

Town of Renfrew

2026 Budget – Public Meeting

November 12th, 2025

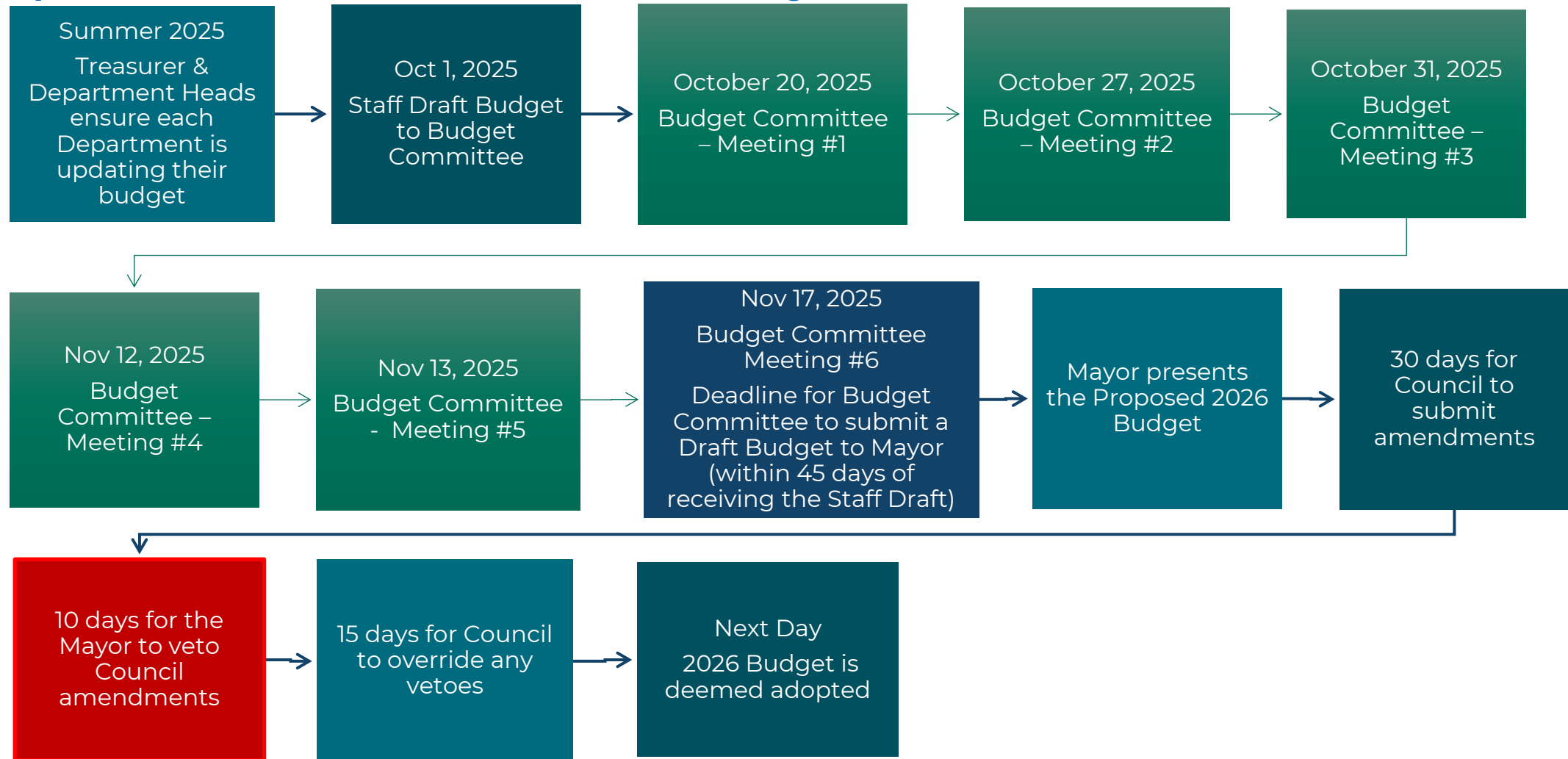
Prepared by:
Andrew Hodge -Treasurer/Director of Finance & Corporate Services
Mitchell Ferguson – Deputy Treasurer/ Manager of Finance



Renfrew

Projected 2026 Budget Timeline

<https://www.renfrew.ca/town-hall/finances/town-budget>



Renfrew

Public Consultation

Part 1. - 2026 Public Budget Consultation Survey

Survey Results:

- Total Number of Submissions: 24
- Survey Open from August 13 – August 28, 2025 (2 weeks)
- Details included in budget information

Part 2. - 2026 Public Budget Presentation – November 12th, 2025

- November 12th, 2025 – attend in person, or view live online
- Budget Committee Meetings are recorded and remain posted for viewing
- Opportunity for the public to make timely comments to Council about budgetary matters during the budget process



Renfrew

Strategies from Road to 2035 Strategic Plan

Support an accessible, supportive, and age-friendly community by advocating for community health and wellness through strategic partnerships.

