

County of Wellington 2026 Budget and 10-Year Plan

January 12, 2026

Purpose of today's meeting

- ▶ Review 2026 Budget Process and significant budget updates since November
- ▶ Provide a background of the County's finances
- ▶ To provide Council with an overview of the 2026 Budget and 10-Year Plan in advance of January Committee meetings
- ▶ Opportunity for Council to review and discuss service levels and proposed capital projects



Agenda

- ▶ 2026 Budget and 10-Year Plan
 - ▶ 2026 Budget Process
 - ▶ Highlights of the Proposed 10-Year Plan
 - ▶ Asset Management and Capital Financing
 - ▶ Reserves and Reserve Fund Balances & Activity
 - ▶ County Debt Management and Forecast
 - ▶ Capital Budget Details
 - ▶ Operating Budget Forecast
 - ▶ Recap and wrap-up



County's Budget Process

- ▶ Year-round effort – budget monitoring takes place throughout the year
 - ▶ Monthly financial statements
 - ▶ Budget variance reporting
 - ▶ Capital budget amendments, as required
- ▶ 2026 Budget Schedule was approved by AF&HR in May
- ▶ Preliminary Budget and 10-Year Plan was presented to all committees in November
- ▶ CAO & Department Heads reviewed line-by-line budgets in December



Budget Schedule to Date

Description	Deadline/Date
Treasury staff update 10-year plan model and salary model	Summer 2025
Departments submit major 10-year operating budget items, draft 10-year capital forecast and proposed 2026 user fees to Treasury	September 5, 2025
Staff Advisory Committee review of preliminary 10-year plan	Mid-October 2025
Preliminary 10-year plan completed	Late October 2025
Staff develop detailed 2026 operating budgets	October - November 2025
Preliminary 10-year plan and 2026 user fees reviewed by all Standing Committees and Boards	November 2025
AF and HR Committee review of preliminary 10-year plan and 2026 user fees	November 18, 2025
County Council adopts 2026 user fees and receives 10-year plan for information	November 27, 2025
CAO & Department Head review of budgets	December 2025



2026 Budget Process – Next Steps

- ▶ January 12, 2026 – presentation to Council
- ▶ Budget reviews at Committee and Board meetings next couple of weeks
- ▶ Full budget package circulated to Council by January 23, 2026
- ▶ AF&HR review of budget on January 26, 2026
- ▶ AF&HR recommendations considered by Council on January 29, 2026



10-Year Plan Outlook in November

- ▶ 10-Year Plan projected a 3.5% budget increase for 2026
- ▶ Increases from 2.5% to 3.8% in 2027-2035



Changes to the 10-Year Plan since November

▶ Budget decreases

- ▶ Police – updated O.P.P. contract estimate from Province including one-time savings from “cap” (\$300K)
- ▶ Solid Waste Services – updated tipping fee revenues and RPRA grant expectations (\$150K)
- ▶ Admin – lower insurance, legal, IT and software maintenance costs (\$130K)

▶ Budget increases

- ▶ One-time transfer to reserves to fund Ambulance Station Property Acquisition (\$300K)
- ▶ Social Services
 - ▶ Housing – increases to the average cost of rent supports (\$140K)
 - ▶ Child Care – updated Provincial funding allocation, Mt Forest CC expansion, and cost sharing changes (\$170K)

▶ Total effect of all changes:

- ▶ Tax levy increased by \$19,000 – tax impact remains at 3.5% in 2026



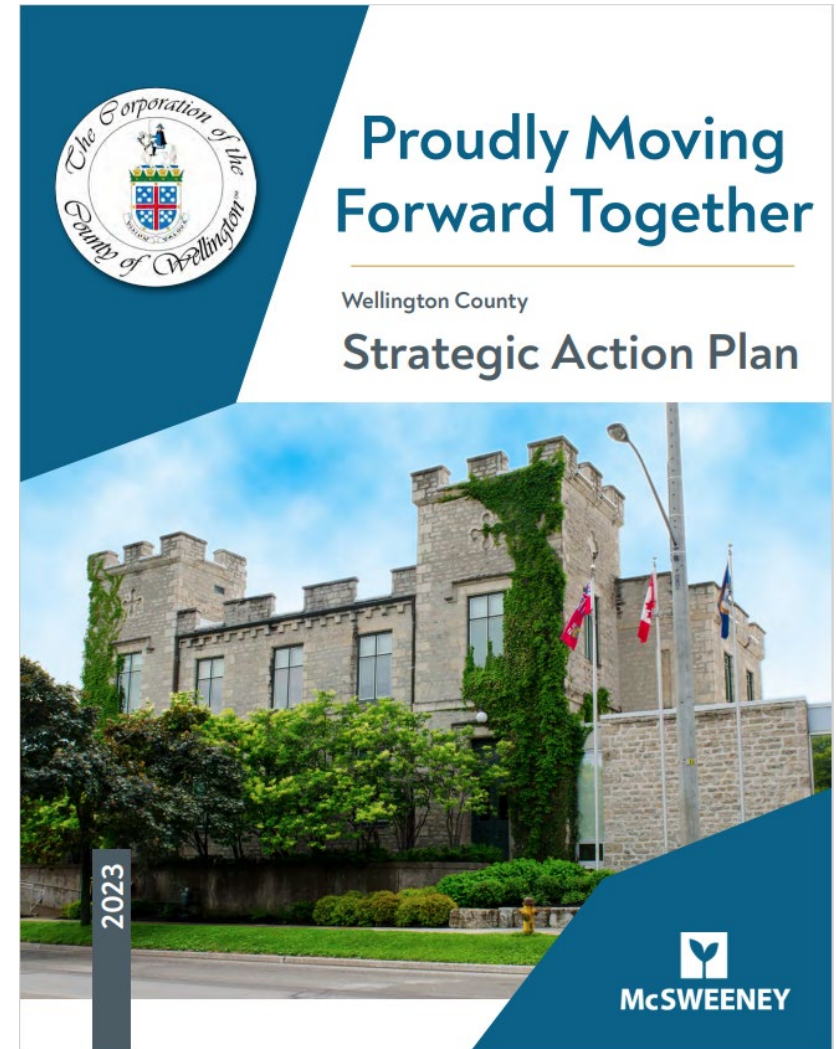
Highlights of the proposed 10-year plan

- ▶ Projected tax increase of 3.5% in 2026, 4.1% in 2027 and a range of 2.6% to 3.9% from 2028-2035
- ▶ Estimated 2026 operating budget of \$387.2 million
- ▶ \$686.6 million capital investment over 10 years
 - ▶ \$78.6 million in 2026
- ▶ \$90.2 million in new debt issues over 10 years
 - ▶ \$79.0 million growth-related
 - ▶ \$11.2 million tax-supported















Strategic Action Plan

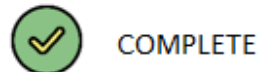
- ▶ Collaborative process involving elected officials and senior staff to provide direction that the County will be taking over the remaining term of Council
- ▶ “Proudly Moving Forward Together”
 - ▶ Is an update after the completion of the previous “Future Focused. People Invested” Plan.
 - ▶ Seeks to review what is similar, what has changed and how the County can adapt and improve since the last plan was completed
 - ▶ Offers strategic directions aimed at helping Wellington County navigate its new circumstances while ensuring the County continues to thrive
- ▶ Identifies four priority areas with strategic actions in each
 - ▶ Tackling a Major Community Opportunity – Housing
 - ▶ Doing What the County Does Best – Providing Critical Daily Services for Your Residents
 - ▶ Making the Best Decisions for the Betterment of the Community
 - ▶ Cherishing the County’s Most Valued Asset – its Staff



