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• WHERE THE RIVERS MEET •

# 2026 Operating & Capital Budget

Mayor McGee

Council Meeting – Monday, January 12, 2026

# 2026 Budget Process

- As of May 1, 2025, the Ontario government has expanded Strong Mayor powers to the Town of Arnprior as per O.Reg. 530/22.
- These powers include the head of council proposing the municipal budget each year by February 1, which is subject to council amendments and a separate mayoral veto and council override process



# Visual - Strong Mayor Budget Process

## STRONG MAYOR BUDGET TIMELINES

By February 1  
*Mayor introduces  
proposed budget*

Up to 30 days after  
receiving the proposed  
budget  
*Council can shorten via  
resolution*

Up to 10 days following  
council amendment period  
*Mayor can shorten by  
providing document to  
members of council and  
municipal clerk*

Up to 15 days  
following veto  
period  
*Council can shorten  
via resolution*

## STRONG MAYOR CRITERIA

Mayor prepares a  
proposed municipal  
budget and provides  
to each member of  
council, municipal  
clerk and makes  
available to the public

Council can make  
amendments to the  
proposed budget by  
passing resolutions  
with a simple  
majority vote

Mayor vetoes one or  
more council  
amendments

OR

Council may override  
some or all of the  
mayor's vetoes with  
a 2/3 majority of  
council vote.

OR

Mayor does not  
exercise veto power

Proposed budget, as  
amended by council  
deemed to be  
adopted by the  
municipality

Council does not  
make amendments  
to the proposed  
budget

Proposed  
budget,  
deemed to be  
adopted by the  
municipality

Proposed budget,  
including any  
amendments that  
were: 1) not  
vetoed or 2) that  
were vetoed, and  
the veto was  
overridden, is  
deemed to be  
adopted by the  
municipality

August 2025

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\*from MMAH August 2025 Slide Deck



# Mayoral Decision MDE-2025-01

- A Budget working group (BWG), be established, consisting of two (2) other Members of Council (County Councillor Lynch and Councillor Couper), to liaise with throughout the Budget process; and
- That members of the BWG will participate in the meetings with the Treasurer and department leads, in order to assist in the creation of the 2026 Town of Arnprior budget; and
- To direct the Treasurer to prepare a proposed Draft 2026 Budget according to approved meetings, consultation, and written directions, and generally conforms with the budget process in previous years; and
- That myself as Mayor, together with the Treasurer and BWG, present the decided 2026 budget with a binder to Council, that will include a new tab outlining departmental budget requests which were not recommend to be funded in the 2026 Budget.



# Guiding Principles

- 2024-2027 Strategic Plan
  - **Strategic Priority: Financial Sustainability**
  - Financial sustainability is a fundamental principal to guide decision-making. Our goal is to manage our resources in a manner that ensures long-term stability and growth for the Town of Arnprior.



# Guiding Principles

- PAYG Financial Strategy
  - The “**Pay-as-you-go**” principle continues to proactively guide decision-making in order to minimize long-term borrowing, pay down existing debt and to build reserves to fund future expenditures
  - Reserve / Reserve Fund Policy
  - Debt Management Policy
  - Growth pays for Growth



# Guiding Principles

- Informed Data and Analysis
  - Comprehensive three-year trend analysis for operating budget line items.
  - Departmental reviews with business case requirements for new expenditures.
  - Capital analysis to prioritize and determine mandatory and/or legislated requirements
  - Reliance upon Town's Asset Management Plan, Master Plans and data to inform budget





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# 2026 Operating Budget

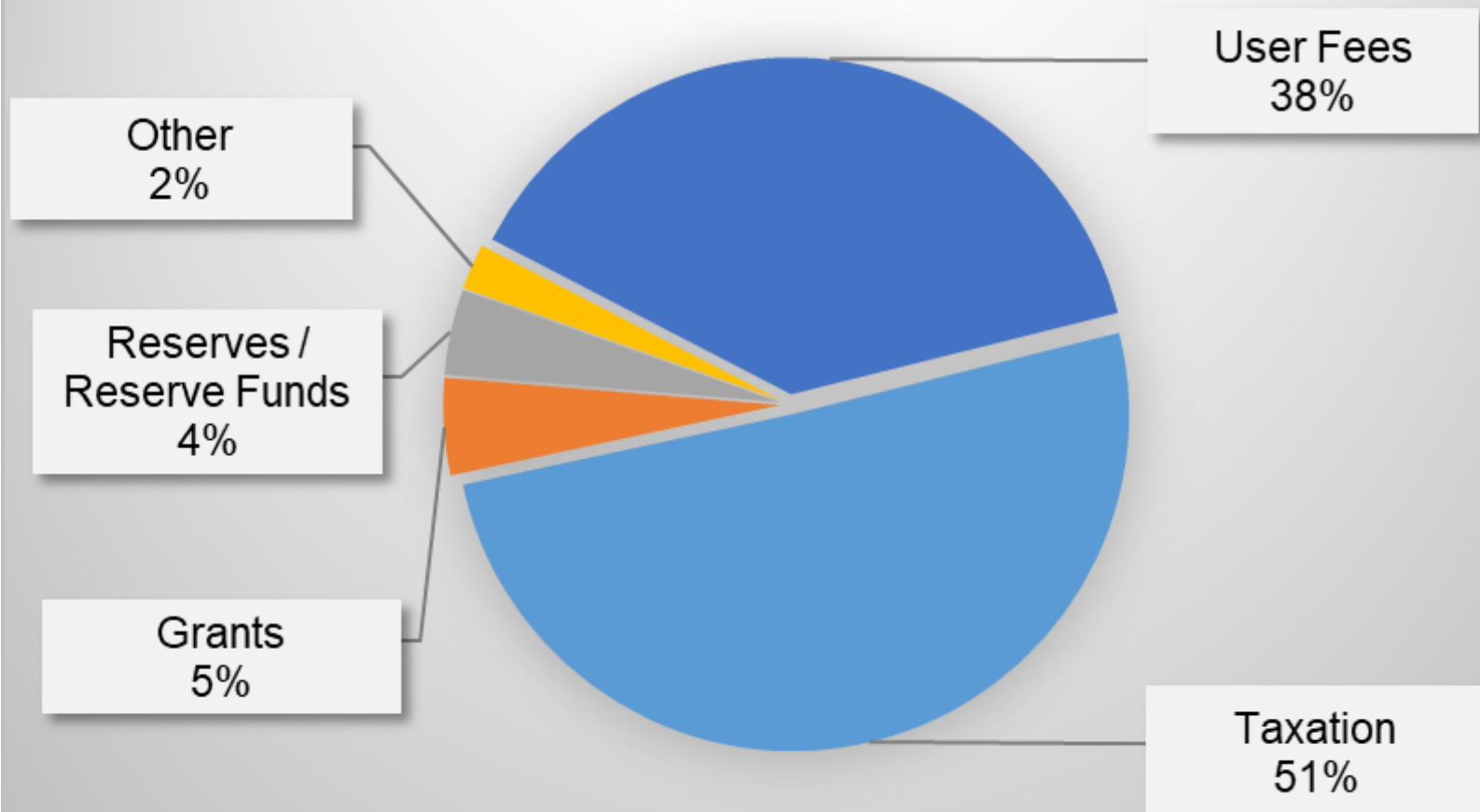


# Operating Budget - Format

Column 1	Column 2	Column 3	Column 4
2025 Actuals*	2025 Budget	2026 Budget	Budget Variance – 2025 vs 2026

\*2025 Actuals: these are unaudited amounts as some invoices and accounting entries remain outstanding at point of printing the budget documents.

