Global Economics' baseline assumption for the next two years forecasts that Canada's real GDP will increase by 1.2% in 2024 and 1.7% in 2025 (see "Economic Outlook Canada Q1 2025: Immigration Policies Hamper Growth Expectations," published Nov. 26, 2024, on RatingsDirect). A key risk for Canada's economy stems from increased uncertainty surrounding trade relations with the U.S. and the potential renegotiation of the U.S.-Mexico-Canada Agreement in 2026. Our base case is that the established economic relationship and interconnection among the three countries remains robust, as they have worked through disputes in the past. We expect growth for most provinces (those without significant exposure to commodity prices) will converge toward the national level.

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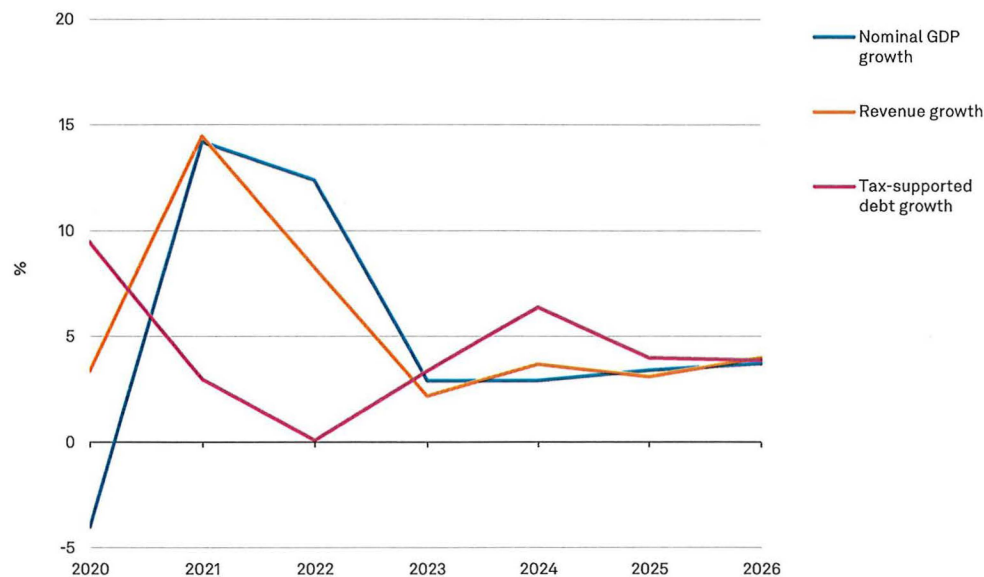
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The Debt Burden Will Stabilize Through Fiscal 2027, Despite Higher Borrowing

S&P Global Ratings expects that total debt will rise through fiscal 2027, although at a slower pace than in recent years, as Canadian local and regional governments' (LRGs) revenues begin to outpace operating expenditure growth and the structural gap created in the past two years due to higher operating costs related to wages and the cost of goods (for provinces, in particular) begins to narrow. Canadian LRGs also plan to continue sizable investments in capital such as health care (at the provincial level) and municipal transportation and water and wastewater infrastructure. We still expect debt burdens will moderate back to historical levels, falling below nominal GDP since 2021 (chart 1). This is particularly true for Canadian provinces, which are among the largest bond issuers globally. We project that total LRG debt will represent about 40% of Canada's GDP in 2025, which is significantly higher than that of other federal nations, such as Australia or Germany.

Chart 1

Debt burdens will start to decrease in 2026 as the pace of revenue growth increases relative to debt accumulation



Source: S&P Global Ratings.
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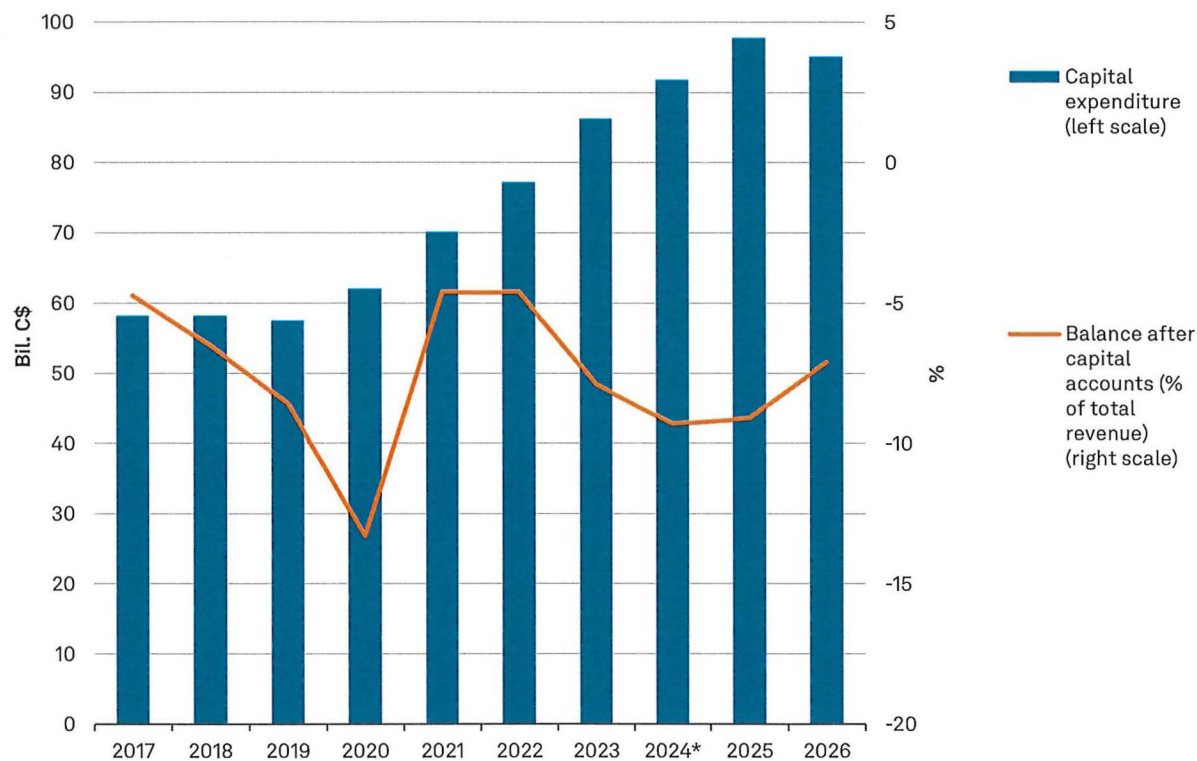
As of calendar year-end 2024, almost all Canadian provinces had provided their midyear updates to budgets they released last spring. The updates incorporated the effect of inflation, recent monetary and federal policy decisions, and expected near term economic difficulties through a slight downward revision to real GDP growth forecasts. Fiscal results outperformed expectations after a relatively modest rise in consolidated provincial operating revenues relative to year-to-date

increases in operating expenses, led to upward revisions in current-year estimates for operating and after-capital balances. As a result, based on midyear fiscal 2025 provincial updates, we expect gross borrowings for Canadian LRGs in fiscal 2025 will total approximately C\$140 billion, about C\$1 billion less than expected when provincial budgets were released in spring 2024.

Conversely, municipal finances were relatively stable in the past year. In the next 12-18 months, we expect that, generally, local governments will raise property taxes to offset the impact of high inflation on wages and the cost of goods. We also expect that municipalities will face higher capital spending on maintenance and new investment to support the needs of an expanding population (chart 2). If affordability constraints start to limit municipalities' practical revenue-raising flexibility as costs rise, we could also see a moderate draw on financial resources or the use of debt without a commensurate rise in taxes or fees.

Chart 2

Canadian LRGs capital expenditures and fiscal balances, 2017-2026

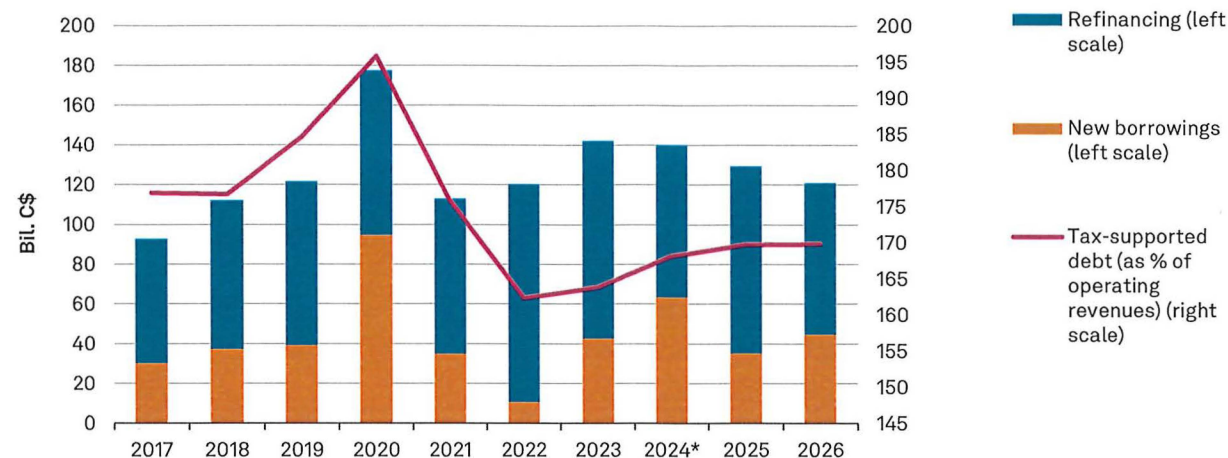


*2024=fiscal 2025. Source: S&P Global Ratings.
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We expect total net new borrowings of about C\$60.5 billion in fiscal 2025 compared with C\$43

billion in fiscal 2024. In the next two fiscal years, we project that total provincial and municipal debt will rise by about 4% annually, to reach C\$1.3 trillion by the end of fiscal 2027. Revenues will continue to increase moderately at a slightly slower rate in fiscal 2026 (3%) before settling at the same pace of growth in tax-supported debt in fiscal 2027. As a result, we project that relative to operating revenues, tax-supported debt will remain stable in the next two years (chart 3).