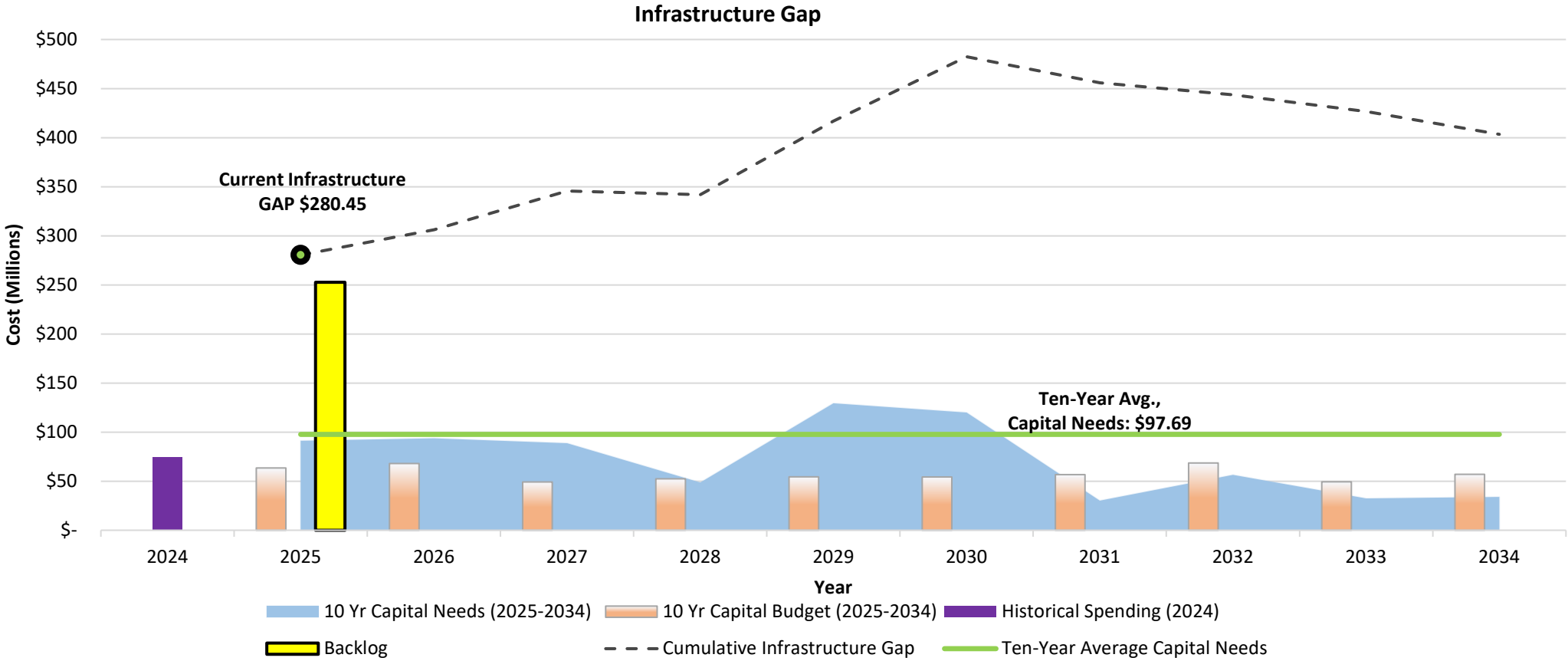
Corporate Asset Management Planning

- Ontario Regulation 5887/17: Asset Management Planning for Infrastructure

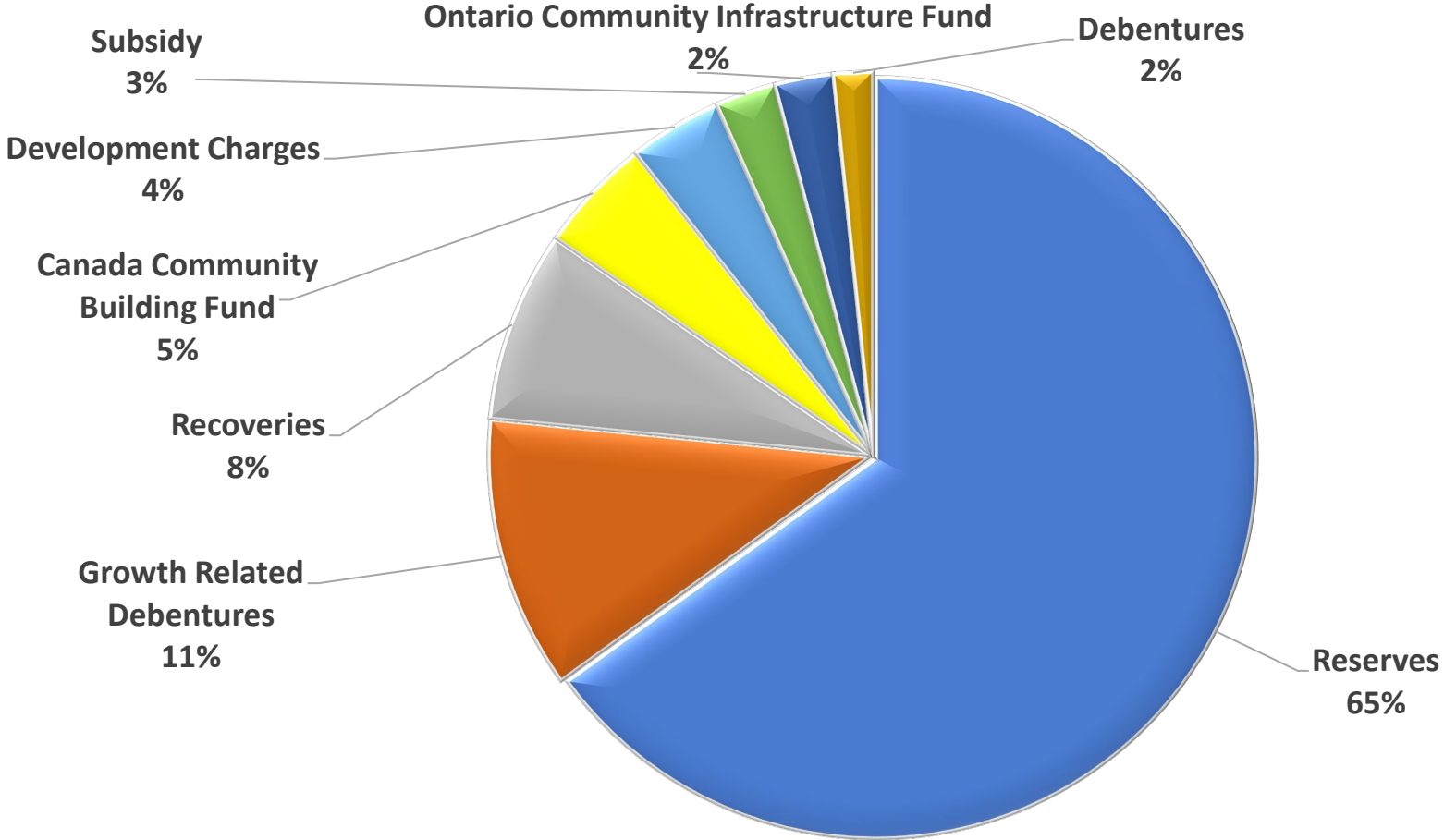
Provincial Requirement	Completion Date	County Status	
Strategic Asset Management Policy	July 1, 2019		County Commitment to Continued Asset Management Planning and Reporting
Asset Management Plan for Core Assets: Roads, Bridges & Culverts, Stormwater Assets Current Levels of Service	July 1, 2022		 Total Replacement Value of Core Assets \$745 million
			 Average Condition of Core Assets Good
			 Ten-Year Average Capital Needs \$38 million
			 Cumulative Infrastructure GAP \$44 million
Asset Management Plan All Municipal Assets: Buildings, Vehicles and Equipment, Furniture and Fixtures, Library Materials Current Levels of Service	July 1, 2024		 Total Estimated Replacement Value of All Assets \$1.6 billion
			 Average Condition Good
			 Ten-Year Average Capital Needs \$70 million
			 Current Infrastructure GAP \$228 million
Asset Management Plan All Municipal Assets Proposed Levels of Service	July 1, 2025		Current Infrastructure GAP \$280 million



Corporate Asset Management Planning



2026-2035 Capital Financing (\$686.6 million)



2026-2035 Capital Budget Highlights

- ▶ \$446.6 million – 65.1% of capital spending funded from own source revenue (reserves)
- ▶ \$67.6 million – 9.9% funded through Federal and Provincial subsidies
 - ▶ \$33.2 million in Canada Community Building Fund (formerly Federal Gas Tax)
 - ▶ \$17.0 million in Ontario Community Infrastructure Fund (OCIF)
 - ▶ \$17.4 million in other federal/provincial subsidies for Social and Affordable Housing, Roads
- ▶ \$90.2 million – 13.1% to be funded through Debt
 - ▶ \$79.0 million growth-related (recovered from DCs)
 - ▶ \$11.2 million tax supported
- ▶ \$55.2 million – 8.0% funded by Municipal Recoveries
- ▶ \$27.0 million – 3.9% funded by Development Charges



Reserves and Reserve Fund Balances

- ▶ County's reserve and reserve fund balances totalled \$134.4 million as of December 31, 2024
 - ▶ Capital Reserves: \$74.7 million
 - ▶ Operating Reserves: \$37.9 million
 - ▶ Reserve Funds: \$21.8 million (more restrictive in use)
- ▶ Reserve and Reserve Fund balances currently sit at \$141.2 million in draft form
 - ▶ Capital projects still to be closed

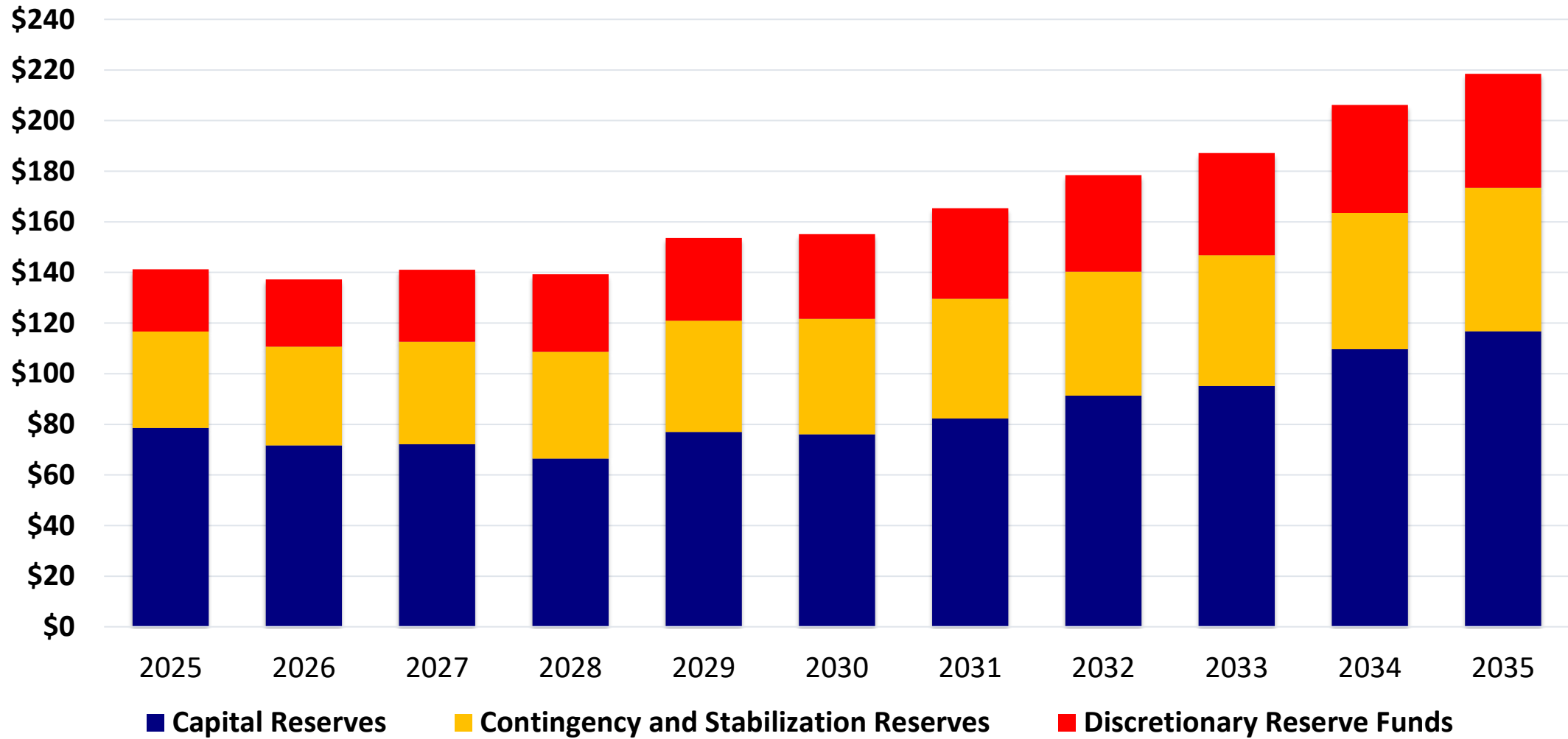


Reserves and Reserve Funds

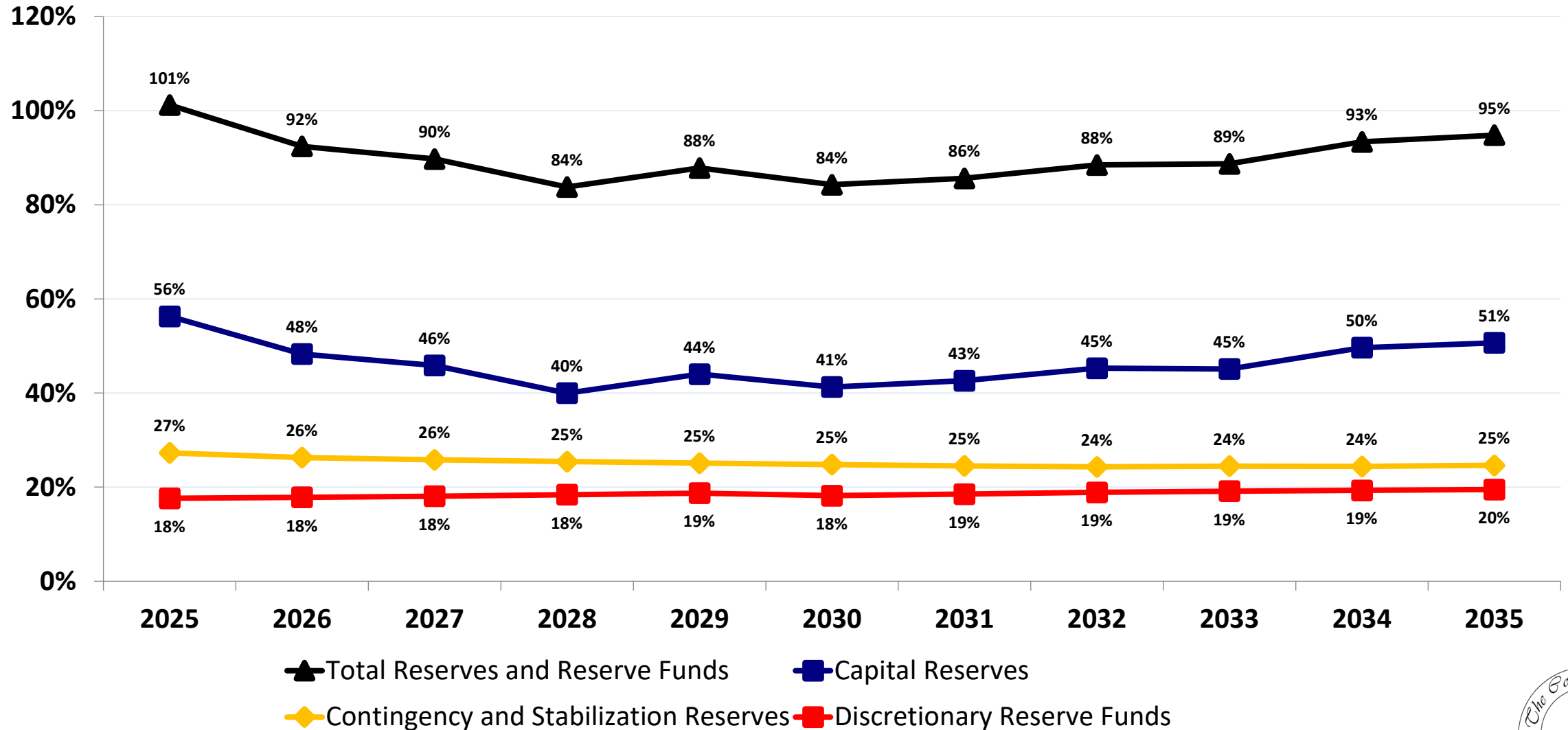
	Balance at Dec 31, 2024 (\$000s)	Projected Balance at Dec 31, 2025 (\$000s)	Projected Balance at Dec 31, 2026 (\$000s)
Reserves			
Operating Reserves			
Contingency & Stabilization Reserve	\$21,035	\$21,633	\$22,492
Winter Control Reserve	\$8,353	\$7,541	\$7,835
Shared Services Reserve	\$8,503	\$8,876	\$8,678
Capital Reserves	\$74,702	\$78,537	\$71,861
Total Reserves	\$112,593	\$116,586	\$110,866
Reserve Funds			
Future Liability Coverage Reserve Funds			
WSIB Self Insurance	\$1,674	\$2,934	\$2,959
WSIB Excess Compensation	\$2,528	\$2,989	\$3,508
Landfill Closure and Post Closure	\$12,052	\$12,659	\$13,438
Post Employment Benefits	\$2,538	\$2,859	\$3,230
Donation Reserve Funds	\$819	\$887	\$971
Specific Purpose			
Housing Regeneration	\$1,656	\$1,622	\$1,686
Homeownership Loan Programme	\$546	\$645	\$670
Total Reserve Funds	\$21,813	\$24,595	\$26,463
Total Reserves and Reserve Funds	\$134,406	\$141,181	\$137,329