# Operating Revenues



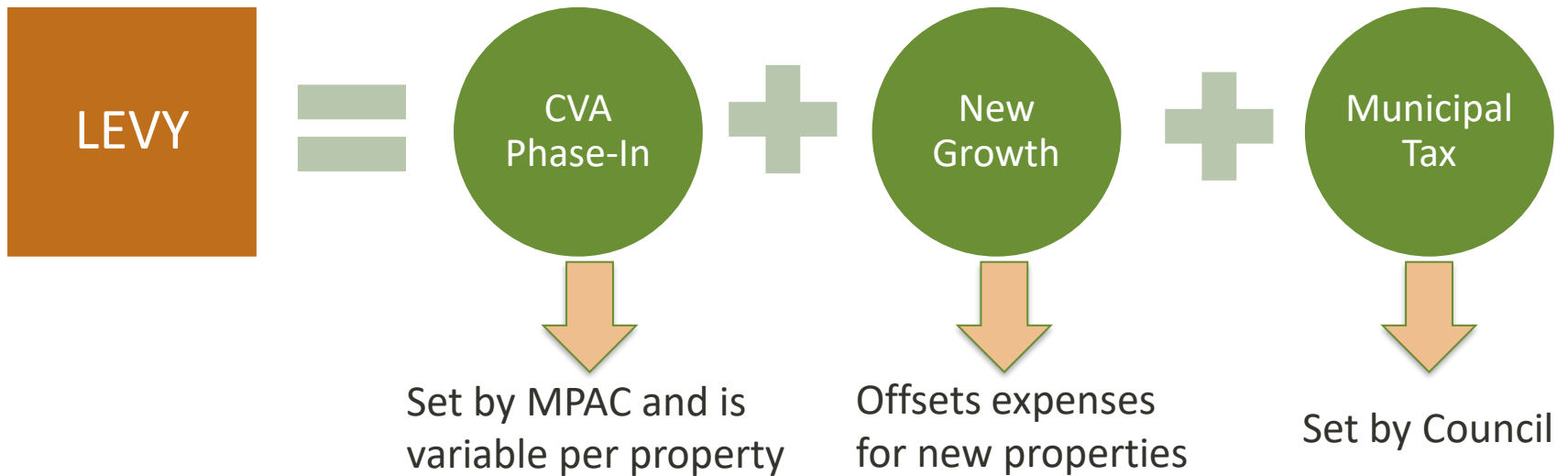
# Operating Budget

- Current Value Assessment (CVA)
  - Province confirmed the new assessment cycle which was delayed in 2021 to 2025, will be delayed again for 2026.
  - Annual taxation is calculated on the current value assessment which remains at 2016 valuations.

# 2026 Budget

- The 2026 budget includes a **3.0% Municipal Tax Rate Increase (MTRI)**.
  - Total additional municipal taxation revenues of \$589,287 will be generated.
    - \$0 CVA Phase-in (0%)
    - \$198,825 Growth 1.55% (2025, 2.28%)
    - \$390,462 Municipal Tax Rate Increase 3.0%

# Levy Revenues



\$589,287	=	\$0	+	\$198,825	+	\$390,462
4.55%	=	0.00%	+	1.55%	+	3.00%

# Levy Revenues

- Supplemental taxation revenues (growth)
  - Revenues from residential (new units) usually generate supplemental taxation revenues in the following 1-2 years.
  - Supp revenues estimated at \$250K for 2026.

	2020	2021	2022	2023	2024	2025
# Permits	226	457	172	202	187	200
New Units	102	511	33	82	158	205
Supps (\$)	\$192K	\$241K	\$646K	\$497K	\$211K	\$111K

\*2025 new units: 10 singles, 4 block row houses, 15 secondary dwellings, 160 apartments



# Grant Revenues

Grant	2023	2024	2025	2026	\$ Impact
OMPF	\$1,473,700	\$1,359,500	\$1,359,500	\$1,233,800	(\$125,700)
OCIF	\$934,657	\$794,458	\$913,627	\$1,004,990	\$91,363
CCBF	\$291,062	\$302,737	\$315,351	\$315,351	\$0
Total	\$2,699,419	\$2,456,695	\$2,588,478	\$2,588,478	(\$34,337)

- Net decrease in government grants for 2026
  - \$125,700 decrease for operating grants
  - \$91,363 increase for capital grants

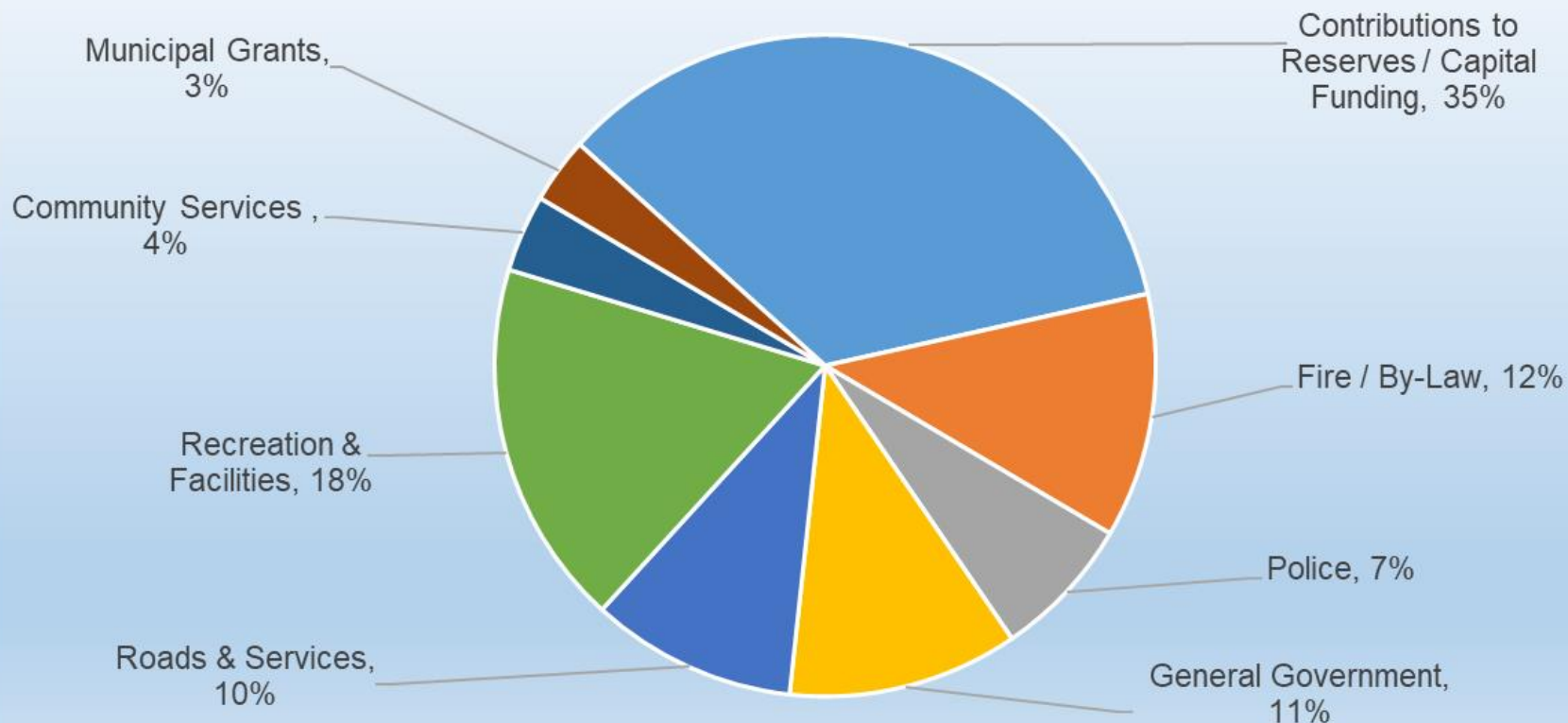
# Operating Revenues

- Reserve / Reserve Funds / Obligatory
  - Development Charges for W/WW (plant) debt
  - Development Charges and CERF to cover Fire Department (Quint) debt
  - OPP Reserve to help offset 2026 increases
  - Building Services Reserve offset annual costs
- User Fees and Charges
- Other (Interest / Investment Income)