Chart 3
Canadian LRGs borrowing & debt relative to revenue, 2017-2026



*2024=fiscal 2025. Source: S&P Global Ratings.
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Debt Composition Will Be Unchanged, And Structural Factors Will Underpin Borrowing Needs

The overwhelming majority of Canadian LRG borrowing is through public bond markets, largely domestic, and mostly at fixed rates. Private-placement financing is typically only a small and infrequent component of total bond market financing and bank lending is minimal. We do not expect any meaningful change in the sources of funding in the next two years. Canadian municipalities borrow almost exclusively in Canadian dollars. Although most provincial borrowing is denominated in Canadian dollars, some provinces do borrow in international markets opportunistically and to bolster their access to external liquidity. In addition, even with debt levels climbing, we expect interest expense will rise only modestly and will remain relatively stable at about 5.5% of operating revenues, given that about 11% of provincial debt, on average, is exposed to variable interest rates, and about 10%-12% of provincial debt stock is refinanced annually.

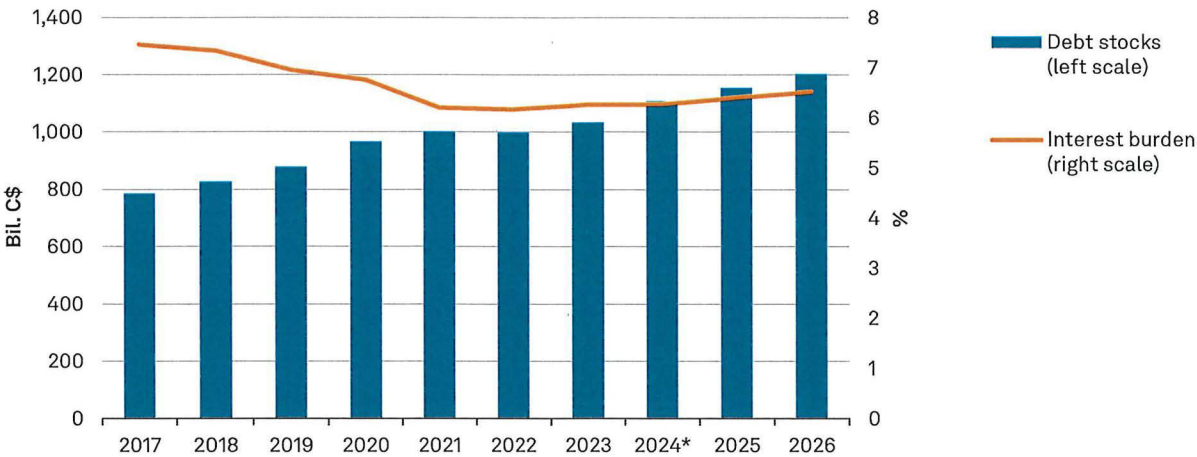
At more than 90% of total LRG debt, provincial debt dominates. Canadian provinces are not bound to any fiscal framework by the federal government. In addition, provincial service-delivery responsibilities, such as health care and education, are significantly more onerous than those of municipalities and, as a result, total provincial debt is larger and has risen faster than that of the municipalities over time.

Multiple economic and fiscal shocks, such as the 2008 financial crisis and the fall in the price of

oil in 2014-2015, have pushed up most provincial debt burdens over the long term. For some provincial governments with electric utilities, historically large investments in new generation capacity have further increased their debt burdens. More recently, since the pandemic, provinces have significantly increased spending on health care delivery and health care-related capital investment, contributing to the rise in debt burdens (chart 4).

Chart 4

Canadian provinces debt outstanding and interest burden, 2017-2026

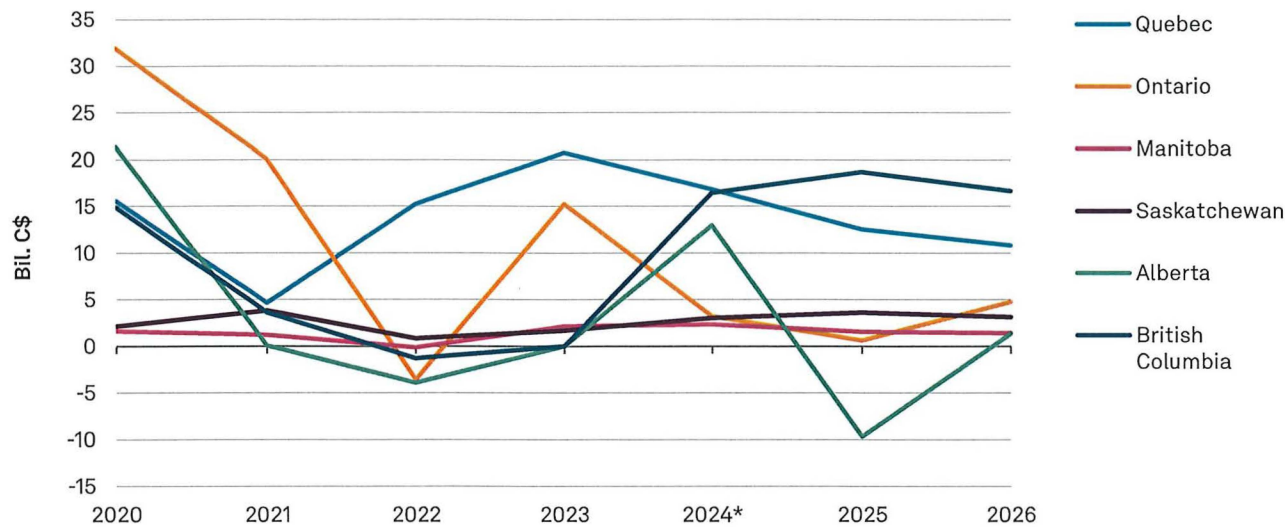


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On a net basis, we project most provinces will borrow less than they did before the pandemic, with Ontario and Alberta showing the largest drops in new borrowing compared with fiscal 2021 levels. As a result, we expect Ontario's debt burden will remain stable or rise modestly. Considering a sizable amount of debt set to mature in fiscal 2026, in our opinion, Alberta's borrowings will rise in the next two years as the province issues debt to fund a temporary debt-retirement account to help manage refinancing risk in fiscal 2026. The growth in new debt for Quebec and British Columbia (B.C.) is the most pronounced of the provinces, accounting for almost all new borrowings in the next two fiscal years (chart 5).

Chart 5

Individual fiscal policies result in varying borrowing trends



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Municipalities' Budgets Are On Steadier Ground

Municipal operating results are more insulated from economic shocks. Canadian municipalities continue to perform well and we expect budgetary performance and debt burdens will remain generally stable in the next two years. Capital needs remain a key pressure, both to address infrastructure backlogs as well as to accommodate the needs of an expanding population. To date, municipalities have been managing costs with revenue levers, including targeted infrastructure levies. With municipalities' robust accumulated reserves, we expect they will draw on their own resources to fund capital, particularly state-of-good-repair projects. We could see some new debt for growth-related infrastructure, but we expect debt burdens will remain manageable.

Provinces impose fiscal frameworks on municipalities through their respective municipal acts. Legislation requires that municipalities balance their operations and issue debt only for capital purposes, the bulk of which is allocated to infrastructure. In addition, debt issued by municipalities is typically amortizing. As a result, Canadian municipalities' debt burdens compared against operating revenues are generally materially lower than those of the provinces. Some fast-growing municipalities, however, have substantial capital-intensive local infrastructure responsibilities, such as water, sewer, and transit networks, that could require more debt funding. Only one municipality, Montreal, is among the top 10 most indebted Canadian LRGs.

We assess the institutional framework of Canadian provinces as very predictable and well balanced, which reflects some of these structural challenges while acknowledging the

institutional strengths of the system. This is weaker than our view of the framework for municipalities, which we assess as extremely predictable and supportive due to their lower spending needs, higher taxing flexibility, and generally strong and predictable support from higher tiers of government (see "Institutional Framework Assessment: Canadian Provinces," April 2, 2024, and "Institutional Framework Assessment: Canadian Municipalities," April 2, 2024).

Despite the provinces' relatively high debt burdens, in our view, provincial ratings are supported by a solid institutional framework, healthy regional economies, solid financial management, and strong access to external liquidity. We expect that, compared with previous levels, while borrowing requirements of the provinces will increase in the next two years, the debt burden will remain relatively flat as the economy remains resilient and real GDP growth improves, budgetary performance strengthens, and financial management remains focused on fiscal sustainability. In the medium term, we will continue to monitor the evolution of capital investment programs at provincial electric utilities, as recent announcements would suggest higher borrowing requirements that will need to be either debt-financed provincially and on-lent to the utility or guaranteed by provinces. In the next two years, we expect the borrowing needs of three of the largest provinces, B.C., Ontario, and Quebec, will continue to dominate Canadian LRG borrowing.

Related Research

- Subnational Government Outlook 2025: Borrowings Are Still On The Rise, Jan. 16, 2025
- Subnational Government Outlook 2025: Anticipating A Year Of Change, Jan. 16, 2025
- Subnational Government Outlook 2025: Capital Expenditure Shows Signs Of Slowing, Jan. 16, 2025
- Subnational Government Outlook 2025: Developed Markets' Regional Differences Intensify, Jan. 16, 2025
- Subnational Government Outlook 2025: Nordics' Infrastructure Needs Will Keep Investments High, Jan. 16, 2025
- Subnational Government Outlook 2025: Spain's Debt Ratios Are Reducing As Revenue Rises, Jan. 16, 2025
- Subnational Government Outlook 2025: Swiss Cantons Are Navigating Budgetary Pressures And Shifting Debt Dynamics, Jan. 16, 2025
- Subnational Government Outlook 2025: Germany's Weak Growth Will Maintain Budgetary Pressure, Require New Borrowing, Jan. 16, 2025

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Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, February 19, 2025

Subject: Appointment of Auditors for the County of Essex

Report #: 2025-0219-FIN-R05-MR

Purpose

The purpose of this report is to recommend to Council the reappointment of KPMG as auditors for the County of Essex for a five-year term commencing on January 1, 2025.