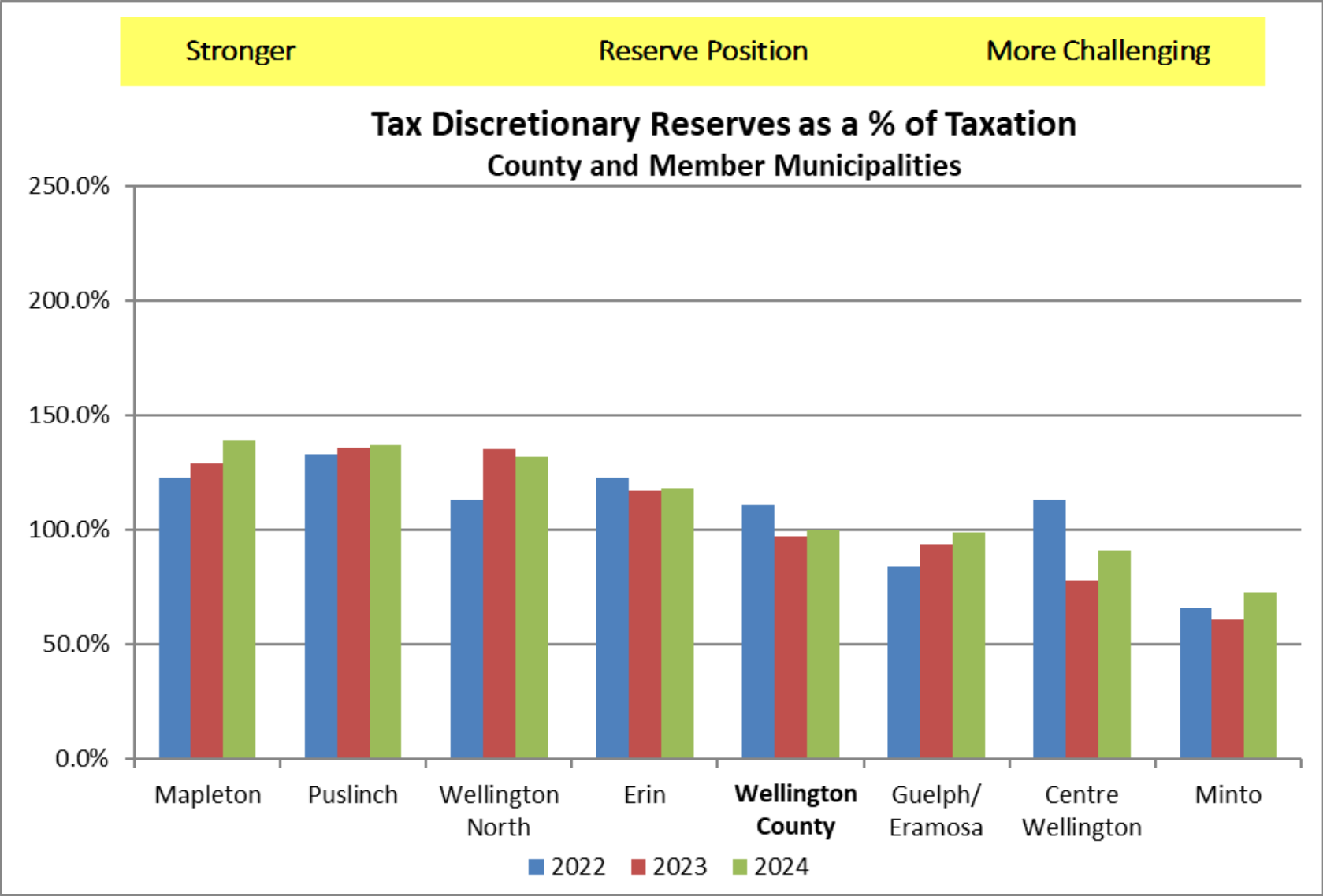


Reserves and Reserve Funds Forecast 2025-2035 (\$ Millions)



Reserves and Reserve Funds as % of Tax Levy





Note: Does not include Water and Wastewater Reserves



Contingency and Stabilization (Operating) Reserves

Purpose:

- To mitigate significant increases in tax rates as a result of uncontrollable factors such as weather, economic conditions, interest rate fluctuations, unemployment levels, development trends and changes in subsidies, revenues or cost sharing agreements

(Source: County of Wellington Reserves and Reserve Fund Policy effective June 2021)

Target:

- GFOA recommends, at a minimum, that the Contingency and Stabilization Reserve balance be maintained at a level of no less than two months of operating fund revenues or expenditures or 16.7%.
- Contingency and Stabilization Reserve 2024 Balance/2024 Own Source Revenues

$$= \$21,035,301/\$169,129,411 = 12.4\%$$



Capital Reserves

Purpose:

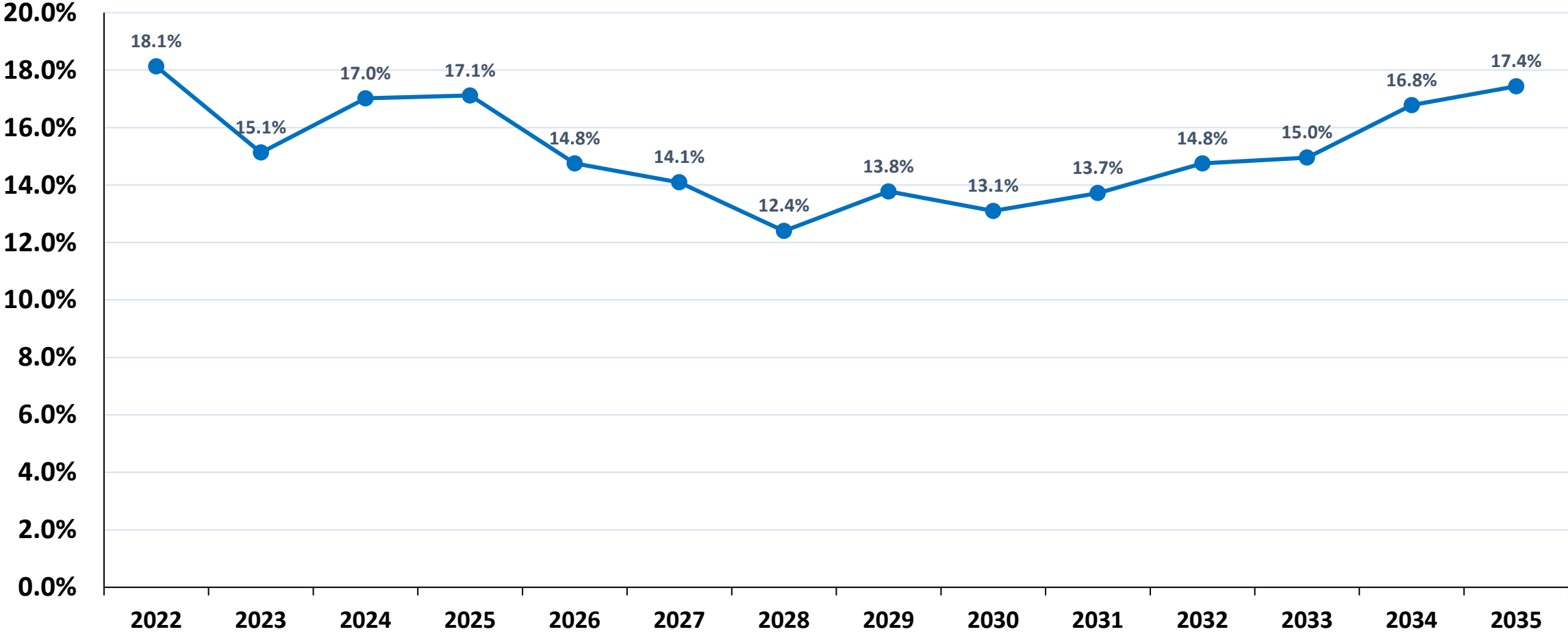
- To make provisions for replacements/renewals/acquisitions of assets and infrastructure that are currently being consumed and depreciated.
- Avoid spikes in funding requirements for capital projects by reducing the reliance on long-term debt. *(Source: County of Wellington Reserves and Reserve Fund Policy effective June 2021)*

Target: *(Source: 2021 BMA Financial Policy: Reserves and Debt Management Third Party Review)*

- The ratio of existing capital reserves to accumulated amortization should be 100% or greater, meaning that the amount available in reserves at any time is equal to the amount of assets that has been depreciated or used (on an historical cost basis).
 - This indicator supports intergenerational equity – past generations did not contribute at the appropriate level which has led to an infrastructure deficit in Wellington County (Backlog of \$280 million in 2025 for all County assets)
- Capital Reserve 2024 Balance/2024 Accumulated Amortization
= \$74,702,251/\$438,978,235 = **17.0%**



Capital Reserves as % of Accumulated Amortization






Future Liability Coverage Reserve Funds

Purpose:

- Prudent and sustainable financial management strategies are needed to ensure future generations are not required to absorb a disproportionate share of currently incurred liabilities.

(Source: 2021 BMA Financial Policy: Reserves and Debt Management Third Party Review)

Target:

- WSIB – 2024 Liability = \$1,416,898 / 2024 Reserve Balance = \$1,674,101 
(Note: In 2024 Council approved the split of this reserve into two reserves: WSIB Self-Insurance Reserve Fund and WSIB Excess Compensation Reserve Fund)
- Landfill Closure and Post-Closure – 2024 Liability = \$25,421,853 / 2024 Reserve Balance = \$12,052,356 
(Note: in 2023, the requirement for Asset Retirement Obligations resulted in an amended liability figure)
- Post-Employment Benefit – 2024 Liability = \$2,537,673 / 2024 Reserve Balance = \$2,537,673 

These Reserve Funds are regularly reviewed and funding plans updated annually



Reserves summary

- ▶ Reserves and reserve funds balances remain stable for the first three years of the 10-year plan, but are dropping as a % of the tax levy
- ▶ Capital Reserve balances are projected to drop by \$12 million over the first three years of the 10-year plan before climbing back up in the forecast
 - ▶ The County is utilizing \$8 million in ASE funds over the first two years of the forecast
- ▶ Reserves and reserve funds as a % of the tax levy average 89% over the 10-year plan
- ▶ General conclusions:
 - ▶ Contingency and Stabilization reserves are slightly underfunded
 - ▶ Capital reserves are well-underfunded
 - ▶ Future liability coverage reserve funds for WSIB and Post Employment Benefit are adequate; Landfill Closure and Post Closure liabilities are showing as underfunded, but work continues on the review of the target measure
- ▶ Estimates are conservative and can improve over time

