



To: Chair and Members
Muskoka District Council

From: Suzanne Oliner
Commissioner of Finance and Corporate Services

Date: November 17, 2025

Subject: 2026 Updated Tax and Rate Supported Operating and Capital Budget and Forecast

Report: 17(2025)-1

Recommendation 1

WHEREAS The District Municipality of Muskoka's (District) 2025-2026 Water and Wastewater Operating Budget and Capital Budget and Forecast was adopted on October 21, 2024;

AND WHEREAS section 291(4) of the *Municipal Act, 2001, S.O. 2001*, requires a municipal Council to readopt its budget in each year of a multi-year budget;

NOW THEREFORE BE IT RESOLVED THAT the 2026 Updated Water and Wastewater Operating Budget and Capital Budget and Forecast, as presented in Report 17(2025)-1, **be endorsed** and forwarded to Muskoka District Council for final approval;

AND THAT the 2026 rate structure for water and wastewater services and miscellaneous charges, as included in Appendix 6 to Report 17(2025)-1, **be adopted and become** effective January 1, 2026.

Recommendation 2

WHEREAS the District's 2025-2026 Solid Waste Management Operating Budget and Capital Budget and Forecast was adopted on October 21, 2024;

AND WHEREAS section 291(4) of the *Municipal Act, 2001, S.O. 2001*, requires a municipal Council to readopt its budget in each year of a multi-year budget;

NOW THEREFORE BE IT RESOLVED THAT the 2026 Updated Solid Waste Management Operating Budget and Capital Budget and Forecast, as presented in Report 17(2025)-1, **be endorsed** and forwarded to Muskoka District Council for final approval.

Recommendation 3

WHEREAS the District's 2025-2026 Tax Supported Operating Budget and Capital Budget and Forecast was adopted on January 16, 2025;

AND WHEREAS section 291(4) of the *Municipal Act, 2001, S.O. 2001*, requires a municipal Council to readopt its budget in each year of a multi-year budget;

NOW THEREFORE BE IT RESOLVED THAT the District's 2026 Updated Tax Supported Operating Budget and Capital Budget and Forecast dated November 17, 2025, for the General Tax Supported Services, **be endorsed** and forwarded to Muskoka District Council for final approval;

AND THAT a by-law **be prepared** for the 2026 General User Fees to be effective as of January 1, 2026, as outlined in Appendix 7 to Report 17(2025)-1.

Origin

Under Ontario's Municipal Act, 2001 (the Act), Council may adopt a multi-year budget for two to five years, but for the second and each subsequent year it must, in the year or the immediately preceding year, review that year's estimates, make any needed changes so the budget meets the Act's standard content requirements (s. 289 for upper-tiers), and then formally readopt that year (and any remaining years, if applicable). Council retains authority to amend or revoke a budget at any time.

Multi-year budgeting does not remove annual obligations to pass property tax policy instruments (e.g., tax ratios under s. 308 and the annual tax rate/levy by-law under s. 311) and to comply with any required Treasurer's report under O. Reg. 284/09 if non-cash expenses are excluded. The District's 2026 updated excluded non-cash expenses will be presented as part of the report to District Council seeking final approval of the updated 2026 budget. The District's tax ratios and tax levy by-law will be prepared for Council consideration in the first quarter of 2026, pending re-adoption of the 2026 Updated Tax and Rate Supported Operating and Capital Budget and Forecast.

Prudent management as well as Section 289 (1) of the Act, requires that each year upper-tier municipalities prepare and adopt a budget for the purposes of the municipality including amounts sufficient to pay all debts falling due within the year, amounts required to be raised for sinking funds or retirement funds, amounts for any debt of lower-tier municipalities for which the upper-tier is liable, and amounts required for any board, commission or other body.

Council's review of the updates included in Report 17(2025)-1 combined with their previous review of the 2025-2026 Original Tax and Rate Supported Operating Budget and Capital Budget and Forecast represents formal compliance with this section of the Act.

Executive Summary – Updated 2026 Budget

The District's updated 2026 budget delivers services below Council's 4.5% general tax increase budget guideline as well as the guidelines for rate supported services, while advancing priority investments in Affordable and Attainable Housing, Long-Term Care, Paramedic Services, Climate Action, and Asset Management while maintaining core service levels and continuing to allocate funds to support hospital redevelopment in Muskoka. Overall, the general tax rate and solid waste budget improve versus the original 2026 plan despite in-year pressures.

Bottom line for taxpayers

- **General tax supported services:** Estimated **+3.54%** for municipal services and **+0.32%** for Local Share & Health Care Facilities—**0.07% lower** than the original 2026 estimate.
- **Water and Wastewater (urban areas):** User rates **+4.4%** (about **+\$68** per year for a typical user); **special area levy +1.0%** (about **+\$3 per \$100,000** assessed value). Key drivers are higher treatment chemical costs and phased Asset Management contributions.

- **Solid Waste Management:** Overall levy reduced versus **the original 2026 plan** (-\$0.4 million), with tax impacts that vary by municipality based on service levels and assessment growth.

What's funded and why it matters

Strategic Service Level Changes (SLCs):

- **Housing: +\$1 million** to advance the Affordable & Attainable Housing Investment Framework (Our Communities: Housing for Everyone; Community Health & Wellbeing).
- **Long-Term Care (Fairvern):** Temporary staffing start-up support and additional permanent staffing capacity to safely open and sustain the new Home in 2026 (Our Team; Community Health & Wellbeing).
- **Climate Action:** Launch of the **Climate Change Reserve** with an initial **\$250,000** contribution to implement the Corporate Climate Change Action Plan (Our Environment: Taking Action Together; Walking the Talk).
- **Muskoka Paramedic Services:** Expansion of services in east Muskoka as reflected in the MPS 10-year Master Plan (Our Communities: Community Health and Wellbeing).

Capital plan highlights

- **Tax Supported: \$54.1 million** in 2026 (-\$1.0 million vs. original), focusing on roads resurfacing/low-volume roads, community housing, ITS and fleet lifecycle renewals.
- **Water & Wastewater: \$18.7 million** water (-\$0.2 million) and **\$29.1 million** wastewater (-\$1.0 million) in 2026; 10-year plan funded primarily by reserves, DCs and grants—**no new external debt** for rate-supported capital.
- **Solid Waste: \$9.4 million** in 2026 (+\$0.4 million), led by Beiers landfill final cover/compliance and transfer station improvements.

Managing pressures—balanced, pragmatic choices

- **OPP billing increase:** Phased-in using the **Debt Reduction Reserve** to smooth levy impacts over three years.
- **Roads Operations and Maintenance:** Phased increases to address cost pressures and extreme-weather impacts.

- **Asset Management Plan (AMP) funding strategy:** Extended recovery periods (**30 years** for Roads; **25 years** for Water, Wastewater and The Pines) to balance affordability with sustainable renewal.
- **Targeted efficiencies/reductions:** Removal of agency staffing premiums in LTC, deferment of HR and paramedic hires, and revenue measures (increases in supplementary taxes, investment income, hauled septage and Port Carling Locks fees).

Debt capacity, credit strength, and affordability

- **Debt capacity remains strong:** External debt service is forecast at **~10%** of the provincial limit in **2026**, peaking around **~23%** in **2027** as previously approved projects (Fairvern Redevelopment and Childcare Centre, and 100 Pine Street) come online, then trending to **~19%** by **2033**—well within regulated limits.
- **Aa1 credit rating reaffirmed with stable outlook:** Moody's cites robust operating results, conservative budgeting, strong liquidity, and very strong debt affordability—supporting access to competitive borrowing when required and reinforcing taxpayer value.

The 2026 update preserves affordability and service stability, trims the tax rate outcome versus the original plan for the general tax and solid waste services, and channels resources where residents will feel them most—housing, long-term care, paramedic services, climate action, and investment in roads, water and wastewater assets—under a disciplined capital plan and a proven, Aa1-rated financial framework.

The following table summarizes the proposed net levy updates to the 2026 rate and tax supported operating budgets.

Net Levy	2025	Original 2026	Year- over-Year Increase %	Year-over- Year Increase \$	Change 2026	Updated 2026	Year- over-Year Increase %	Year-over- Year Increase \$
Water and Wastewater	\$14,187,154	\$14,558,740	2.62%	\$371,586	\$165,726	\$14,724,466	3.79%	\$537,312
Solid Waste Management	\$16,901,540	\$18,169,160	7.50%	\$1,267,620	(\$368,895)	\$17,800,265	5.32%	\$898,725
General Tax Supported Services	\$100,822,842	\$106,402,827	5.53%	\$5,579,985	(\$43,876)	\$106,358,951	5.49%	\$5,536,109

A detailed summary of Net Levy changes by program is provided in Appendix 1 to this report.

Analysis

To assist the reader, the Analysis section of the report has been organized into five (5) main sections:

- (1) Summary of Tax Rate Increases
 - A. Impact per \$100,000 in residential property assessment
 - B. Risks and Mitigation Strategies
- (2) Water and Wastewater Operating Budget and Capital Budget and Forecast
 - A. Proposed 2026 User Rates and Special Area Levy
 - B. Updated 2026 Operating Budget
 - C. Updated 2026 Capital Budget and Forecast
- (3) Solid Waste Management Operating Budget and Capital Budget and Forecast
 - A. Proposed 2026 User Rates and Special Area Levies
 - B. Updated 2026 Operating Budget
 - C. Updated 2026 Capital Budget and Forecast
- (4) Tax Supported Operating Budget and Capital Budget and Forecast
 - A. Proposed 2026 General Tax Rates
 - B. Updated 2026 Operating Budget
 - C. Updated 2026 Capital Budget and Forecast
- (5) 2026 Debt, Reserves, and Asset Management

(1) Summary of Tax Rate Increases

The updated 2026 budget will result in projected taxes of \$352.25 per \$100,000 in rural residential assessed property value and \$636.90 per \$100,000 in the urban service areas. In addition to these figures, solid waste special area levies will range from lows of \$33.01 and \$42.37 per \$100,000 in residential assessed property value in the Townships of Muskoka Lakes and Lake of Bays respectively to a high of \$92.20 in Bracebridge.

Estimated tax rate increases:

- 3.54% General Municipal Services;
- 0.32% Local Share and Health Care Facilities;
- 1.01% Combined Water and Wastewater (urban service areas only); and
- A range of (11.92%) – 12.80% Solid Waste Management (varies by municipality, level of service, and assessment growth).

(1) A. Impact per \$100,000 in Residential Property Assessment

The following tables demonstrate the 2025 taxes per \$100,000 in residential assessed property value, the original estimated 2026 taxes and tax rate increases, and finally the updated 2026 taxes and tax rate increases.

General Tax Supported Services	2025 Taxes	Original 2026 Taxes	Original 2026 % Increase (Decrease)	Original 2026 \$ Increase (Decrease)	Updated 2026 Taxes	Updated 2026 % Increase (Decrease)	Updated 2026 \$ Increase (Decrease)
Municipal Services	\$331.48	\$343.47	3.62%	\$11.99	\$343.22	3.54%	\$11.74
Local Share and Health Care Facilities	\$7.68	\$9.03	0.32%	\$1.35	\$9.03	0.32%	\$1.35
Total	\$339.15	\$352.50	3.93%	\$13.34	\$352.25	3.86%	\$13.09

Water and Wastewater	2025 Taxes	Original 2026 Taxes	Original 2026 % Increase (Decrease)	Original 2026 \$ Increase (Decrease)	Updated 2026 Taxes	Updated 2026 % Increase (Decrease)	Updated 2026 \$ Increase (Decrease)
Water	\$83.92	\$85.74	2.17%	\$1.82	\$86.67	3.28%	\$2.75
Wastewater	\$197.89	\$196.96	(0.47%)	(\$0.93)	\$197.98	0.05%	\$0.09
Total	\$281.81	\$282.70	0.32%	\$0.89	\$284.66	1.01%	\$2.85

Solid Waste Management	2025 Taxes	Original 2026 Taxes	Original 2026 % Increase (Decrease)	Original 2026 \$ Increase (Decrease)	Updated 2026 Taxes	Updated 2026 % Increase (Decrease)	Updated 2026 \$ Increase (Decrease)
Bracebridge	\$88.95	\$93.86	5.51%	\$4.90	\$92.20	3.65%	\$3.24
Gravenhurst	\$75.62	\$78.97	4.43%	\$3.35	\$78.16	3.35%	\$2.53
Huntsville	\$78.30	\$81.69	4.34%	\$3.40	\$82.35	5.18%	\$4.05
Georgian Bay	\$76.36	\$81.20	6.34%	\$4.84	\$67.26	(11.92%)	(\$9.10)
Lake of Bays	\$37.56	\$40.50	7.82%	\$2.94	\$42.37	12.80%	\$4.81
Muskoka Lakes	\$30.30	\$32.64	7.72%	\$2.34	\$33.01	8.95%	\$2.71

Overall, tax rate increases are lower for general tax supported services than originally approved, increases for water and wastewater are higher, and solid waste management levies range in impact based on level of service received and growth in assessment. However, the overall levy for solid waste management services is decreasing in the 2026 update. The most significant decrease for this levy is realized in the Township of Georgian Bay due to the closure of the remote bin sites in 2025 that were not contemplated in the original 2026 budget. Reductions in Producer Responsibility Organization (PRO) revenues that were partially offsetting transfer station costs have resulted in a higher increase in the Township of Lake of Bays.

(1) B. Risks and Mitigation Strategies

Some significant decisions have been incorporated into the proposed budget. The following table highlights these decisions and the net levy risk.