Background

The *Municipal Act* sets out the requirement for municipalities to engage a licensed auditor on an annual basis. Section 296 states:

296 (1) A municipality shall appoint an auditor licensed under the Public Accounting Act, 2004 who is responsible for:

Annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and

Performing duties required by the municipality or local board.

296 (3) An auditor of a municipality shall not be appointed for a term exceeding five years.

The County of Essex appointed KPMG as corporate auditors for a five-year term expiring on December 31, 2024 at its regular meeting June 3, 2020.

The County auditor is engaged to express an opinion regarding the fair presentation of financial performance of the County of Essex as communicated publicly in its consolidated financial statements. The consolidated statements include operations of the following entities:

- County of Essex
- Essex County Library

- Proportionate share of Essex-Windsor Solid Waste Authority

The County auditor is also engaged to express an opinion regarding the fair presentation of financial performance of the Sun Parlor Home Residents Trust Fund and Sun Parlor Home Long-Term Care Annual Report.

In addition to assurance services, the municipal auditor may also provide advisory services in connection with financial and operating policies, practices and procedures. They may also assist with the administration of specialized areas such as HST, WSIB, financial reporting issues, PSAB compliance, etc.

The municipal auditor is viewed as an important resource to the financial administrative function, similar to the contribution a legal advisor would make to the organization's operations. The auditor-client service relationship can be viewed as a mutually beneficial service relationship which requires a fundamental appreciation on the part of the auditor to understand the municipal environment and the resources necessary to address the client's unique municipal government reporting requirements.

Discussion

Over the past five years, the total cost of auditing services amounted to approximately \$220,500. This includes assurance services for the County of Essex (\$152,700) and the Essex-Windsor Solid Waste Authority (EWSWA) (\$67,800). Historically, auditing services have been procured jointly with EWSWA to achieve cost savings and efficiencies, as the County's consolidated financial statements incorporate a proportionate share of EWSWA's operating results each year. Retaining the same auditor for both entities enhances efficiencies in the year-end financial statement process and provides a deeper understanding of the Corporation's consolidated operations. Additionally, KPMG also conducts audits for The City of Windsor, whose consolidated financial statements include EWSWA, further reinforcing the benefits of using the same auditor as they understand the relationships between entities.

Given the dollar value of the five-year contract, Procurement Policy #19-003 would typically require the Corporation to seek formal competitive proposals from the assurance market. However, Schedule B of Policy #19-003 allows for certain exclusions to the competitive process. Specifically, Schedule B, Section 2 (Excluded Professional Services), includes the following exemption:

Subsection (d): Financial services related to the management of government financial assets and liabilities (i.e., treasury operations),

including ancillary advisory and information services, whether or not delivered by a financial institution.

When determining whether to seek competitive proposals, Administration evaluates the quality of services provided by the incumbent auditor. Renewal is based on performance satisfaction and the ability to:

- Demonstrate experience in providing audit services and professional accounting advice.
- Develop auditing techniques and establish a sound system of control and audit performance review.
- Provide substantial resource/support services to meet the full scope of the County's audit-related needs.
- Ensure staff continuity with experienced, qualified audit professionals.
- Exhibit a comprehensive understanding of municipal financial reporting requirements.
- Demonstrate in-depth knowledge of legislation relevant to the municipal operating environment.
- Offer competitive fees.

Appendix A, attached to this report, outlines KPMG's proposal and the schedule of fees for the five-year contract under consideration.

Financial Implications

After reviewing the current contract and evaluating the proposed fees in light of inflation and the growing scope of the Corporation's audit, Administration supports the reappointment of KPMG LLP for a five-year term ending December 31, 2029.

Pending County Council's approval, the EWSWA Administration will seek approval for KPMG's reappointment at their upcoming monthly Board meeting in March (or potentially April).

While the proposed fee increases are notable and County Administration worked to secure the best pricing, it is believed that maintaining the relationship with KPMG LLP is in the County's best interest. The fee structure is considered reasonable and justifiable based on the following points outlined by KPMG:

- **Previous Fee Commitments:** KPMG's last fee proposal, issued in March 2020, was set just before the COVID-19 pandemic. Despite inflation, KPMG held the fees steady, with only small increases (0.5% to 2.5% in 2023). The 2025 fee adjustment is intended to address

past underpricing.

- **Audit and Accounting Standard Changes:** Significant changes in audit and accounting standards over the past five years have increased the effort required for high-quality audits. For example, an EWSWA audit cannot be completed for less than \$20,000. To avoid a sharp one-time increase, the adjustment will be spread over multiple years.

- **Rising Costs:** Similar to the County, KPMG has faced significant cost increases related to staff salaries and technology investments. These adjustments reflect industry-wide changes needed to retain staff and sustain technological advancements.

The table below outlines the costs proposed for the five-year contract:

	2024 Costs	2025 Cost	2025 % Chg.	2026 Cost	2026 % Chg.	2027 Cost	2027 % Chg.	2028 Cost	2028 % Chg.	2029 Cost	2029 % Chg.
County of Essex	24,820	34,000	36.99%	35,000	2.94%	36,000	2.86%	37,500	4.17%	39,000	4.00%
EWSWA	14,200	17,000	19.72%	18,000	5.88%	19,000	5.56%	20,500	7.89%	22,000	7.32%
Library	5,480	6,000	9.49%	6,500	8.33%	7,000	7.69%	7,500	7.14%	8,000	6.67%
SPH Trust	700	1,000	42.86%	1,100	10.00%	1,200	9.09%	1,300	8.33%	1,400	7.69%
	45,200	58,000	28.32%	60,600	4.48%	63,200	4.29%	66,800	5.70%	70,400	5.39%

Appendix A, attached to this report, provides further details on KPMG's proposal and the schedule of fees applicable to the five-year contract period.

Consultations

- Michelle Bishop, General Manager, EWSWA
- Cynthia Swift, Partner, KPMG

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
☐ Scaling Sustainable Services through Innovation ☐ Focusing "Team Essex County" for Results ☐ Advocating for Essex County's Fair Share	☐ Being an Employer with Impact ☐ A Government Working for the People ☒ Promoting Transparency and Awareness	☐ Providing Reliable Infrastructure for Partners ☐ Supporting Dynamic and Thriving Communities Across the County ☐ Harmonizing Action for Growth ☐ Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2025-0219-FIN-R05-MR, Appointment of Auditor and;

That Essex County Council approve the re-appointment of KPMG LLP for a five-year period, commencing January 1, 2025, subject to renewal and confirmation by By-law, in accordance with the fees presented on pg.15 of Appendix A-KPMG Fee Proposal 2025-2029.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	KPMG Fee Proposal 2025-2029



Building on a solid foundation

Corporation of the
County of Essex
External Audit Services

January 23, 2025





KPMG LLP
618 Greenwood Centre
3200 Deziel Drive
Windsor On N8W 5K8

Telephone 519 251 3500
Fax 519 251 3530
kpmg.com/ca

January 23, 2025

The Corporation of the
County of Essex

RE: External Audit Services

We are honoured to serve the Corporation of the County of Essex (the County), and would be proud to continue to do so as we hope our letter demonstrates. Because of our history together, we have insights into your operations that took years to build, and that no other firm can provide. This means we can identify and mitigate key risks, deliver relevant and valuable insights, and minimize disruption to you. KPMG is the only firm with this proven track record with the county, and we would like to continue providing this value to you for many years to come.

We will continue to bring our extensive experience working with the public sector across Canada, particularly in Windsor-Essex, bringing you insight into best practices, strategies and current issues. But most importantly, with KPMG, there is no transition, and that represents real savings in time and effort for your finance staff, Council, and ultimately the citizens you represent.

Thank you for the opportunity to show why KPMG continues to be the best choice for the County and our ability to meet your current and evolving audit needs. KPMG would like to continue to serve as auditors of the County, and look forward to continuing the conversation in the next phase of the process. If you have any questions regarding our proposal or require additional information, please contact us.

Sincerely,



Cynthia A. Swift, CPA, CA
Lead Engagement Partner

519 521 3520 | caswift@kpmg.ca

Executive summary

Avoid unnecessary transition

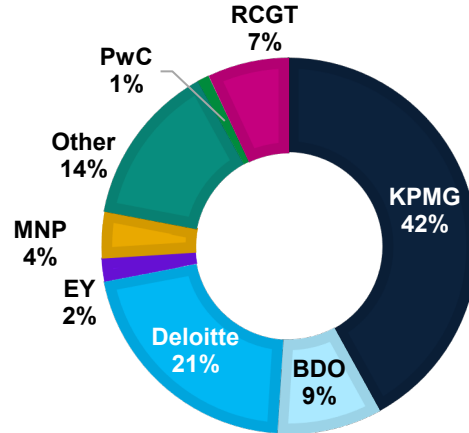
KPMG has been **at your side** through the past ten years, and we are **eager to continue** our involvement with the County to assist you as **auditors and advisors going forward**.



Our **history together** has allowed us to gain unique insights into your operations that are **unmatched by any other firm**, and we are **eager to continue** delivering this value to you in the years ahead.

KPMG is the **leading auditor of Ontario municipalities**, accounting for more than \$13 billion in annual revenues – **more than any other firm**.

FY2021 - CANADIAN LARGEST MUNICIPALITIES MARKET SHARE (BY MUNICIPALITY REVENUES)



KPMG's has a **dedicated National Public Sector Network**, with over **200** partners and professionals nationwide, focuses significantly on providing **value through audit** services.

First of the Big Four to move toward a **cloud-based audit tool** – KPMG Clara, allowing KPMG professionals to tap into advanced technologies that **bring clients greater insights** into risks and anomalies for their business.



At KPMG, we are proud that our culture has been recognized by many organizations, including:



Scope clarity

Working together, the County has seen how we utilize advanced technology and engage exceptional professionals to conduct efficient, insightful audits tailored to your industry and operations. Our approach focuses on raising pertinent questions at the right time, bringing relevant issues to your attention promptly, and minimizing disruption to your operations, all while continuously improving and adding value to your audit.

Our experience with the County, means that we understand what you need:

- An audit of the financial records and statements of The Corporation of the County of Essex, Essex-Windsor Solid Waste Authority and Essex County Library Board, which is limited to expressing an opinion on the financial statements.
- Before each fiscal year-end, we will meet with your management to define a schedule of joint activities.
- Prepare a draft audit letter outlining concerns and recommendations for the internal accounting and operating controls, as needed.