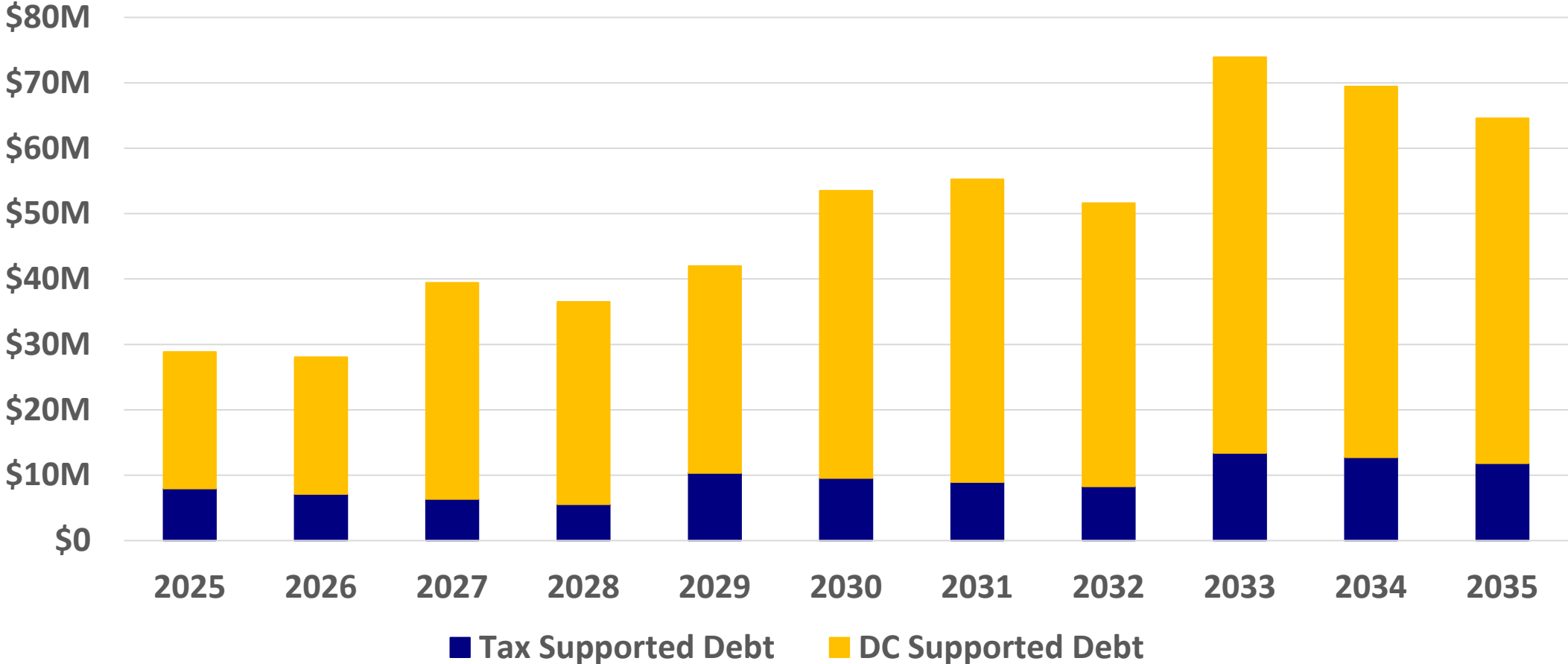


Projected long term borrowing

- ▶ \$90.2 million in new debt to be issued over the next ten years:
 - ▶ Tax-Supported Debt – \$11.2 million
 - ▶ Land Ambulance – new ambulance stations in Erin (2027/2028) and Mount Forest (2033/2034)
 - ▶ Growth-Related Debt – \$79.0 million
 - ▶ Roads – \$65.1 million
 - ▶ New garages: Erin (2025/2026), Brucedale (2028/2029), Harriston (2031/2032), Aberfoyle (2034/2035)
 - ▶ Land Ambulance – \$13.9 million
 - ▶ New ambulance stations: Erin (2027/2028), Guelph/Eramosa (2029/2030), Harriston (2031/2032), Mount Forest (2033/2034), Fergus (2035)



County of Wellington Debt Outstanding 2025-2035 (\$ Million)