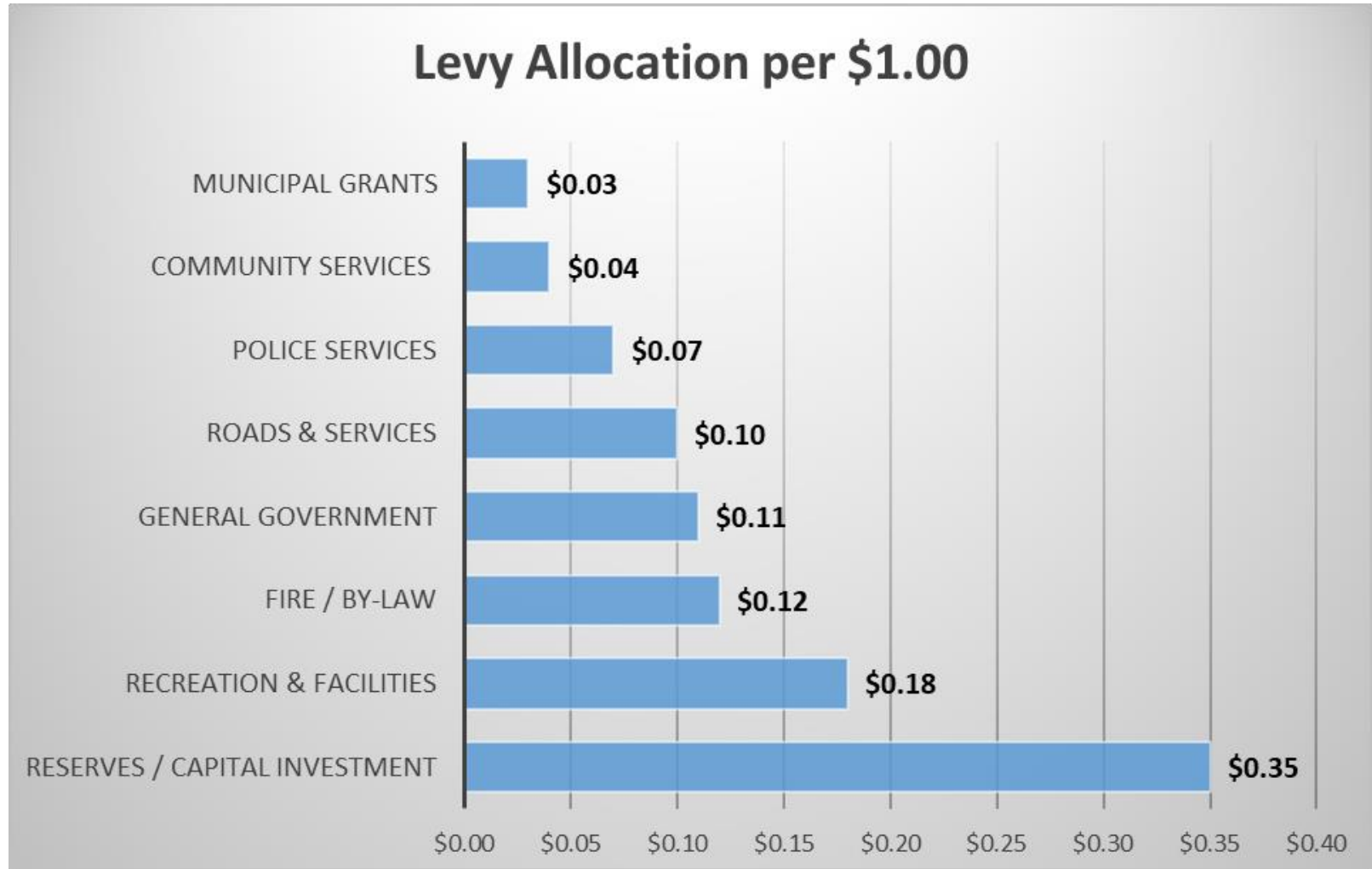


# Operating Expenses

Net Operating Expenses - Levy Cost Centres



# Operating Budget



# Operating Budget

- Salaries & Wages
  - Includes 3.0% COLA increase as per CBA
  - Statutory Deduction small increase
- Benefits
  - Life Insurance, LTD, Dental premiums remain constant with no increase
  - Extended Health includes a 2% increase with budgetary impact of \$6K.
  - Includes CBA service level increases

# Operating Budget

- Council
  - Increase Reception line
  - New Council community initiatives account
    - New policy to be developed for spending controls
- Human Resources
  - Includes H&S Officer position (2025 FTE) at full twelve months salary and benefits
- Information Technology
  - Additional funding for Sharepoint and AI licensing, external network testing.

# Operating Budget

- Fire Department
  - \$10K revenue decrease due to change of service agreement with City of Ottawa
  - New 1.0 FTE for Training Officer / Captain
  - Increased standby pay from \$250 / week to \$300 / week for \$5,200 annual impact
  - Additional funding for equipment to ensure lifecycle replacement of PPE for VFF
  - Additional vehicle & equipment maintenance funds due to increased cost trends



# Operating Budget

- Policing Services

	2024	2025	2026
# of Properties	4,887	5,062	5,150
Policing Per Unit Cost	\$360.14	\$403.37	\$437.85
Annual Cost	\$1,760,002	\$2,041,865	\$2,254,940
Prior Year Adjustment	\$13,857	\$108,184	\$226,158
<b>New Annual Cost</b>	<b>\$1,773,859</b>	<b>\$2,150,048</b>	<b>\$2,481,099</b>
Prov Discount / Capping		(303,189)	(431,085)
Amended Cost		<b>\$1,846,859</b>	<b>\$2,050,014</b>

- 28% annual cost increase since 2024, capped at 11% increase

# Operating Budget

- OPP Costs
  - 2026 impact is \$203K increase over 2025
  - Budget utilizes full OPP reserve balance of \$108,620 to help offset
- OPP Detachment Board
  - Estimated annual costs added for 2026

# Operating Budget

- General Insurance & Risk Management
  - \$29K premium increase allocated across operating budget by facility
- Cemetery
  - Pilot project: shift from internal labour to contracted services for grass cutting
  - Internal equipment rates moved to 100% as they are for internments and cost recovery.