Your sector, your business, your challenges, and your opportunities are unique, so we don't bring a "one-size-fits-all" mindset. You want to work with an audit firm that not only has the qualifications to support the County in achieving your business objectives, but also are like-minded and has a genuine interest in working together to make a positive and lasting impact.

KPMG continues to be that firm.



No one understands you better

KPMG has been by your side during recent public sector challenges. We aim to continue this support as the County tackles future obstacles, particularly by enhancing internal controls and reducing extensive audit procedures. We are eager to continue our involvement with the County as auditors and business advisors for years to come.



Active sector involvement

To provide exceptional client service to all of our municipal clients, we have formed a cohesive team of professionals that work in strong collaboration. Our Public Sector practice includes individuals dedicated to meeting the needs of local governments and who, in their efforts to better serve government entities, focus all of their professional activities on working with civil servants. KPMG demonstrates considerable support of the public sector through active participation in such municipal organizations as:

- Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO)
- Canadian Association of Chiefs of Police (CACP)
- Canadian Government Executive
- CCAF
- Institute of Governance
- Municipal Information Systems Association (MISA)
- Municipal Service Delivery Officials (MSDO)
- Ontario Municipal Engineers Association (MEA)
- Public Policy Forum
- Public Sector Accounting Board (PSAB)
- The Association of Municipalities of Ontario (AMO)
- The Canadian Institute of Chartered Accountants (CICA)
- The Government Finance Officers Association (GFOA)
- The Institute of Public Administration of Canada (IPAC)
- The Municipal Finance Officers Association

A public sector practice, dedicated to delivering value

At KPMG, we place a high priority on keeping abreast of industry issues and trends so that we can provide our clients with the best possible advice. We believe that the ongoing development of our people is critical to the quality of our services and require all partners and staff to attend annual technical and accounting updates.

KPMG has a nationwide practice of partners and other professionals committed to serving the public sector including municipalities. Their in-depth knowledge and experience enable us to provide clients with insights firmly grounded in understanding the business challenges of the current economic environment. Complemented by access to a network of specialists and contacts as needed.



Insights driven through efficiency

KPMG's audit program employs advanced techniques in auditing internal controls, including general and application-level computer controls, and statistical sampling. The effectiveness of these controls is evaluated based on their application, consistency, and the individuals applying them. The extent of testing depends on the control's frequency, type, and the expectation of control deviations. KPMG's audit innovations and technology solutions are integrated into their global audit platform, KPMG Clara, which is crucial to their four-phased Audit Approach.

Phase 1 Planning & audit risk assessment

- Perform risk assessment procedures
- Identify risks
- Identify significant accounting matters
- Determine audit strategy
- We see the risks in your audit as the completeness of revenue and expenses

Our tools

- KCfC
- KPMG Clara
- Advanced Capabilities

Phase 2 Control evaluation

- Understand accounting and reporting activities
- Confirm decision on audit approach for each audit objective
- Evaluate design and implementation of selected controls including anti-fraud controls
- Test the operating effectiveness of certain controls around key business processes

Our tools

- KPMG Clara
- Advanced Capabilities

Phase 3 Substantive testing

- Plan and perform substantive procedures comprised of tests of detail and substantive analytical procedures including fraud related procedures
- Consider if audit evidence is sufficient and appropriate

Our tools

- KPMG AI - MindBridge
- DataSnipper

Phase 4 Completion

- Perform completion procedures
- Perform overall evaluation of the consolidated financial statements and disclosures
- Form an independent audit opinion
- Communications with Management and the Council

Our tools

- DataSnipper



Audit Innovation: The Future Now

We prioritize your preferences and needs in our audit process. Our audit senior and field staff are on-site at your location for most of the audit fieldwork, ensuring efficient and effective completion of the audit engagement. This approach also enhances our communication with you.

Our business is unique in that our employees work in many different locations, sometimes on the same day. In 2021, we officially moved to a **hybrid work environment**, allowing us to keep a **reduced environmental impact** while also empowering our employees and clients to enjoy **more flexibility**; **improve service**; **utilize technology** to seamlessly work between various locations; and **reduce overall travel expenses** for clients.

KPMG has invested significantly in the tools and infrastructure necessary to serve our clients efficiently and effectively. Further, our professionals have received training on leading practices in conducting meetings on various platforms.

STAFFING PLAN

We understand the effort required for your audit, eliminating guesswork and extra time charges.

Level	Partner	Senior Manager / Manager	Staff / Senior Accountants
Estimate of hours to complete the audit	18	30	152

As the **largest** audit firm in **Windsor**, KPMG is equipped to deliver consistent, high-quality audit services to the County.

We prioritize open communication and will **consult with you before finalizing any team changes** due to new hires, transfers, promotions, or leaves.

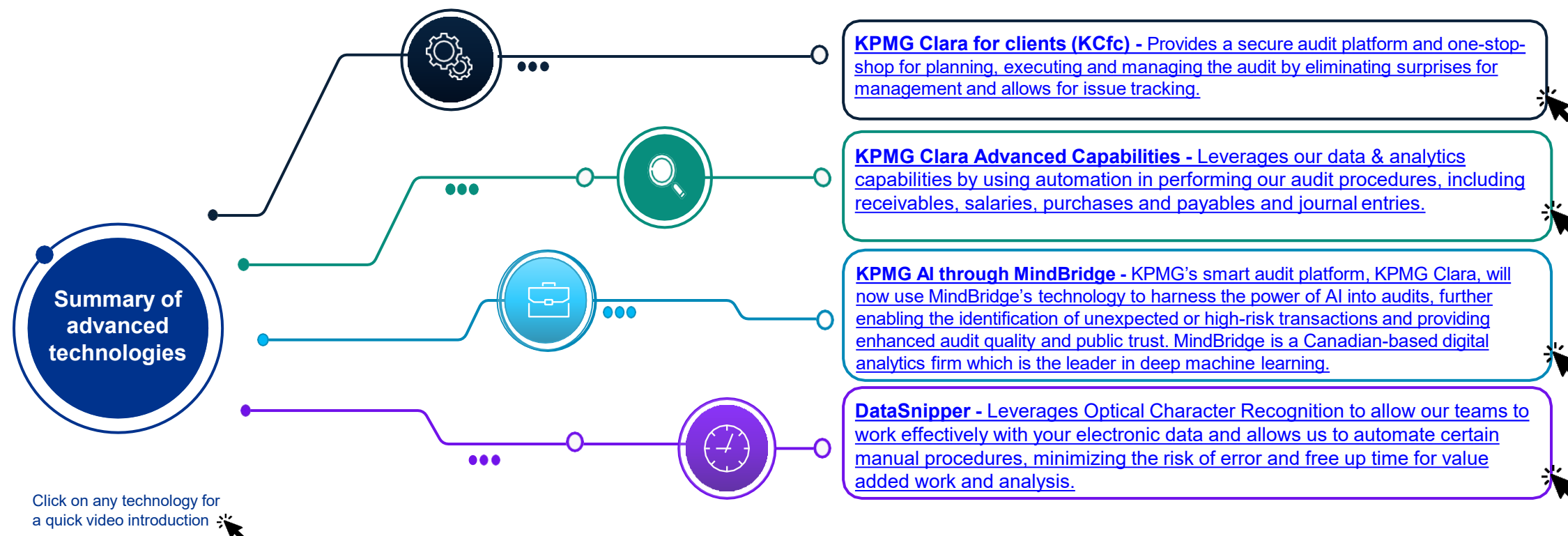
Our commitment is to ensure **minimal impact** on your operations and to **maintain a team with strong public sector knowledge and experience**, which is crucial for your audit.



Innovation in the audit

Building upon our sound audit quality foundations, we are making significant investments to drive consistency and quality across our global audit practices. We've committed to an ongoing investment in innovative technologies and tools for engagement teams, such as KPMG Clara, our smart audit platform. The KPMG team commits to passing on the benefits of these investments through innovative audit technology. We are the firm that will innovate with you.

Our philosophy is to gradually roll out these tools in collaboration with the County, taking into account technological constraints and/or the distribution of work with your team. Our innovative technology enhances the quality and effectiveness of the audit. Following are a list of some of the tools we can use to make the audit process efficient and effective for our clients.



Audit quality framework

For the County, identification of risks continues to be the first step in providing you a quality audit. Our highly experienced team will continue to ensure that key audit risks are identified early and the appropriate audit procedures are in place to address them in an effective and timely manner. We firmly believe that thoughtful and appropriate planning up-front is the key to quality throughout the audit process. As you are aware, our team is fluent in your industry so that you have the best resources at the table, from start to finish.

To ensure every partner and employee concentrates on the skills and behaviors needed to deliver an appropriate, robust and independent opinion, we have developed a global Audit Quality Framework. This framework is a key foundation of our internal risk management techniques and depends on the active participation of KPMG personnel who are required and trained to adhere to risk management and quality control policies and procedures - at all times.

Performance of effective and efficient audits

Recruitment development and assignment of appropriately qualified personnel.

Clear standards and robust audit tools

Commitment to continuous improvement

Progressive review of engagement status compared to the work plan and budget.

Maintenance of a client relationship that helps to ensure early notification of any client concern with the project team's performance on the engagement.

Commitment to technical excellence and quality service delivery.

Regular discussions and meetings with the project team.

Regular review of the engagement work papers. KPMG also conducts annual quality performance reviews on selected engagements to help determine performance rewards and incentives for both our business units and professionals.

Documented review of all correspondence, reports and other project outputs.



Experience, like no other

KPMG is a recognized leader in auditing local governments, with extensive experience in the public sector and a strong commitment to working with municipal governments across Canada. We have a significant presence in the municipal space, serving 42% of the top 100 municipalities in Canada by revenue.

Our Southwestern Ontario offices provide audit and auxiliary services to a wide range of municipal clients, demonstrating our local, provincial, and national expertise. Our team is known for its attention to detail, transparent resolution of technical matters, and extensive knowledge of Public Sector Accounting Standards and the Ontario Municipal Act. Clients highlighted in **bold** are clients the County's proposed team.