Department	Budgeted Item	Rationale
Various	A series of Emergency Management recommendations were outlined in staff Report HS-8-2025-4 and the attached external consultant's review. There is no provision in the 2026 updated tax and rate supported budget to address the operating and capital recommendations included within the external consultant's report. The ice storm that took place at the end of March 2025 and impacted communities across the District of Muskoka resulted in direct operating costs of \$1.7 million.	Staff are continuing to evaluate the recommendations that can be addressed with existing resources. Additional resources recommended by the external consultant include: • a dedicated Emergency Management Manager; • the development of a standby power plan for District facilities and related capital investments; • consideration of right-of-way tree clearing activities; and, • a program to encourage residents to purchase generators and improve their property's resilience to extreme weather events. Additional operating or capital budget requirements will be proposed to the appropriate standing committee following the completion of staff's evaluation of the recommendations.
Non-Program	Emergency Services: Staff have estimated the cost for OPP services in 2026 based on communications from the Office of the Solicitor General. The maximum increase of 11% has been included in the updated 2026 Budget, resulting in an increase of \$1.3 million. Staff have proposed utilization of the Debt Reduction Reserve to offset and phase-in the updated increase.	Utilizing reserves to offset ongoing operating pressures presents financial risk to the District. The Debt Reduction Reserve was established to reduce the District's reliance on external financing for large scale capital projects. The most recent collective agreement for the OPP unionized staff expires at the end of 2026 and further increases are likely. In order to phase-in the projected increase in 2026, staff will need to withdraw a further \$0.8 million in 2027 and \$0.4 million in 2028. The levy impact of not utilizing reserves would be +1.2%.

Department	Budgeted Item	Rationale																
Engineering and Public Works	Transportation: Reductions in the proposed Roads Maintenance and Operations budgets have been made to achieve the proposed tax rate. Tax levy risk: If we increased the Roads Operations and Maintenance budget to be more reflective of actual average costs, the impact is 0.4%.	Reductions to the proposed Roads Maintenance and Operations budgets were made through Peer Review and in order to achieve the proposed tax rate. The Roads budget had an unfavourable variance of \$1.4 million in 2023 and an unfavourable budget variance of \$2.4 million in 2024. There is a risk that unfavourable variances will occur as a result of not adjusting the budget as requested in 2025 and 2026. Staff have increased the 2026 roads budget by \$0.4 million in the 2026 update and recommend a further increase of \$0.4 million in 2027 based on the 4-year average of actual expenses. This is less than the amount requested and there is a risk that repairs and maintenance that have already been delayed due to budget constraints will continue to accumulate and contribute to lower overall pavement condition indexes across the District’s road network.																
Water and Wastewater Engineering and Public Works Health Services	Asset Management Planning: Reductions to the recommended contributions to reserves to support the most recent AMP have been proposed in order to reduce the rate and special area levy impact for water and wastewater, and the tax rate for general tax supported services. Tax levy risk: If we adopted the 20-year plan to address the identified infrastructure gap, the combined rate and levy risk is 1.2%	The 2025 Asset Management Plan (AMP) – Bridging the Gap, identified the following average annual infrastructure gaps and proposed increases to reserves (in addition to existing increasing contributions) over 20-years: <table><tr><th>Service</th><th>Gap</th><th>% Increase</th><th>\$ Increase</th></tr><tr><td>Water / Wastewater</td><td>\$22.4 million</td><td>3.0% / 4.6%</td><td>\$0.3 million</td></tr><tr><td>Roads</td><td>\$29.1 million</td><td>7.0%</td><td>\$1.5 million</td></tr><tr><td>Long-Term Care</td><td>\$2.6 million</td><td>3.5%</td><td>\$0.06 million</td></tr></table> Staff have proposed a 25-year recovery period for water, wastewater, and long-term care and a 30-year recovery period for roads which results in lower contributions to reserves than originally recommended. The District’s asset management planning function is developing capacity and ongoing analysis will identify opportunities to focus investment to deliver the best value to the District’s taxpayers.	Service	Gap	% Increase	\$ Increase	Water / Wastewater	\$22.4 million	3.0% / 4.6%	\$0.3 million	Roads	\$29.1 million	7.0%	\$1.5 million	Long-Term Care	\$2.6 million	3.5%	\$0.06 million
Service	Gap	% Increase	\$ Increase															
Water / Wastewater	\$22.4 million	3.0% / 4.6%	\$0.3 million															
Roads	\$29.1 million	7.0%	\$1.5 million															
Long-Term Care	\$2.6 million	3.5%	\$0.06 million															

Department	Budgeted Item	Rationale
Health Services	Staffing Agency Premiums: Staffing Agency Premiums have been removed from both The Pines and Fairvern operating budgets. A staffing agency premium budget has been maintained in the Fairvern start-up capital budget to address recruitment pressures in the lead-up to the opening of the new long-term care home. Tax levy risk: If we reinstated these budget items based on the usage at The Pines as of September 2025, the impact to the levy would be 0.6%.	The use of staffing agencies to address vacancies, vacation, illness, and other employee leaves has been declining as recruitment and retention of health services staff improves. Staff Report HS-8-2025-1 identified a favourable overall personnel budget for both homes of \$110,000, however the 2025 budget includes \$664,000 for staffing agency premiums. Staff in both Health Services and Human Resources will need to continue to improve recruitment and retention results in order to meet the budget objective and there is risk of an unfavourable variance.

(2) Water and Wastewater Operating Budget and Capital Budget and Forecast

The District is responsible for the treatment and distribution of potable water to 13,500 customers in nine (9) communities and for ensuring appropriate collection and treatment of wastewater before it is returned to the environment. The water system includes intakes, water treatment plants, reservoirs, pumping stations, watermains, fire hydrants and water meters. The wastewater (sewage) system includes treatment plants, outfalls, pumping stations and sewer mains. Both systems' operating and capital costs are funded from a combination of user rates and special urban service area charges.

(2) A. Proposed 2026 Water and Wastewater User Rates and Special Area Levy

The following table provides the estimated annual impact of the proposed rates on a typical residential customer.

Combined Annual Water and Wastewater Fees	2025	Original 2026	Original Increase %	Original Increase \$	Updated 2026	Updated Increase %	Updated Increase \$
User Fee (240 cubic meters)	\$1,564	\$1,613	3.1%	\$48	\$1,633	4.4%	\$68

Based on average residential usage of 240 cubic meters per year, the proposed updated rates will result in an annual increase in fixed user fees of \$18.46, and an increase in consumption user fees of \$49.92 for a combined user fee increase of \$68.38 in 2026. This increase is 1.3% higher than the original 2026 budget.

The following table provides the estimated combined annual water and wastewater levy per \$100,000 in residential assessed property value.

Combined Annual Water and Wastewater Levy	2025	Original 2026	Original Increase %	Original Increase \$	Updated 2026	Updated Increase %	Updated Increase \$
Urban Service Area Charge per \$100,000 in assessed property value	\$282	\$283	0.3%	\$1	\$285	1.0%	\$3

The annual increase in water and wastewater levy per \$100,000 in residential assessed property value is estimated to be \$3. This is 0.7% higher than the original 2026 budget.

The District uses the average residential assessed value for non-waterfront homes to estimate the impact for a typical household. Within the Urban Service Area, this benchmark is \$300,000. Based on this metric and the proposed updated rates and levy, the total impact to a typical residential user (rate and levy combined) is estimated to be \$77.02. When the original 2026 Water and Wastewater budget was adopted in November 2024, the estimated annual increase for a typical residential user was estimated to be \$51.45.

(2) B. Updated 2026 Water and Wastewater Operating Budget

Expenses for Water and Wastewater operations are projected to increase by \$1.8 million in 2026, this is offset by projected increases of \$1.2 million in user fees, and \$0.5 million in special area levy for properties connected to or able to connect to these services. The original Water and Wastewater Operating Budget approved in November 2024 included increases of \$1.2 million or 3.6%. Staff have proposed additional operating expenses of \$0.5 million resulting in a year over year increase of 5.06% which is offset by additional proposed user fees of \$0.3 million resulting a net levy increase of \$0.2 million when compared to the original 2026 budget.

The proposed additional operating expenses are a result of three (3) identified pressures:

- Chemicals (**+\$0.3 million**) used to treat drinking water distributed, and wastewater collected have increased substantially since the first quarter of 2022 as a result of disrupted supply chains. Unfavourable variances were observed in 2023 and 2024, and are anticipated in 2025 despite significant increases in these budgeted expenditures. Staff are trying to mitigate exposure to these pricing risks by managing inventories of chemicals and leveraging tendered pricing, however the provision of safe drinking water and effluent are reliant on the stable supply of these resources.
- The [2025 Asset Management Plan \(AMP\) – Bridging the Gap](#), (**+\$0.1 million**) identified a combined Water and Wastewater infrastructure funding gap of \$22.4M for a fair or better level of service, and recommended 3% and 4.6% increases, over and above the existing annually increasing contributions to reserves, over 20 years to address infrastructure investment. Staff have proposed an extended recovery period of 25 years and annual increases of 1.2% and 1.9% to balance the increase to user fee rates and the investment in water and wastewater infrastructure. The District's asset management planning function is developing capacity and ongoing analysis will identify opportunities to focus investment to deliver the best value to the District's water and wastewater customers.
- Staffing reallocations (**+\$0.1 million**) from Solid Waste and Engineering and Public Works (EPW) Capital as a result of the recommendations approved in staff [Report 13\(2025\)-14](#). The majority of these increases are offset in other areas of the EPW portfolio of services, primarily in Solid Waste Management.

The following table provides a summary of the approved 2025 water and wastewater budget, the original 2026 budget and the proposed updated 2026 budget as well as the year over year changes.

Combined Water and Wastewater Services	2025	Original 2026	Year-over-Year Increase %	Year-over-Year Increase \$	Updated 2026	Year-over-Year Increase %	Year-over-Year Increase \$
Operating Expenses	\$17,666,049	\$18,804,678	6.45%	\$1,138,629	\$19,189,986	8.63%	\$1,523,937
Finance Charges/Reserves	\$16,972,313	\$17,062,415	0.53%	\$90,102	\$17,200,170	1.34%	\$227,857
Total Expenses	\$34,638,362	\$35,867,093	3.55%	\$1,228,731	\$36,390,156	5.06%	\$1,751,794
Revenues – User Fees	(\$19,870,583)	(\$20,727,728)	4.31%	(\$857,145)	(\$21,085,065)	6.11%	(\$1,214,482)
Revenues – Other	(\$580,625)	(\$580,625)	0.00%	-	(\$580,625)	0.00%	-
Water / Wastewater Levy	\$14,187,154	\$14,558,740	2.62%	\$371,586	\$14,724,466	3.79%	\$537,312

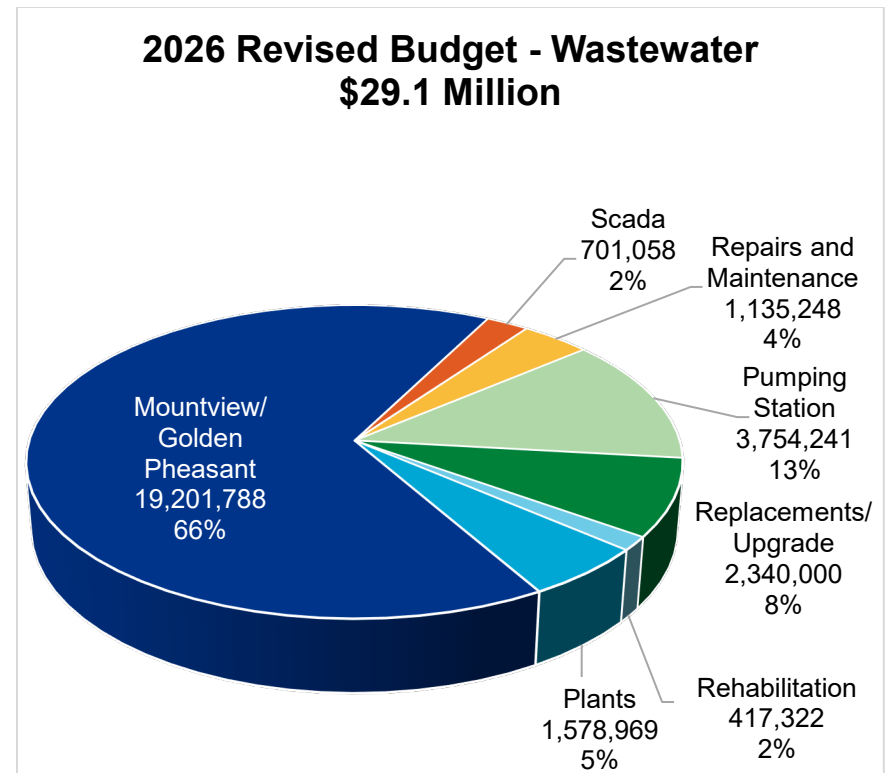
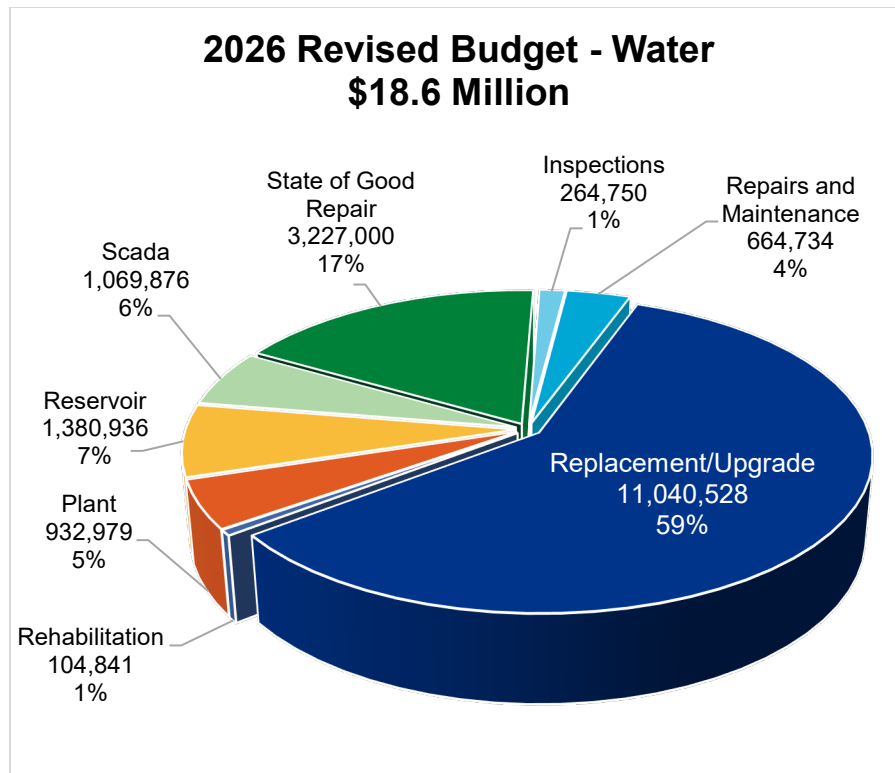
The main budget drivers, including updates, in 2026 are detailed in Appendix 2 of the report, but are primarily a result of:

- increased salaries and wages for both unionized and non-unionized staff;
- increases in chemicals due to continued inflationary and supply chain pressures;
- projected increases in utilities, repairs and maintenance costs associated with aging infrastructure;
- improvements to plant and facility access and the associated monitoring services; and,
- contributions to reserves in alignment with the District's 2025 Asset Management Update.

