



Report to Council

Department: Corporate Services
Division: Finance and Business Services
Date: June 7, 2021
Prepared by: Katelynn Giurissevich, Manager, Finance and Business Services
Report Number: Finance and Business Services-2021-06
Subject: Bylaw to Debenture 2021 Annual Drainage Maintenance Billings
Number of Pages: 4

Recommendation(s)

That Finance and Business Services-2021-06 entitled Annual Drainage Maintenance Billings Payment Terms prepared by Katelynn, Giurissevich, Manager, Finance and Business Services, dated June 7, 2021 be received, and

And That By-Law 2031, being a By-Law to provide for the authorization to debenture certain Drainage Maintenance Billings, at the Property Owners request, be read a first, second, and third time and finally adopted on June 7, 2021.

Purpose

Council approval is required to authorize and register municipal by-laws.

Background and Discussion

The current process for annual maintenance bills to Town of Essex Residents is to invoice for completed maintenance work, with a 45 day payment due date. If payment is not made within 45 days it is automatically added to the Tax Account and due by the last quarter installment of the tax year in which it was billed in.

Maintenance Bills for Drainage work have fluctuated over the years. In 2018 the highest bill issued to an individual resident was \$9,148, and in 2020 \$18,674. In 2021, with several large scale drainage works budgeted, it is anticipated that an individual property owner could be billed up to \$20,000 in 2021.

Currently, most property owners who have outstanding Construction Drainage Bills have the ability to debenture larger bill amounts over a period of 5 or 10 years at an interest rate prescribed by the Town.

Many property owners have raised concerns with the high bills they are receiving from drain maintenance work and the need for options to make these payments.

To grant residents flexibility in payment, it is recommended that should a resident request, they could debenture their outstanding maintenance drain bill. Bylaw 2031 has been developed for this purpose.

Financial Impact

For maintenance debenture arrangements, the funds are financed either internally or through Infrastructure Ontario, and interest is applied based on the Infrastructure Ontario borrowing rate for the applicable period plus 2%. These charges offset the cost of borrowing and administration of the debenture, and therefore there is no expected financial impact.

Consultations

Norman Nussio, Manager, Operations/ Drainage

Lindsay Dean, Drainage Superintendent

Jeffrey Morrison, Director, Corporate Services

Kevin Girard, Director, Infrastructure Services

Link to Strategic Priorities

- ☒ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- ☐ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- ☐ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- ☐ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- ☐ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.
- ☐ **Improve the Town's capacity to meet the ongoing and future service needs of its citizens** while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.