REFERENCED PROJECTS

Satisfied clients are the strongest endorsement of the technical skills, experience, and high quality of service that our team delivers. We will continue to deliver this same level of service to the County. We are proud of our professional track records and urge you to verify the commitment and capabilities of our professionals and the firm, with the references below.

For each of these references, we have conducted the main audit of financial statements, as well as financial statements for various operating entities. We have provided guidance on the application of PSAS on complex transactions, implementation of new accounting standards, and other advice as needed.

Organization	Services performed	Years of service
Amherstburg, Town of	A, Ad	8
Cambridge, City of	A, Ad	2
Centre Wellington, Township of	A, Ad, T	10+
Chatsworth, Township of	A	1
Essex, County of	A, Ad, T	25+
Essex, Town of	A, Ad	4
Greater Sudbury, City of	A, Ad, T	10+
Guelph, City of	A, Ad	5
Halton Hills, Town of	A, Ad, T	10
Halton, Region of	A, Ad, T	20+
Hamilton, City of	A, Ad	9
Huron, County of	A, T	7
Kincardine, Municipality of	A, Ad	7
Kitchener, City of	A, Ad, T	10+
Lakeshore, Municipality of	A, Ad	10
Lasalle, Town of	A, Ad	50+
Lincoln, Town of	A, Ad, T	50+
London, City of	A, Ad, T	20+
Middlesex, County of	A, T	10+
Milton, Town of	A, Ad, T	15
Mississauga, City of	A, Ad, T	20+
Windsor, City of	A, T	50+
Legend: A – Audit, Ad – Advisory, T – Tax		



The best of all of us

There's a lot to be said for going with those you know. You know with us the County gets the power of a strong team who are experienced on the ins and outs of your business. And you know that our teams work very well together with.

All of our team members are active members in KPMG's Public Sector practice and are fully familiar with the body of authoritative literature relevant to the County. Further, our core team members will be supported by subject matter specialists that will be available to provide support in specific, relevant areas of the audit and tax matters.



Cynthia A. Swift

Lead Engagement Partner

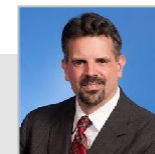
Cynthia will continue to lead the County's audit, ensuring seamless service, adherence to standards, and strategic direction for the team.



Kevin Macchio

Audit Senior Manager

Kevin will continue to manage the daily audit activities, supervise field work, handle information requests, participate in creating a tailored audit approach, and review working papers prepared by the team.



Bailey Church

Accounting Advisory Partner

Bailey Church currently serves as Chair of the PSAB Task Force on Public Private Partnerships, which is developing an accounting standard for the reporting of public private partnerships in the public sector.



S. Bruce Peever

Public Sector Advisory Partner

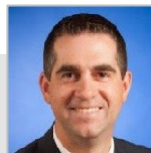
Bruce is a leading authority who specializes in public sector service delivery and transforms public services with a focus on governance design, financial analysis, and economic development.



Karen Grogan

Forensics Partner

Karen will advise on managing fraud risks from an operational and governance perspective for the County, as and when needed.



Rob Clayton

Public Sector Leader and Lean Services Partner

Rob oversees KPMG's audit processes, aids with financial reporting, and advocates for fiscal responsibility to ensure organizational stability and effectiveness.



Elliot Culligan

Technology Risk Consulting Partner

Elliot utilizes technology-based controls using the County's systems and incorporates KPMG's data and analytics techniques for efficient and effective audits.



A team you trust

As you have experienced first hand, Cynthia and Kevin, utilize their vast experience and understanding of the County's specific circumstances to conduct effective audits that surpass expectations.



Cynthia A. Swift, CPA, CA

Lead Engagement Partner

519 521 3520 | caswift@kpmg.ca

Public Accounting License #: 1-19532

Role: As audit partner in charge of your KPMG service team, Cynthia will continue to ensure our service delivery is as seamless as possible and that our team meets your expectations. Cynthia is a well-seasoned municipal auditor and will act as your single point of contact to address enquiries from the County. She will lead KPMG's audit of the County's financial statements, and all other audits as requested. Cynthia will provide overall direction for the KPMG audit team and make certain that both KPMG and Canadian audit standards are followed throughout our audit engagement.

Specialized skills: Cynthia is an Audit Partner in our Windsor office with over 30 years of public sector experience. Cynthia is involved in the audits of a number of small to large clients including areas of local government, hospitals and not-for-profits and works with PSAB accounting principles on a regular basis.

Cynthia is the Chair of the Windsor office Social Impact Committee which has a mandate to oversee the firm's investments in supporting local community organizations and charities, and the engagement of our staff in making a positive impact in our community. She also participates in the KPMG NPO Collaboration network with other Canadian partners and managers that provide NPO and PSAB services.

Education: BMath, University of Waterloo

Client experience: Corporation of the County of Essex, Town of Essex, Town of Amherstburg, Municipality of Lakeshore, Town of Tecumseh and City of Windsor and all related Agencies, Boards and Commissions.



Kevin Macchio, CPA, CA

Audit Senior Manager

519-251-5247 | kmacchio@kpmg.ca

Role: Working closely with Cynthia, Kevin will coordinate the activities of our audit staff and the day-to-day management of the audit. He will supervise staff field work, including delegating and managing requests for information. He will also participate in the development of the detailed tailored audit approach, as well as review the audit working papers prepared by the engagement staff.

Specialized skills: Kevin, a senior manager at our Windsor office, has over 7 years of experience in audit and accounting advisory services for various sectors. He has been part of the County engagement team for four years and manages the local Data & Analytics program. His experience at KPMG includes performing independent assurance procedures under supervision, including documentation, testing, and evaluation of controls and processes. He has also conducted interviews with key staff to support financial statement audits. Kevin's audit experience encompasses services and advice in areas such as internal controls over financial management, financial statement preparation, accounting standards interpretation and research, policy monitoring, costing analysis, and other accounting or financial management services.

Education: MAcc, University of Waterloo

Client experience: City of Windsor, Windsor-Essex Regional Chamber of Commerce, Windsor-Essex Children's Aid Society and its Foundation, County of Essex, Town of Tecumseh, United Way/Centraide Windsor-Essex County, Habitat for Humanity Windsor-Essex, and University of Windsor.



Fee assumptions

Our fees are not based on hours, but on the value and experience we bring to the audit. Changes to our fees will only occur based on important operational changes to the County (if any) that impact our audit, new or unexpected accounting or audit issues, and inflation. Our fees are based on your existing operations and will be adjusted if a change in your structure occurs, or new accounting or auditing standards are established. We will review and discuss our fees with you annually and will also work with you to continuously improve the effectiveness and efficiency of our audit

The following factors could cause a change in our professional fees:

- Audit readiness, including delays in the receipt of requested working papers, audit samples, inquiries and financial statements information from the agreed upon timelines, and the books and records being properly closed at the start of our year-end audit work;
- The availability, participation and responsiveness of key County team members during the audit;
- Significant changes to the relevant financial reporting framework;
- Significant new or changed accounting policies or application thereof;
- Significant changes to internal control over financial reporting;
- Significant changes in the nature or size of the operations or unusual transactions of the County beyond those contemplated in our planning processes;
- Significant unusual and/or complex transactions;
- New audit standards or requirements arising as a result of changes;
- Changes in the timing of our work;
- Other significant issues (e.g. cyber security breaches); and
- Requirements for accounting advice and additional audit procedures.

Additional costs

- As a local audit, disbursements or expenses for travel are not expected.
- Bank confirmation fees will be charged on a cost-recovery basis.
- Our professional fees are subject to a 7% charge to cover information technology infrastructure costs and administrative support.



Annual fees

Our philosophy in serving the County is to provide an **efficient, high-quality audit** emphasizing **continuous improvement** and **innovative technologies**. Although, we have worked to improve the efficiency of our services to allow us to mitigate cost increases for the past number of years, we must increase our fees to **reflect the investment in our people and technology to continue improving our service offerings**, as well as inflation. Furthermore, the County's remarkable growth in scale and complexity over the past half-decade stands testament to our relentless pursuit of supporting your growth while minimizing the financial impact of our services. We want you to see the value of KPMG and don't want fees to be an obstacle. **We always present our best price for the value an audit with KPMG provides.**

Changes to our fees will only occur based on important operational changes to the County, if any, which impact our audit or review, new or unexpected accounting or audit or review issues, and inflation. In general, should the County's operations not change and no special issues arise, our estimate assumes that our fees would increase by only an inflationary factor.

We've completed the annual fee table below:

Description	2025	2026	2027	2028	2029
County of Essex	\$34,000	\$35,000	\$36,000	\$37,500	\$39,000
Essex-Windsor Solid Waste Authority	\$17,000	\$18,000	\$19,000	\$20,500	\$22,000
Essex County Library Board	\$6,000	\$6,500	\$7,000	\$7,500	\$8,000
Sun Parlor Home Residents' Trust Fund	\$1,000	\$1,100	\$1,200	\$1,300	\$1,400
TOTAL	\$58,000	\$60,600	\$63,200	\$66,800	\$70,400

Having been through the fee process with us before, you know how we handle it so nothing will come as a surprise.

Costs related to travel, meals, long-distance telephone calls, courier services, printing, photocopying, postage, out of pocket expenses etc. are to be included in the pricing below. Any costs not included are to be separately identified.

There will be additional fees based on time incurred in anticipation of the implementation of any new accounting standards (i.e., PS 3400 Revenue in 2023), which we will always discuss with you in advance of beginning any related work. This also applies to the application of any other new accounting standards in our five-year tenure through fiscal years ending 2025-2029 and their ongoing cost. The fees quoted above cover all activities related to the audits, including audit reports and any attendance required at meetings of Management and Council.