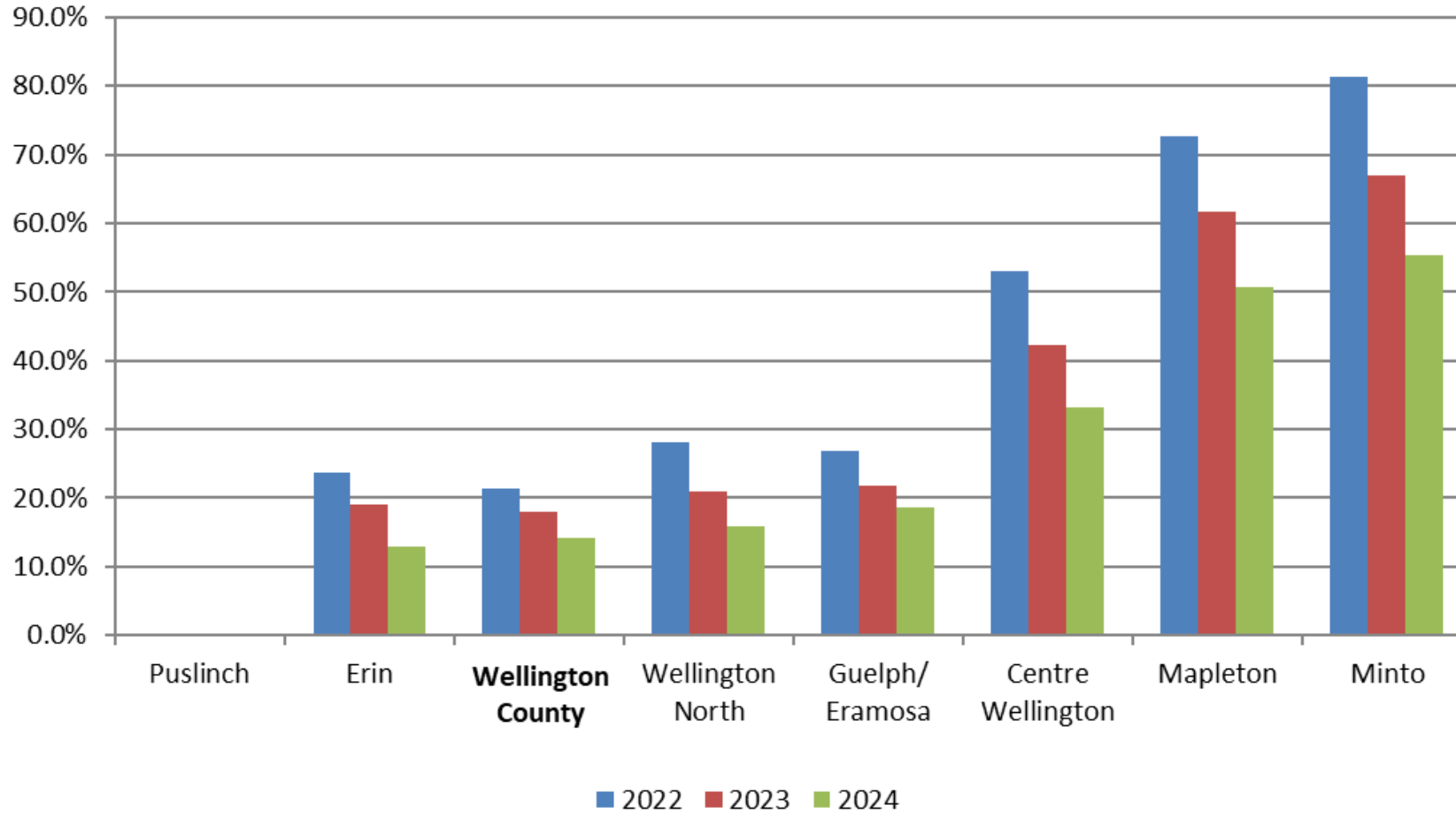


Limited Debt

Debt Position

Higher Debt Levels

Total Debt Outstanding per Own Source Revenues County and Member Municipalities

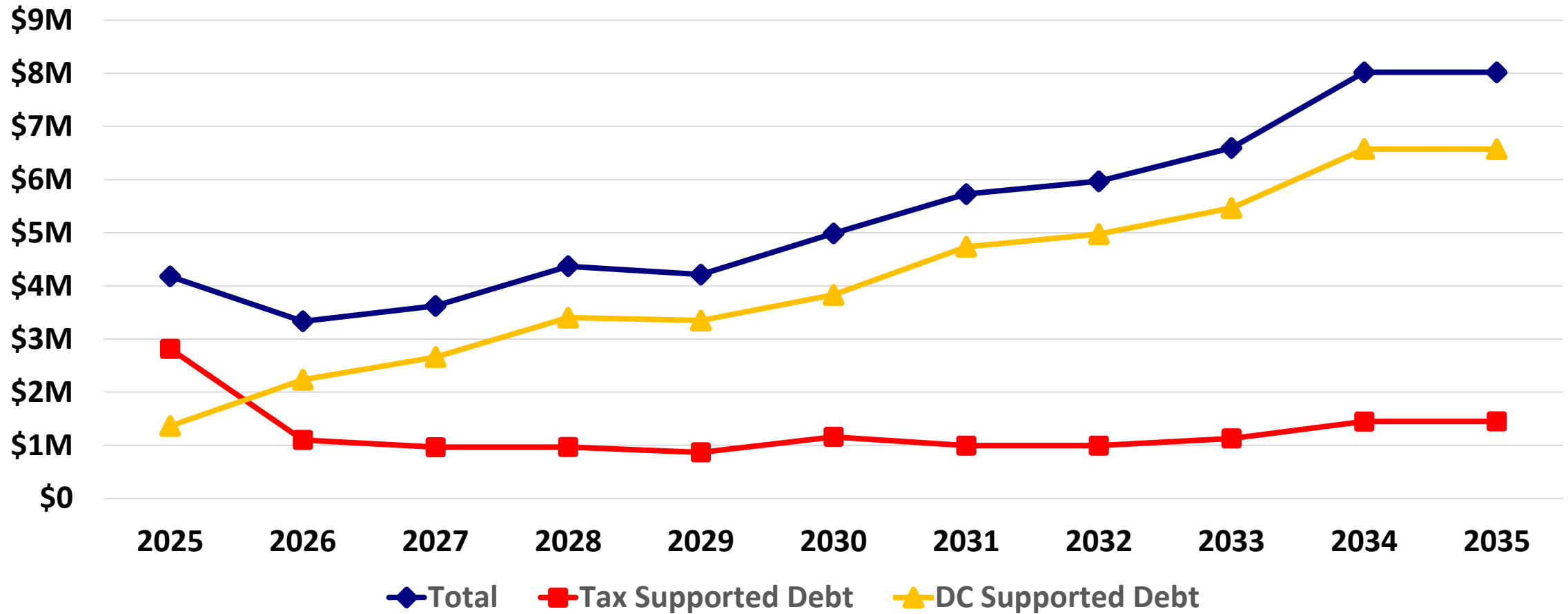


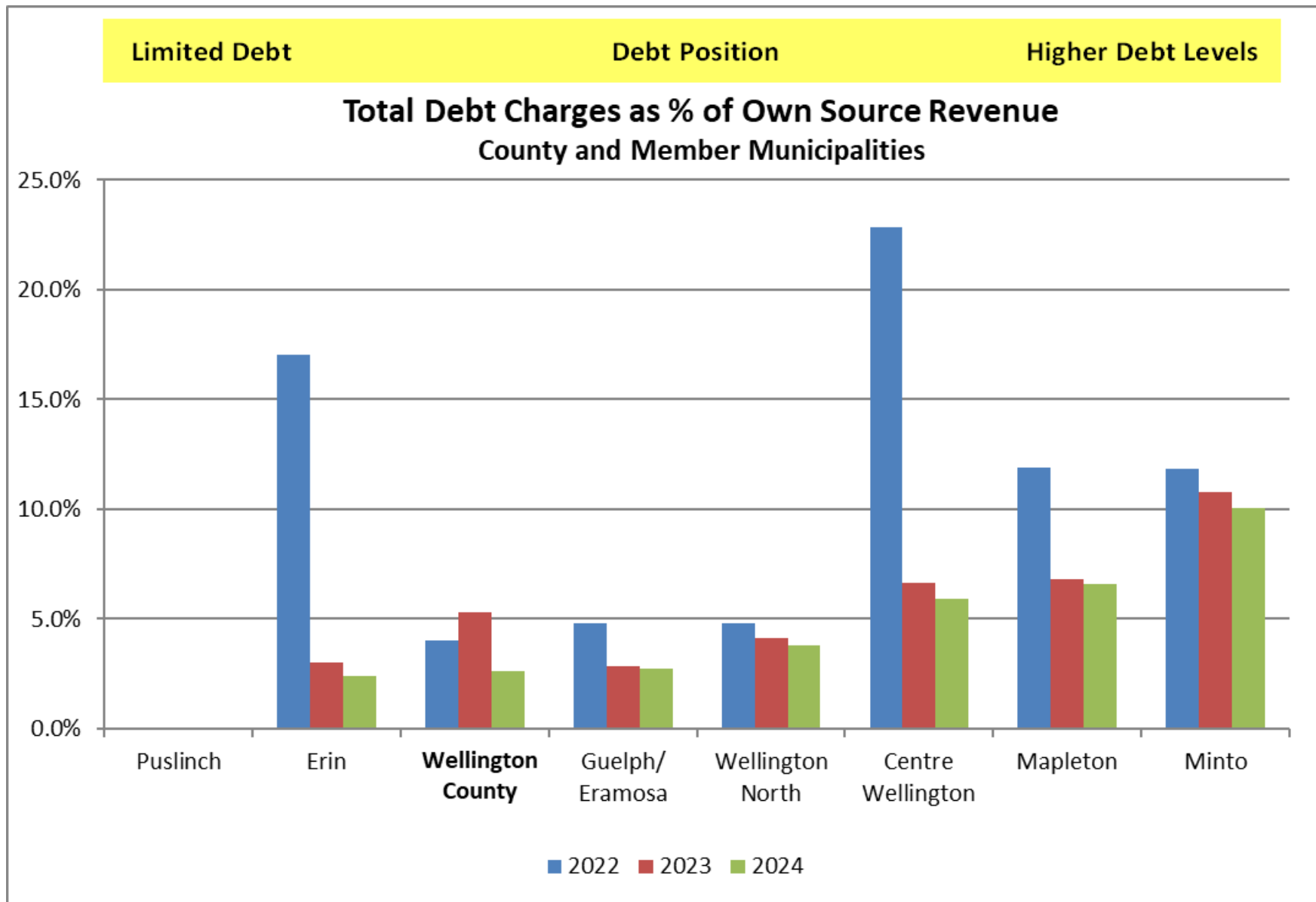
Note: Debt includes tax supported, Water & Wastewater and DC supported debt; Own Source Revenue does not include DC revenue earned



County of Wellington

Debt Servicing Charges 2025-2035 (\$ Millions)

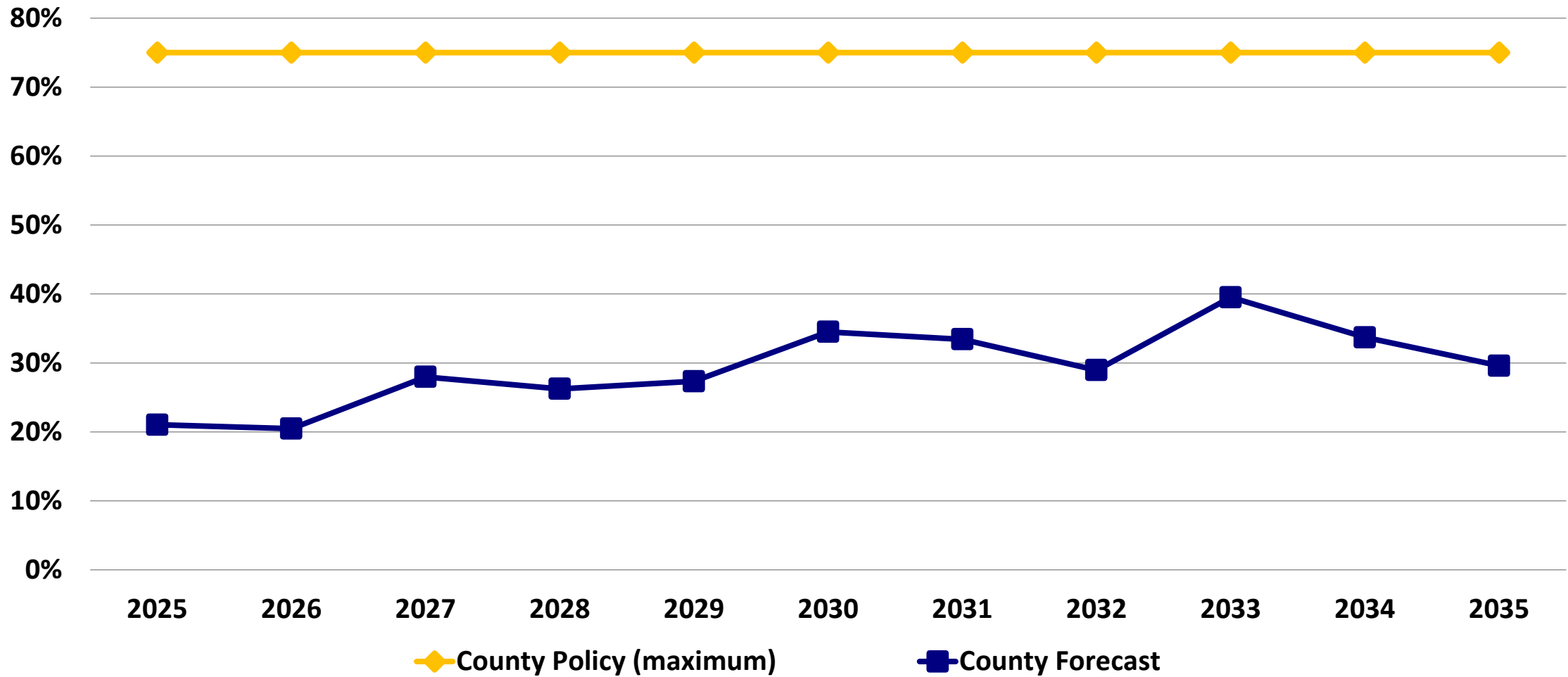


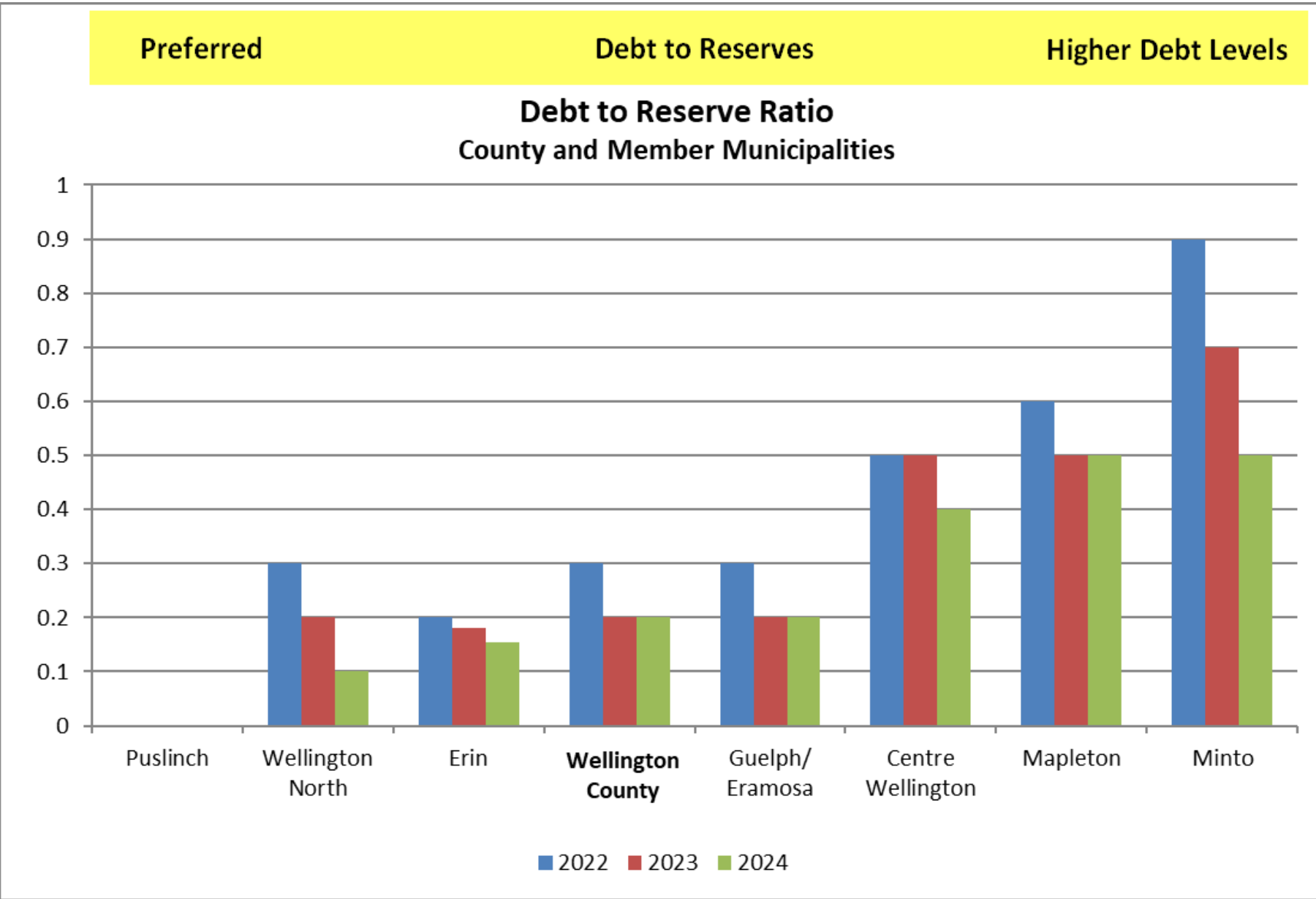


Note: Debt includes tax supported and DC supported debt; Own Source Revenue does not include DC revenue earned



Debt Outstanding to Reserve Ratio





Note: Debt includes tax supported, Water and Wastewater and DC funded debt, Reserves include Water and Wastewater Reserves.