(2) C. Updated 2026 Water and Wastewater Capital Budget

The updated 2026 capital expenditure budget is \$18.6 million for water and \$29.1 million for wastewater. This represents reductions of \$0.2 million for water and \$1.0 million for wastewater when compared to the original 2026 capital budgets.

The updated 2026 capital expenditures are categorized in the following graphs:



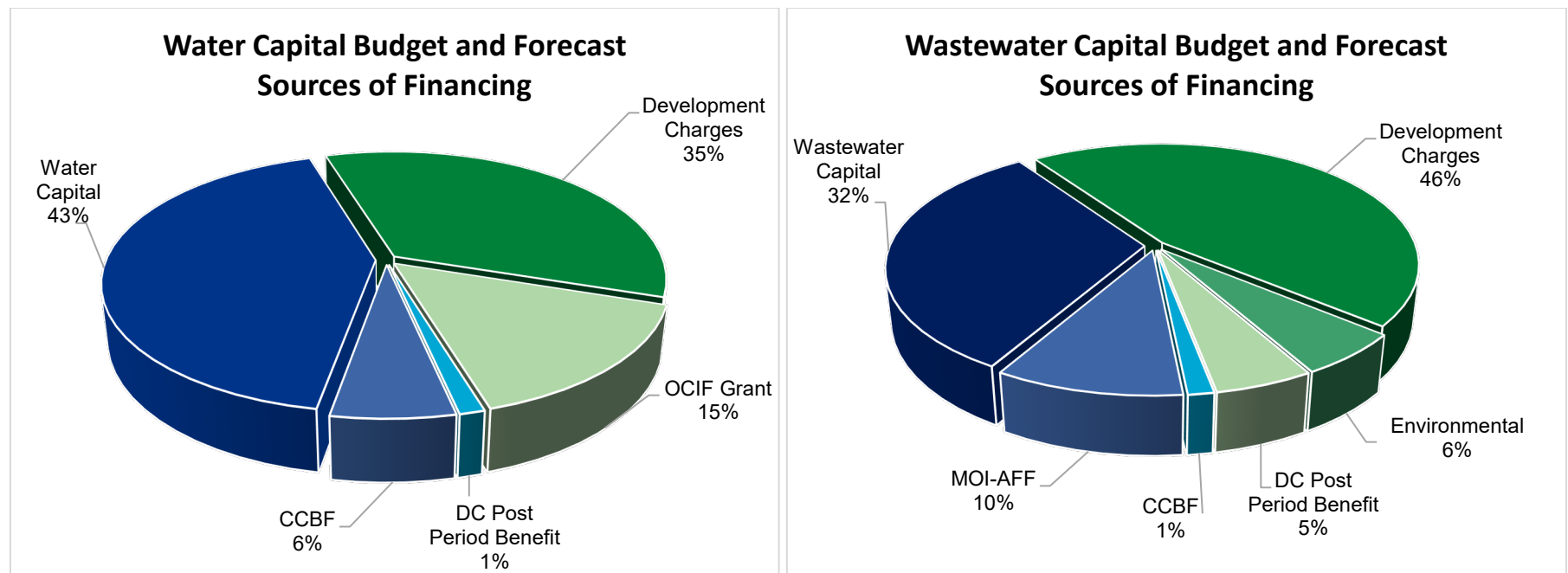
The water capital budget includes replacement of end-of-life mains to reduce breaks, improve fire protection, and enhance service reliability in multiple service areas. Lifecycle renewals prioritized by the District's AMP are included within the state of good repair category and address condition, risk, and service levels of these assets. Continued multi-year investments in water storage assets to maintain pressure, emergency reserves, and system reliance are reflected in the reservoir category. Targeted renewals such as building envelope work, process equipment modernization, and upgrades to access control and security systems are included within the plant category, and ongoing replacement of aging metering and filtration components are included in the repairs and maintenance category.

The updated 2026 wastewater capital budget is lower than earlier drafts due to project close-outs and a reprioritization aligned with asset management insights and growth servicing needs. The Mountview/Golden Pheasant category includes a major multi-year initiative to retire an aging wastewater treatment facility and transition flows to modern capacity, with interim maintenance to ensure continuity until the transition is complete. Reliability improvements and capacity optimization

to reduce the risk of overflows and enhance system performance are included in the pumping station category. Treatment plan renewals are included within the plants category and include upgrades addressing condition and process reliability, including replacement of critical treatment components (e.g., membranes) where required. Finally program wide maintenance activities are included in the repairs and maintenance category and delivered across multiple communities to sustain day-to-day operations.

The 10-year Updated Capital Budget and Forecast is projected to be \$159.9 million for Water and \$90.5 million for Wastewater, this reflects decreases of \$14.1 million and \$11.7 million when compared to the original 2025-2026 Capital Budget and Forecast prepared in 2024 and is primarily driven by a large portion of the Mountview and Golden Pheasant projects moving out of the forecast period.

The following graphs summarize the sources of funding of the 10-year Updated Capital Budget and Forecast.



The largest source of funding for the water capital budget and forecast remains the Water Capital reserve at \$67.9 million. The next highest source of funding is attributable to development charge funding of \$55.6 million. Grants make up the next

largest component which include Ontario Community Infrastructure Fund (OCIF) grants of \$24.4 million, and \$9.9 million in Canada-Community Benefit Funds (CCBF).

The largest source of funding for the wastewater capital forecast remains internal reserves (Wastewater Capital and Environmental) at \$34.2 million. The next highest source of funding is attributable to development charge funding of \$41.4 million. Grants make up the next largest component which include Housing-Enabling Water Systems Fund (HEWSF) grants of \$9.0 million, and \$1.2 million in CCBF.

There is no external debt proposed to support the 10-year water and wastewater capital plan.

(3) Solid Waste Management Operating Budget and Capital Budget and Forecast

Solid waste services and expenditures vary across each area municipality within the District but can be categorized into the following: Garbage Disposal, Management of Divertible Materials, Curbside Collection, Transfer Stations, Depots, Remote Bin Sites, Lakeside Collection, and Hazardous Waste and Closed Landfills.

The District's garbage disposal is consolidated at the Rosewarne landfill in Bracebridge, which is projected to reach capacity by late 2039 (with potential extension into the early 2040s if diversion improves). Capital provisions for the remaining cell development are included in both 10-year capital plan and the 11–20-year capital forecast. There is a risk of significant upward cost pressure given declining provincial disposal capacity, particularly if the landfill is filled earlier than anticipated and materials must be disposed of through external means. Diversion programs include organics which are processed at Beiers and Rosewarne landfills, and scrap metal, mattresses, and appliances. Curbside collection occurs weekly from May through October and bi-weekly from November through April, with weekly organics collections year-round. In compliance with the Ministry of Environment Conservation and Parks (MECP) directive on remote bin sites, all but one of the original 88 locations are slated to be transitioned by end of 2025. While Hazardous and Special Products (HSP) collection has shifted to producer responsibility, the District continues to fund roughly 75% of these costs to ensure that these materials are appropriately disposed. Ongoing monitoring, long-term closure plans, and remediation for 37 historic landfills across Muskoka which were assumed by the District in 2014 persist as material financial pressures.

(3) A. Proposed 2026 Solid Waste Management User Rates and Special Area Levies

The 2026 original, and updated, solid waste management budget includes an inflationary increase of 2.6% for landfill tipping fees. This increase results in modest increases in tipping fees of \$86,000 in 2026. The rate for chargeable garbage bags and bag tags (\$8.00) is proposed to remain status quo, however new fees for black or opaque garbage bags at a rate

of \$16.00 per bag have been proposed to support the District's continued implementation of the Clear Bag Program. Staff are proposing that the fee for four (4) or more black or opaque garbage bags be set at \$483.00 per tonne to align with the fee applied for mixed load disposal. The proposed fee per tonne of residential waste is increasing from \$249.00 to \$255.00. If bagged, only waste material received loose or in compliant clear garbage bags is eligible for the residential waste fee. Rates for chippable and clean wood, and clean shingles are increasing from \$105.00 to \$108.00 per tonne. Staff are proposing to increase the minimum load fee from \$12 to \$15 to align with the costs for black or opaque garbage bags.

The 2026 updated solid waste levy results in forecasted tax rate changes that range from a decrease of 11.9% in the Township of Georgian Bay to an increase of 12.8% in the Township of Lake of Bays. The following chart demonstrates the 2026 original estimated tax rate increases by municipality as well as the updated estimated tax rate increases. The decrease in both levy and estimated tax rate for the Township of Georgian Bay are a result of the removal of remote bin sites within that municipality that were not contemplated in the original 2026 budget.

Impact per \$100,000 in Property Assessment

Municipality	2025 \$	2026 Original \$	2026 Original \$ Inc / (Dec)	2026 Original %	2026 Updated \$	2026 Updated \$ Inc / (Dec)	2026 Updated % Inc / (Dec)
Bracebridge	88.95	\$93.86	\$4.90	5.51%	92.20	3.25	3.7%
Gravenhurst	75.62	\$78.97	\$3.35	4.43%	78.16	2.54	3.4%
Huntsville	78.30	\$81.69	\$3.40	4.34%	82.35	4.05	5.2%
Georgian Bay	76.36	\$81.20	\$4.84	6.34%	67.26	(9.10)	(11.9%)
Lake of Bays	37.56	\$40.50	\$2.94	7.82%	42.37	4.81	12.8%
Muskoka Lakes	30.30	\$32.64	\$2.34	7.72%	33.01	2.71	8.9%

The annual increase in projected taxation across the District in 2026 ranges from a decrease of \$9.10 in the Township of Georgian Bay to an increase of \$4.81 in the Township of Lake of Bays. This variation is a result of the level of solid waste management services provided, as well as the year over year projected growth in each municipality's assessment base. Staff have based the projected 2026 assessment growth on the Municipal Property Assessment Corporation (MPAC) projections as at November 1, 2025. The projected 2026 growth in weighted assessment ranges from 1.1% in the Townships of Georgian Bay and Muskoka Lakes to 2.4% in the Town of Bracebridge, with the average across all municipalities of 1.6%.

Despite the higher increases for the Townships of Muskoka Lakes and Lake of Bays, the estimated taxation per \$100,000 in assessed property value remain the lowest within the District. The increases year over year for these two municipalities are primarily driven by the reduction in PRO revenues which was partially offsetting transfer station costs in the Township of Lake of Bays and the expansion of curbside organics in the Township of Muskoka Lakes.

The Solid Waste Special Area Levy is comprised of curbside, non-curbside, and disposal/diversion allocations. The original 2026 Solid Waste Management Special Area Levy totaled \$18.1 million, representing a year over year increase of 7.5%, and staff have proposed reductions to the levy of \$0.3 million through this budget update reducing the annual increase to 5.3%.

The levy is allocated to each area municipality based on the metrics described in the following chart:

Grouping	Curbside	Non-curbside	Disposal/Diversion	Total Solid Waste Levy
2026 Proposed Levy	6,739,280	2,453,886	8,607,099	17,800,265
2026 Original Levy	7,021,580	2,860,922	8,286,658	18,169,160
Increase (Decrease) Levy	(282,300)	(407,036)	320,441	(368,895)
Allocation method	Serviced units	Direct cost plus overhead	Total units	n/a

Detailed allocations for each component of the solid waste levy by municipality can be found in Appendix 3 to this report, however the following chart details the total 2025 solid waste levy, the 2026 original levy, and the 2026 updated levy by municipality.

Municipality	2025 \$	Original 2026 \$	Original Increase %	Original Increase \$	Updated 2026 \$	Updated Increase (Decrease) %	Updated Increase (Decrease) \$
Bracebridge	3,306,496	3,545,026	7.2%	238,530	3,510,211	6.2%	203,715
Gravenhurst	2,996,208	3,187,864	6.4%	191,656	3,164,717	5.6%	168,509
Huntsville	3,732,587	3,987,129	6.8%	254,542	3,984,740	6.8%	252,153
Georgian Bay	2,294,218	2,458,152	7.1%	163,934	2,044,832	(10.9%)	(249,386)
Lake of Bays	1,275,499	1,395,627	9.4%	120,128	1,463,989	14.8%	188,490
Muskoka Lakes	3,296,531	3,595,362	9.1%	298,831	3,631,775	10.2%	335,244
Total	16,901,539	18,169,160	7.5%	1,267,621	17,800,265	5.3%	898,726

(3) B. Updated 2026 Solid Waste Management Operating Budget

Expenses for Solid Waste Management operations are projected to increase by \$0.7 million in 2026, reductions in revenues associated with the new Producer Responsibility recycling program are expected to increase the solid waste levy by a further \$0.2 million, resulting in a total solid waste special area levy of \$17.8 million which is \$0.9 million, or 5.3%, higher than in 2025. This increase is lower than the original 2026 solid waste budget, which reflected an increase of \$1.3 million and aligned with the budget guideline increase of 7.5%.