# Operating Budget

- 2026 Staffing impacts:

	2026 Net Cost	Notes
Fire Training Officer/Captain	\$123,000	1.0 FTE – costs include salary, benefits, PPE, uniforms, IT
Recreation FT Customer Service Representative (CSR)	\$33,000	1.0 FTE - costs offset by reduction in PT CSR hrs
Recreation FT Lifeguard	\$11,000	1.0 FTE - costs offset by reduction in PT Lifeguard hrs
Recreation FT Operator	\$0	1.0 FTE - costs offset by reduction in PT Facility Attendant hrs
Museum Weekend Staff	\$7,300	Increase to 52 weeks per year
TOTAL	\$174,300	

# Operating Budget

- Parks & Recreation
  - Adjustments return budgeted revenues and expense to reflect the facility being open for a full 12-month period after the 2025 renovation.
  - Includes full year of loan financing costs
  - Adjustments for estimated program levels
  - Staffing adjustments
    - Shift to more full-time, less part-time hours

# Considerations

## Self-Sustaining Cost Centers

- The following programs are established as self-sustaining cost centers:
  - Wastewater Services
  - Waterworks Services
  - Waste Management
  - Building Services

# Water / Wastewater

- Water / Wastewater projected revenues
  - Water/Wastewater Rate Study (2024)
    - Cost recovery model includes ~7% annual target increase (5.5% water, 9.0% wastewater)
  - Base and consumption budgeted revenues are estimated based on past year actuals and forecasts.

# Water / Wastewater

- Estimated impact on user with 5/8" meter and average consumption 148m<sup>3</sup>

	2025	2026
<b>Water</b>		
Base Monthly Charge	\$ 24.24	\$ 25.57
Volume Rate	\$ 1.90	\$ 2.00
Annual Base Charge	\$ 290.88	\$ 306.84
Annual Volume Charge	\$ 281.20	\$ 296.00
<b>Total Water Charges</b>	<b>\$ 572.08</b>	<b>\$ 602.84</b>
<b>Wastewater</b>		
Base Monthly Charge	\$ 18.84	\$ 20.54
Volume Rate	\$ 1.35	\$ 1.47
Annual Base Charge	\$ 226.08	\$ 246.48
Annual Volume Charge	\$ 199.80	\$ 217.56
<b>Total Wastewater Charges</b>	<b>\$ 425.88</b>	<b>\$ 464.04</b>
<b>Total Combined Charges</b>	<b>\$ 997.96</b>	<b>\$ 1,066.88</b>
Annual % Increase		6.9%

# Water / Wastewater

- Operating Budget impacts
  - Decreased debt charges with small OSIFA loan completed in 2026
  - Increase maintenance and service costs for additional pump station (Marshall's Bay)
  - Adjustment to water meter (new installs) revenues & expenses due to slower growth
  - 2026 budget generates total reserve contributions of \$1.7M (water) and \$1.3M (wastewater) for capital program



# Waste Management

- Contracted Services
  - Includes contract CPI increases for garbage collection / landfill operations as per tenders
- Counter-Top Composter
  - Adjustment to pilot program for second phase of the program to reflect any remaining inventory to be sold in 2026.
- ICI Collection
  - Increased cost for collection

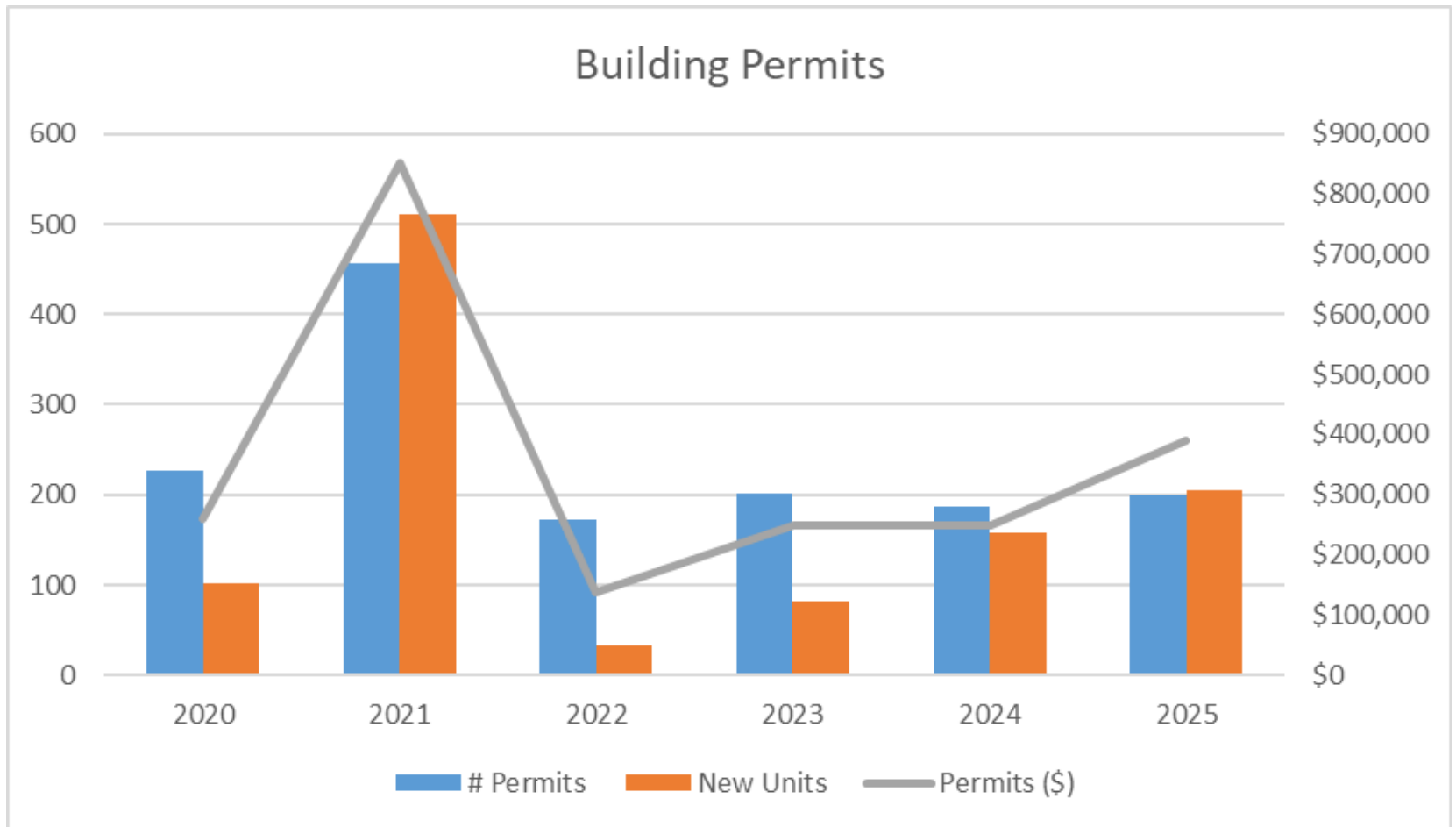
# Waste Management

- Waste Management Rates
  - Garbage / Landfill rate (all properties)
  - Recycling rate (ICI only)

	2025	2026
Garbage / Landfill	\$185	\$185
Recycling (ICI only)	\$210	\$395



# Building Services



# Building Services

- 2025 new units include:
  - 10 singles, 4 block row houses, 15 secondary dwellings, 160 apartments
- 2026 budget includes a transfer from the building services reserve to support the annual operating expenses
  - Reserve working as intended with revenues generated in high permit yrs offsetting other yrs
  - Building Services Reserve is \$810K
    - Utilize \$94K for 2026