Special services

We want you to be completely comfortable in calling us at any time on matters without feeling that “the meter is running”. Day-to-day phone calls for questions and to discuss the County’s matters of interest and emerging issues will not be billed to the County. This allows for the kind of communication and level of collaboration that are essential to highly productive client-auditor relationships. **We expect and look forward to providing advice from time to time on accounting and reporting issues as they arise, without charge, as part and parcel of providing top quality day to day service.**

For assignments outside of our normal audit engagement, we will discuss the scope and timing with you and agree on a reasonable fee before starting the work. **We normally discount our standard hourly rates for our public sector audit clients, depending on the timing, required resources and complexity of the work.** If something you ask us to do results in extra costs, we will always alert you in advance, discuss with you the work involved and agree on an equitable fee

The following represents the 2025 rates for any services outside of the annual audit:

Name of person assigned	Title & Role	Hourly Rate
Cynthia A. Swift	Lead Engagement Partner	\$400
Kevin Macchio	Audit Senior Manager	\$280
	Audit Manager	\$200
	Audit Senior	\$175
	Staff Accountant	\$125



Should services of our other professionals be required, following are the non-audit hourly rates:

Non Audit Personnel Category	Standard Rates	Proposed Rate \$/Hr
Partner	\$970	\$375 - \$600
Senior Manager	\$740	\$280 - \$500
Manager	\$500	\$190 - \$400
Senior Accountant	\$385	\$140 - \$250
Staff Accountant	\$270	\$90 - \$180





kpmg.ca

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This proposal is made by KPMG LLP, an Ontario limited liability partnership, and a member firm of the KPMG global organization of independent firms affiliated with KPMG International Limited (“KPMG International”), a private English company limited by guarantee, and is in all respects subject to the satisfactory completion of KPMG’s client and engagement acceptance procedures including independence and conflict of interest checks and, where applicable, audit committee approval, as well as negotiation, agreement, and signing of a specific engagement letter or contract.

KPMG International and its related entities provide no client services. No member firm has any authority to obligate or bind KPMG International, any of its related entities, or any other member firm vis-à-vis third parties, nor does KPMG International or any of its related entities have any such authority to obligate or bind any member firm.

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Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Allan Botham, P.Eng., Director, Infrastructure & Planning Services

Date: Wednesday, February 19, 2025

Subject: Administration Building Renovation Phases

Report #: 2025-0219-IPS-R05-AB

Purpose

The purpose of this report is to summarize past renovations to the County Administration Building and outline the areas that still require renovation.

Background

Beginning in 2011 the County of Essex began renovating the County Administration Building to support the long-term administration and operational needs of the Corporation.

- Council Chambers Renovation (2011)
- Mechanical, plumbing & electrical upgrades (2013);
- Exterior building upgrades to façade, loading dock and portions of parking lot (2013);
- IT Server room (2016);
- EWEMS, Infrastructure and Planning offices (2018-2019);
- IT Office and Ground floor washrooms (2020)
- General Government, and Finance offices (2023); and
- Human Resources and Community Services (2024).

Discussion

Renovating the County Administration Building is necessary for a number of reasons. Modernizing a space built in 1976 will replace outdated systems and lead to efficiencies and lower maintenance costs. Modernizing also

allows the incorporation of technology to improve safety, security and environmental systems management.

The renovated space presents opportunities to install energy-efficient lighting, water fixtures, and insulation, aligning with our sustainability goals.

Accessibility standards are addressed in each phase of the renovation, ensuring the building complies with legislated requirements for public spaces.

Additionally, the renovation will help preserve the building's integrity and extend its useful life.

Starting in 2025, renovations will focus on the second-floor meeting rooms. This project will include architectural updates to create three fully equipped meeting spaces with furnishings and audio-visual systems. The work will also involve asbestos abatement, installation of LED lighting, and modernization of HVAC systems.

The remaining spaces left to renovate in the County of Essex Administration Building are:

- Main floor Entrance/Lobby
- Second floor Lobby
- Former Windsor Essex Student Transportation space (second floor)
- Former Federation of Agriculture space (second floor)
- Storage spaces (ground floor)
- Essex County Library space (ground floor)
- Former Essex Windsor District School Board Media Centre (ground floor)
- Essex Windsor Solid Waste Authority (main floor)
- Essex Region Conservation Authority (second floor)

Improving safety and security in municipal office buildings, such as the County Administration Building, poses a challenge while fostering openness, accessibility, and transparency. Renovations to the main and second-floor open spaces are essential to balance preserving public trust with ensuring effective governance. By employing thoughtful design and clear communication (signage and security), we can separate restricted areas from public spaces, enhance safety and accessibility, and uphold transparency.

Financial Implications

The costs of past renovation projects are shown in Table 1.

Table 1

Renovation	Year	Cost
Council Chambers Renovation	2011	\$549,500
Exterior Building Upgrades to Façade, Loading dock and portions of parking lot	2013-15	\$4,676,430
Mechanical, Plumbing & Electrical	2013-15	\$1,554,350
IT Server room	2016	\$198,000
EWEMS, IPS & 2 nd Floor Washrooms	2018/19	\$1,630,000
IT Office and Ground Floor Washroom	2020	\$984,000
General Government & Finance	2023	\$2,780,000
Human Resources & Community Services	2024	\$2,260,000
Total Renovations 2011-2024		\$14,632,280

The estimated cost for the 2025 renovations to the second-floor meeting rooms and former Community Services areas is \$2.5 million, including furnishings. Renovations to the main floor and second-floor open spaces are projected to range from \$2 million to \$2.5 million, based on current pricing.

The County's Asset Management Plan (AMP) aims to maintain the County Administrative building at an average condition rating of "good". Investing in these renovations ensures the building remains functional and up-to-date, helping avoid larger, more costly repairs in the future.

The County covers renovations to the County Administration building using the Capital Reserve. Annual contributions to replenish the reserve are based on the building's 2017 historical cost. As a result, while the reserve is being

funded, it is at risk of not keeping up with rising construction costs. According to the Reserve Management Policy, if the reserve drops below the policy thresholds, a plan will be proposed to bring it back to an acceptable level.

Recent renovations have averaged about \$236 per square foot, and with costs continuing to rise, delaying projects will only increase expenses due to inflation, rising construction prices, and potential impacts from proposed U.S. tariffs. Moving forward with a consistent, phased approach to renovations will help manage costs more effectively.

Consultations

Preparation of this report was done in collaboration with Financial Services.

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
☐ Scaling Sustainable Services through Innovation ☐ Focusing “Team Essex County” for Results ☐ Advocating for Essex County’s Fair Share	☐ Being an Employer with Impact ☒ A Government Working for the People ☒ Promoting Transparency and Awareness	☒ Providing Reliable Infrastructure for Partners ☐ Supporting Dynamic and Thriving Communities Across the County ☐ Harmonizing Action for Growth ☐ Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2025-0219-IPS-R05-AB, Administration Building Renovation Phases as information.

Approvals

Respectfully Submitted,

Allan Botham

Allan Botham, P.Eng., Director, Infrastructure and Planning Services

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
N/A	N/A



The Corporation of the County of Essex

By-Law Number 2025-06

A By-law to Appoint Auditors of the Corporation of the County of Essex for the five-year period commencing for the fiscal year ended December 31, 2025.

Whereas Section 296(1) of the *Municipal Act, 2001*, as amended, states that a municipality shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and performing duties required by the municipality or local board; and,

Whereas the Corporation of the County of Essex deems it appropriate to appoint auditors in accordance with the said legislation.

Now therefore, the Council of the Corporation of the County of Essex hereby enacts as follows:

- 1) That the firm of KPMG LLP, Chartered Accountants, of the City of Windsor, are hereby appointed Auditors for The Corporation of the County of Essex for the fiscal year ended December 31, 2025 and for four years thereafter until fiscal year ended December 31, 2029.
- 2) **That** By-law 2025-06 be given three readings, and shall come into force and take effect after the final passing.
- 3) **That** this By-law 2025-06 shall take precedence over any by-law deemed to be inconsistent.

Read a first, second and third time and Finally Passed this Nineteenth day of February, 2025.

Hilda MacDonald, Warden

Katherine J. Hebert, Clerk

Clerk's Certificate

I, Katherine J. Hebert, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy, of **By-law Number 2025-06** passed by the Council of the said Corporation on this **Nineteenth day of February, 2025.**

Katherine J. Hebert, Clerk
Corporation of the County of Essex



The Corporation of the County of Essex

By-Law Number 2025-07

A By-law to Establish Tax Policy and Levy Property Taxes for the year 2025.

Whereas the Corporation of the County of Essex (hereinafter referred to as the "**County of Essex**") is designated as an upper-tier municipality as defined in the *Municipal Act, 2001*, S.O. 2001 c.25, as amended (hereinafter referred to as the "**Municipal Act**");

And whereas Section 289 of the *Municipal Act* provides that the Council of an upper-tier municipality shall, in each year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the upper-tier municipality;

And whereas Section 308 of the *Municipal Act* provides that each upper-tier municipality shall establish tax ratios for each prescribed property class that will apply for both upper-tier and lower-tier municipal purposes;

And whereas Section 313 of the *Municipal Act* provides that each upper-tier shall establish tax rate reductions pursuant to prescribed property subclasses that will apply for both upper-tier and lower-tier municipal purposes;

And whereas Section 311 of the *Municipal Act* provides for the establishment of tax rates to be levied for upper-tier municipal purposes, estimates of the amounts those rates will raise within each local area municipality, and the structure of installments by which those estimates will be paid to the upper-tier municipality;

And whereas property classes and property subclasses have been prescribed pursuant to Sections 7 and 8 of the *Assessment Act*, R.S.O. 1990, c. A. 31, as amended (hereinafter referred to as the "**Assessment Act**");

And whereas all property assessment rolls on which the 2025 taxes are to be levied have been returned and revised pursuant to the provisions of the *Assessment Act*;

Now Therefore in respect of the 2025 taxation year, the Council for the Corporation of the County of Essex hereby enacts as follows:

- 1) **That** the County of Essex has prepared and adopted estimates of all sums required to be raised against rateable property during the year for its own purposes totaling \$139,875,380 pursuant to Section 289 of the *Municipal Act* as detailed in Schedule 1 attached hereto and forming part of this By-law;
- 2) **That** the tax ratios to apply for upper-tier and lower-tier municipal purposes for each of the property classes shall be:
 - a) 1.000000 for the residential property class;
 - b) 1.100000 for the new multi-residential class;
 - c) 0.250000 for the farmland class;
 - d) 0.250000 for the managed forest class;
 - e) 1.100000 for the multi-residential class;
 - f) 1.071532 for the commercial broad class;
 - g) 1.082044 for the commercial residual class;
 - h) 1.082044 for the office building class;
 - i) 0.582500 for the parking lot / vacant land class;
 - j) 2.133356 for the industrial broad class;
 - k) 1.942500 for the industrial residual class;
 - l) 2.686100 for the large industrial class;
 - m) 1.047098 for the landfill class;
 - n) 1.303000 for the pipeline class; and
 - o) 1.580625 for the aggregate extraction class
- 3) **That** the tax rates that would otherwise be levied for upper-tier and lower-tier municipal purposes for the subclasses prescribed under

paragraph 1 of Subsection 8(1) of the *Assessment Act* shall be reduced as follows:

- a) For the first subclass of farmland awaiting development in the residential/farm property class by 75 per cent;
 - b) For the first subclass of farmland awaiting development in all other classes by the percentage required so that the tax rate matches the tax rate for the first subclass of the residential/farm property class; and
 - c) For the second subclass of farmland awaiting development for all property classes by 75 per cent.
- 4) **That** in accordance with Subsection 313(1.3) of the *Municipal Act* no tax rate reductions shall be applied to the vacant or excess land subclasses prescribed under paragraphs 2 or 3 of Subsection 8(1) of the *Assessment Act*
 - 5) **That** each lower-tier municipality within the County of Essex shall levy on all property rateable for the upper-tier purposes the tax rates set out in Schedule 2A attached hereto and forming part of this By-law;
 - 6) **That** each lower-tier municipality within the County of Essex shall levy on all property eligible for the payment in lieu of taxation for upper-tier purposes the rates set out in Schedule 2B attached hereto and forming part of this By-law;
 - 7) **That** in accordance with Section 311(11) of the *Municipal Act*, the County of Essex has prepared estimates of the taxes to be raised for upper-tier municipal purposes within each lower-tier municipality and said estimates are set out in Schedule 3A attached hereto and forming part of this By-law;
 - 8) **That** the County of Essex has prepared estimates of the payments in lieu of tax for upper-tier municipal purposes within each lower-tier municipality and the said estimates are set out in Schedule 3B attached hereto and forming part of this By-law;
 - 9) **That** pursuant to Sections 311 and 322 of the *Municipal Act*, and Ontario Regulation 382/98 made under that Act, the amounts raised by the lower-tier municipalities in accordance with this By-law shall be

paid to the County of Essex in accordance with Schedule 4 attached hereto and forming part of this By-law, which reflects the following:

Installment Due Date	Installment Amount
March 28, 2025	25 per cent of the amount required for County purposes for the prior year, less 50% of the County portion of tax relief under the County Tax Assistance Program in that year
June 27, 2025	50 per cent of the amount required for County purposes for the year less the amount of the instalment due to March 28
September 26, 2025	25 per cent of the amount required for County purposes for the prior year
December 12, 2025	The balance of the amount required for County purposes for the year including prescribed adjustments that may be made subsequent to the establishment of estimates for the year

- 10) **That** pursuant to Section 315 of the *Municipal Act*, the share of the County of Essex of amounts received by lower-tier municipalities in respect to certain railway and power utility lands shall also be paid to the County of Essex in accordance with the payment schedule identified in Schedule 4 of this By-law;
- 11) **That** pursuant to Section 311(19) of the *Municipal Act* a lower tier municipality that fails to make any payment or portion thereof, as provided in this By-law shall pay to the County of Essex interest on the amount in default at a rate equivalent to the prime rate of interest charged by the Canadian Imperial Bank of Commerce during the default period, or at the rate of 15% per annum, whichever is the lesser; and
- 12) **That** By-law 2025-07 be given three readings, and shall come into force and take effect after the final passing.

Read a first, second and third time and Finally Passed this Nineteenth day of February, 2025.

Hilda MacDonald, Warden

Katherine J. Hebert, Clerk

Clerk's Certificate

I, Katherine J. Hebert, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy, of **By-law Number 2025-07** passed by the Council of the said Corporation on this **Nineteenth day of February, 2025.**

Katherine J. Hebert, Clerk
Corporation of the County of Essex

Schedule 1 – 2025 Estimate of All Sums Required to be Raised

Detail	Department	2024 Budget	2024 Projection (unaudited)	2025 Budget
Net Operating Expenditures	Community Services	750,380	756,580	761,950
Net Operating Expenditures	Sun Parlor Home	12,517,040	11,917,430	12,515,040
Net Operating Expenditures	Emergency Medical Services	13,910,970	13,842,580	15,378,720
Net Operating Expenditures	Infrastructure Services	12,397,330	12,693,480	12,865,640
Net Operating Expenditures	Library Services	5,699,850	5,699,850	5,920,060
Net Operating Expenditures	General Government Services	4,537,180	4,551,090	5,437,130
Net Operating Expenditures	External Commitments	35,755,470	35,322,640	39,687,390
Net Operating Expenditures	Operating Surplus	0	782,570	0
Operating Expenditures	Total	85,568,220	85,566,220	92,565,930
Net Capital Expenditures	Community Services	12,300	6,100	730
Net Capital Expenditures	Sun Parlor Home	1,579,300	1,578,940	1,581,300
Net Capital Expenditures	Emergency Medical Services	1,937,030	2,001,150	2,125,210
Net Capital Expenditures	Infrastructure Services	39,615,040	39,593,020	39,893,410
Net Capital Expenditures	Library Services	1,055,800	1,055,800	1,086,400
Net Capital Expenditures	General Government Services	2,514,500	2,580,900	2,622,400
Net Capital Expenditures	Capital Surplus	0	-99,940	0
Capital Expenditures	Total	46,713,970	46,715,970	47,309,450
Total Department Requirement	Community Services	762,680	762,680	762,680
Total Department Requirement	Sun Parlor Home	14,096,340	13,496,370	14,096,340
Total Department Requirement	Emergency Medical Services	15,848,000	15,843,730	17,503,930
Total Department Requirement	Infrastructure Services	52,012,370	52,286,500	52,759,050
Total Department Requirement	Library Services	6,755,650	6,755,650	7,006,460
Total Department Requirement	General Government Services	7,051,680	7,131,990	8,059,530
Total Department Requirement	External Commitments	35,755,470	35,322,640	39,687,390
Total Department Requirement	Overall County Surplus	0	682,630	0
Total County Requirement		132,282,190	132,282,190	139,875,380

Schedule 2A: Property Tax Parameters, Rates and Estimates

	Residential Rate	0.0055932794					
Property Class / Subclass	RTCRTQ	Tax Ratio	Subclass Discount	Weighted Ratio	County Tax Rate	CVA	County Levy (Taxable)
Residential	RT	1.000000	0.00%	1.000000	0.0055932794	20,427,823,645	\$114,258,524
Residential	RH	1.000000	0.00%	1.000000	0.0055932794	988,800	\$5,531
Residential First Subclass of Farmland Awaiting Development	R1	1.000000	75.00%	0.250000	0.0013983199	8,030,600	\$11,229
Farmland	FT	0.250000	0.00%	0.250000	0.0013983199	3,340,847,077	\$4,671,573
Managed Forest	TT	0.250000	0.00%	0.250000	0.0013983199	7,023,100	\$9,821
New Multi-Residential	NT	1.100000	0.00%	1.100000	0.0061526073	50,020,200	\$307,755
Multi-Residential	MT	1.100000	0.00%	1.100000	0.0061526073	156,981,000	\$965,842
Commercial Residual	CT	1.082044	0.00%	1.082044	0.0060521744	1,359,020,330	\$8,225,028
New Commercial	XT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Shopping Centre	ST	1.082044	0.00%	1.082044	0.0060521744	173,227,820	\$1,048,405
New Shopping Centre	ZT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Commercial	CH	1.082044	0.00%	1.082044	0.0060521744	1,902,200	\$11,512
Commercial Excess Land	CU	1.082044	0.00%	1.082044	0.0060521744	22,272,436	\$134,797
New Commercial Excess Land	XU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Shopping Centre Excess Land	SU	1.082044	0.00%	1.082044	0.0060521744	249,200	\$1,508
New Shopping Centre Excess Land	ZU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Commercial First Subclass of Farmland Awaiting Development	C1	1.082044	76.89%	0.250000	0.0013983219	6,094,000	\$8,521
Commercial Small Scale On-Farm Business Sub-Class 1	C7	1.082044	0.00%	1.082044	0.0060521744	156,500	\$947
Commercial Small Scale On-Farm Business Sub-Class 2	C0	1.082044	0.00%	1.082044	0.0060521744	139,200	\$842
New Commercial Small Scale On-Farm Business Sub-Class	X7	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Office Building	DT	1.082044	0.00%	1.082044	0.0060521744	9,818,516	\$59,423
New Office Building	YT	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Office Building Excess Land	DU	1.082044	0.00%	1.082044	0.0060521744	27,500	\$166
New Office Building Excess Land	YU	1.082044	0.00%	1.082044	0.0060521744	0	\$0
Parking Lot/Vacant land		0.582500	0.00%	0.582500	0.0032580853	2,678,500	\$8,727
Commercial Vacant Land	CX	0.582500	0.00%	0.582500	0.0032580853	31,732,200	\$103,386
Industrial Residual	IT	1.942500	0.00%	1.942500	0.0108649452	467,305,937	\$5,077,253
New Industrial	JT	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Industrial	IH	1.942500	0.00%	1.942500	0.0108649452	4,090,900	\$44,447
Industrial Excess Land	IU	1.942500	0.00%	1.942500	0.0108649452	10,249,800	\$111,364
New Industrial Excess Land	JU	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Industrial Excess Land Shared PIL	IK	1.942500	0.00%	1.942500	0.0108649452	1,380,900	\$15,003
Industrial Vacant Land	IX	1.942500	0.00%	1.942500	0.0108649452	23,613,000	\$256,554
Industrial Vacant Land Shared PIL	IJ	1.942500	0.00%	1.942500	0.0108649452	149,400	\$1,623
Industrial First Subclass of Farmland Awaiting Development	I1	1.942500	87.13%	0.250000	0.0013983185	843,600	\$1,180
Industrial Small Scale On-Farm Business Sub-Class 1	I7	1.942500	0.00%	1.942500	0.0108649452	594,400	\$6,458
Industrial Small Scale On-Farm Business Sub-Class 2	I0	1.942500	0.00%	1.942500	0.0108649452	349,800	\$3,801
New Industrial Small Scale On-Farm Business Sub-Class	J7	1.942500	0.00%	1.942500	0.0108649452	0	\$0
Large Industrial	KT	2.686100	0.00%	2.686100	0.0150241078	0	\$0
New Large Industrial	LT	2.686100	0.00%	2.686100	0.0150241078	171,863,400	\$2,582,094
New Large Industrial Excess Land	KU	2.686100	0.00%	2.686100	0.0150241078	0	\$0
Large Industrial Excess Land	LU	2.686100	0.00%	2.686100	0.0150241078	3,452,500	\$51,871
Aggregate Extraction	VT	1.580625	0.00%	1.580625	0.0088408773	14,758,000	\$130,474
Pipeline	PT	1.303000	0.00%	1.303000	0.0072880431	157,871,000	\$1,150,571
Total Taxable						26,455,555,461	\$139,266,231