Staff have proposed expenditure reductions of \$0.7 million in the 2026 update to reflect changes in service costs during the year which will help offset increases to taxpayers. The proposed reductions in operating expenses are a result of three (3) identified opportunities:

- Reduction in contracted amounts **(-\$0.3 million)** for curbside collection as a result of the transition to producer responsibility for recycled materials;
- Reduction in haulage costs **(-\$0.3 million)** as a result of new contracted vendor; and
- Reduction in costs associated with the removal of remote bin sites **(-\$0.1 million)** within the Township of Georgian Bay.

In addition to the reductions in operating expenses, staff have noted a reduction in expected revenues related to contract fees from the Producer Responsibility Organization (PRO) that is utilizing the District's solid waste management sites to collect and manage recycled materials. The reduction in revenue is estimated to be \$0.3 million and is reflected in the updated 2026 Solid Waste Management Operating budget.

The following table provides a summary of the approved 2025 solid waste management budget, the original 2026 budget and the proposed updated 2026 budget as well as the year over year changes.

Solid Waste Management	2025	Original 2026	Year-over- Year Increase %	Year-over- Year Increase \$	Updated 2026	Year-over- Year Increase %	Year-over- Year Increase \$
Operating Expenses	\$17,679,395	\$18,453,484	4.38%	\$774,089	\$17,798,939	0.68%	\$119,544
Finance Charges / Reserves	\$4,245,760	\$4,825,175	13.65%	\$579,415	\$4,825,175	13.65%	\$579,415
Total Expenses	\$21,925,155	\$23,278,659	6.17%	\$1,353,504	\$22,624,114	3.19%	\$698,959
Revenues – User Fees	(\$4,683,615)	(\$4,769,499)	1.83%	(\$85,884)	(\$4,483,849)	(4.27%)	\$199,766
Revenues – Other	(\$340,000)	(\$340,000)	0.00%	-	(\$340,000)	0.00%	-
Solid Waste Levy	\$16,901,540	\$18,169,160	7.50%	\$1,267,620	\$17,800,265	5.32%	\$898,725

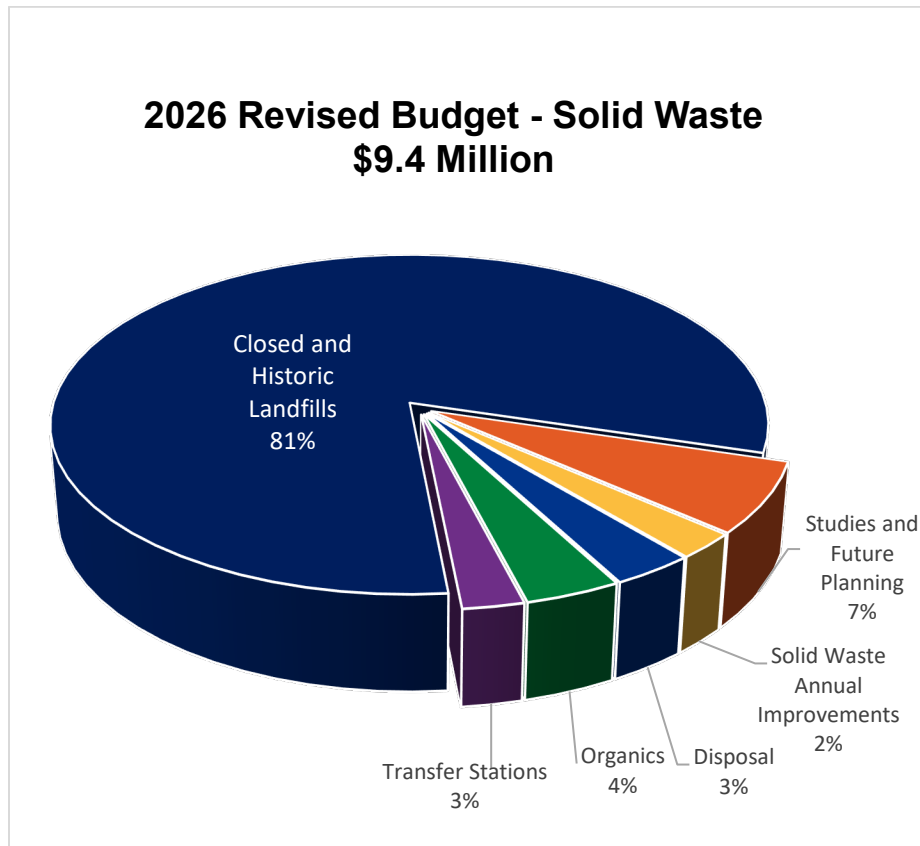
The main budget drivers, including updates, in 2026 are detailed in Appendix 4 of the report, but are primarily a result of:

- increased salaries and wages for both unionized and non-unionized staff;
- reductions in one-time equipment purchases incurred in 2025;
- reductions in haulage costs due to a new contract and vendor, as well as decreased costs for curbside due to the transition of the Blue Box program;
- reductions in costs associated with the transition of remote bin sites to other solid waste collection services;
- projected increases in site security, scrap metal haulage, organics, and curbside collection in alignment with inflationary components of the contracts;
- increases in reserve transactions make up the largest component of the year over year increase and include a contribution to the capital reserve to support the 10-year capital plan, as well as the impact of removing a transfer into the operating budget from the operating reserve;
- increases in fleet and other internal service charges; and,
- a reduction in PRO revenues related to the use of District solid waste facilities.

(3) C. Updated 2026 Solid Waste Management Capital Budget

The updated 2026 capital expenditure budget is \$9.4 million for solid waste management, which is \$0.4 million higher than the original budget.

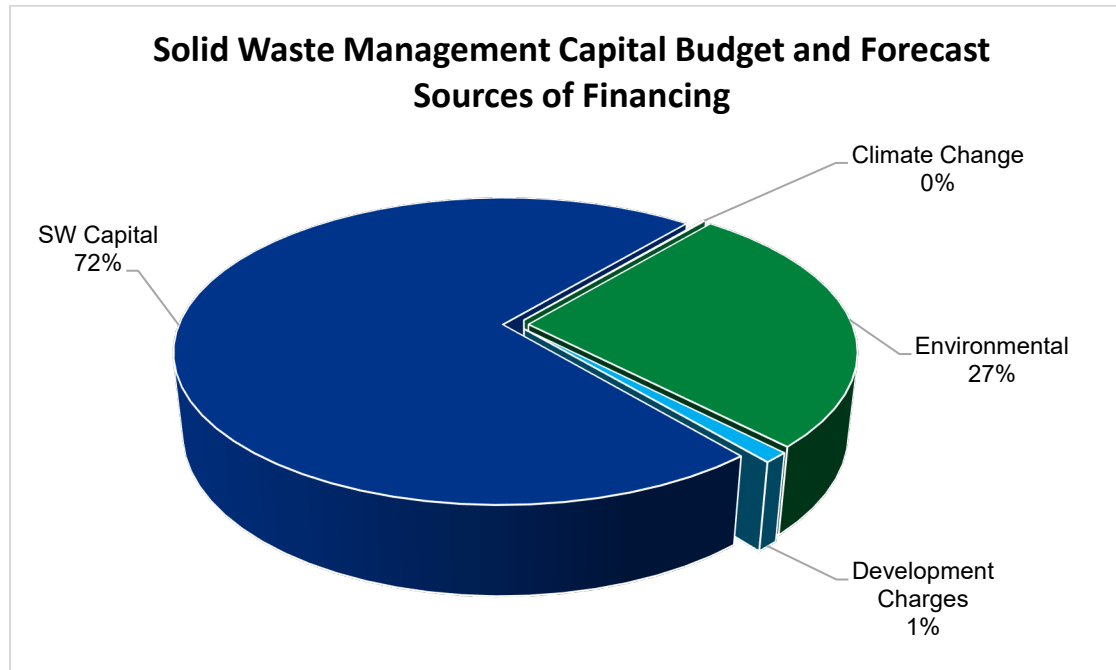
The updated 2026 capital budget is categorized in the following graph.



The increase in the 2026 updated capital budget of \$0.4 million is due to increased project costs related to the organics program and improvements to transfer stations. The largest driver within the solid waste management capital budget for 2026 is a project to complete final cover and compliance activities for the Beiers landfill site at a projected cost of \$7.0 which accounts for 75% of the total 2026 capital budget.

The 10-year Updated Capital Budget and Forecast is projected to be \$46.6 million for Solid Waste Management, this reflects a decrease of \$2.8 million when compared to the original 2025-2026 Capital Budget and Forecast prepared in 2024 primarily due to projects included in the 2025 budget which have now moved out of the forecast period.

The following graph summarizes the sources of funding of the 10-year Updated Capital Budget and Forecast.



The largest source of funding remains internal reserves: Solid Waste Capital, and Environmental at \$33.6 million and \$12.4 million respectively. The 2024 Development Charge (DC) By-law contemplated a charge for waste diversion services and eligible projects have been financed using this new reserve. Over the 10-year period, DC revenues are forecasted to finance \$0.5 million in solid waste capital projects. Finally, a minor contribution from the Climate Change Reserve is helping to fund the Solid Waste Maste Plan.

There is no external debt proposed to support the 10-year solid waste capital plan.

(4) Tax Supported Operating Budget and Capital Budget and Forecast

The District services supported by the general tax supported budget and levy include:

Engineering and Public Works

Transportation and District Roads

- District Road Network: Planning, construction, and maintenance of District roads and bridges, including winter snow and ice control.
- Traffic Operations: Speed management, signage, pavement markings, and asset management for road infrastructure.
- Port Carling Locks: Operate and maintain the Port Carling Locks connecting Lake Muskoka and Lake Rosseau, supporting safe navigation for recreational and commercial vessels.

Hauled Sewage

- Septage Lagoons: Operate District septage lagoon facilities for the safe reception and treatment of hauled domestic sewage from private septic systems, holding tanks, and small communal systems not connected to municipal sewers.

Community and Planning Services

Community and Human Services

- Income and Employment Supports: Administration of Ontario Works (financial assistance, employment services, case management).
- Housing Services: Rent-geared-to-income housing, portable housing benefits, waitlist management, and partnerships with non-profit and co-operative housing providers.
- Homelessness Prevention: Community supports funded through provincial programs eviction prevention, emergency accommodation, housing stability supports).
- Children's Services: Child care fee subsidies, EarlyON Child and Family Centre programs (delivered directly and through community partners), support for licensed child care operators.
- Community Funding: Agreements and grants with social service and community agencies to expand local supports.
- Community Transportation: Support for intercommunity and specialized transportation initiatives and partnerships where applicable.

Planning and Growth Management

- Regional Planning: District Official Plan, growth management, natural heritage and water resources policy, aggregate resources policy, and Indigenous and public consultation.

- Development Review: Subdivisions/condominiums, consents, and District interests in site planning in coordination with area municipalities and agencies.
- Environmental Stewardship: Lake system health monitoring, shoreline and watershed planning, source water protection collaboration with conservation authorities.

9-1-1, Addressing, and GIS

- Civic Addressing: Assignment and maintenance of rural/urban addresses to support public safety and navigation.
- 9-1-1 System Management: Coordination of addressing datasets with dispatch partners.
- Geographic Information Systems (GIS): Public mapping tools, open data, and spatial analysis that support planning, operations, and emergency response.

Health Services

Paramedic Services (Ambulance)

- 24/7 emergency medical response and patient transport across Muskoka, including advanced and primary care paramedics, community paramedicine initiatives, and public education on emergency preparedness.

Seniors Services and Long-Term Care

- Seniors Services: Operation of long-term care homes (The Pines and Fairvern) and seniors community programs such as adult day services and caregiver supports.

Emergency Management

- District-wide Emergency Management Program: Hazard identification and risk assessment, emergency plans, training and exercises, and coordination with municipalities, first responders, and provincial partners.

Finance and Corporate Services

Economic Development and Tourism

- Investment and Business Support: Sector development, data and research, entrepreneur and employer supports in partnership with local municipalities and agencies.
- Tourism Marketing and Development: Regional branding and promotion, visitor information, product development, and event support to strengthen the tourism economy.

Courts and Provincial Offences Administration (POA)

- Court Administration: Scheduling, fine collection, disclosure coordination, and courtroom support for provincial offences matters in Muskoka.

Internal Support Services

- Corporate Administration, Human Resources, Finance Services, Tax Policy and Long-Term Financial Planning, Budgeting, Procurement, Risk Management, Facilities Services, Fleet maintenance and supply, Information and Technology Services, Legal and Legislative Services.

(4) A. Proposed 2026 Tax Rate and General User Fees

The 2026 original, and updated, tax supported budget includes an inflationary increase of 2.3% for general user fees. The actual increases may be slightly higher or less than 2.3% when fees are rounded to the nearest dollar or \$0.25 increment. In addition to inflationary adjustments, staff have recommended increases of 10% to hauled sewage disposal fees to offset additional costs associated with environmental compliance and monitoring of the District's sewage lagoons. New flow monitoring devices will be installed at the District's receiving facilities and staff will assess the need to increase fees further based on actual volumes recorded in 2026. Staff have also proposed increases of 10% to the fees that support the operations, maintenance, and renewal of the Port Carling Locks. Fees revenues generated for the locks covered approximately 13% of the total cost to operate the locks in 2024, with the proposed increase and assuming a similar level of passages, the revenues generated will support 16% of the operating costs. Staff propose gradual increases to achieve 25% of the operating costs over time.

The following table provides the estimated taxation for general services per \$100,000 in residential assessed property value.