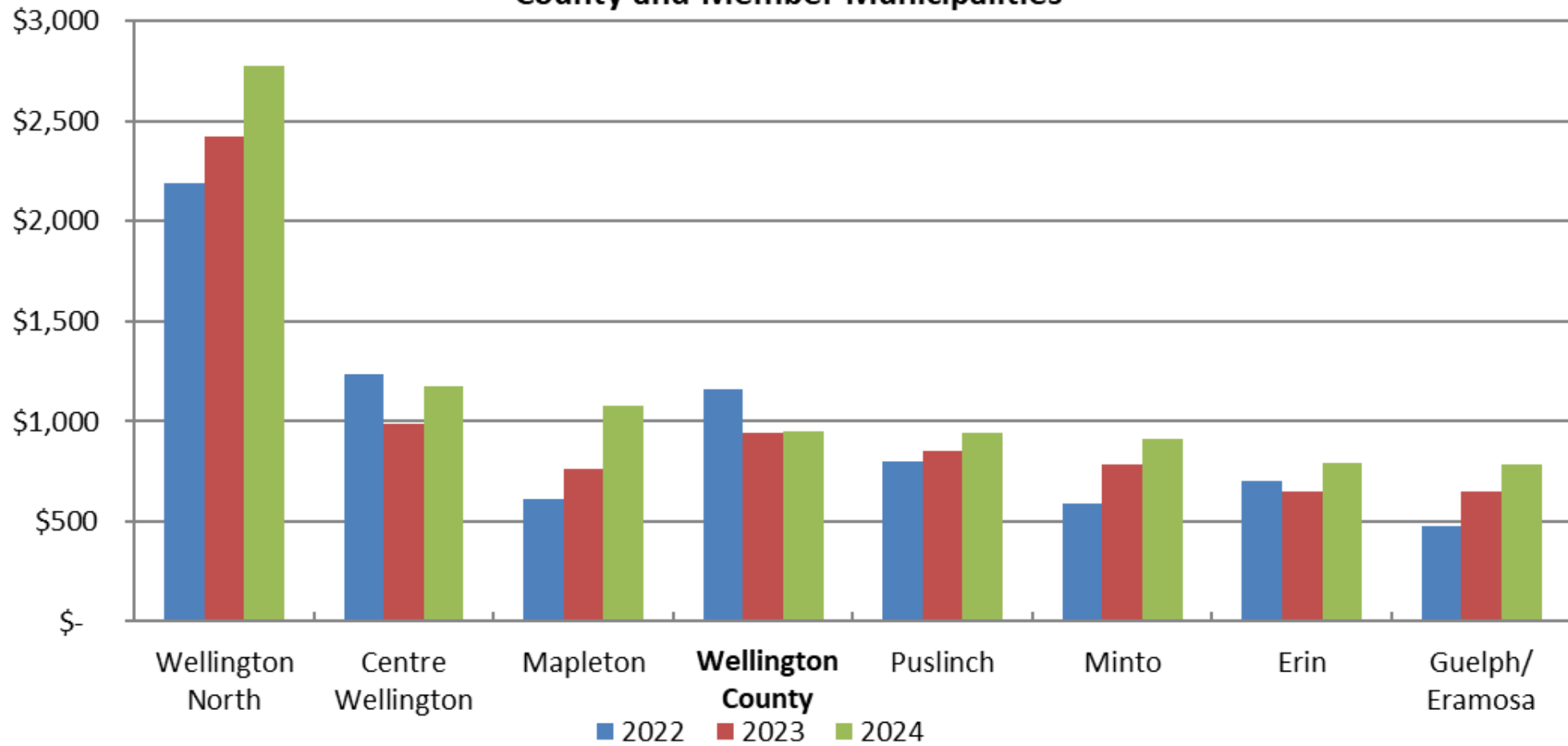


Stronger

Financial Position

More Challenging

Financial Position per Capita County and Member Municipalities

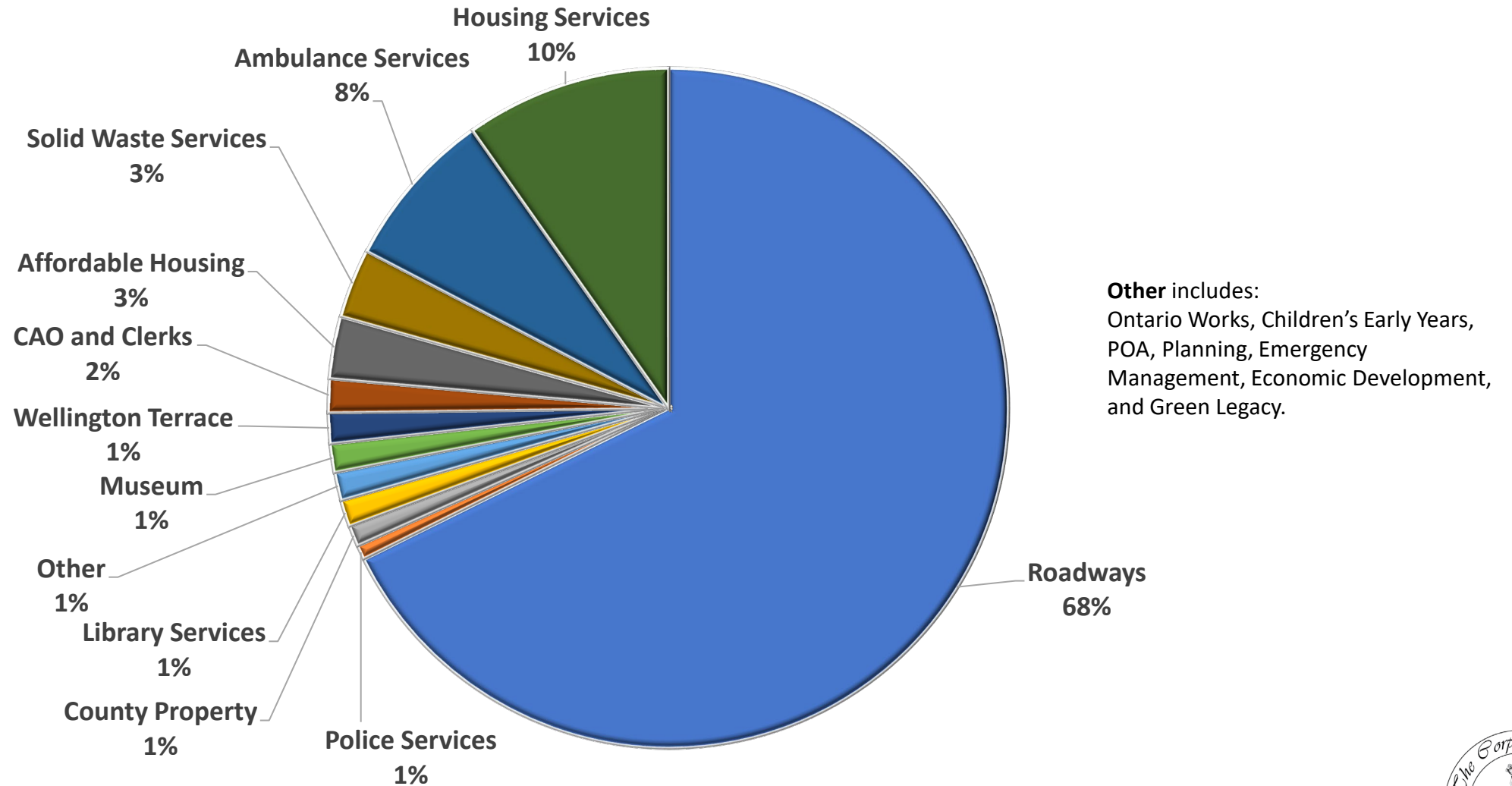


Debt summary

- ▶ Debt outstanding will top out at \$73.9 million in 2033
 - ▶ \$13.4 million tax supported, \$60.5 million DC supported
- ▶ Debt servicing costs will top out at \$8.0 million in 2034
 - ▶ \$1.4 million tax supported, \$6.6 million DC supported
- ▶ County's tax supported debt levels and debt servicing costs remain relatively stable over the forecast period
- ▶ County's growth supported debt levels and servicing costs are increasing over the forecast period
 - ▶ Reflects the needs of a growing community, increased construction costs and changes in Provincial policy
- ▶ Debt to reserve ratio remains below the policy level over the 10-year forecast



2026-2035 Capital Expenditures (\$686.6 million)



10 Year Capital Plan Highlights – Infrastructure

- ▶ Investment in County roads network
 - ▶ Roads Garages – the replacement of Erin, Brucedale, Harriston and Aberfoyle Garages
 - ▶ 267 kilometres of road improvements
 - ▶ Replacement or rehabilitation of 16 bridges and 10 culverts
 - ▶ 22 intersection improvements
 - ▶ 1 structural wall replacement
- ▶ Social and Affordable Housing Capital Improvements
 - ▶ Improvements to County owned social and affordable housing units for \$63.0 million, including three new properties: 11 Caroline Street (Mapleton), 301 Tucker Street (Arthur), 440 King Street (Mount Forest)
 - ▶ Provision for the construction of new affordable housing units of \$18.0 million



10 Year Capital Plan Highlights – Services

- ▶ Ambulance Station Improvements
 - ▶ Proposal to construct 8 station upgrades, including 5 station relocations and 1 new station
 - ▶ County has planned for the construction of 5 locations throughout the forecast
 - ▶ Additional funding to assist with land acquisition for station relocations
 - ▶ County's contribution for the new Speedvale station in Guelph
- ▶ Solid Waste Services
 - ▶ Further development of Phase II of the Riverstown Landfill
 - ▶ Waste and Organics Carts for Residents
- ▶ Wellington Place Mini-Master Plan
 - ▶ Continuation of work in 2028-2032 identified in the approved plan from 2022



Capital Plan: Roads

▶ Garage Construction - \$88.4 million:

Garage	Timing	Design, Preliminary Site Works	Construction	Total Costs	Reserves	Debt-Growth Supported	Total Funding
Erin*	2026		12.1	12.1	3.2	8.9	12.1
Brucedale	2028/2029	4.3	17.4	21.7	7.2	14.5	21.7
Harriston	2031/2032	5.0	20.2	25.2	7.5	17.7	25.2
Aberfoyle	2034/2035	5.9	23.5	29.4	5.3	24.1	29.4
Totals				88.4	23.2	65.2	88.4

*Note: \$6.4 million is previously approved for Erin Garage, for a project total of \$18.4 million

▶ Roads Equipment Replacements - \$49.8 million

▶ \$326.8 million investment over 10 years including:

- ▶ \$129.6 million in roads construction projects (\$47.3 million growth-related)
- ▶ \$76.5 million in bridges and culverts
- ▶ \$78.1 million in resurfacing projects
- ▶ \$31.3 million in asset management activities
- ▶ \$11.2 million for roads safety (ASE funded projects)



Capital Plan: Roads

- ▶ Internal funding (67%):
 - ▶ \$312.1 million from County Reserves
 - ▶ \$262.3 million funded from the Roads Capital Reserve
 - ▶ \$49.8 million funded from the Roads Equipment Reserve
- ▶ External funding (33%):
 - ▶ \$56.8 million in Federal and Provincial Subsidies
 - ▶ \$33.2 million funded from Canada Community Building Fund (previously Federal Gas Tax)
 - ▶ \$17.0 million funded from Ontario Community Infrastructure Fund (OCIF)
 - ▶ \$6.6 million funded from Investing in Canada Infrastructure Fund
 - ▶ \$91.0 million funded through Development Charges and growth-related debt
 - ▶ \$5.0 million in municipal recoveries



Capital Plan: Solid Waste Services

- ▶ \$22.7 million in capital investment over 10 years
- ▶ \$15.5 million for Equipment
 - ▶ New Tanker Truck for transporting leachate to a wastewater treatment plant (\$600K in 2027)
 - ▶ New Waste and Organics Carts for Residents to facilitate the move towards automated cart collection (\$5.5 million in 2028)
- ▶ \$5.8 million in improvements at active landfill sites and transfer stations
 - ▶ Riverstown Landfill (\$4.2 million)
 - ▶ Phase II development (\$3.4 million) – Excavation, Storm Water Retention Pond, Storage Building
 - ▶ Future development (\$800,000) – Phase III studies
 - ▶ Belwood site improvements including a new retaining wall (\$750,000)



Capital Plan: Social Housing

- ▶ \$60.8 million investment in the County's 1,264 Social Housing units for improvements and upgrades
- ▶ Climate Change Initiatives - \$9.2 million over ten years

Initiatives	Total Budget	GHG Component
Solar Panels	2,484,000	2,484,000
Deep Energy Retrofit	4,362,000	2,355,480
Furnace Replacement	4,818,000	1,141,500
Heat Conversion	6,997,000	1,093,600
Window, Door, Siding Replacement	2,449,000	719,700
Miscellaneous	3,635,000	559,250
HVAC replacement	2,364,000	514,250
Water Heater Replacements	760,000	241,960
Corridor Improvements	513,000	102,600
	<hr/> 28,382,000	<hr/> 9,212,340

- ▶ \$1.1 million in lifecycle repairs and replacements at 138 Wyndham St, Guelph



Capital Plan: Affordable Housing

- ▶ Provision for Development of new County-owned Affordable Housing Units
 - ▶ \$18.0 million in planned investment – numbers are preliminary, and assumptions are used
 - ▶ New construction planned for 2027, 2030, 2033
 - ▶ \$2 million in Provincial subsidy (assumed) per year
 - ▶ \$4 million from the Housing Development Reserve per year
- ▶ County-owned Affordable Housing Buildings (131 units):
 - ▶ Facility improvements totalling \$2.2 million over the forecast
 - ▶ Funded by Housing Capital Reserve



Capital Plan: Land Ambulance

- ▶ Optimal Resource Deployment Study for Paramedics updated by City of Guelph (end of 2024)
- ▶ Recommended Paramedic Station Construction Sequence was identified as follows:

YEAR	LOCATION
2026	Guelph (Speedvale Avenue)
2028	Erin (Hillsburgh)
2028	Guelph-Eramosa (Rockwood)
2030	Minto (Harriston)
2030	Wellington North (Mount Forest)
2032	Centre Wellington (Fergus)
2032	Puslinch (Aberfoyle)
2034	Wellington North (Arthur)
2034	Mapleton (Drayton)
2034	Guelph (Gordon Street)