# Grants to Organizations

Organization	2025 Budget	2026 Budget	Increase / (Decrease)	2026 Requested
Arnprior Public Library	\$333,313	<b>\$376,071</b>	\$42,758	\$376,071
AMB Archives	\$32,500	<b>\$32,500</b>	\$0	\$32,500
Physician Recruitment – Construction Project	\$0	<b>\$30,000</b>	\$30,000	\$60K for 10 years
Physician Recruitment – Annual Operating	\$20,000	<b>\$11,700</b>	\$(8,300)	\$40,000
ARH Foundation (Endoscopy)	\$0	<b>\$8,600</b>	\$8,600	\$25,000
Seniors Active Living Centre (SALC)	\$13,500 cash \$7,500 in-kind	<b>\$13,900</b> <b>\$7,500 in-kind</b>	\$400	\$14,000 \$7,500 in-kind
AMB Seniors at Home	\$15,500	<b>\$15,500</b>	\$0	\$15,500



# Grants to Organizations

- Library Grant
  - As per new joint use agreement calculation.
- AMB Seniors at Home
  - \$15,500 is the municipal contribution
  - Prov Gas Tax \$27,713 also transfers to AMB
- Physician Recruitment, ARH Foundation, SALC, Archives
  - Funding support set based on average (mean) of council feedback



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# 2026 Capital Budget

# Capital Budget Approach

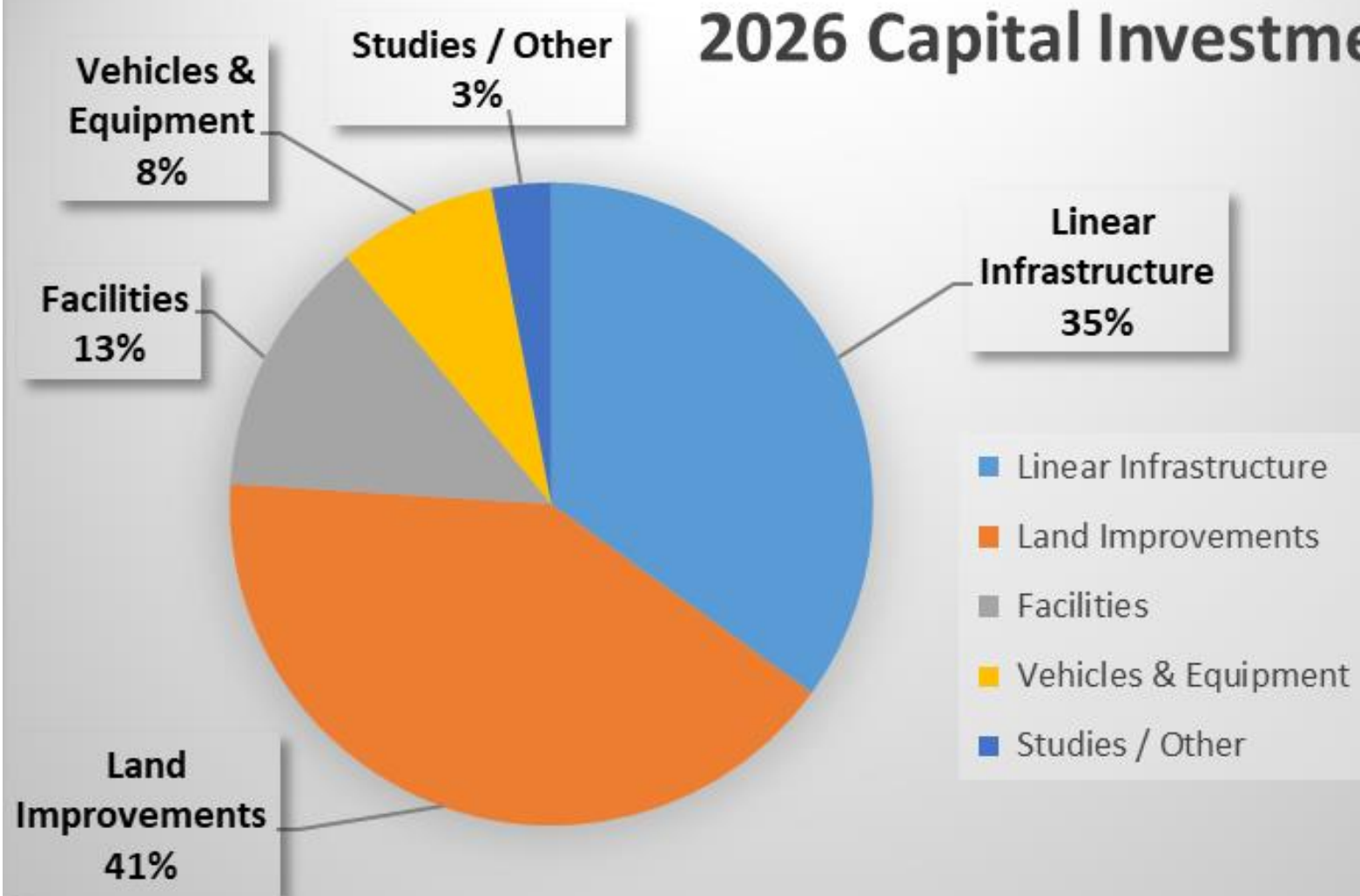
- Approach to identify capital projects
  - Capital projects identified in the Long Range Capital Forecast and reflect Asset Management lifecycle renewals
  - Projects include mandatory (legislated), approved master plan, time sensitive or mission critical projects
- Challenges
  - Ability to fund / resources to manage

# Capital Budget Summary

- 34 capital projects

Investment Type	Capital Investment	% of Total Investment
Linear Infrastructure	\$2,605,000	35%
Land Improvements	\$3,103,523	41%
Facilities	\$1,005,000	13%
Vehicles & Equipment	\$629,500	8%
Studies / Other	\$177,000	3%
<b>TOTAL</b>	<b>\$7,520,023</b>	<b>100%</b>

# 2026 Capital Investment





# Pay-As-You-Go Model

- PAYG financial strategy
  - Save years versus spend years
- Multi-year projects
  - Projects pre-committed in 2025
    - Daniel St sewer upsizing / Albert St reconstruction project awarded in 2025 (\$5.9M) with construction into 2026, HEWSF Grant funding of \$3,905,500
    - WFP Clearwell replacement (\$4.1M estimate)
    - Website platform migration (\$25K)
  - Significant pull from Water Reserve Fund



# Linear Infrastructure

- Rolling Road Rehab (\$750K)
  - Hartney St (Pulverize & Pave 2 lifts), Jack Cr (Mill and Pave), Ida (Caruso to Alicia), Ida (Alicia to William)
- Design: Hugh St, St. John's Way, Tierney St, Meehan St (\$180K)
  - Meehan St (John to Hugh) shave & pave
  - Tierney St (McGonigal to St John's Way), St. John's Way & Hugh St. N (McGonigal to St. John's Way) full reconstruction in 2028



# Linear Infrastructure

- Madawaska Blvd Pathway (\$1.5M)
  - Construct multi-use path from Laird St to Decosta St, streetscape trees, replace select streetlights, HECS grant funding \$750K
- Design: Third Ave Reconstruction (\$175K)
  - Third Ave (Riverview Dr. to McNab St.) design of full road reconstruction including watermain and sanitary sewer replacement, narrow road from 10m to 8.5.m wide, sidewalk one side only.