General Tax Supported Services	2025 Taxes	Original 2026 Taxes	Original 2026 % Increase (Decrease)	Original 2026 \$ Increase (Decrease)	Updated 2026 Taxes	Updated 2026 % Increase (Decrease)	Updated 2026 \$ Increase (Decrease)
Municipal Services	\$331.48	\$343.47	3.62%	\$11.99	\$343.22	3.54%	\$11.74
Local Share and Health Care Facilities	\$7.68	\$9.03	0.32%	\$1.35	\$9.03	0.32%	\$1.35
Total	\$339.15	\$352.50	3.93%	\$13.34	\$352.25	3.86%	\$13.09

The updated 2026 general tax supported budget results in an estimated tax rate increase that is 0.07% lower than the original budget.

(3) B. Updated 2026 Tax Supported Operating Budget

Expenses for Tax Supported operations are projected to increase by \$14.1 million in 2026, offset by increases of \$8.6 million in revenues, resulting in a total tax levy increase of \$5.5 million. This increase is in alignment with the original 2026 tax supported budget, which reflected a total tax levy of \$106.4 million. The levy and tax rate increases are lower than the budget guideline (see staff [Report FCS-3-2024-4](#)) by 0.6%.

Although the 2026 updated tax supported levy is consistent with the original 2026 budget, additional pressures have been identified since the 2026 Tax Supported budget was originally approved in January 2025. Staff responded to \$5.0 million in emerging 2026 budget pressures by conducting cross-departmental peer reviews and implementing targeted efficiencies, identifying \$4.5 million in expenditure reductions and \$0.5 million in additional revenues. These measures fully offset the pressure, keeping the 2026 tax-supported levy and tax rate aligned with the amounts Council approved in January 2025.

The significant changes in the budget consist of the following eight (8) drivers:

(1) Asset Management Plan – Infrastructure Gap Investments (+\$1.5 million)

- The [2025 Asset Management Plan \(AMP\) – Bridging the Gap](#), identified an annual Transportation Services infrastructure funding gap of \$29.1 million, and recommended annual increases of 7%, over and above the existing annually increasing contributions to reserves, over 20 years to address infrastructure investment. Staff [Report 10\(2025\)-3](#) identified the additional reserve contribution to close the Transportation Services infrastructure gap in 2026 was \$1.5 million that was not included in the original 2026 budget.
- In addition to the infrastructure funding gap for Transportation Services, a smaller annual funding gap for The Pines Long-Term Care (LTC) Home was also identified. The AMP recommended annual increases of 3.5%, over and above the existing annually increasing contributions to reserves, over 20 years to address infrastructure investment. The proposed additional reserve contribution to close The Pines infrastructure gap in 2026 was just over \$55,000 and was not included in the original 2026 budget.

(2) Estimated Cost of Policing Services – Ontario Provincial Police (OPP) Billing (+\$1.3 million)

- The estimated cost of policing services provided through the OPP is expected to increase to \$18.7 million in 2026, based on correspondence from the Office of the Solicitor General. This is \$1.3 million higher than the original 2026 budget.

(3) Delayed Opening of the Fairvern Long Term Care (LTC) Home (+0.6 million)

- The redeveloped Fairvern LTC Home is now anticipated to open in September 2026 which is six (6) months later than originally anticipated and reflected in the operating budget for the Home. Staff have adjusted both the expenditures and revenues to reflect nine (9) months of operations in the original Home and three (3) months of operations in the redeveloped Home. The impact to expenses was a reduction of \$4.9 million, and the impact to revenues was a reduction of \$5.5 million when compared to the original 2026 budget.

(4) Roads Operations and Maintenance (+0.7 million)

- The Roads Operations and Maintenance budget has reflected growing unfavourable variances in 2023 and 2024, with further unfavourable variances anticipated in 2025. The impact of extreme weather events has increased costs for winter control, but also for repairs and maintenance activities. Extreme weather impacts road surfaces, culverts, and drainage as materials are subject to increased freeze/thaw cycles as well as higher and more concentrated levels of precipitation. An analysis of historical actual average costs within the Roads Operations and Maintenance budget as well as projected inflationary impacts indicate that an increase of \$0.7 million to the original 2026 budget is required.

(5) Hauled Sewage Compliance (+\$0.3 million)

- Staff [Report PW-10-2025-4](#) highlighted several compliance requirements and concerns regarding existing reporting and discharge practices. Operating costs have been increased to address the compliance issues identified through Ministry of Environment Conservation and Parks (MECP) inspections and the District's Monitoring, Trigger Mechanism and Remedial Action Plans (MTM-RAP). An additional \$0.3 million in operating expenses are required to manage enhanced compliance activities.

(6) Information and Technology Services (+\$0.1 million)

- Staff have increased the information and technology services (ITS) budget by \$0.2 million primarily as a result of increased licensing fees. A portion of this increase is recovered by increased municipal service fees that are billed to the ITS partner Towns and Libraries.

(7) Community and Affordable Housing and Homelessness Prevention (\$-0.2 million)

- Overall, the levy for the Community and Affordable Housing and Homelessness Prevention programs is increasing by \$1.0 million in alignment with the District's Affordable and Attainable Housing Investment Framework. As housing projects are completed and achieve occupancy, increases in operating expenses are reflected on the levy, and the contribution to the Affordable Housing Initiatives reserve is decreased correspondingly. Contributions to the reserve are used to account for timing differences between the \$1.0 million annually increasing investment and

when the operating expenses are reflected in each of these programs. In the originally approved 2026 budget, the combined levy increase for these programs was \$1.2 million, staff have scaled this back to \$1.0 million in the update.

(8) Transition of Airport Operations to a Municipal Service Corporation (\$0 impact)

- Staff [Report 7\(2025\)-1](#) finalized the transition of Airport operations to a Municipal Service Corporation – Muskoka Airport Incorporated (MAI) and outlined the operationalization of various accounting and budget recording processes. The updated 2026 Tax Supported Budget removes the individual budget line items and reflects a single “Transfer to Others” expense which is equivalent to the original levy for the Airport in 2026. This results in numerous expenditure adjustments, but no change to the overall levy.

In order to mitigate pressures on the updated 2026 Tax Supported Budget, staff have proposed the following expenditure reductions and revenue enhancements:

Measure	2026 Impact to Levy \$	2026 Impact to Levy %
Utilize Debt Reduction Reserve (DRR) to Offset Increase in OPP: Staff are proposing to utilize the DRR to offset the increase in the OPP and phase the increase in over three (3) years.	(1,250,000)	(1.2%)
Phase-in increases to Roads Operations and Maintenance over two (2) years: Staff are proposing that the increase of \$0.7 million be phased in over two years in order to reduce the impact to the tax rate.	(350,000)	(0.3%)
Reduce contributions to the Environment Reserve by \$600,000: - The reduction will be used to fund the approved service level change which established increasing contributions to Climate Change Reserve, starting with \$250,000 in 2026; and, - Staff propose \$350,000 of the expenditure reduction will be used to offset the proposed increases in Roads Operations and Maintenance. An analysis of the future capital projects financed by this reserve has indicated that the reserve will remain in a surplus position despite the reductions in contributions.	(600,000)	(0.6%)

Measure	2026 Impact to Levy \$	2026 Impact to Levy %
Remove Staffing Agency Fee Premiums at both Long-Term Care Homes: - In order to offset expenditure pressures at both homes, staff are proposing to remove staffing agency fee premiums at both Homes resulting in a decrease of \$600,000. - Staff have maintained a provision for staffing agency premiums as part of the start-up costs for Fairvern in anticipation of recruitment challenges and hiring delays.	(600,000)	(0.6%)
Delay hiring of Human Resources (HR) service level change positions: The original 2026 Tax Supported budget included two (2) new positions within the HR function to reflect the increase in staffing as a result of opening Fairvern. With the delay in opening the new Home, staff have proposed delaying the hiring of these positions.	(75,000)	(0.1%)
Delay hiring of Muskoka Paramedic Services (MPS) service level change positions in East Muskoka: The original 2026 budget included four (4) new paramedic staff starting in July 2026 to serve East Muskoka. Staff are proposing that the additional services commence in the final quarter of 2026 to mitigate pressure on the tax rate.	(168,000)	(0.2%)

Measure	2026 Impact to Levy \$	2026 Impact to Levy %
Extend Asset Management Infrastructure Gap Recovery Periods: - Staff have proposed an extended recovery period of 30 years and annual increases of 2.07% to balance the increase to the levy and the investment in transportation infrastructure. - In 2025, the first fully automated assessment of the District's Roads Transportation Network (RTN) was completed by StreetScan, a company that leverages Artificial Intelligence (AI) to assess road conditions. Staff will continue to monitor levels of degradation in the RTN and make recommendations to amend the AMP financial strategy as required. The District's AM planning function is developing capacity and ongoing analysis through annual pavement assessments will identify opportunities to focus investment to deliver the best value to the District's taxpayers. - Staff have proposed an extended recovery period of 25 years and annual increases of 1.84% to address the infrastructure funding gap identified at The Pines. To further develop the District's AMP capacity, new capital projects to complete full building assessments were approved as part of the 2025 Tax Supported Capital Budget. Staff will monitor the impact of these increased contributions to reserves and make recommendations for adjustments once the full building assessments have been completed.	(1,100,000)	(1.1%)
Increase Hauled Septage User Fees: - Staff are proposing increases of 10% to the fees for discharge of hauled septage to reflect increasing operational costs for monitoring and control. - Staff estimate that historical underreporting of volumes discharged are between 20% and 30%. The proposed user fees will be structured based on a cubic metre fee as opposed to 1,000 gallons to align with the new flow monitoring equipment that will be installed at each receiving site and ensure a more accurate accounting of septage disposed. - The fees collected in 2024 from septage haulers totaled \$0.6 million or 15% of the total operating expenses of \$3.9 million associated with sewage lagoon operations, maintenance and renewal. It is recommended that fees be increased over time in order to achieve a higher percentage of cost recovery for sewage lagoons.	(258,000)	(0.3%)

Measure	2026 Impact to Levy \$	2026 Impact to Levy %
Increase Port Carling Lock Fees: Staff are proposing increases of 10% to the fees associated with the Port Carling Locks. The fees collected in 2024 related to usage of the locks totaled \$0.1 million or 13% of the total operating expenses of \$0.9 million associated with lock operations, maintenance, and renewal. It is recommended that fees continue to be increased over time in order to achieve a higher percentage of cost recovery for the locks.	(32,000)	(0.0%)
Increase Investment Income: Staff continue to explore options to increase returns on operating funds including laddered GIC investing. Staff have increased Investment income by \$221,000 to reflect anticipated returns which partially offsets other expenditures increases.	(221,000)	(0.2%)
Total Impact of Mitigations Included in Updated 2026 Budget	(4,654,000)	(4.6%)

The following table provides a summary of the approved 2025 general tax supported services budget, the original 2026 budget and the proposed updated 2026 budget as well as the year over year changes.

General Tax Supported Services	2025	Original 2026	Year-over-Year Increase %	Year-over-Year Increase \$	Updated 2026	Year-over-Year Increase %	Year-over-Year Increase \$
Operating Expenses	\$139,554,437	\$148,797,554	6.62%	\$9,243,117	\$149,482,708	7.11%	\$9,928,271
Finance Charges/Reserves	\$38,699,936	\$45,957,881	18.75%	\$7,257,945	\$42,913,681	10.89%	\$4,213,745
Total Expenses	\$178,254,373	\$194,755,435	9.26%	\$16,501,062	\$192,396,389	7.93%	\$14,142,016
Revenues – User Fees	(\$11,083,929)	(\$16,849,235)	52.02%	(\$5,765,306)	(\$12,384,842)	11.74%	(\$1,300,913)
Revenues – Grants	(\$60,509,533)	(\$65,444,224)	8.16%	(\$4,934,691)	(\$67,248,219)	11.14%	(\$6,738,686)
Revenues – Other	(\$5,838,069)	(\$6,059,149)	3.79%	(\$221,080)	(\$6,404,377)	9.70%	(\$566,308)
General Tax Levy	\$100,822,842	\$106,402,827	5.53%	\$5,579,985	\$106,358,951	5.49%	\$5,536,109

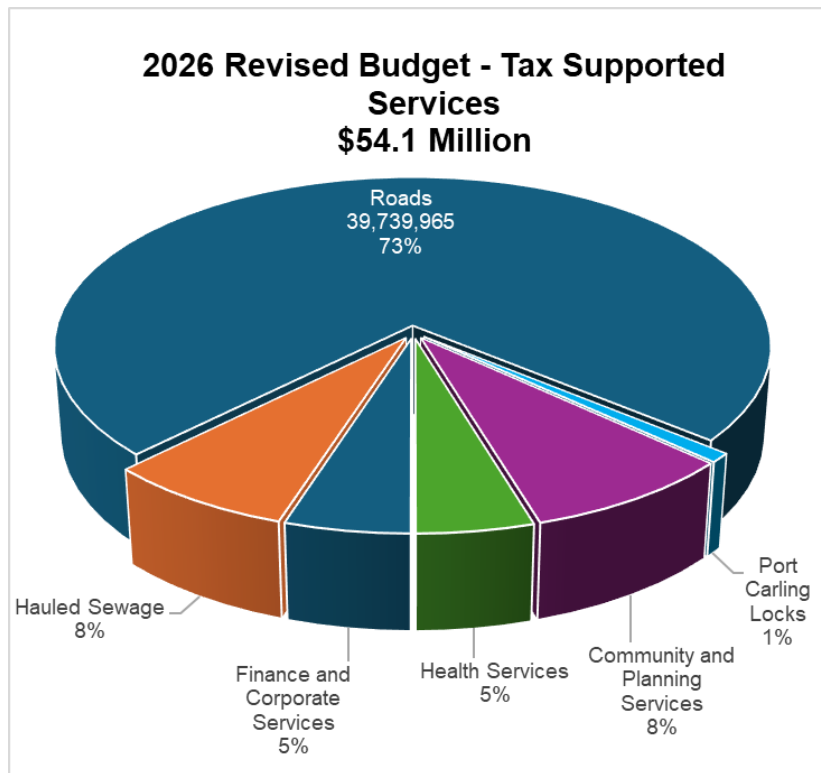
The main budget drivers, including updates, in 2026 are detailed in Appendix 5 of the report, but are primarily a result of:

- Inflation on base services including increased salaries and wages for both unionized and non-unionized staff;

- Increases for policing costs;
- Contributions to infrastructure reserves, including proposed enhancements to address infrastructure funding gaps identified in the District's AMP;
- Increasing contributions for Local Share and Health Care Facilities; and
- Service level changes aligned with the District's Strategic Action Plan including increases for the Affordable and Attainable Housing Investment Framework, the Corporate Climate Change Action Plan, and the operationalization of the newly redeveloped Fairvern LTC Home.

