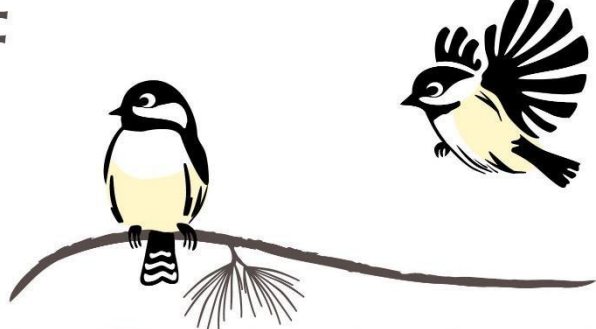


THE TOWNSHIP OF
**SOUTH
ALGONQUIN**



Budget 2026

Presented February 18, 2026

Objective

The objective of this process is to:

- Meet the legislative requirements of the Municipal Act 2001
- Provide an open process that demonstrates spending
- Plan for the fiscal challenges of the Township
- Effectively manage operating expenses and capital planning
- Communicate the financial plan for 2026 between council & staff
 - Property Assessment
 - Property Tax Rate
 - Revenue
 - Expenses
 - Reserves

The Township of South Algonquin's municipal budget includes a tax rate increase of 2.1 %.

Total municipal revenues and expenditures for 2026 are \$6,066,764, of which \$2,987,991 is generated through taxation. The remaining revenue comes from grants, municipal fees, and reserve transfers.

For every additional \$29,250 in expenditures, the tax levy increases by 1%.

In the development of the 2026 budget, staff reviewed the Strategic Plan, Asset Management Plan and the Tourism and Economic Development Master Plan.

This budget includes updating our Comprehensive Zoning Bylaw and completion of a Lands Needs Assessment.

Establishment of a Community Development position as recommended in our master plan, which will be partially funded by the Provincial Government.

Finance staff applied the Budget and Financial Control Policy to determine the proposed tax rate increase. Based on a CPI of 1.70%, the allowable range is 1.3% to 2.1%.

Following a 3-year review of expenditures, the budget has been developed with a 2.1% tax rate increase, meeting current-year operating and capital requirements.

The proposed budget includes a reserve transfer of \$136,500 to support future capital purchases.

While this contributes to long-term financial sustainability, it falls short of the recently approved Asset Management Financial Plan target of 5.2%, a \$152,500 reserve transfer. The shortfall of \$16,000 is equivalent to a 0.6% tax rate increase.

The 2026 Budget includes;

Operating Budget \$4,786,070

Capital Budget \$1,280,694

Total Budget \$6,066,764

Assessment - Taxation Base

Overall assessment growth reflects changes to the tax base resulting from property value adjustments such as new construction, renovations, demolitions, and assessment appeals.


Beginning 2026, South Algonquin's overall assessment growth was 1.25%.



Assessment Change Summary South Algonquin Township

The following chart provides a snapshot comparing the assessed value at the beginning of one taxation year (2025), to the assessed value at the beginning of the next taxation year (2026).

Property Tax Class (RTC) Description	RTC	Based on 2016 Current Value Assessment (CVA)			
		Destination CVA at time of roll return for 2025 Tax Year	Destination CVA at time of roll return for 2026 Tax Year	Percent Change 2025 - 2026 Tax Year	Percent of Total CVA Distribution of CVA between classes for 2026 Tax Year
Residential	R	252,694,000	256,389,000	1.46%	88.53%
Commercial	C	10,895,900	10,895,000	-0.01%	3.76%
Industrial	I	2,876,700	2,869,700	-0.24%	0.99%
Farm	F	525,200	525,200	0.00%	0.18%
Managed Forests	T	5,787,300	5,631,800	-2.69%	1.94%
Aggregate Extraction	V	12,600	12,600	0.00%	0.00%
PIL - Residential	R	1,487,300	1,508,800	1.45%	0.52%
PIL - Commercial	C	4,395,600	4,395,600	0.00%	1.52%
PIL - Landfill	H	21,600	21,600	0.00%	0.01%
Exempt	E	7,330,300	7,360,300	0.41%	2.54%
TOTAL		286,026,500	289,609,600	1.25%	100.00%

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- The weighted growth assessment increase for South Algonquin in 2026 is 1.25%.
 - The taxes generated from new assessment are a key source of new revenue for municipalities and has reduced the levy increase from 3.4% to 2.1%.
 - The overall residential tax rate will increase by 2.1%.
 - Residents will see a property tax increase of \$20.93 per \$100,000 in assessment.