Will be a leader in environmental stewardship for current and future generations.

Promote a complete community approach to growth, including supporting a mix of land uses with commercial, industrial, residential, and mixed-use development.

Take advantage of its strategic location for community development and growth.

Improve its transportation network through investment in rehabilitation, renewal, and expansion.

Prioritize infrastructure renewal and implement asset management best practices.

Be a municipal leader by fostering accountability, transparency, and financial sustainability.

Embrace change through innovation, use of technology, and interdepartmental, inter-municipal, and inter-governmental collaboration.

Ensure the safety and protection of persons and property through effective community safety programs and fire, emergency planning, by-law enforcement, and police services.

Determine levels of service for all Town programs and infrastructure, including operations and maintenance.



Renfrew

Budgetary Considerations

- Declining Borrowing Capacity - ARL
- One-time OPP discount - \$462,520 with \$317,520 transferred into and remaining in reserve
- Asset Management Plan – funding the annual asset replacement gap and the accumulated deficit
- Capital project prioritization
- Current Value Assessment (CVA) – the assessment cycle which has been paused since 2021 will remain paused for 2026.
- Risk Management
- Legislative requirements
- Levels of Service



Budgetary Considerations - continued

- The 2025 Budget updates are incorporated into the 2026 Budget.
- From there, the Budget Committee's changes to date are listed.
- At this point in the budget process it is estimated to be a \$17/ month tax increase over 2025 on a median value (\$171,000 as per MPAC) residential property assessment.

Levy Increase Update			
	2025 Levy	12,494,281.00	
	DH	14,119,307.00	13.01%
Changes from meeting 1	OPP Credit 50% from prior	(158,760.00)	
	MAC Expansion Debenture	(369,019.00)	
	Argyle Locheil Expansion Debenture	(12,472.00)	
	After 1st meeting Levy	13,579,056.00	8.68%
Changes from meeting 2	CCTV Scans in Operating from Capital	50,000.00	
	After 2nd meeting Levy	13,629,056.00	9.08%
Changes for meeting 3	CC - Contracted Services reduce for licer	(12,000.00)	
	CC - Materials & Operating Supplies	(6,400.00)	
	CC - Subscriptions	2,000.00	
	CC - Special Events	1,000.00	
	CC - Promotional Expenses	2,500.00	
	LF - Parts & Oil	4,470.00	
	LF - Fuel	2,524.00	
	LF - Equip Repairs & Maintenance	1,000.00	
	PLAN - Materials and Operating Supplies	1,000.00	
	PSB - Detachment Board Cost Recovery	(14,146.00)	
	CM - Grant to Sunshine Coach	15,000.00	
	CM - Grant to Heritage Renfrew	10,000.00	
	After 3rd meeting Levy	13,636,004.00	9.14%
Changes Received after 3rd meeting	OMPF Actual allocation rec'd Oct 31, 2025	(41,250.00)	
	Before 4th meeting Levy	13,594,754.00	8.81%



External Funding



Ontario Community Infrastructure Fund (OCIF) Grant

2026 - \$1,696,162 an increase of \$34,998
- Funds capital expenditures



Ontario Municipal Partnership Fund (OMPF) Allocation

2026 - \$2,942,400 an increase of \$179,400
- Funds operating expenditures



Canada Community Building Fund (CCBF) - Formerly Federal Gas Tax

2026 - \$268,224
- Funds capital expenditures



Government Grants Comparison

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<u>Grant</u>					
OMPF	2,406,200	2,460,000	2,520,700	2,763,000	2,942,400
OCIF	1,523,470	1,294,948	1,489,193	1,661,164	1,696,162
CCBF	260,794	272,133	261,557	268,224	268,224
Total	<u>4,190,464</u>	<u>4,027,081</u>	<u>4,271,450</u>	<u>4,692,388</u>	<u>4,906,786</u>



Tax Levy Definition



TAX LEVY =



The levy is the amount to be raised; it's the difference between expenses and all other non-tax revenue to be collected.