Capital Plan: Land Ambulance

- ▶ County's updated 10-Year Plan includes:
 - ▶ Property Acquisition (2026) – \$300,000 (total of \$2.3 million)
 - ▶ Erin (2027-28) – \$8.1 million
 - ▶ Guelph/Eramosa (2029-30) – \$11.4 million
 - ▶ Harriston (2031-32) – \$8.9 million
 - ▶ Mount Forest (2033-34) – \$10.0 million
 - ▶ Fergus (2035-36) - \$3.3 million for preliminary works in 2035
- ▶ Status / Next Steps
 - ▶ JSSLAC approved the option for the County to build new stations located in the County and lease back to City
 - ▶ County staff have prepared a draft report for Committee review in February
 - ▶ City staff have reviewed the draft report and provided feedback including an updated Class D cost estimate for their new Ambulance Station on Speedvale
 - ▶ City and County staff to meet again to review draft budgets, discuss potential terms of a lease, update the report and committee accordingly



Capital Plan: Museum and Wellington Place

- ▶ Wellington Place Mini-Master Plan
 - ▶ Work continues over 2028-32 to improve visitor experience on site

	2028	2029	2030	2031	2032	Total
WP Museum Building Renovations					2,000,000	2,000,000
Total Facilities	-	-	-	-	2,000,000	2,000,000
WP Commons Recreation Area			950,000			950,000
WP Storage Building, Bicycle/Water Stations	1,750,000					1,750,000
Total Wellington Place	1,750,000	-	950,000	-	-	2,700,000
Total Wellington Place Mini-Master Plan	1,750,000	-	950,000	-	2,000,000	4,700,000

- ▶ Other projects include:
 - ▶ Museum building facility improvements (\$1.6 million)
 - ▶ Vehicles and equipment (\$165K)

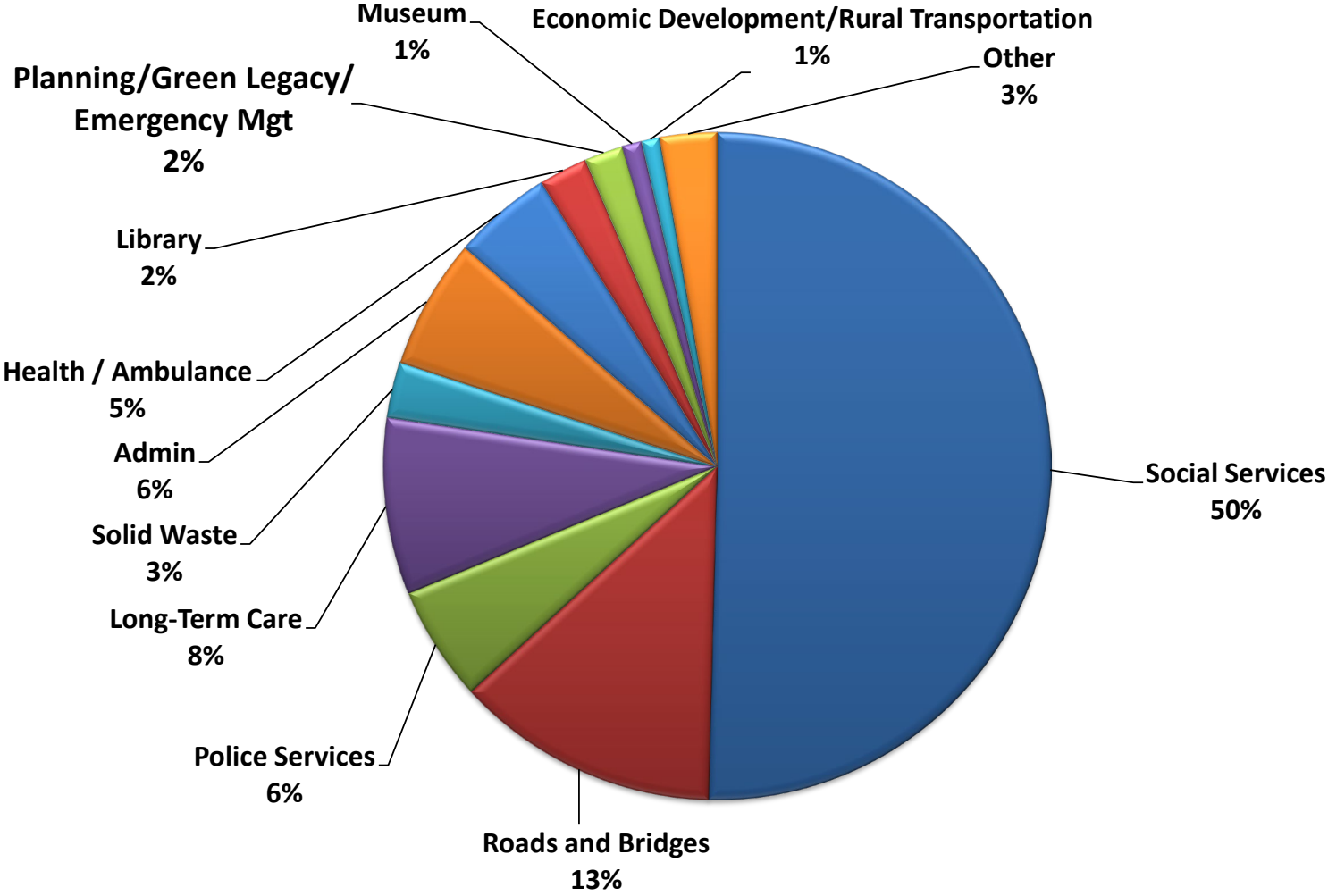


Operating Budget Forecast

- ▶ \$387.2 million in expenditures and transfers in 2026
 - ▶ Represents an increase of 6.8% over 2025 – influenced by changes to Child Care budget (federally funded - \$8.3 million increase)
- ▶ Forecast to grow to \$493.6 million by 2035
 - ▶ Average annual increase of 3.1% over 10 years
 - ▶ Mainly driven by infrastructure requirements (capital transfers) in future years
- ▶ Totals just under \$4.4 billion in projected spending over 10 years
- ▶ In 2026 -1% tax increase/decrease = \$1,434,500
- ▶ 2026 assessment growth = 2.77%



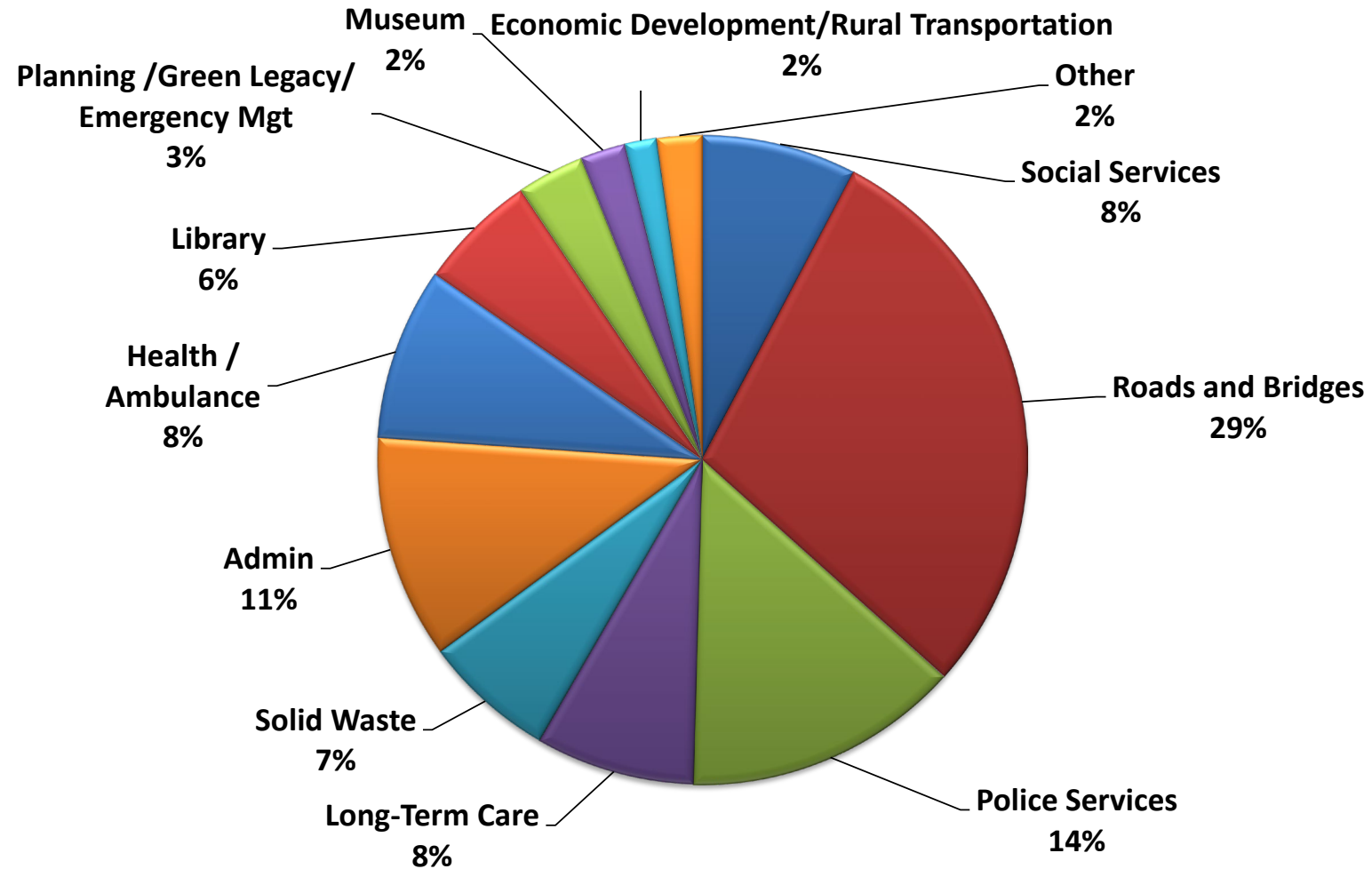
Operating Budget By Department



Other includes: Property Assessment, Tax Write-offs, Corporate Legal, Transfer of Interest to Reserves, Provincial Offences and Grants to Organizations.



Levy Requirement By Department



Operating Budget: Roads

▶ Capital Funding Requirements

- ▶ Capital reserve transfers increasing by \$1.95 million in 2026
 - ▶ Tax-funded increases: \$2.75 million for Roads Capital and \$200K for Equipment
 - ▶ Offset by loss of Automated Speed Enforcement Revenue – \$1.0 million budget estimate for Roads Capital

▶ Winter Control

- ▶ Maintaining the budget at 2025 level with an inflationary increase of 3%
- ▶ 2025 expected to be over budget (approx. \$1.5 million) and funded from Winter Control Reserve

▶ Other changes

- ▶ Truck and Coach Technician – in-year budget change approved in April 2025 (\$110K)
- ▶ Full year operation of Arthur Garage, annualizing insurance and utility costs (\$100K)
- ▶ New cost sharing agreement with Perth County, results in higher municipal recovery (\$180K)



Operating Budget: Solid Waste Services

- ▶ Blue Box Programme – Transition to Producer Responsibility on July 1, 2025
 - ▶ Annualizing impacts including RPRA grant reduction and removal of Blue Box contract
 - ▶ Decreases County tax levy by \$1.0 million in 2026
 - ▶ Offset by extension of recycling collection contract for downtown businesses at a cost of \$155K over 2026-27 to replace loss of service from transition to producer responsibility
- ▶ Tipping Fees
 - ▶ Increase in tipping fee to \$160/tonne is expected to generate additional revenue of \$208K in 2026
- ▶ Planning for Transition to Automated Cart Collection in July 2028
 - ▶ Anticipate the loss of user pay bag sales revenue (\$2.3 million)
 - ▶ Offset by the cost of user pay bags and retailer compensation (\$650K)
 - ▶ Curbside contract renewal is anticipated to increase cost by 20% (\$540K)
 - ▶ The net result is an increase to the County tax levy of \$2.2 million (\$1.1 million in each of 2028/2029).