Summary of Revenues

Taxation & Fees

	2026
Taxation	\$2,884,612
Payment in Lieu	\$103,379
Penalties and Interest	\$35,000
Reserves	\$638,235
General Gov't Services	\$152,450
Protection Services	\$105,600
Transportation Services	\$21,500
Environmental Services	\$34,600
Health Services	\$45,500
Social & Family Services	\$5,300
Recreation & Cultural Services	\$26,200
Planning Services	\$25,000

Grants

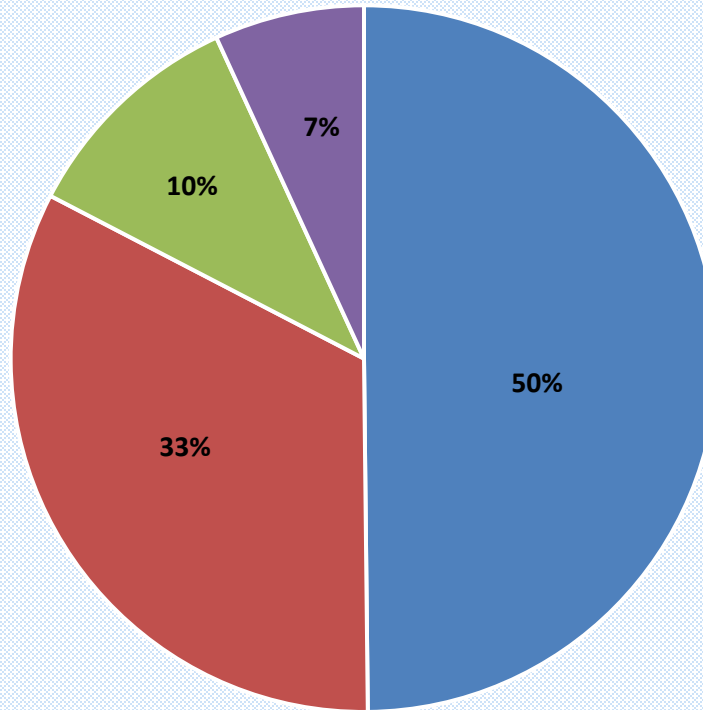
OMPF	\$1,294,800
OCIF	\$125,000
CCBF	\$69,103
Other Deferred (CCBF)	\$75,897
Federal Grants (Canada Day, Summer Employment)	\$8,900
Policing Court Security Grant	\$1150
Library Grants	\$8,164
Fire House Sub Grant	\$20,000
Fire Prevention Grant	\$36,224
Seniors New Horizon Grant	\$21,600
Seniors Community Grant	\$23,800
Pothole Prevention Grant	\$38,000
Ontario Trillium Foundation Grant	\$10,000



Grants with Municipal Contribution

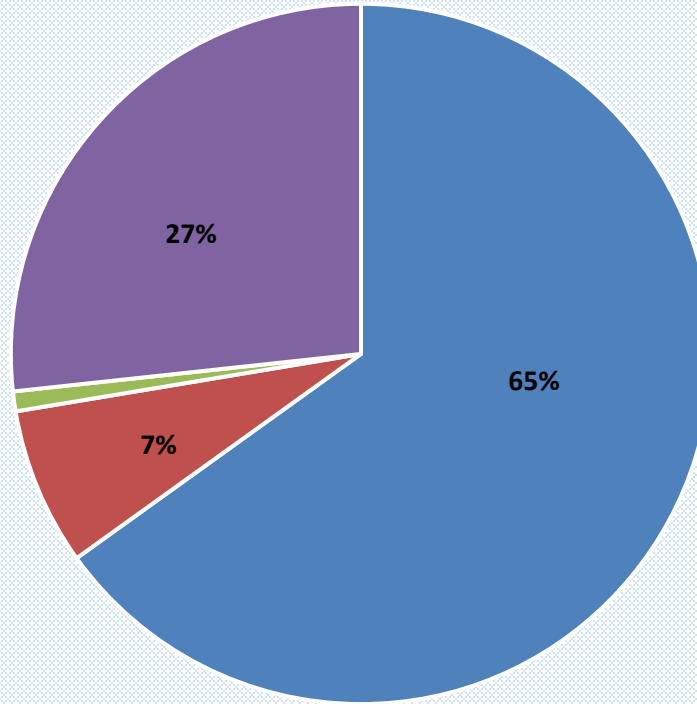
Community Intern Position Grant (Municipal Contribution of \$15,000)	\$35,000
NOHFC Grant (Municipal Contribution of \$49,000)	\$200,000
Enabling Accessibility Grant (Municipal Contribution of \$40,585)	\$121,749
ROD Grant (Municipal Contribution of \$25,000)	\$25,000