All expenses – grants – user fees – transfer from Reserves



For 2026 a 1% Tax Levy increase above the 2025 tax levy would represent: \$124,942.81



Renfrew

Taxation

Current Growth Projection – MPAC 0.6%, \$5.17M assessment increase

Looking at 2025 tax rate of 0.01331763 = \$68,852 Town portion tax revenue from growth

Projected 2026 tax rate increases for comparison:

Taxation - Town Portion	Assessed Median - MPAC	2025 - Actual	2026 - projections			
			% Increase			
			5%	7%	9%	11%
Town Portion - based on Median property value	171,000	2,277.31	2,391.18	2,436.73	2,482.27	2,527.82
Median Dollar increase/ over previous yr		172.75	113.87	159.41	204.96	250.50
Dollar increase/month		14.40	9.49	13.28	17.08	20.88
Dollar increase/week		3.32	2.19	3.07	3.94	4.82
Tax Rate		0.01331763	0.01398351	0.01424986	0.01451622	0.01478257
per 100,000 assessed property value	100,000	1,331.76	1,398.35	1,424.99	1,451.62	1,478.26
Dollar increase/yr		101.03	66.59	93.22	119.86	146.49
Dollar increase/month		8.42	5.55	7.77	9.99	12.21
Dollar increase/week		1.94	1.28	1.79	2.30	2.82

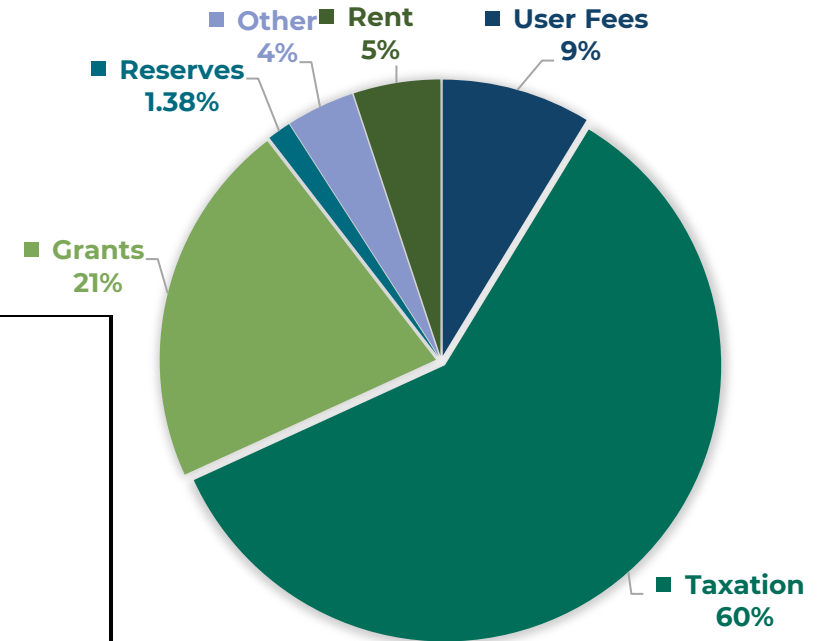


Operating Budget - Revenues

Total Operating Revenue 2026 Budget
\$23,684,388

Total Operating Revenue 2025 Budget
\$22,839,656

OPERATING REVENUES - BUDGET 2026



LEVY INCREASE

2025 LEVY	\$ 12,494,281.00	
2026 LEVY	\$ 13,594,754.00	8.81%
	\$ 1,100,473.00	
Breakdown of Levy Increase		
Operating Costs	\$ 1,262,323.00	10.10%
Capital Reserve Contributions	\$ 150,483.00	1.20%
Operating Reserve Contributions	-\$ 312,333.00	-2.50%
	\$ 1,100,473.00	8.81%



Renfrew

Operating Budget - Policing Services

Policing Services				
Ontario Provincial Police				*Estimate for 2026
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
# Properties	4,031	4,323	4,330	4,334
Policing Per Unit Cost	421.90	417.35	478.16	530.21
Annual Cost	1,803,643	1,804,204	2,070,438	2,297,920
Prior Year Adjustment	16,125	13,413	163,189	
New Annual Cost	1,819,768	1,817,617	2,233,627	2,297,920
One-time Discount from Province			- 462,520	
Resolution 25-05-02 - Police discount to reserves			317,520	
Potential 2026 Reserve transfer (317,520/2)			-	158,760
Amended Cost			2,088,627	2,139,160

The one-time police discount could be allocated fully, partially, or kept in reserve. The above shows the effects of allocating one half of the reserve as a 2026 Policing cost reduction.

