



TOWNSHIP OF
GREATER MADAWASKA

2027 Budget Directive

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Setting the Direction of the 2027 Municipal Budget

Purpose of today's presentation:

- Explain what a Budget Directive is and why it is important
- Reviewing the budget schedule
- Review the key cost pressures facing the Township
- Reviewing capital requirements set forth in the Asset Management Plan
- Identify key considerations for Council
- Obtain Council's direction for preparing the 2027 Budget

What is a Budget Directive?

Basically a Budget Directive is Council's Roadmap for the Budget

A budget directive provides Council's initial direction establishes a framework for staff to use when developing the proposed budget.

- Identifies Council's priorities
- Establishes financial parameters
- Provides direction on service levels and spending
- Guides staff in preparing the draft budget

What are Council's Priorities?

Council's priorities are built off the 2023-2026 Strategic Plan

The Strategic Plan helps Council identify **where the Township wants to go and what it wants to focus on.**

The budget then turns those priorities into action by determining **how we will allocate our limited financial resources.**

Together, they help the Township:

- Set clear priorities and goals;
- Plan for both current and future needs;
- Make informed decisions about services, infrastructure and spending;
- Balance community priorities with affordability; and
- Ensure taxpayers' dollars are being used responsibly.

Why Do We Need a Budget Directive?

The Budget Directive helps establish a clear framework before staff begin developing the detailed budget.

It provides direction on:

- Municipal service levels
- Infrastructure and capital priorities
- Reserve contributions
- Debt management
- Operating expenditures
- Revenue sources
- Cost efficiencies
- Tax levy considerations

Budget Schedule

Activities	Dates
Budget direction and information session to Council	Sept.17, 2026
2027 Draft Budget Presentation & Library Budget	Nov. 26, 2026
Budget Deliberations	Dec. 10, 2026
Adoption of 2027 Operating and Capital Budget.	TBD

What Influences the 2027 Budget?

Many factors influence a budget.

- Ontario CPI increased approximately 2.4% year-over-year from August 2025 to August 2026.
- However, the Township does not spend all of its money on the same basket of goods and services used to calculate CPI.
- Township costs that can be unrelated to CPI and that are specific to municipal operations, contractual obligations, infrastructure needs can be:
 - Policing
 - Wages and benefits
 - Insurance
 - Road maintenance
 - Construction and materials
 - Contracted services
 - Utilities & Fuel
 - Debt payments
 - Infrastructure and reserve requirements

Key 2027 Cost Pressures

Cost Pressure	2027 Estimated Increase	% Increase Year over Year	Comments
OPP Policing	\$89,206	11.0%	Contractual policing cost increase
Insurance	\$15,163	10.0%	Estimated insurance premium increase
Wages & Benefits	\$140,688	4.74%	Reflects step wage adjustments and benefit costs and a potential 1.5% cost of living increase
Contribution to Reserves	\$148,680	28.6%	Increased funding toward long-term capital and asset management requirements
Gravel Roads Maintenance	\$29,736	2.12%	Increased maintenance costs based on Gravel Roads AMP (0.6% tax rate increase)
Debenture Payments	\$46,179	8.4%	Scheduled increase in debt servicing costs based on 10 year financial strategy

Key Pressures alone result in a 9.48% tax rate increase. However, the budget directive will aim to have staff will work to bring this down to the targeted 4.72% to 5.32% through finding revenue sources and cost saving efficiencies.

Important to Note: These represent selected known cost pressures associated with strategic plans, asset management plans and costs beyond the Township's control and do not represent the total change to the municipal budget.

2027 Capital Projects

Asset	Value
New* Calabogie Junction Community Hub	\$50,000
437 -Hydro Dam Rd (HL4) (Engineering)	\$50,000
439 -Hyland Creek Rd (HL4)	\$297,101
441 -Jim Wallace Rd (LCB)	\$92,504
442 -Jim Wallace Rd Cul de Sac (LCB)	\$23,127
489 -Pine Hill Rd (LCB)	\$22,953
490 -Pine Hill Rd Cul de Sac (LCB)	\$10,791
511 -Thirteenth Fairway (LCB)	\$16,195
514 -Vada Court Cul-de-sac (LCB)	\$23,127
499 -Spring Town Bridge Rd (HL4)	\$126,485
New *Peaks Village	\$330,000
359 -V#3 2019 One Ton Truck with Plow	\$110,000
314 - 2014 New Holland 4X4 Tractor	\$150,000
5 -Fire Station/Public Works#1 Calabogie	\$150,000
719 -Fire Station/Public Works#2 Griffith	\$150,000
Rolling Equipment for Fire Truck	\$18,000
Rolling Equipment for Bunker Gear	\$35,000
Engineering & Design	\$15,000
2027 Total Capital Projects	\$1,670,283

Financial Sustainability

Key considerations:

- **Maintain Services**
Continue providing essential municipal services.
- **Maintain Infrastructure**
Address ongoing capital and asset management requirements.
- **Build Reserves**
Provide funding for future asset replacement and capital needs.
- **Manage Debt**
Meet existing debt obligations while considering future requirements.
- **Manage Costs**
Identify efficiencies and opportunities to control expenditures.