Revenue Sources



■ Taxation ■ Grants ■ Reserves ■ Fees and Other Revenues

Grant Revenue

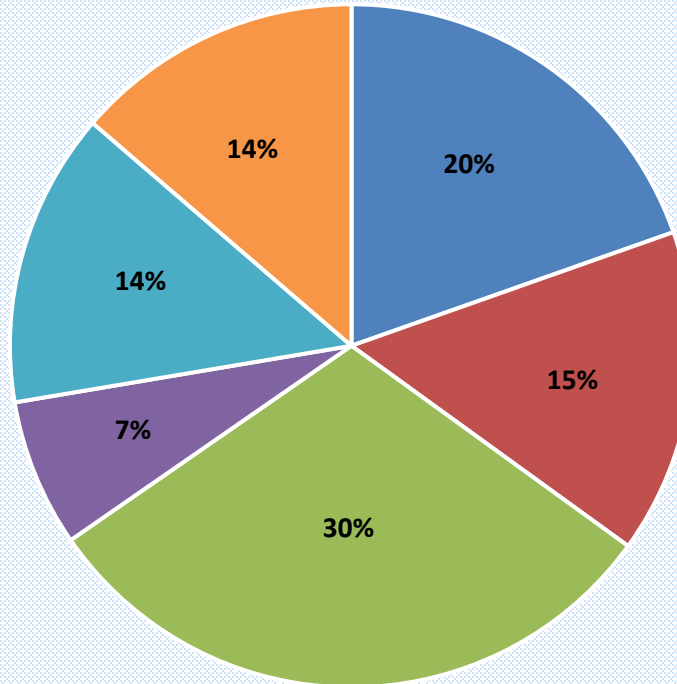


■ OMPF ■ CCBF ■ Recurring Grants ■ Non-Recurring Grants

Summary of Expenditures

	2026
General Gov't Services Council, Election, Administration, Economic Development	\$1,121,574
Protection Services Fire, OPP, CEMC, CBO	\$932,672
Transportation Services Public Works, Roads	\$1,843,609
Environmental Services Waste Collection, Landfill Sites	\$423,818
Health Services Health Unit, EMS, Medical Center	\$48,528
Social and Family Services DNSSAB, Resource Center, Seniors	\$798,740
Recreation and Cultural Services Recreation, Library	\$830,233
Planning Services Zoning Bylaw, Lands Needs Assessment	\$67,410