# Land Improvements

- Dog Park Construction (\$72K)
  - Construct at McLean Park as per RMP
- Skateboard Park Revitalization (\$250K)
  - New location adjacent to Nick Smith Centre
- Parks & Trails Signage / Wayfinding (\$75K)
  - New park signage in all municipal parks / trails
- Art Dodds Park (Fairview) Shade Sail (\$37K)
  - Shade structure to support use of splash pad

# Land Improvements

- Robert Simpson Park – Phase 1A (\$2.52M)
  - Phase 1A (\$2.52M) – 2026 construction
    - Paved pathways / improved lighting
    - Splashpad
    - Play Structures / Play Features for various ages
  - Phase 1B (\$1.1M) – 2027 construction
    - Accessible Pedestrian Ramp to Beach
    - Washroom retrofit
    - Parking Improvements
    - Indigenous Gathering Space

# Land Improvements

- Tree Canopy Project (\$149K)
  - Tree planting project to enhance tree canopy and natural vegetation within the Town
  - Grant funding \$81,230 under Growing Canada's Community Canopies program

# Facilities

- Design: Town Hall Boiler & Building Automation System (BAS) (\$35K)
  - Design, engineering and tender package for 2027 replacement of BAS (1980s)
- Town Hall Asbestos Abatement (\$100K)
  - Third Floor abatement
- PW Garage: Meeting Room, Kitchenette, Washroom Upgrades (\$65K)
  - Reconfigure office space, establish 2<sup>nd</sup> washroom



# Facilities

- Design: NSC Pool Change Rooms / Office Reconfiguration(\$240K)
  - Design for pool changerooms upgrades, pool liner, washrooms, canteen, staff space, arena A dressing rooms. Accessibility and optimization.



# Facilities

- Water Projects
  - Fluoride Room Reconfiguration / Renewal (\$75K)
  - Water Tower Lights & Inspection Items (\$100K)
  - WFP PLC Upgrades (\$200K)
- Wastewater Plant (WPCC) Projects
  - Centrifuge Refurbishment (\$80K)
  - Final Clarifier #2 Weir Replacement (\$60K)
  - Primary Sludge Pumps Replacement (\$50K)

# Machinery & Equipment

- Information Technology (IT) Lifecycle Replacements
  - Replace CCTV Cameras (\$70K)
  - Council Laptop Replacement (\$17K)
  - Desktop / PC Replacements (\$45K)
- Fire Department
  - Water Rescue Equipment & PPE (\$26K)
    - Replace 6 sets of 4-season dry, purchase reach pole
  - Communication Radio Repeater (\$17.5K)
    - Current system no longer supported

# Machinery & Equipment

- Trackless Sidewalk Plow (\$200K)
  - Fleet expansion to a third Trackless sidewalk plow due to growth and to provide redundancy.
- Tow-Behind Air Compressor (1987) (\$30K)
  - Replacement of compressor, hoses, chippers due to condition of equipment and exceedance of lifecycle.
- Magnum Tow-Behind Generator (\$34K)
  - Lifecycle replacement



# Vehicles

- Fleet Expansions
  - Roads & Services ½ Ton Truck Crew Cab (\$70K)
    - 25% Development Charge Funded
  - Engineering Vehicle – plug-in hybrid (\$50K)
    - 100% Development Charge Funded
  - Recreation ½ Ton Crew Cab (\$70K)
    - 100% Development Charge Funded

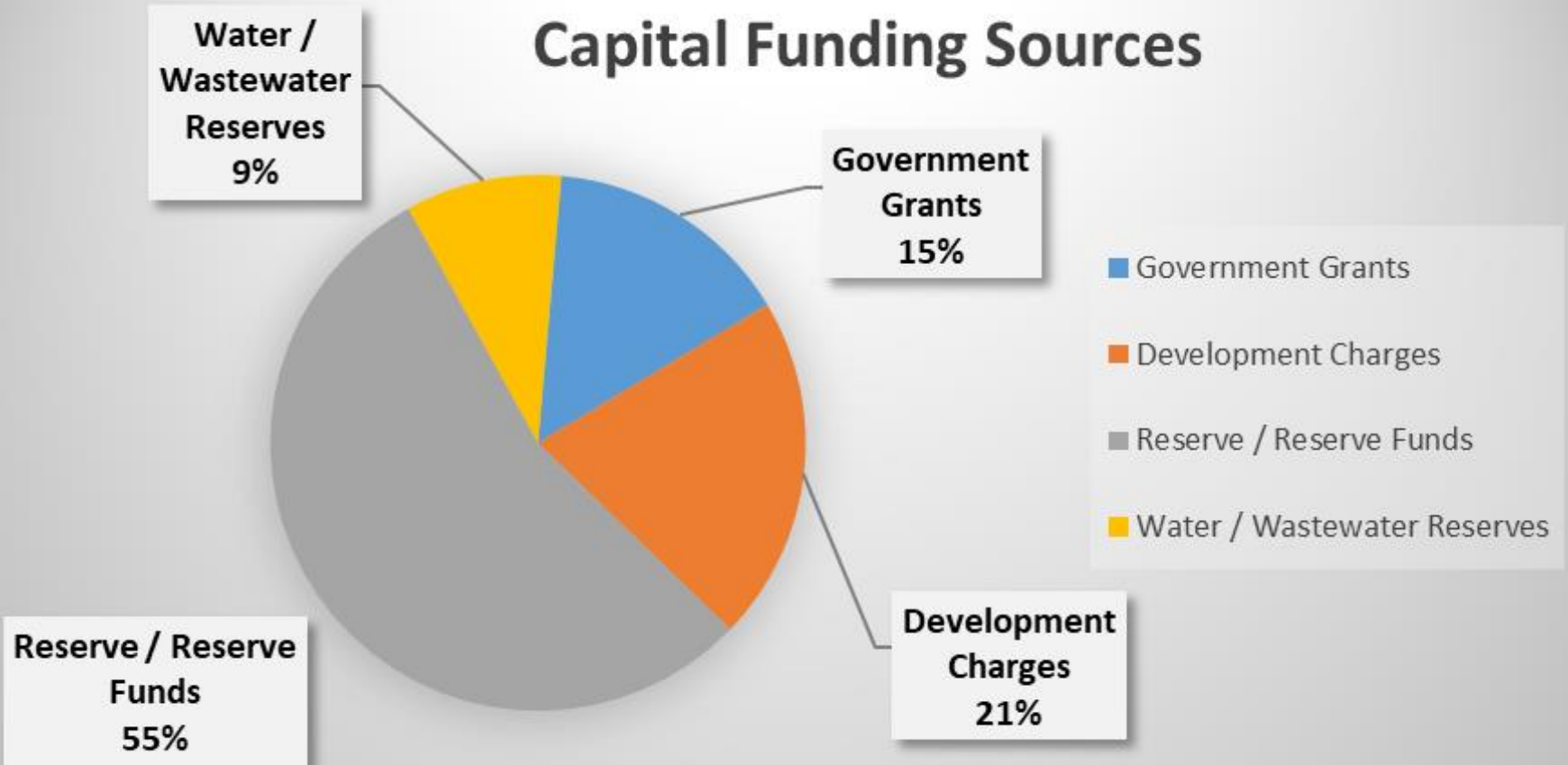


# Studies / Other

- 2026 Election (\$42K)
  - Facilitate Municipal and School Board Elections
- Fire Master Plan (\$75K)
  - Set Fire Dept priorities and plans for the next 10 years. Accelerated from LRCF (2028)
- Retail Demand Study (\$60K)
  - Outline market demand for retail and services



# Capital Funding Sources





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# Reserves / Reserve Funds

# Reserves / Reserve Funds

	Contributions	Expenditures	Total
Reserves / Reserve Funds	\$7,530,717	(\$5,122,568)	\$2,408,149
Government Grants (Capital)	\$1,174,294	(\$1,174,294)	\$0
Development Charges	\$550,000	(\$2,375,326)	(\$1,825,326)
<b>Net Impact on Reserves</b>	<b>\$9,255,011</b>	<b>(\$8,672,188)</b>	<b>\$582,823</b>