[1] First Subclass of Farmland Awaiting Development

[2] Small Scale On-Farm Business Sub-Class

Schedule 2B: Payment in Lieu of Tax, Rates and Estimates

Residential Rate	0.0055932794						
Property Class / Subclass	RTC RTQ	Tax Ratio	Subclass Discount	Weighted Ratio	County Tax Rate	CVA	County Levy (Payment in Lieu)
Residential	RF	1.000000	0.00%	1.000000	0.0055932794	7,143,520	\$39,955.70
Residential	RG	1.000000	0.00%	1.000000	0.0055932794	5,526,500	\$30,911.26
Residential	RP	1.000000	0.00%	1.000000	0.0055932794	865,400	\$4,840.42
Farm	FP	0.250000	0.00%	0.250000	0.0013983199	0	\$0.00
Commercial Residual	CF	1.082044	0.00%	1.082044	0.0060521744	68,604,400	\$415,205.79
Commercial Residual	CG	1.082044	0.00%	1.082044	0.0060521744	6,073,100	\$36,755.46
Commercial Residual	CP	1.082044	0.00%	1.082044	0.0060521744	1,900	\$11.50
Excess Land	CV	1.082044	0.00%	1.082044	0.0060521744	31,800	\$192.46
Parking Lot / Vacant Land	GF	0.582500	0.00%	0.582500	0.0032580853	160,000	\$521.29
Parking Lot / Vacant Land	CZ	0.582500	0.00%	0.582500	0.0032580853	207,100	\$674.75
Parking Lot / Vacant Land	CY	0.582500	0.00%	0.582500	0.0032580853	507,500	\$1,653.48
Industrial Residual	IG	1.942500	0.00%	1.942500	0.0108649452	0	\$0.00
Vacant Land	IY	1.942500	0.00%	1.942500	0.0108649452	2,600	\$28.25
Landfill	HF	1.047098	0.00%	1.047098	0.0058567117	2,135,600	\$12,507.59
Total Payment in Lieu						91,259,420	\$543,258

**Schedule 3A: Estimates of Taxes to be raised for Upper-Tier
Purposes by Local Area Municipalities during the 2025 Taxation Year**

Property Class	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
Residential	\$13,780,915	\$10,068,949	\$13,190,489	\$27,781,839	\$22,384,644	\$12,549,404	\$14,519,045	\$114,275,284
Farm	\$280,821	\$493,385	\$1,145,545	\$1,009,662	\$53,036	\$1,529,360	\$159,763	\$4,671,573
Managed Forest	\$676	\$5,290	\$1,403	\$1,119	\$72	\$1,034	\$226	\$9,821
Multi-Residential	\$221,560	\$118,225	\$147,975	\$38,521	\$77,128	\$435,479	\$234,708	\$1,273,597
Commercial Residual	\$990,337	\$889,378	\$1,201,637	\$1,467,083	\$946,124	\$1,730,882	\$2,206,120	\$9,431,561
Office Building	\$0	\$0	\$5,783	\$3,584	\$0	\$30,251	\$19,971	\$59,590
Parking Lot/Vacant Land	\$17,537	\$12,408	\$6,225	\$33,213	\$14,300	\$20,192	\$8,239	\$112,113
Industrial Residual	\$408,980	\$263,509	\$479,898	\$1,295,416	\$280,432	\$661,586	\$2,127,862	\$5,517,683
Operating Expenditures	\$0	\$267,925	\$184,179	\$1,818,668	\$121,064	\$113,444	\$128,684	\$2,633,965
Aggregate Extraction	\$77,326	\$0	\$13,854	\$0	\$0	\$39,294	\$0	\$130,474
Pipeline	\$97,660	\$79,607	\$186,559	\$417,197	\$83,849	\$174,199	\$111,500	\$1,150,571
Total Taxable	\$15,875,811	\$12,198,676	\$16,563,549	\$33,866,302	\$23,960,649	\$17,285,126	\$19,516,118	\$139,266,231

**Schedule 3B: Estimates of Payments in Lieu of Tax to be raised for
Upper-Tier Purposes by Local Area Municipalities during 2025
Taxation Year**

Property Class	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
Residential	\$14,314	\$35,553	\$265	\$13,578	\$7,354	\$908	\$3,735	\$75,707
Farm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Residual	\$72,333	\$93,162	\$81,063	\$77,780	\$8,397	\$96,027	\$25,731	\$454,493
Parking Lot / Vacant Land	\$0	\$0	\$0	\$0	\$521	\$0	\$0	\$521
Industrial Residual	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$28
Landfill	\$0	\$12,508	\$0	\$0	\$0	\$0	\$0	\$12,508
Total Payment In Lieu	\$86,676	\$141,223	\$81,328	\$91,358	\$16,272	\$96,935	\$29,466	\$543,258

Schedule 4: Schedule of Instalments due to the County of Essex during 2025 by Local Municipalities

<i>Estimates/ Instalments</i>	Amherstburg	Essex Town	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh	County Wide
<i>2024 Levy as Adjusted</i>	<i>\$14,950,920</i>	<i>\$11,698,270</i>	<i>\$15,651,061</i>	<i>\$32,457,713</i>	<i>\$22,604,466</i>	<i>\$16,233,545</i>	<i>\$18,686,215</i>	<i>\$132,282,190</i>
2025 Taxable Levy Estimate	\$15,875,811	\$12,198,676	\$16,563,549	\$33,866,302	\$23,960,649	\$17,285,126	\$19,516,118	\$139,266,231
2025 PIL Estimate	\$86,676	\$141,223	\$81,328	\$91,358	\$16,272	\$96,935	\$29,466	\$543,257
2025 Linear Property Estimate	\$1,717	\$180	\$4,636	\$53,984	\$1,663	\$0	\$3,711	\$65,891
Total County Estimate	\$15,964,204	\$12,340,079	\$16,649,512	\$34,011,644	\$23,978,585	\$17,382,061	\$19,549,295	\$139,875,380
Payment 1, Due Mar. 28	\$3,737,730	\$2,924,568	\$3,912,765	\$8,114,428	\$5,651,117	\$4,058,386	\$4,671,554	\$33,070,548
Payment 2, Due Jun. 27	\$4,244,372	\$3,245,472	\$4,411,991	\$8,891,394	\$6,338,176	\$4,632,644	\$5,103,094	\$36,867,142
Payment 3, Due Sept. 26	\$3,991,051	\$3,085,020	\$4,162,378	\$8,502,911	\$5,994,646	\$4,345,515	\$4,887,324	\$34,968,845
Payment 4, Due Dec. 12	\$3,991,051	\$3,085,020	\$4,162,378	\$8,502,911	\$5,994,646	\$4,345,515	\$4,887,324	\$34,968,845



The Corporation of the County of Essex

By-Law Number 2025-08

A By-law to Confirm the Proceedings of the Council of the Corporation of the County of Essex Meeting held February 19, 2025.

Whereas pursuant to Section 5(1) of the *Municipal Act, 2001*, c.25 as amended, the powers of a municipality shall be exercised by its Council;

And whereas pursuant to Section 5(3) of the *Municipal Act, 2001*, S.O. 2001, c.25 as amended, a municipal power, including a municipality's capacity, rights, powers, and privileges pursuant to Section 8 of the *Municipal Act, 2001*, S.O. 2001, c.25 as amended, shall be exercised by By-law, unless the municipality is specifically authorized to do otherwise;

And whereas it is deemed expedient that the proceedings of the Council of the Corporation of the County of Essex, at these meetings be confirmed and adopted by By-law;

Now therefore the Council of the Corporation of the County of Essex hereby enacts as follows:

- 1) That the actions of the Council of the Corporation of the County of Essex in respect of all recommendations in reports of committees, all motions and resolutions and all other action passed and taken by the Council of the Corporation of the County of Essex, documents, and transactions entered into during the Regular Meeting held February 19, 2025, is hereby adopted and confirmed as if the same were expressly embodied in this By-law;
- 2) That the Warden and proper officials of the Corporation of the County of Essex are hereby authorized and directed to do all the things necessary to give effect to the action of the Council of the Corporation of the County of Essex during the said Regular Meeting held February 19, 2025, referred to in Section 1 of this By-law; and

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- 3) That the Warden and the Clerk are hereby authorized and directed to execute all documents necessary to the action taken by the Council of the Corporation of the County of Essex during the said Regular Meeting held February 19, 2025 referred to in Section 1 of this By-law and to affix the Corporate Seal of the Corporation of the County of Essex to all such documents.

This By-law shall come into force and take effect after the final passing thereof.

**Read a first, second and third time and Finally Passed this
Nineteenth day of February, 2025.**

Hilda MacDonald, Warden

Katherine J. Hebert, Clerk

Clerk's Certificate

I, Katherine J. Hebert, Clerk of the Corporation of the County of Essex, do hereby certify that the foregoing is a true and correct copy, of **By-law Number 2025-08** passed by the Council of the said Corporation on this **Nineteenth day of February, 2025.**

Katherine Hebert, Clerk
Corporation of the County of Essex