(4) C. Updated 2026 Tax Supported Capital Budget

The 2026 capital expenditure budget is \$54.1 million for tax supported services and is categorized by division in the following graph:

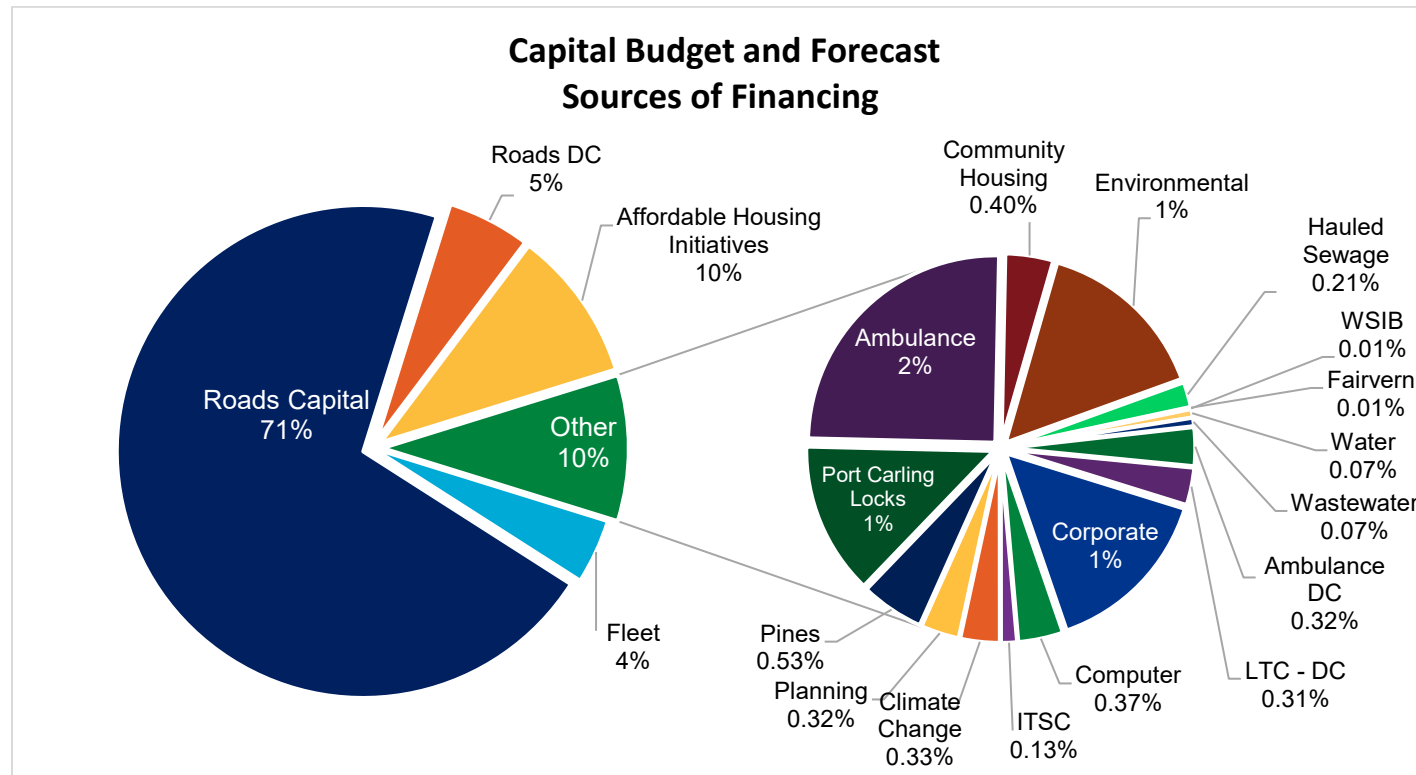


The 2026 updated capital budget reflects a decrease of \$1.0 million when compared to the original 2026 capital budget, the decrease is due to decreased project costs related to the Roads Construction capital program offset partially by increases in Information and Technology Services (ITS), Fleet, and Community Housing.

The largest drivers within the Roads Construction capital budget for 2026 include resurfacing projects and low-volume roads. Projects in Community and Planning Services (CPS) include MAHIP incentives and capacity building initiatives. Hauled Sewage projects may be updated to reflect MTM-RAP projects but currently reflect investments in wastewater treatment plant receiving facilities in order to ensure better environmental outcomes related to the disposal of septage. Finance and Corporate Services (FCS) projects include annual investments in Fleet and Technology in alignment with lifecycle schedules. Health Services (HS) projects include lifecycle replacements of paramedic fleet vehicles and related equipping and improvements to The Pines.

The 10-year Updated Capital Budget and Forecast is projected to be \$507.2 million for General Tax Supported Services, this reflects a decrease of \$78.2 million when compared to the original 2025-2026 Capital Budget and Forecast prepared in 2024. The main drivers of the reduction include the Fairvern Redevelopment project, which has now transitioned out of the 10-year forecast and accounted for \$53.3 million of the original number, Roads Construction which has reduced by \$12.1 million in the forecast period primarily as a result of the completion of the urban placemaking projects, and the removal of the Airport's 10-year capital budget and forecast which was \$4.6 million in the original forecast.

The following graphs summarize the sources of funding of the 10-year Updated Capital Budget and Forecast.



The 10-year capital plan for the years 2026-2035 is funded from internal reserves and DCs with the Roads Capital Reserve financing \$352.8 million or 71% of the capital plan.

Although there is no external debt forecasted to support the 2026-2035 capital plan, staff note the requirement of external debt financing for the following previously approved capital projects:

- Fairvern Long-Term Care Home Redevelopment - \$80.7 million
- Fairvern Early Learning Childcare Centre - \$4.4 million
- 100 Pine Street Affordable Housing Project - \$8.6 million (\$3.9 million forgivable and \$4.7 million repayable)

(5) Debt, Reserves, and Asset Management

Debt and Debt Capacity

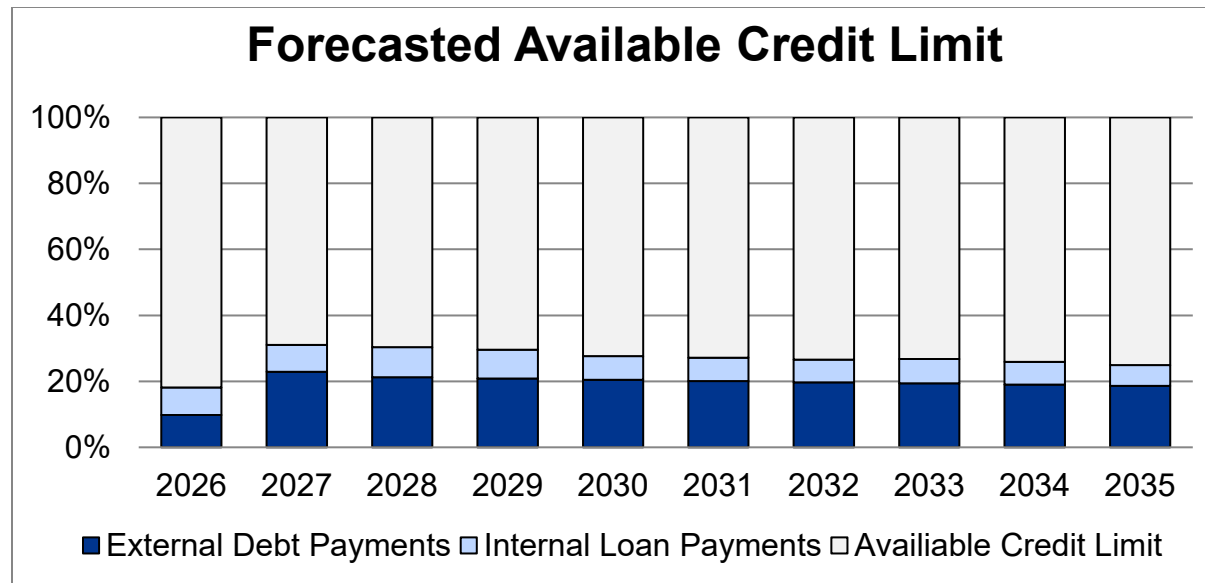
The Ministry of Municipal Affairs and Housing regulates the level of debt that may be incurred by municipalities. No more than 25% of the total own-purpose revenues can be used to service debt and other long-term obligations.

As indicated in the previous section, the 2026-2035 capital plan does not contemplate the issuance of external debt, however projects that are currently underway are financed, in part, with external financing.

The financing strategy for the Fairvern Long-Term Care Home was presented in staff [Report 13\(2025\)-10](#) and the projected amount of external financing has not changed since the original 2026 budget was presented.

The debentures to support the Fairvern Early Learning Childcare Centre were presented in staff [Report HS-5-2024-1/CPS-6-2024-1](#). The debentures to support the 100 Pine street Affordable Housing Project were presented in staff [Report 13\(2025\)-19](#). These debentures were not contemplated when the original 2026 budget was presented, however the repayments have now been included in the 2026 Updated expenditures and the following debt capacity calculations and charts.

The graph below highlights the projected total annual debt repayments for the District for both its Rate and Tax Supported operations. It then compares this to the projected annual credit limit set by the Province through regulation. The District is projected to use 10% of its allowable limit in 2026 on external debt payments (dark blue bars). This figure increases to 23% in 2027 as a result of the additional external debt required to finance the Fairvern redevelopment, Fairvern Childcare, and 100 Pine projects and decreases to approximately 19% by 2033 as external debt matures, and future financing is internalized.



The light blue bars reflect internal loan payments and are provided for information only as the external rating agencies and the Ministry do not consider internal loans as debt to the municipality.

Reserve Fund Sustainability and Asset Management

The original and updated 2026 rate and tax supported budgets include increasing contributions to capital reserves in line with the District's historical AMP guidelines which reflect increases of 5% for water capital, 6% for wastewater capital, 5% for roads capital, and 2% for all other tax supported capital reserves.

The [2025 Asset Management Plan \(AMP\) – Bridging the Gap](#), identified **additional** annual contributions of 3% for water, 4.6% for wastewater, 7% for roads, and 3.5% for The Pines to address the infrastructure gap over a 20-year period. Staff have proposed longer recovery periods: 25-years for water, wastewater, and The Pines; and, 30-years for roads. The adjustment to the recovery period results in lower annual increases than recommended in the AMP. The proposed additional annual increases for the updated AMP have been highlighted in previous sections of the report and are detailed in the table below.

In addition to the AMP adjustments, staff have proposed a reduction in the contribution to the Environment Reserve of \$600,000. The establishment of a new Climate Change Reserve and a review of the current and forecasted capital projects financed by the Environment Reserve indicated that the reserve was in a surplus position despite significant projects in the future years (projects beyond the 10-year horizon).

Finally, the original 2026 contribution to the Affordable Housing Reserve was based on increasing affordable and attainable housing in Muskoka over an 8-year time horizon recognizing that the operating expenses associated with new housing builds would be added to the levy as those projects were completed and occupied. The 2026 operating budget includes increased costs for the operations of 100 Pine as well as other community housing projects and the contribution to the reserve has been adjusted accordingly (note a reduction in the reserve below of \$636,674 below). The net levy increase in 2026 for the Community Housing, Affordable Housing, and Homelessness Prevention programs is \$1.0 million.

The following table shows the 2025 approved, 2026 original, and 2026 updated contributions to the various reserves as funded from the rate and tax supported operating budgets.