Council's Role

- Council establishes priorities and parameters



- Staff develops the proposed budget



- Council reviews and provides direction based on Strategic Plans, AMP Plans, and public input from surveys



- Council approves the final budget

Proposed Budget Directive

That Council direct staff to prepare the initial 2027 Municipal Budget based on maintaining existing service levels, addressing priority infrastructure and asset management requirements, incorporating contractual and inflationary cost pressures, maintaining appropriate reserve contributions, managing debt obligations, identifying opportunities for efficiencies and cost savings, and considering the overall impact on the municipal tax levy while staying within the 10-year financial strategy of a 4.72%-5.32% municipal tax rate increase.

This 10-year financial strategy identifies an average annual increase between 4.72% (3% for existing assets with approximately 1.72% to maintain services)

$$3\% + 1.72\% = 4.72\%$$

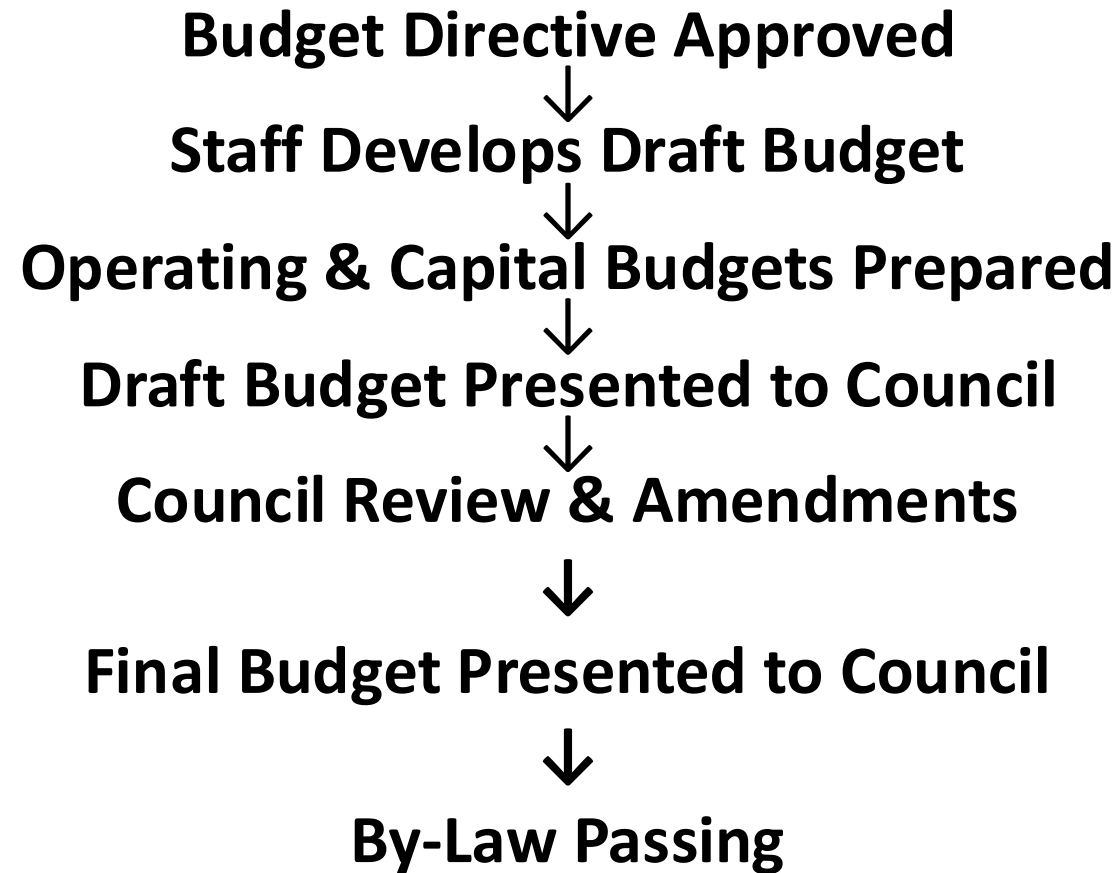
What this means for a taxpayer?

Municipal Tax Rate Increase	4.72%	5.32%
Revenue Generated by 1% Increase (2026 Returned Roll)	\$49,560	\$49,560
Additional Municipal Revenue from Tax Rate Increase	\$233,923	\$263,659
Annual Impact per \$200,000 of Assessment	\$50.28	\$56.67

2026 Municipal Tax Rate on a \$200,000 Assessment

2026 Municipal Tax on a \$200,000 Residential Assessment	
Municipality	Municipal Revenue
Renfrew	\$2,842.40
Deep River	\$2,448.79
Arnprior	\$1,990.99
Admaston/Bromley	\$1,921.50
Killaloe, Hagarty & Richards	\$1,773.83
North Algona Wilberforce	\$1,671.68
Whitewater Region	\$1,648.37
Bonnechere Valley	\$1,545.66
Laurentian Hills	\$1,484.04
McNab/Braeside	\$1,479.68
Horton	\$1,275.23
Brudenell, Lyndoch & Raglan	\$1,244.87
Madawaska Valley	\$1,206.49
Laurentian Valley	\$1,128.99
Petawawa	\$1,094.56
Greater Madawaska	\$1,065.39
Head, Clara & Maria	\$549.71

What happens next?



Questions?