Operating Budget - Library

- The Library Board sets the Library budget, this is through the Public Libraries Act
- Municipalities can specify the budgeted funding, but the individual line items related to the operation of the Library budget are developed by the Library Board
- The proposed increase for Library funding is \$57,670, which represents a 0.46% increase to the tax levy



Capital Budget

- Initially 66 Potential Capital Projects of varying size and degree were listed with a projects subtotal of \$20,992,100
- Current subtotal of committee revisions is at 34 projects, with a subtotal of \$12,088,180, while Budget Committee continues with the budget process
- Prioritization and funding strategies discussed at committee level
- Rankings provided by Department Heads (NOTE: the ranking of “Critical” denotes a high risk of asset failure, OR the next highest anticipated asset replacement priorities for that Department)



Annual Funding Required – taken from the Asset Management Plan 2025

- Allocation to capital operating reserves, which funds all general fund capital, in the draft budget is \$4,009,571.
- Water & Wastewater capital are funded through user fees as well as reserves. The annual contribution in 2026 combined is estimated at \$2,242,050.
- To meet the AMP 2025 annual funding requirement of \$13,003,082 an additional \$6,751,461 of funding would be required.

The table below includes summary excerpts from each section are provided starting with a synopsis of the overall replacement costs and yearly budgetary requirements for the sustainability of the Town. The funding gap will be dealt with in some detail.

Table 1: Asset Replacement Costs

Asset Category	Replacement Cost	%	Funding (\$/y)	Budget Allocation	\$ Variance
Streets	\$197,392,493	40.3%	\$5,407,695		
Facilities	\$86,550,274	17.7%	\$3,650,106		
Other	\$46,038,128	9.4%	\$1,170,465		
Tax Supported	\$329,980,894	67.3%	\$10,228,266	\$4,009,571.00	-\$6,218,695.44
Water Linear	\$49,585,600	10.1%	\$907,064		
Water Point	\$20,485,922	4.2%	\$433,052		
Total Water	\$70,071,522	14.3%	\$1,340,115	\$1,169,977.00	-\$170,138.23
Sanitary Linear	\$50,932,322	10.4%	\$378,669		
Sanitary Facilities	\$39,120,912	8.0%	\$1,056,031		
Total	\$90,053,234	18.4%	\$1,434,700	\$1,072,073.00	-\$362,626.92
Grand Total	\$490,105,651	100.0%	\$13,003,082	\$6,251,621.00	-\$6,751,460.60



Reserves – projected

- The use of Reserves in capital funding are tied to the specific nature of the reserve, such as a Water Reserve is specific to the Water Budget and Water specific costs.