Tax Supported Reserves/Reserve Funds - Capital Reserves	2025 Budget	2026 Original	Year-over- Year Increase \$	2026 Update	2026 Updated Budget	Year-over- Year Increase \$
Roads Capital	\$22,424,545	\$23,550,522	\$1,125,977	\$452,777 ¹	\$24,003,299	\$1,578,754
Debt Reduction	\$3,000,000	\$3,000,000	\$0	\$0	\$3,000,000	\$0
Environmental	\$2,976,571	\$3,036,103	\$59,532	(\$600,000) ²	\$2,436,102	(\$540,469)
Corporate Capital	\$1,215,104	\$1,369,193	\$154,089	\$705	\$1,369,898	\$154,794
Fleet Capital	\$1,615,993	\$1,703,898	\$87,905	(\$253,925) ³	\$1,449,973	(\$166,020)
Ambulance Capital	\$654,847	\$667,944	\$13,097	\$0	\$667,944	\$13,097
Pines Capital	\$834,326	\$861,086	\$26,760	\$29,318 ¹	\$890,404	\$56,078
MAI Capital	\$595,315	\$607,221	\$11,906	\$0	\$607,221	\$11,906
Port Carling Locks Capital	\$484,131	\$493,813	\$9,682	\$4	\$493,817	\$9,686
Community Housing Capital	\$238,126	\$242,746	\$4,620	\$143	\$242,889	\$4,763
Planning Capital	\$149,087	\$152,069	\$2,982	\$0	\$152,069	\$2,982
Computer Equipment	\$125,886	\$128,404	\$2,518	\$0	\$128,404	\$2,518

Tax Supported Reserves/Reserve Funds - Capital Reserves	2025 Budget	2026 Original	Year-over- Year Increase \$	2026 Update	2026 Updated Budget	Year-over- Year Increase \$
ITSC Reserve	\$48,879	\$49,857	\$978	\$0	\$49,857	\$978
Total	\$34,362,810	\$35,862,856	\$1,500,046	(\$371,122)	\$35,491,877	\$1,129,067

Tax Supported Reserves/Reserve Funds - Operating Reserves	2025 Budget	2026 Original	Year-over- Year Increase \$	2026 Update	2026 Updated Budget	Year-over- Year Increase \$
Hospital Financing	\$170,000	\$255,000	\$85,000	\$0	\$255,000	\$85,000
Fairvern Debt Reserve	\$1,200,000	\$1,550,000	\$350,000	\$0	1,550,000	\$350,000
Muskoka Hospital Local Share	\$2,112,500	\$2,470,500	\$358,000	\$0	\$2,470,500	\$358,000
Climate Change	\$0	\$250,000	\$250,000	\$0	\$250,000	\$250,000
Affordable Housing	3,506,478	4,506,478	\$1,000,000	(\$636,674) ⁴	3,869,804	\$363,326
Total	\$6,988,978	\$9,031,978	\$2,043,000	(\$636,674)	\$8,395,304	\$1,406,326

Water and Wastewater Operations Fund	2025 Budget	2026 Original	Year-over- Year Increase \$	2026 Update	2026 Updated Budget	Year-over- Year Increase \$
Water Capital	\$5,249,132	\$5,511,589	\$262,457	\$43,632 ¹	\$5,555,221	\$306,089
Wastewater Capital	\$5,815,513	\$6,164,444	\$348,931	\$94,123 ¹	\$6,258,567	\$443,054
Total	\$11,064,645	\$11,676,033	\$611,388	\$137,755	\$11,813,788	\$749,143

Solid Waste Management Operations Fund	2025 Budget	2026 Original	Year-over- Year Increase \$	2026 Update	2026 Updated Budget	Year-over- Year Increase \$
SW Capital	\$3,813,755	\$4,004,443	\$190,688	\$0	\$4,004,443	\$190,688

Solid Waste Management Operations Fund	2025 Budget	2026 Original	Year-over-Year Increase \$	2026 Update	2026 Updated Budget	Year-over-Year Increase \$
Total	\$3,813,755	\$4,004,443	\$190,688	\$0	\$4,004,443	\$190,688

Total Tax and Rate Supported Reserves / Reserve Funds	2025 Budget	2026 Original	Year-over-Year Increase \$	2026 Update	2026 Updated Budget	Year-over-Year Increase \$
Total	\$56,230,188	\$60,575,310	\$4,345,122	(\$869,898)	\$59,705,412	\$3,475,224

1 Increases related to 2025 Asset Management Plan (AMP) – Bridging the Gap

2 Capital forecast review / budget pressure mitigation.

3 Reallocation of MAI component of Fleet contributions

4 Affordable and Attainable housing project completion / addition to operations budgets

The updated reserve contribution strategy continues to reflect a measured, forward-looking approach to long-term financial sustainability. By aligning reserve funding adjustments with the District's [2025 Asset Management Plan \(AMP\) – Bridging the Gap](#) Council and staff are demonstrating a commitment to responsible infrastructure stewardship while recognizing affordability constraints for ratepayers.

The gradual phasing-in of additional annual contributions, extended recovery timelines, and prudent reserve reallocations (e.g., Environment Reserve surplus, new Climate Change Reserve) strike an important balance between immediate fiscal realities and future capital requirements. These refinements ensure that the District can continue to support essential services and maintain critical assets without placing undue pressure on the annual budget.

As the District continues to evolve its multi-year budgeting practices and integrates AMP insights into financial planning, the reserve strategies outlined here will serve as a cornerstone for long-term sustainability, risk mitigation, and asset resilience across all service areas.

Financial Considerations

The financial considerations are noted throughout the report.

Climate Change Implications

The District assesses climate implications in all staff reports using the Clean Air Partnership's '[Municipal Climate Lens Tool](#)' to consider climate impacts or benefits associated with any project, program or initiative. The following is a summary of the results.

Municipal Climate Lens Tool	Results
Mitigation	Project does not result in GHG reduction, but more GHG intensive options exist
Temperature	Temperature impacts has been considered and improved over base case
Precipitation	Precipitation impacts has been considered and improved over base case

Climate Considerations Summary: The strategic actions outlined in the updated 2026 budget include continued investments in affordable, attainable, and supportive housing, corporate climate change initiatives and actions, community transportation, long-term care front-line and administrative supports, and infrastructure and asset management planning. These themes represent investments in community initiatives for marginalized populations which have been disproportionately impacted by climate change, particularly through supports for long-term care operations, investments in affordable, attainable and supportive housing, demand responsive community transportation, and increased investments in the Muskoka Hospital Local Share Capital and Health Care facilities reserves.

The actions outlined in the Corporate Climate Change financing framework represent the first phase of greenhouse gas (GHG) reduction and climate mitigation initiatives and investments in District facilities and operations. This budget includes resources to support the implementation of the District's Corporate Climate Change financing framework in 2025-2026. These strategies will provide options and direction for the District to meet its GHG reduction target of net-zero by 2050.

Communications

Notification of the intention to reaffirm the 2026 Tax and Rate Supported Budgets appeared in online digital newspapers and on the District's website and social media channels.

Approved update packages to the 2026 Tax and Rate Supported Budget will be forwarded to District Councillors, District staff, the local libraries, and stakeholder associations. In addition, printed copies of the 2025 and 2026 updated budget are also available upon request. The updated 2026 budgets will also be posted on the District's website and links to the webpage will be forwarded to District Councillors, District staff, the Area Municipalities, stakeholder associations, local libraries and area Chambers of Commerce.

The updates to the 2026 budgets will be presented to Committee of the Whole Council on November 17, 2025. As the document proceeds to Council approval, amended pages will be distributed for inclusion in the 2025-2026 document.

Strategic Plan

The District assesses the impact or influence of the information or recommendations included in staff reports toward achieving Council's [Strategic Plan objectives](#).

This report includes information or recommendations that impact or influence the following Strategic Plan Objectives:

- [Objective 1 Taking action together](#) – Preserve and protect our natural environment, take climate action and be more resilient to its impacts.
- [Objective 3 Housing for everyone](#) – Create more safe, attainable, and sustainable housing to call home – and transportation between our places and spaces.
- [Objective 5 Community health and wellbeing](#) – Connect residents – all ages, stages, and circumstances – to the health and social supports they need.
- [Objective 6 Service alignment](#) – Modernize municipal services and deliver them in the way that makes most sense – best value, efficiency, and outcomes for residents.
- [Objective 7 Service excellence](#) – Improve how we communicate, create better customer experiences, and encourage residents to provide input and share their ideas.
- [Objective 8 Future thinking](#) – Plan and invest so that we have the services and infrastructure our residents and communities need – now and in the future.

Respectfully submitted,

Suzanne Oliner, B.Com, CPA, CMA, Commissioner of Finance and Corporate Services;
James Steele, P.Eng., Commissioner of Engineering and Public Works; and
Julie Stevens, CPA, CA, Chief Administrative Officer

Appendix 1 – Detailed Net Levy Change by Program Area

Net Levy Rate Supported	2025	Original 2026	Year-over- Year Increase %	Year-over- Year Increase \$	Change 2026	Updated 2026	Year-over- Year Increase %	Year-over- Year Increase \$
Water and Wastewater	\$14,187,154	\$14,558,740	2.62%	\$371,586	\$165,726	\$14,724,466	3.79%	\$537,312
Solid Waste Management	\$16,901,540	\$18,169,160	7.50%	\$1,267,620	(\$368,895)	\$17,800,265	5.32%	\$898,725

Net Levy Tax Supported	2025	Original 2026	Year-over- Year Increase %	Year-over- Year Increase \$	Change 2026	Updated 2026	Year-over- Year Increase %	Year-over- Year Increase \$
Elected Officials	\$883,065	\$921,971	4.41%	\$38,906	\$0	\$921,971	4.41%	\$38,906
CAO's Office	\$2,542,551	\$2,689,138	5.77%	\$146,587	\$0	\$2,689,138	5.77%	\$146,587
Facilities Services and Corporate Climate Change	\$724,014	\$1,054,881	45.70%	\$330,867	\$1	\$1,054,882	45.70%	\$330,868
Corporate Administration	\$2,379,722	\$2,453,814	3.11%	\$74,092	(\$75,220)	\$2,378,594	(0.05%)	(\$1,128)
Information Technology Services	\$68,374	(\$18,838)	(127.55%)	(\$87,212)	\$116,117	\$97,279	42.27%	\$28,905
Fleet Operations	(\$668)	(\$48,160)	7109.58%	(\$47,492)	\$0	(\$48,160)	7109.58%	(\$47,492)
Legislative Services	\$1,350,255	\$1,435,506	6.31%	\$85,251	\$0	\$1,435,506	6.31%	\$85,251
Total Finance and Corporate Services	\$7,947,313	\$8,488,312	6.81%	\$540,999	\$40,898	\$8,529,210	7.32%	\$581,897
Financial Services	\$151,377	(\$63,605)	(142.02%)	(\$214,982)	\$141,885	\$78,280	(48.29%)	(\$73,097)
Property Assessment Services	\$2,474,127	\$2,559,711	3.46%	\$85,584	\$0	\$2,559,711	3.46%	\$85,584
Emergency Services	\$16,111,962	\$16,812,315	4.35%	\$700,353	\$0	\$16,812,315	4.35%	\$700,353
Total Non-Program	\$18,737,466	\$19,308,421	3.05%	\$570,955	\$141,885	\$19,450,306	3.80%	\$712,840
Public Works Administration	\$84,053	\$87,018	3.53%	\$2,965	\$0	\$87,018	3.53%	\$2,965
Roads	\$33,749,204	\$35,039,613	3.82%	\$1,290,409	\$765,787	\$35,805,400	6.09%	\$2,056,196
Port Carling Locks	\$837,190	\$862,269	3.00%	\$25,079	(\$32,000)	\$830,269	(0.83%)	(\$6,921)
Sewage Lagoons	\$3,139,593	\$3,300,448	5.12%	\$160,855	(\$600,017)	\$2,700,431	(13.99%)	(\$439,162)

Net Levy Tax Supported	2025	Original 2026	Year-over- Year Increase %	Year-over- Year Increase \$	Change 2026	Updated 2026	Year-over- Year Increase %	Year-over- Year Increase \$
Total Engineering and Public Works	\$37,810,040	\$39,289,348	3.91%	\$1,479,308	\$133,770	\$39,423,118	4.27%	\$1,613,078
Planning and Policy	\$1,305,730	\$1,363,231	4.40%	\$57,501	\$0	\$1,363,231	4.40%	\$57,501
Water Strategy and Community Climate Change Initiatives	\$930,029	\$971,997	4.51%	\$41,968	(\$19,000)	\$952,997	2.47%	\$22,968
Geomatics/911 Addressing	\$539,692	\$563,211	4.36%	\$23,519	\$0	\$563,211	4.36%	\$23,519
Community Housing	\$4,100,998	\$4,496,503	9.64%	\$395,505	(\$14,474)	\$4,482,029	9.29%	\$381,031
Affordable Housing	\$5,801,906	\$6,517,270	12.33%	\$715,364	(\$184,094)	\$6,333,176	9.16%	\$531,270
Homelessness	\$863,703	\$945,537	9.47%	\$81,834	\$0	\$945,537	9.47%	\$81,834
Community Transportation	\$89,071	\$98,261	10.32%	\$9,190	\$0	\$98,261	10.32%	\$9,190
Community Initiatives	\$207,898	\$208,476	0.28%	\$578	\$0	\$208,476	0.28%	\$578
Children's Services	\$1,104,240	\$1,228,538	11.26%	\$124,298	\$0	\$1,228,538	11.26%	\$124,298
Ontario Works	\$2,358,193	\$2,439,229	3.44%	\$81,036	\$0	\$2,439,229	3.44%	\$81,036
Total Community and Planning Services	\$17,301,460	\$18,832,253	8.85%	\$1,530,793	(\$217,568)	\$18,614,685	7.59%	\$1,313,225
Paramedic Services	\$7,813,042	\$8,306,199	6.31%	\$493,157	(\$66,689)	\$8,239,510	5.46%	\$426,468
Community Paramedicine	\$0	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0
Emergency Management	\$60,371	\$61,653	2.12%	\$1,282	\$22,864	\$84,517	40.00%	\$24,146
Health Unit	\$1,835,762	\$1,904,242	3.73%	\$68,480	\$0	\$1,904,242	3.73%	\$68,480
Health Initiatives Capital Funding	\$2,282,500	\$2,725,500	19.41%	\$443,000	\$0	\$2,725,500	19.41%	\$443,000
Health Strategies and Initiatives	\$387,289	\$386,316	(0.25%)	(\$973)	\$15,000	\$401,316	3.62%	\$14,027
Pines	\$2,849,887	\$3,124,312	9.63%	\$274,425	(\$369,951)	\$2,754,361	(3.35%)	(\$95,526)
Fairvern	\$2,025,598	\$2,150,402	6.16%	\$124,804	\$255,915	\$2,406,317	18.80%	\$380,719
Seniors Programs and Services	\$417,203	\$441,519	5.83%	\$24,316	\$0	\$441,519	5.83%	\$24,316
Total Health Services	\$17,671,652	\$19,100,143	8.08%	\$1,428,491	(\$142,861)	\$18,957,282	7.28%	\$1,285,630