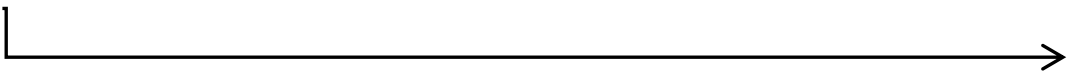
- Net positive contribution to reserves by \$582K
- Majority of increased contribution to reserves coming from increased water and wastewater revenues.
- PAYG (save then spend) – 2024 & 2025 spend years, with significant draw for pre-committed 2025 projects



<b>Reserve &amp; Reserve Fund Contributions</b>	<b>2026 Operating</b>	<b>2026 Other</b>	<b>\$ TOTAL</b>
Election Reserve	8,500		8,500
Marketing & Economic Development Reserve	15,000		15,000
Landfill Reserve Fund	46,950		46,950
Wastewater Reserve Fund	1,298,049		1,298,049
Water Reserve Fund	1,767,140		1,767,140
Capital Expenditure Reserve Fund	4,348,878		4,348,878
Municipal Parking Reserve Fund	15,100		15,100
Cemetery Reserve	31,100		31,100
Development Charges (2025 Projected)		550,000	550,000
<b>Total Reserve &amp; Reserve Funds</b>	<b>7,530,717</b>	<b>550,000</b>	<b>8,080,717</b>
<b>Grants Funds</b>			
Canada Community Building Fund (CCBF)	315,351		315,351
Provincial Gas Tax - Transit	27,713		27,713
HECS Grant		750,000	750,000
GCCC Grant		81,230	81,230
<b>Total Grant Funds</b>	<b>343,064</b>	<b>831,230</b>	<b>1,174,294</b>
<b>Total Contributions to Reserve / Reserve Funds</b>	<b>7,873,781</b>	<b>1,381,230</b>	<b>9,255,011</b>

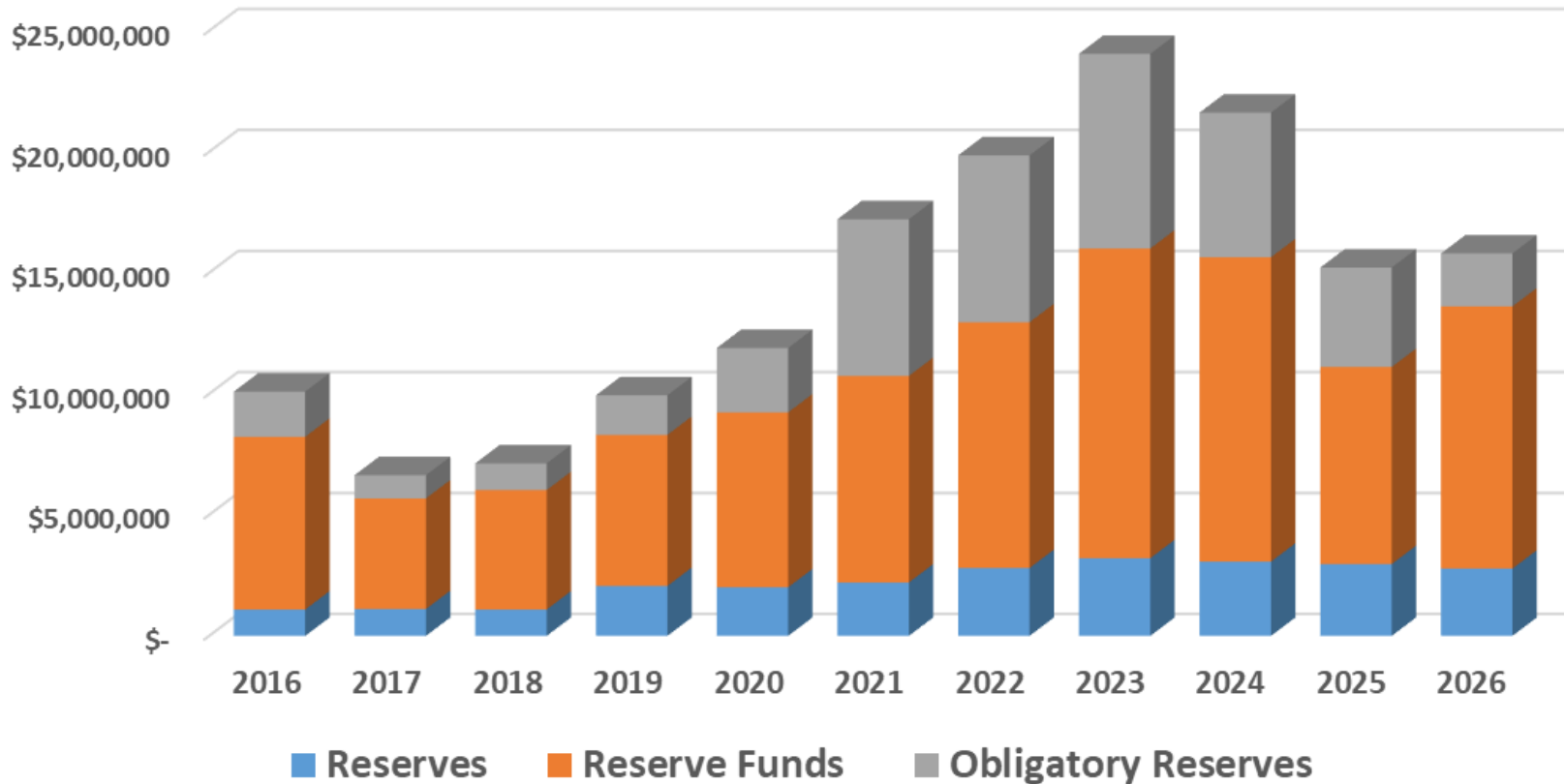
<b>Reserve &amp; Reserve Fund Expenditures</b>	<b>2026 Operating</b>	<b>2026 Capital</b>	<b>\$ TOTAL</b>
Police Services	108,620		108,620
Election Services		42,000	42,000
Building Services	94,350		94,350
Marketing and Economic Development Reserve		60,000	60,000
Development Charges Reserve Fund	845,826	1,529,500	2,375,326
Wastewater Reserve Fund		294,750	294,750
Water Reserve Fund		445,750	445,750
Capital Expenditure Reserve Fund	75,656	4,001,442	4,077,098
<b>Total Reserve &amp; Reserve Funds</b>	<b>1,124,452</b>	<b>6,373,442</b>	<b>7,497,894</b>
<b>Grants Funds</b>			
Canada Community Building Fund		315,351	315,351
Provincial Gas Tax - Transit	27,713		27,713
HECS Grant		750,000	750,000
GCCC Grant		81,230	81,230
<b>Total Grant Funds</b>	<b>27,713</b>	<b>1,146,581</b>	<b>1,174,294</b>
<b>Total R/RF Expenditures</b>	<b>1,152,165</b>	<b>7,520,023</b>	<b>8,672,188</b>

# 2026 Reserve Balances

	Opening Balance	Contributions	Operating Expenses	Capital Expenses	Closing Balance
<b>Reserves</b>	\$ 2,966,451	\$ 23,500	\$ (108,620)	\$ (102,000)	\$ 2,779,331
<b>Reserve Funds</b>	\$ 8,143,878	\$ 7,507,217	\$ (75,656)	\$ (4,741,942)	\$ 10,833,497
<b>Obligatory Reserves / Grants</b>	\$ 4,108,056	\$ 1,724,294	\$ (967,889)	\$ (2,676,081)	\$ 2,188,380
<b>Total</b>	<b>\$ 15,218,385</b>	<b>\$ 9,255,011</b>	<b>\$ (1,152,165)</b>	<b>\$ (7,520,023)</b>	<b>\$ 15,801,208</b>
<div style="text-align: center;">  <p><b>Net Impact of \$582,823 increase</b></p> </div>					