OBLIGATORY RESERVES	2025 BUDGET			2026 BUDGET		
	Allocation	Financing	Ending Balance	Allocation	Financing	Ending Balance
Building Code Administration	-	-	-	-	-	-
Canada Community Building Fund (CCBF)	268,224.00	(244,378.00)	23,846.00	268,224.00	(200,000.00)	92,070.00
Development Charges		(172,509.00)	1,137,026.89		(40,000.00)	1,097,026.89
Ontario Community Infrastructure Fund (OCIF)	1,661,164.00	(2,609,201.00)	502,902.18	1,696,162.00	(1,486,100.00)	712,964.18
Parking Lots	11,200.00		39,396.28	11,760.00		51,156.28
Parkland (Recreational Land)	-	-	71,596.29	-	-	71,596.29
Provincial Gas Tax Fund (Transit)	245,313.00	(245,313.00)	544,840.14	250,000.00	(250,000.00)	544,840.14
	2,185,901.00	(3,271,401.00)	2,319,607.78	2,226,146.00	(1,976,100.00)	2,569,653.78
DISCRETIONARY RESERVES	2025 BUDGET			2026 BUDGET		
	Allocation	Financing	Ending Balance	Allocation	Financing	Ending Balance
Aquatics	-	-	355,142.04	-	-	355,142.04
Capital Reinvestment	387,520.00	(1,133,811.00)	411,264.50	70,000.00	(159,000.00)	322,264.50
Community Improvement Plan (CIP)			10,094.71	-	-	10,094.71
Election	10,000.00		30,500.00	10,500.00	(32,050.00)	8,950.00
Environmental			120,995.44	-	-	120,995.44
Equipment	91,400.00	(120,000.00)	201,319.43	95,970.00	(90,000.00)	207,289.43
Facilities	305,000.00	(1,443,954.00)	1,328,914.18	320,250.00	(1,094,400.00)	554,764.18
Insurance			10,000.00	-	-	10,000.00
Landfill	50,000.00	(450,128.00)	94,999.67	75,000.00		169,999.67
Levy Stabilization			303,039.70	-	(158,760.00)	144,279.70
Roads Infrastructure	1,192,800.00	(1,810,187.00)	2,254,234.36	1,252,440.00	(1,302,250.00)	2,204,424.36
Sewer	164,607.00	(1,159,175.00)	773,484.88	148,013.00	(831,837.00)	89,660.88
Swimming Pool Trust			38,410.21	-	-	38,410.21
Trails	8,300.00		47,900.00	8,715.00		56,615.00
Vehicle	201,000.00	-	410,534.64	211,050.00	(430,000.00)	191,584.64
Water	668,459.00	(1,738,754.00)	2,561,800.33	735,383.00	(837,589.00)	2,459,594.33
WSIB		(84,700.00)	787,214.71	-	(50,000.00)	737,214.71
	3,079,086.00	(7,940,709.00)	9,739,848.80	2,927,321.00	(4,985,886.00)	7,681,283.80
Total Reserves:	5,264,987.00	(11,212,110.00)	12,059,456.58	5,153,467.00	(6,961,986.00)	10,250,937.58



Long Term Debt – Annual Repayment Limit (ARL)

Annual Repayment Limit is defined as the maximum amount of principal and interest that a municipality can repay each year.

The ARL is set, and monitored by the Ministry of Municipal Affairs and Housing (MMAH)

- In 2025 the Town of Renfrew projected the remaining ARL would become \$1,512,523 after 2025 borrowing.
- For 2026 borrowing for specific capital items has not yet been incorporated into the staff draft budget.

The ministry calculates 25 percent of the municipality's annual own-source revenue:



The ministry subtracts municipal debt and other financial obligations to determine the ARL:



ARL - borrowing in 2026

- Example of borrowing an additional \$1M in 2026
- Based on this example if the Town were to borrow an additional \$11.88M the Town's ARL would reduce to zero, meaning the capacity to borrow was fully used, and no additional borrowing room was available.

Town of Renfrew	<u>2026</u>
Annual Repayment Limit(ARL) - borrowing example	\$
Example: 2026 borrowing \$1M, 10 yrs, 5%	1,000,000
Principal	\$79,074
Interest	\$48,204
Annual repayment obligations for new debt:	<u>\$127,279</u>

ARL

Revised ARL 2025	\$ 1,512,523
Annual repayment obligation - per above example	- <u>127,279</u>
Revised ARL 2026 - per above example	<u>\$ 1,385,244</u>