Operating Budget: Police

▶ O.P.P. Contract

- ▶ \$20.2 million in 2026 (an increase of \$2.2 million or 12.2% from 2025)
 - ▶ Base contract is \$560K higher than November projections, but billing is \$300K lower b/c of one-time cap
 - ▶ Incorporates a number of assumptions, including:
 - ▶ One-time Provincial cap of estimated costs (\$866K)
 - ▶ Resources from the O.P.P. Enhancement Strategy Proposal approved by Council in May 2025
 - ▶ Provision of \$450K credit for the annual contract reconciliation
- ▶ 10-year plan incorporates the cost of one new officer per year starting in 2027:

	2025 budget	2026 estimate	2027 estimate	2028 estimate	2029 estimate	2030 estimate	2031 estimate	2032 estimate	2033 estimate	2034 estimate	2035 estimate	2026/25 change
OPP Base Contract <small>*Net of Reconciliation Provision</small>	\$17,981,000	\$20,169,000	\$21,524,300	\$22,026,300	\$22,512,500	\$23,022,500	\$23,542,900	\$24,088,100	\$24,619,700	\$25,176,200	\$25,745,100	12.17%
1 new Officer beginning in 2027			\$226,700	\$464,700	\$714,500	\$976,500	\$1,251,100	\$1,538,900	\$1,840,300	\$2,155,800	\$2,485,900	
OPP contract with new Officer positions	\$17,981,000	\$20,169,000	\$21,751,000	\$22,491,000	\$23,227,000	\$23,999,000	\$24,794,000	\$25,627,000	\$26,460,000	\$27,332,000	\$28,231,000	12.17%



Operating Budget: Ambulance Services

- ▶ Managed by the City of Guelph
 - ▶ County share of the contract is increasing by \$608,000 in 2026
- ▶ Staffing changes included in the contract are:
 - ▶ 12 additional paramedics (8 new in 2026, 4 new in 2027)
 - ▶ A new superintendent in 2026
 - ▶ A new administrative support in 2027
 - ▶ To mitigate pressures from increased call volumes and to improve response times
- ▶ Reserve transfers support capital costs in the 10-year plan
 - ▶ Includes one-time transfer of \$300,000 to support land acquisition costs for new Ambulance Stations in the County



Operating Budget: Social and Affordable Housing

- ▶ Homelessness Prevention and Support
 - ▶ Rent Supplement support increases – \$2.5 million (City – \$2.1 million; County – \$400K)
 - ▶ Winter Response Plan increases – \$780K (City – \$485K; County – \$295K)
- ▶ Social Housing Units
 - ▶ County took over direct ownership of three properties (79 units) in 2025:
 - ▶ 440 King Street, Mt Forest (39 townhomes)
 - ▶ 301 Tucker Street, Arthur (25 townhomes)
 - ▶ 11 Caroline Street, Moorefield (15 apartments)
 - ▶ Budget includes increases to building operations costs, offset by savings in non-profit provider subsidies
- ▶ Staffing changes include:
 - ▶ 3 new positions: Tenant Services Clerk, Housing Stability Coordinator, and a Housing Stability Caseworker (April 1 start)
 - ▶ Capital Asset Supervisor contract will become permanent (April)
 - ▶ Capital Works Coordinator contract ends (early 2026)
 - ▶ Changes total a 2.2 FTE increase in 2026 at a net municipal cost of \$214K



Operating Budget: Children's Early Years

- ▶ Canada Wide Early Learning and Child Care (CWELCC) Funding
 - ▶ Recently received confirmation of an \$8.3 million increase
- ▶ Staffing Changes include:
 - ▶ Mount Forest and Wellington Place Expansions:
 - ▶ Will support 46 new spaces at Mount Forest (31) and Wellington Place (15)
 - ▶ Mount Forest: 6 new teachers and a part-time cook (August 1 start)
 - ▶ Wellington Place: 3 new teachers (November 1 start)
 - ▶ New Resource Consultant because of increased demand for special needs services
 - ▶ Totals an increase of 4.3 FTE in 2026 – fully funded by the Province



Operating Budget: Ontario Works

- ▶ Provincial subsidies are increasing by approximately \$1.6 million in 2026.
 - ▶ Anticipating a 9% increase in Ontario Works benefits costs – 100% funded by Province
 - ▶ Provincial administration funding will remain at the same level as 2025
- ▶ Staffing changes include:
 - ▶ New Service Continuity Caseworker offset by the ending of a Newcomer Caseworker contract
 - ▶ Removal of part-time Office Support Clerk
 - ▶ Totals a decrease of 1.0 FTE with net municipal savings of \$70,000 in 2026



Operating Budget: Long-Term Care

- ▶ Staffing changes include:
 - ▶ New Resource Nurse
 - ▶ To strengthen clinical oversight, enabling Resident Care Supervisors to focus on care coordination, family engagement and leadership
 - ▶ New Resident Care Manager
 - ▶ To provide leadership and support for resident care planning and staff development
 - ▶ Offset by the reduction of one Neighbourhood Assistant
 - ▶ Environmental Services Supervisor increasing to full-time to assist with the needs of the facility
 - ▶ Other adjustments to backfill hours, on-call and overtime assumptions
 - ▶ Largely offset by increased Provincial (Direct Care and Level of Care) funding
 - ▶ Changes total 3.9 FTE in 2026 at a net municipal cost of \$43,000
- ▶ Debt charges on the original construction of the facility have matured
 - ▶ Offset by the ending of the Provincial Construction Funding
 - ▶ Increases to transfers to capital reserves to support capital projects in the 10-year plan



Operating Budget: Economic Development

- ▶ Economic Development
 - ▶ Business Retention & Expansion (BR+E) Local Implementation Fund
 - ▶ Increases the annual grant to \$35,000 per local municipality
 - ▶ International Plowing Match (IPM)
 - ▶ Begin to set aside funds of \$150K in 2026 to host the IPM in 2032
- ▶ Rural Transportation
 - ▶ New Transit Coordinator in 2026 with a July 1st start date
 - ▶ GOST (Guelph Owen Sound Transportation)
 - ▶ \$60K one-time funding allocation to support the programme in 2026
 - ▶ Multi-County Transit Study will inform future planning
 - ▶ Net cost of Programme:
 - ▶ Ride Well – \$427K
 - ▶ Social Services Rural Transportation – \$250K



Operating Budget: Planning

▶ Planning

- ▶ Planning Fee Review results in increases to user fees of \$100K
- ▶ Staffing Changes include a new Policy Planner position in 2026
 - ▶ To assist with policy development, major initiatives, conduct research and support public engagement.

▶ Home Energy Efficiency Transition (HEET) Programme

- ▶ Provides low-cost loans to support residential energy efficiency projects
- ▶ Programme delayed from 2025 into 2026, fully funded by FCM grant

▶ Green Legacy

- ▶ Recently received a \$204K grant over 2026-28 through FCM for the “Trees on Farm” programme
- ▶ Will be used for a new Community Tree Planting Coordinator (two-year contract) to implement individual tree planting plans on private property



Operating Budget: Library

- ▶ Staffing changes include:
 - ▶ Updated Backfill calculations
 - ▶ Additional hours for various locations are required to bring library staffing requirements in line with the current operational and training needs
 - ▶ Offset by reductions to student hours
 - ▶ Assistant Branch Supervisors (ABM)
 - ▶ Additional hours at Erin Library to account for the expected space upon completion
 - ▶ Additional hours at Aboyne Library for added coverage
 - ▶ Totals an increase of 2.9 FTE at a cost of \$161,000



Operating Budget: Admin and Other

▶ Human Resources

▶ Staffing changes include:

- ▶ Two Health and Safety positions (Specialist and Trainer) approved by Council in September 2025
- ▶ New HR Admin Assistant (offset by the removal of a student position) to provide support in the department with increased administrative needs

▶ CAO & Clerks

▶ Staffing changes: new IT Project Manager

- ▶ Additional IT resources are required to support staff with the implementation and ongoing needs of new applications and software programme enhancements

▶ Property

▶ Staffing Changes: Part-time Cleaner

- ▶ To assist with cleaning of 75 Woolwich and 27 Douglas as these buildings are now fully occupied by staff



Operating Budget: General Rev and Exp.

▶ General Revenues:

- ▶ PILs and supplementary taxes - \$5.2 million
- ▶ OMPF Funding - \$455,200
 - ▶ 20% lower than 2025 (\$113,800)
 - ▶ Will be phased out over the next five years
- ▶ Interest earnings - \$6.1 million
 - ▶ Earnings on the County's reserves and reserve funds that flow through operating
 - ▶ Have increased this estimate by \$1.5 million in 2026

▶ General Expenses:

- ▶ Contribution to MPAC for property assessment - \$1.7 million
- ▶ Tax write-offs - \$700,000



Operating Budget: Staffing Changes

2026 Staffing Summary				
2025 Approved staff complement (expressed as full time equivalents)	776.7			
Annualization of positions approved in the 2025 budget	3.0			
			Other Funding / Savings	Net County Cost
2025 In-Year Staffing Adjustments	FTE	Gross Cost (Sal & Ben.)		
Roads: Add Truck and Coach Technician	1.0	110,000	-	110,000
HR: Health and Safety Specialist, Health and Safety Trainer (Jan 1, 2026 start)	2.0	260,600	(52,200)	208,400
Total 2025 In-Year Staffing Adjustments	3.0	\$ 370,600	\$ (52,200)	\$ 318,400
Adjusted 2025 Staff Complement	782.7			



Operating Budget: Staffing Changes

	FTE	Gross Cost (Sal & Ben.)	Other Funding / Savings	Net County Cost
2026 Proposed Staffing Changes				
CAO & Clerks: IT Project Manager (April 1st start)	0.8	113,100	(26,000)	87,100
HR: add Human Resources Admin. Assistant (April 1st start), remove Student position	0.4	57,000	(18,200)	38,800
Library: Erin Library 2026 ABS hours; additional ABS hours Aboyne; additional backfill hours for various locations (operational and training requirements), offset by student hour reductions	2.9	161,000	-	161,000
Rural Transportation: Transit Co-ordinator (July 1st start)	0.5	61,000	-	61,000
Planning: Planner (April 1st start)	0.8	105,000	(105,000)	-
Green Legacy: Community Tree Planting Coordinator (March 1st Start)	0.8	76,000	(76,000)	-
Property: Part Time Cleaner (April 1st start)	0.5	33,000	-	33,000
Children's Early Years: Special Needs Resource Consultant (Jan 1st start); additional Teacher hours for Wellington Place Expansion (Nov 1st Start); additional Teachers and cooks Mt Forest Expansion (Aug 1st start)	4.3	436,000	(436,000)	-
OW: Service Continuity Caseworker (March 1st start) offset by removal of the Newcomer Caseworker, and the Office Support Clerk	(1.0)	(70,000)	13,000	(57,000)
Housing: Housing Stability Caseworker and Coordinator (April 1st start); Capital Asset Supervisor (April 1st start) offset by end of two Housing Capital contracts; Tenant Services Clerk (April 1st start)	1.3	111,000	(88,800)	22,200
Long-Term Care: Resource Nurse (Feb 1st start) and additional RN backfill; Mandatory Education Day and adjustments to backfill; Environmental Services Supervisor change to full-time (March 1st start); Resident Care Manager (Mar 1st start) offset by removal of Neighbourhood Assistant WSIB	3.7	361,000	(317,700)	43,300
Proposed changes to Staff Complement	14.9	\$ 1,444,100	\$ (1,054,700)	\$ 389,400
2026 Proposed Staff Complement (full time equivalents)	797.6			



2026 Operating Budget Summary

- ▶ Nearly 85% of the County's tax levy increase is attributable to three services in 2026, being Roads and Bridges, Police Services and Social Housing
- ▶ Roads
 - ▶ Final year of a four-year phase-in of major capital cost increases experienced from 2021-24
 - ▶ Tax levy funded capital reserve transfers are increasing by \$2.95 million
- ▶ Police
 - ▶ O.P.P. contract increase - \$2.2 million (or 12.2%) increase over 2025
 - ▶ Includes one-time Provincial "cap" relief of \$866,000 – meaning more pressure in future years
- ▶ Social Housing
 - ▶ Homelessness Prevention and Support – continued pressure in this area, includes increases to rent supplement and winter response costs
 - ▶ Higher operating costs for housing units – primarily related to heating, plumbing and security
- ▶ Current tax impact at 3.5%



County of Wellington Tax Impact (2026-2035)