Expenditures



■ General Gov't/Planning

■ Transportation

■ Health /Social & Family

■ Protection

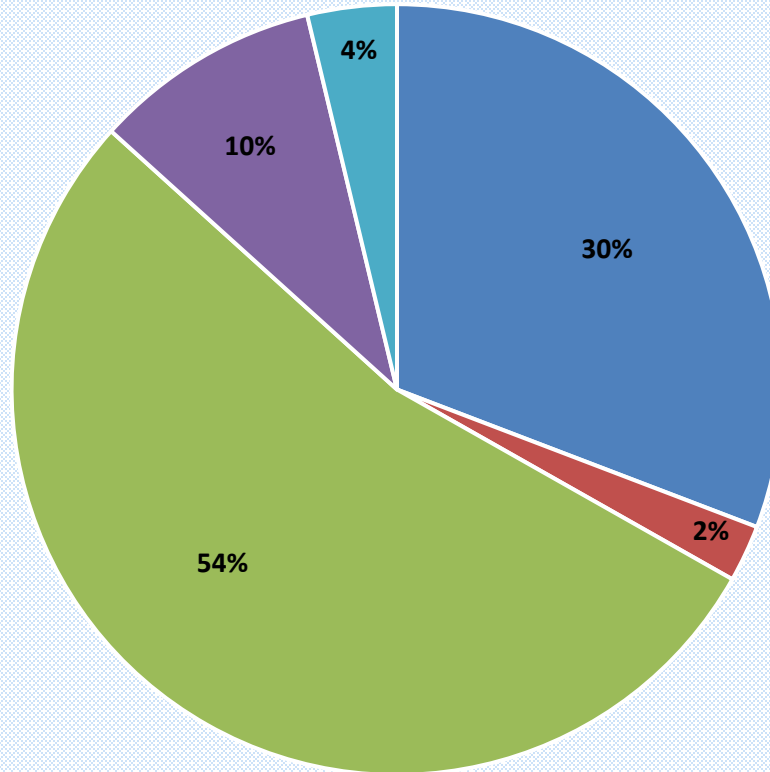
■ Environmental

■ Recreation & Library

Contracted Services

Agency	2025 Actual	2026 Budget	Variance
OPP	\$322,380	\$357,841	\$35,461
Health Unit	\$27,205	\$27,749	\$544
DNSSAB	\$595,674	\$621,449	\$25,775
Casselholme	\$109,054	\$111,000	\$1,946
MPAC	\$42,211	\$43,518	\$1,307
Total	\$1,096,524	\$1,161,557	\$65,033

Contracted Services



■ OPP ■ Health Unit ■ DNSSAB ■ Casselholme ■ MPAC

2026 Capital Projects

	2026
Radar Speed Signs	\$7,500
Culvert Steamer	\$23,900
Works Yard Seacan Roof	\$10,000
Tandem Plow Truck	\$358,735
Road Drainage Project	\$25,000
Road Gravelling Project	\$60,000
Algonquin St. Bridge Expansion Joints	\$20,000
McCauley Lake Culvert Replacement	\$40,000
Pothole Program	\$38,000
Sub-Total	\$583,135

2026 Capital Projects

Furnace - Township Office	\$9,000
Washroom Upgrade - Twp Office	\$45,000
Generator - Whitney Fire Hall	\$20,000
Fire Pumper Truck	\$100,000
Fire Decontamination Showers/Washers & Dryers	\$36,225
Madawaska Library Heat/Cool Pump	\$10,000
Parks Privy Accessibility Improvements	\$10,000
Lester Smith Ovens/Range Hoods	\$6,000
Lester Smith Rink Resurfacing	\$249,000
Lester Smith Playground Equipment	\$163,334
Boat Launch & Trail Masterplan	\$50,000
Total Capital Spending	\$1,280,694

2026 Transfers from Reserves

	2026
Tandem Plow Truck	\$358,750
Election 2026	\$12,000
Economic Development Intern/Supplies	\$24,000
Fire Pumper Truck	\$100,000
Culvert Steamer	\$23,900
Zoning Bylaw Amendment/Official Plan	\$30,000
Lester Smith Rink Resurfacing	\$49,000
Lester Smith Playground Equipment	\$40,585
Total Reserve Transfer	(\$638,235)



2026 Transfers to Reserves

	2026
MNRF Fire Agreement	\$25,000
Grader Repayment	\$12,000
Plow Truck Repayment	\$36,000
Public Works Truck #37 Repayment	\$100,000
Capital Reinvestment	\$45,500
Total Reserve Transfer	\$136,500

2026 Deferred Revenue Balances

	2025 Y/E Balance	2026 Budget Revenue	2026 Budget Spending	2026 Y/E Balance
CCFB (GAS Tax)	\$80,657	\$69,103	(\$145,000)	\$4,760
OCIF Grant	\$418	\$125,000	\$0	\$125,418
Enabling Accessibility Grant	\$121,749	\$0	(\$121,749)	\$0

2026 Reserve Fund Balances

	2025 Y/E Balance	2026 Used	2026 Moved to Reserve	2026 Y/E Balance
General Reserve	\$797,696	\$382,750	\$36,000	\$450,946
Election Reserve	\$12,447	\$12,000	\$0	\$447
Planning Reserve	\$43,797	\$30,000	\$0	\$13,797
Trans Equipment Reserve	\$118,981	\$23,900	\$75,500	\$170,581
Recreation Reserve	\$118,675	\$89,585	\$0	\$29,090
Fire Equipment Reserve	\$289,955	\$100,000	\$25,000	\$214,955
Other Reserves	\$946,102	\$0	\$0	\$946,102



Questions