Debt listing and internal borrowing details

DEBT	AMOUNT	TERM	ISSUED	INTEREST	MATURE	TAXATION YEARLY PMT	WW YEARLY PMT	WATER YEARLY PMT	TOTAL YEARLY PMT
WATER TREATMENT PLANT	\$4,000,000.00	20	2007	2.38%	2027			\$ 205,959.78	\$ 205,959.78
WASTEWATER TREATMENT PLANT	\$9,900,000.00	40	2011	4.79%	2051		\$ 546,836.95		\$ 546,836.95
SOLAR INSTALLATIONS	\$750,000.00	20	2016	2.89%	2036	\$ 49,152.54			\$ 49,152.54
LANDFILL EQUIPMENT	\$998,000.00	20	2019	2.68%	2039	\$ 64,185.90			\$ 64,185.90
RAGLAN ST./DOWNTOWN RECONSTRUCTION	\$2,000,000.00	20	2020	2.14%	2040	\$ 123,185.12	\$ 129,344.39	\$ 184,777.69	\$ 437,307.20
MA-TE-WAY EXPANSION PROJECT	\$20,000,000.00	30	2025	4.60%	2055	\$ 1,230,346.44			\$ 1,230,346.44
ARGYLE/LOCHIEL/HALL REHABILITATION	\$6,726,993.00	20	2025	4.31%	2045	\$ 399,666.00	\$ 30,832.00	\$ 71,959.00	\$ 502,457.00
						\$ 1,866,536.00	\$ 707,013.34	\$ 462,696.47	\$ 3,036,245.81
INTERNAL DEBT	AMOUNT	TERM	ISSUED	INTEREST	MATURE	TAXATION YEARLY PMT	WW YEARLY PMT	WATER YEARLY PMT	TOTAL YEARLY PMT
LED STREET LIGHTING	\$ 620,554.04	10	2021	1.50%	2031	\$ 64,808.31			\$ 64,808.31
Town Hall Renovations	\$ 1,424,913.00	10	2025	0.00%	2034	\$ 142,491.30			\$ 142,491.30
Highway 60 (O'Brien Road)	\$ 909,621.24	10	2025	0.00%	2034	\$ 90,962.12			\$ 90,962.12
Ma-te-way Arena Roof Replacement	\$ 474,598.86	15	2016	1.50%	2030	\$ 34,012.98			\$ 34,012.98
						\$ 332,274.71	\$ -	\$ -	\$ 332,274.71
Total Debt Payments for 2026 per Category						\$ 2,198,810.71	\$ 707,013.34	\$ 462,696.47	\$ 3,368,520.52



Capital Funding Sources - Summary

- Reserves(based on 2026 budgeted allocations):
 - Total available(excluding water and wastewater) - \$8,398,489
 - Total Water and Wastewater - \$2,802,780
- Development Charges:
 - Total available(excluding water and wastewater) - \$63,296
 - Total Water and Wastewater - \$1,073,731
- Borrowing – the ARL available allows approximately an additional \$11.88M in borrowing before the MMAH limit prohibits additional borrowing.
- Taxation – If capital expenditures are funded from taxation in 2026 it would cause the 2026 tax levy to increase 1% per \$124,943.



Water & Wastewater

- Legislative – Safe Water Drinking Act, 2002, O.Reg 170/03 Drinking-Water Systems
- Town of Renfrew Financial Plan – 2021 – 2030, Water Ontario Regulation 453/07
- Water and Wastewater Rate Study – 2021 – 2030 provides rate schedules
- User based cost recovery – operations and capital
- OCWA contracted, expertise, pool of skills and resources for broader safety back-up

	2025 - Budget	2026 - Budget	Variance	%
Water Total	4,400,851	4,025,331	-375,520	
Water Capital	1,639,127	1,244,977	-394,150	
Subtotal - Water Operating	2,761,724	2,780,354	18,630	0.67%
Wastewater Total	3,577,067	3,624,274	47,207	
Wastewater Capital	1,132,804	1,147,073	14,269	
Subtotal Wastewater - Operating	2,444,263	2,477,201	32,938	1.35%
Total Combined Operating	5,205,987	5,257,555	51,568	0.99%



Water, Wastewater Rates

Table 7-1
Town of Renfrew
Average Annual Residential Water Bill (Based on an Annual Usage of 131m³)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Monthly Base Charge	\$18.47	\$19.76	\$21.15	\$22.42	\$23.76	\$25.42	\$27.20	\$29.11	\$30.56	\$31.78	\$32.74
Constant Rate	\$2.58	\$2.63	\$2.68	\$2.75	\$2.82	\$2.88	\$2.92	\$2.96	\$3.05	\$3.17	\$3.33
Annual Base Charge Bill	\$221.64	\$237.15	\$253.76	\$268.98	\$285.12	\$305.08	\$326.43	\$349.28	\$366.75	\$381.42	\$392.86
Volume	131	131	131	131	131	131	131	131	131	131	131
Annual Volume Bill	\$337.98	\$344.53	\$351.08	\$360.25	\$369.42	\$377.28	\$382.52	\$387.76	\$399.55	\$415.27	\$436.23
Total Annual Bill	\$559.62	\$581.68	\$604.84	\$629.23	\$654.54	\$682.36	\$708.95	\$737.04	\$766.30	\$796.69	\$829.09
% Increase - Total Annual Bill*		4%	4%	4%	4%	4%	4%	4%	4%	4%	4%

*Base Charge increases to provide fixed revenue to cover 40% of total operating expenditures by 2028