# Pay-As-You-Go

Reserve / Reserve Funds



# Pay-As-You-Go Model

- Maintaining a strong commitment to the pay-as-you-go model will help address funding challenges
  - Need to annually increase contribution to reserves to fund future capital requirements
  - One of the key objectives of the pay-as-you-go model is debt management
- Debt management policy
  - Consider for appropriate projects



# Reserve & Reserve Funds

- Reserve & Reserve Fund Policy
  - Sets annual contribution requirements
  - Sets minimum balance requirements
  - Meet required funding for future capital
    - Consistent with Long-Range Capital Forecast
    - Asset management financial strategy
    - Water/Wastewater financial plans
    - Maintain Pay-As-You-Go (PAYG) model



# Reserve & Reserve Funds

2026 Budget	Meets Reserve / Reserve Fund Policy Requirements:
Annual Contributions	Yes
	<ul style="list-style-type: none"> <li>2026 budget as presented meets all reserve / reserve fund contribution requirements.</li> </ul>
Minimum Balances	Almost
	<ul style="list-style-type: none"> <li>Police Reserve - \$0 vs \$125K minimum</li> <li>Marketing &amp; Econ - \$72K vs \$100K minimum</li> </ul>
Funding Future Capital	Not Yet
	<ul style="list-style-type: none"> <li>Capital Expenditure, Water and Wastewater Reserve Funds include requirement to be consistent with the required funding set out in the Long Range Capital Forecast.</li> </ul>

# Debt Management

- 2026 annual debt payments are \$1.8M
  - Includes NSC revitalization loan
- Factors to consider (flexibility/sustainability)
  - Arnprior's debt servicing ratio is “moderate” under provincial standards (MMAH) based on 2024 FIR data
  - Annual repayment limits (ARL) set by province are an additional \$3.7M as per O.Reg 403/02
    - i.e. annual debt payments could increase from \$1.8M to \$3.7M without further ministry approval



# Funding Future Capital

- Asset Management Plan
  - Recommends average investment of \$8.1M
- Capital Funding
  - Increase contributions to Reserves to fund future capital requirements
    - Water / Wastewater Rate Study Increases
    - Development Charges Study / By-Law
    - 2026 Municipal Tax Rate Increase
    - Continued applications for Grant supports



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# Budget Summary

# 2026 Budget

- Each **1.0% Municipal Tax Rate increase** would generate an additional **\$130,154** in tax revenue.
- The 2026 Budget includes a **3.0% Municipal Tax rate increase** which results in additional revenues of **\$390,462**.



# 2026 Budget

- Inflation rates for consideration include:
  - 2.2% CPI (Ont. All items)
    - Nov 2024 – Nov 2025
- Average MTRI is still under the average CPI historically.

Year	MTRI	CPI Rate
2026	3.00%	2.20%
2025	3.50%	2.00%
2024	2.50%	3.28%
2023	3.00%	6.50%
2022	0.00%	4.70%
2021	1.50%	0.90%
2020	1.58%	1.90%
2019	1.75%	1.80%
2018	2.00%	1.90%
2017	2.25%	1.80%
<b>TOTAL</b>	<b>21.08%</b>	<b>26.98%</b>
<b>AVG</b>	<b>2.11%</b>	<b>2.70%</b>

# Impact of Municipal Tax Rate

- Additional taxation revenue will help address:
  - Financial sustainability (ability to fund future capital requirements) by generating additional contributions to reserves
  - Help meet AMP targets for infrastructure reinvestment and asset lifecycle management
  - Address inflationary pressures
  - Avoid the need for sharp increases in the future

# Single Family Home - Median

## Single Family Detached

Median: \$246K

⬆ 0.61%



**\$1.5K**  
Change

Tax Year Base Year

2025 - 2026

# Municipal Tax Rate Increase

Municipal Tax Rate Impact					
MTRI	Municipal Revenues	Cost Impacts per Assessed Values			
		\$100,000	\$200,000	\$246,000	\$500,000
0.50%	\$ 65,077	\$ 4.83	\$ 9.66	\$ 11.88	\$ 24.15
1.00%	\$ 130,154	\$ 9.66	\$ 19.32	\$ 23.76	\$ 48.30
1.50%	\$ 195,231	\$ 14.49	\$ 28.98	\$ 35.65	\$ 72.45
2.00%	\$ 260,308	\$ 19.32	\$ 38.64	\$ 47.53	\$ 96.60
2.50%	\$ 325,385	\$ 24.15	\$ 48.30	\$ 59.41	\$ 120.75
<b>3.00%</b>	<b>\$ 390,462</b>	<b>\$ 28.98</b>	<b>\$ 57.96</b>	<b>\$ 71.29</b>	<b>\$ 144.90</b>
3.50%	\$ 455,540	\$ 33.81	\$ 67.62	\$ 83.17	\$ 169.05
4.00%	\$ 520,617	\$ 38.64	\$ 77.28	\$ 95.05	\$ 193.20
4.50%	\$ 585,694	\$ 43.47	\$ 86.94	\$ 106.94	\$ 217.35
5.00%	\$ 650,771	\$ 48.30	\$ 96.60	\$ 118.82	\$ 241.50

# Overall Tax Impact

2026 Impact with 3.0% Municipal Tax Rate				
	Town	County	Education	TOTAL
% Increase/(Decrease)	3.00%	0.00%	0.00%	
2025 Levy	0.00966498	0.00435326	0.00153000	0.01554824
Proposed 2026 Levy	0.00995493	0.00435326	0.00153000	0.01583819
Current Value Assessment	\$246,000	\$246,000	\$246,000	
2025 Taxes	\$2,377.59	\$1,070.90	\$376.38	\$3,824.87
2026 Taxes	\$2,448.91	\$1,070.90	\$376.38	\$3,896.19
Annual Estimated Increase	\$71.33	\$0.00	\$0.00	\$71.33
Monthly Estimated Increase	\$5.94	\$0.00	\$0.00	\$5.94



# Overall Municipal Impact

- Single Family Home median value (\$246K)

Estimated Impacts	2023	2024	2025	2026
	3.0%	2.5%	3.25%	3.0%
Municipal Levy	\$64.10	\$55.02	\$73.32	\$71.33
Water / Wastewater	\$45.17	\$28.91	\$64.92	\$68.92
Garbage Rate	(\$20.00)	\$20.00	\$15.00	\$0.00
<b>TOTAL Annual</b>	<b>\$89.27</b>	<b>\$103.93</b>	<b>\$153.24</b>	<b>\$140.25</b>
<b>TOTAL Monthly</b>	<b>\$7.44</b>	<b>\$8.66</b>	<b>\$12.77</b>	<b>\$11.69</b>

# Next Steps

- **Special Meeting(s) – Budget**
  - Monday February 2, 2026 @ 5:00pm
  - Tuesday February 3, 2026 @ 5:00pm (if needed)
- **Questions / Clarifications**
  - Forward questions to Treasurer & Mayor McGee
- **Budget Timeline**
  - Deemed adopted at end of veto periods
- **County Sets Tax Ratios** – by April 30<sup>th</sup>
- **Municipal Tax Rates** – by May 31<sup>st</sup>



# Questions?



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