Table 7-2
Town of Renfrew
Average Annual Residential Wastewater Bill (Based on an Annual Usage of 131m³)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Monthly Base Charge	\$23.99	\$24.22	\$24.47	\$24.71	\$24.96	\$25.21	\$25.46	\$25.72	\$25.97	\$26.23	\$26.49
Constant Rate	\$2.38	\$2.40	\$2.42	\$2.44	\$2.46	\$2.48	\$2.50	\$2.53	\$2.56	\$2.59	\$2.62
Annual Base Charge Bill	\$287.82	\$290.70	\$293.61	\$296.54	\$299.51	\$302.50	\$305.53	\$308.58	\$311.67	\$314.78	\$317.93
Volume	131	131	131	131	131	131	131	131	131	131	131
Annual Volume Bill	\$311.78	\$314.40	\$317.02	\$319.64	\$322.26	\$324.88	\$327.50	\$331.43	\$335.36	\$339.29	\$343.22
Total Annual Bill	\$599.60	\$605.10	\$610.63	\$616.18	\$621.77	\$627.38	\$633.03	\$640.01	\$647.03	\$654.07	\$661.15
% Increase - Total Annual Bill		1%	1%	1%	1%	1%	1%	1%	1%	1%	1%



Renfrew

Water, Wastewater Rates - continued

Table 7-3
Town of Renfrew
Average Annual Residential Water and Wastewater Bill (Based on an Annual Usage of 131 m³)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Water											
Monthly Base Charge	\$18.47	\$19.76	\$21.15	\$22.42	\$23.76	\$25.42	\$27.20	\$29.11	\$30.56	\$31.78	\$32.74
Constant Rate	\$2.58	\$2.63	\$2.68	\$2.75	\$2.82	\$2.88	\$2.92	\$2.96	\$3.05	\$3.17	\$3.33
Annual Base Charge Bill	\$221.64	\$237.15	\$253.76	\$268.98	\$285.12	\$305.08	\$326.43	\$349.28	\$366.75	\$381.42	\$392.86
Annual Volume Bill	\$337.98	\$344.53	\$351.08	\$360.25	\$369.42	\$377.28	\$382.52	\$387.76	\$399.55	\$415.27	\$436.23
Total Annual Water Bill	\$559.62	\$581.68	\$604.84	\$629.23	\$654.54	\$682.36	\$708.95	\$737.04	\$766.30	\$796.69	\$829.09
Wastewater											
Monthly Base Charge	\$23.99	\$24.22	\$24.47	\$24.71	\$24.96	\$25.21	\$25.46	\$25.72	\$25.97	\$26.23	\$26.49
Constant Rate	\$2.38	\$2.40	\$2.42	\$2.44	\$2.46	\$2.48	\$2.50	\$2.53	\$2.56	\$2.59	\$2.62
Annual Base Charge Bill	\$287.82	\$290.70	\$293.61	\$296.54	\$299.51	\$302.50	\$305.53	\$308.58	\$311.67	\$314.78	\$317.93
Annual Volume Bill	\$311.78	\$314.40	\$317.02	\$319.64	\$322.26	\$324.88	\$327.50	\$331.43	\$335.36	\$339.29	\$343.22
Total Annual Wastewater Bill	\$599.60	\$605.10	\$610.63	\$616.18	\$621.77	\$627.38	\$633.03	\$640.01	\$647.03	\$654.07	\$661.15
Total Water & Wastewater Bill:	\$1,159.22	\$1,186.78	\$1,215.46	\$1,245.41	\$1,276.31	\$1,309.74	\$1,341.98	\$1,377.06	\$1,413.33	\$1,450.76	\$1,490.24
% Increase - Total Annual Bill		2.4%	2.4%	2.5%	2.5%	2.6%	2.5%	2.6%	2.6%	2.6%	2.7%



Steps

Budget Committee meetings that enable:

- Finance staff to introduce the information and provide an overview
- Departments available to provide their operational overview and details of any anticipated year over year changes
- Opportunities for questions
- Time for fulsome discussions
- Supplemental information
- Review Capital priorities and funding strategies
- Feedback and direction at the committee level – Meetings #1 - 4

Next Steps

- Budget Committee Meeting # 5 – November 13th, 2025 – Operating Budget
- Budget Committee Meeting # 6 – November 17th, 2025 – Final Review
- Mayor Proposed 2026 Budget – date not yet set

Thank You



Renfrew