Net Levy Tax Supported	2025	Original 2026	Year-over- Year Increase %	Year-over- Year Increase \$	Change 2026	Updated 2026	Year-over- Year Increase %	Year-over- Year Increase \$
Total Airport	\$1,354,911	\$1,384,350	2.17%	\$29,439	\$0	\$1,384,350	2.17%	\$29,439
Total All General Tax Supported	\$100,822,842	\$106,402,827	5.53%	\$5,579,985	(\$43,876)	\$106,358,951	5.49%	\$5,536,109

Appendix 2 – 2026 Water and Wastewater Budget Drivers

Personnel	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase due to estimated wage and benefit costs	280,698	-	280,698
EPW Organizational Update Impacts resulting in shift of resources to Water and Wastewater (Report 13(2025)-14)	-	102,684	102,684
Total Personnel Budget Drivers	280,698	102,684	383,382

Materials and Supplies	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase in Chemicals based on actuals and anticipated cost projections due to fuel surcharges	195,222	292,400	487,622
Change in Utility costs mainly for Electricity and Natural Gas based on historical average and projected rates	116,100	-	116,100
Increase in Equipment repair parts for inflationary adjustments	67,275	-	67,275
Increase in Grounds Maintenance to respond to snow removal requirements experienced in 2024 and 2025; offset by a reduction in Subcontractor costs	-	148,000	148,000
Increase in Lab Supplies based on actuals	-	14,557	14,557
Other miscellaneous adjustments	44,411	-	44,411
Total Materials and Supplies Budget Drivers	423,008	454,957	877,965

Purchased Services	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase in Subcontractor costs for planned contract maintenance, repairs and flow meter calibrations, maintenance and repair of laterals and manholes; snow removal expenses reallocated to Grounds Maintenance	294,021	(148,000)	146,021
Increase in Biosolids mainly for Golden Pheasant and Bracebridge Treatment Plants	11,730		11,730
Increase in Flushing and Video costs to respond to aging infrastructure needs and assessments	-	30,000	30,000
Increase in Answering / Alarm Service contract fees due to plant and facility access upgrades	-	39,630	39,630
Other miscellaneous adjustments	26,071		26,071
Total Purchased Services Budget Drivers	331,822	(78,370)	253,452

Finance Charges/Reserves	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Decrease in scheduled annual Principal and Interest payments on internal and external debt	(523,000)	-	(523,000)
Increase in Transfer to Corporate Reserve for repayment of Net Metering System	1,714	-	1,714
Increase in Transfer to Water / Wastewater Capital Reserve in accordance with Asset Management Plan	611,388	137,755	749,143
Total Finance Charges/Reserves Budget Drivers	90,102	137,755	227,857

Net Internal Service Charges	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase in Fleet costs based on forecasted actuals and projected usage and includes a 2025 Service Level Change of \$37,500 for three short term lease requests	39,297	-	39,297

Net Internal Service Charges	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change in Insurance premiums based on prior year adjustment and estimated renewal	16,340	(93,963)	(77,623)
Increase in Financial Planning, Finance, Drafting/Engineering, GIS and Computer Services internal charges	55,830	-	55,830
Other miscellaneous adjustments	(8,366)	-	(8,366)
Total Net Internal Service Charges Budget Drivers	103,101	(93,963)	9,138

Revenue Sources	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Increase in User Fees for Water and Wastewater Services	(857,145)	(357,337)	(1,214,482)

Summary of Water and Wastewater Budget Drivers	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Subtotal of Expenditures	1,228,731	523,063	1,751,794
Revenue Increases	(857,145)	(357,337)	(1,214,482)
Total Net Levy Increase	371,586	165,726	537,312

Appendix 3 – 2026 Updated Solid Waste Management Detailed Levy

Solid Waste Management Detailed Levy – Curbside

Municipality	Units #	Curbside Original 2026 \$	Curbside Updated 2026 \$	Increase (Decrease) \$
Bracebridge	7,768	1,585,894	1,522,133	(63,761)
Gravenhurst	6,845	1,397,456	1,341,272	(56,184)
Huntsville	10,195	2,081,383	1,997,702	(83,681)
Georgian Bay	1,917	391,369	375,635	(15,734)
Lake of Bays	-	-	-	-
Muskoka Lakes	7,668	1,565,478	1,502,538	(62,940)
2026 Total	34,393	7,021,580	6,739,280	(282,300)
2025 Approved Budget	34,393	6,816,807	6,816,807	-
Increase/(Decrease)	-	204,773	(77,527)	-

Solid Waste Management Detailed Levy – Non-Curbside

Municipality	Non-curbside Original 2026 \$	Non-curbside Updated 2026 \$	Increase (Decrease) \$
Bracebridge	461,267	432,291	(28,976)
Gravenhurst	399,181	378,420	(20,761)
Huntsville	79,433	90,103	10,670
Georgian Bay	1,080,346	644,616	(435,730)
Lake of Bays	510,579	544,717	34,138
Muskoka Lakes	330,115	363,740	33,625
2026 Total	2,860,921	2,453,886	(407,035)
2025 Approved Budget	2,666,731	2,666,731	-
Increase/(Decrease)	194,190	(212,845)	-

Solid Waste Management Detailed Levy – Disposal/Diversion

Municipality	All Units #	Disposal/ Diversion Original 2026 \$	Disposal/ Diversion Updated 2026 \$	Increase (Decrease) \$
Bracebridge	13,695	1,497,865	1,555,787	57,922
Gravenhurst	12,720	1,391,227	1,445,025	53,798
Huntsville	16,698	1,826,313	1,896,936	70,623
Georgian Bay	9,019	986,437	1,024,582	38,145
Lake of Bays	8,092	885,048	919,272	34,224
Muskoka Lakes	15,541	1,699,768	1,765,498	65,730
2026 Total	75,765	8,286,658	8,607,099	320,441
2025 Approved Budget	75,765	7,418,003	7,418,003	-
Increase/(Decrease)	-	868,655	1,189,096	-

Appendix 4 – 2026 Solid Waste Management Budget Drivers

Personnel	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase due to estimated wage and benefit costs	135,938	-	135,938
EPW Organizational Update Impacts resulting in shift of resources mainly to Water and Wastewater (Report 13(2025)-14)	-	(55,420)	(55,420)
Total Personnel Budget Drivers	135,938	(55,420)	80,518

Employee Related Expenses	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Total Employee Related Expenses Budget Drivers	2,118	-	2,118

Materials and Supplies	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Elimination of prior year one-time equipment attachment purchases under Operating Supplies	(59,514)	-	(59,514)
Other miscellaneous adjustments	5,295	-	5,295
Total Materials and Supplies Budget Drivers	(54,219)	-	(54,219)

Purchased Services	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase in Security - inflationary increase with additional weekday attendant hours at Eveleigh	103,047	10,370	113,417
Increase in Prime Contractor related to scrap metal haulage contract	-	244,000	244,000
Reduction in contracted haulage due to favourable contractor pricing through most recent contract award	-	(377,402)	(377,402)
Increase in Subcontractor to include seasonal equipment rental at Transfer Stations to improve safety and productivity	109,655	23,000	132,655

Purchased Services	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Decrease due to removal of large item collection within Georgian Bay	-	(99,941)	(99,941)
Increase in Net Lift and Dump budget for the annual increase related to haulage of waste and organics	81,042	-	81,042
Increase in Curbside Pickup - inflationary increase	169,441	-	169,441
Decrease in termination fees related to Curbside Recycling contract	-	(260,000)	(260,000)
Increase for Service Level Change for recycle processing fees (Blue Box Transition)	65,000	-	65,000
Increase for Service Level Change for depot development with update to include extended hours for Georgian Bay depots related to Bin Site Transition	53,572	15,000	68,572
Increase for Lakeside Collection as part of Bin Site Transition	-	24,000	24,000
Decrease related to closure of Twelve Mile Bay depot in Georgian Bay	-	(44,279)	(44,279)
Decrease for Service Level Change for bin site transition	(17,588)	(147,295)	(164,883)
Other miscellaneous adjustments	21,052		21,052
Total Purchased Services Budget Drivers	585,221	(612,547)	(27,326)

Finance Charges/Reserves	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Decrease Transfer-In from Solid Waste Operating Reserve	388,727	-	388,727
Increase Reserves at 5.0% to support the capital plan	190,688	-	190,688
Total Finance Charges/Reserves Budget Drivers	579,415	-	579,415

Net Internal Service Charges	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase in Fleet	65,896	-	65,896
Increase in Finance Services based on updated allocations	12,708	-	12,708
Increase in Computer Services based on updated allocations including an additional computer system at Beiers transfer station related to increased volume of transactions	12,000	9,900	21,900
Other miscellaneous adjustments	14,427	3,522	17,949
Total Net Internal Service Charges Budget Drivers	105,031	13,422	118,453

Revenue Sources	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Increase in landfill tipping fees	(85,884)	-	(85,884)
Decrease in external funding related to Twelve Mile Bay Depot	-	15,650	15,650
Increase in scrap metal sales	-	(45,000)	(45,000)
Decrease in Extended Producer Responsibility revenue	-	315,000	315,000
Total Revenue Sources Budget Drivers	(85,884)	285,650	199,766

Summary of Solid Waste Management Budget Drivers	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Subtotal of Expenditures	1,353,504	(654,545)	698,959
Revenue Increases	(85,884)	285,650	199,766
Total Net Levy Increase	1,267,620	(368,895)	898,725

Appendix 5 – 2026 Tax Supported Budget Drivers

Personnel	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase for estimated wage and benefit costs updated for job evaluations and reclassifications of positions throughout 2024-2025	3,077,838	309,770	3,387,608
Increase for Fairvern Service Level Change to support the opening of the new Home in 2026 updated to reflect the revised opening timeline of September 2026	6,408,491	(3,587,920)	2,820,571
Increase for annualized impacts resulting from prior year (2025) Service Level Changes	66,048	-	66,048
Increase for Service Level Changes requested excluding LTC requests. The updated amount reflects the delayed start of two positions within Human Resources.	317,662	(75,223)	242,439
Decrease for delayed start dates related to Service Level Changes in paramedic operations for East Muskoka in alignment with the 10-year Paramedic Services Master Plan	-	(168,200)	(168,200)
Decrease for transfer of Airport Services to Muskoka Airport Incorporated	-	(943,943)	(943,943)
Decrease to remove allocation for Staffing Agency Costs in LTC homes	-	(600,000)	(600,000)
Other adjustments	-	(15,235)	(15,235)
Total Personnel Budget Drivers	9,870,039	(5,080,751)	4,789,288

Employee Related Expenses	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Decrease Travel (mainly Airport)	35,026	(17,213)	17,813
Increase Memberships/Subscriptions (mainly Fairvern)	16,665	38,136	54,801

Employee Related Expenses	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change in Conference Seminars primarily ITS and Early Learning and Childcare	(37,960)	26,618	(11,342)
Increase Courses (primarily ITS)	21,641	6,691	28,332
Other adjustments	1,574	(2,368)	(794)
Total Employee Related Budget Drivers	36,946	51,864	88,810

Materials and Supplies	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change Fuel/Energy due to 2025 MAI Amendment, primarily aviation fuel. The 2026 update decrease reflects remainder of airport budget shift to MAI	2,054,054	(2,489,042)	(434,988)
Change Program Supplies mainly to remove one time expense for OW Programs in 2025 with update reflecting 2025 amendment for Early Learning and Childcare as well as a minor update in Regional Strategic Initiatives	(128,252)	53,500	(74,752)
Change Materials and Equipment increase in 2026 approved budget mainly for Facilities and Fairvern partly offset by a decrease in The Pines; reduction in update reflects revised opening for Fairvern as well as a minor reduction for the 2025 MAI Amendment	136,467	(36,737)	99,730
Change Food increase in 2026 approved budget primarily Fairvern; reduction in update reflects revised opening for Fairvern	458,615	(382,702)	75,913

Materials and Supplies	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change in LTC Special increase in 2026 approved budget mainly Incontinence Supply and Activity Supplies for Fairvern; reduction in update to budget reflects revised opening for Fairvern, partially offset by an increase for External Programming	113,885	(42,952)	70,933
Change Taxes increase mainly for 100 Pine Street and District Housing Stock; decrease due to 2025 MAI Amendment	83,366	(57,480)	25,886
Increase Building Maintenance Supplies mainly Fairvern	52,768	-	52,768
Change Operating Supplies increase in 2026 approved budget mainly for Fairvern and Pines as well as Airport and District Housing; decreases in update primarily to reflect revised opening of Fairvern with other decreases in Roads, Airport for amendment to transfer to MAI and The Pines. Partial increase offsets include Hauled Sewage Lagoons and 100 Pine St.	476,224	(393,164)	83,060
Change in original 2026 related to conversion of Pines budget from Extendicare	103,409	-	103,409
Change Utilities increase in 2026 approved budget primarily for Fairvern; decrease in update primarily to reflect revised opening for new Fairvern home and 2025 amendment to transfer Airport to MAI	495,566	(486,016)	9,550
Other adjustments	(9,567)	(6,947)	(16,514)

Purchased Services	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Prime Contractor increase in 2026 approved budget primarily in OPP Policing costs as well as Property Assessment; increases in update include additional costs for OPP Policing (which has been partially offset by reserves), Roads and Hauled Sewage Operations	696,490	1,639,738	2,336,228
Increase Building and Grounds Maintenance mainly for Fairvern, The Pines, 100 Pine Street, and District Housing	251,938	(3,153)	248,785
Increase Repairs and Maintenance Data Centre	5,480	68,568	74,048
Change Contracted Services for On Call Doctor, Physio, Dietician The Pines and Fairvern account for 2026 approved budget increases with decreases in update to reflect the revised opening of Fairvern	88,291	(29,160)	59,131
Increase Insurance Premium based on estimated renewal	119,818	85,126	204,944
Change Equipment increase in 2026 approved budget mainly for Software and Other Equipment Maintenance in IT Services and Fairvern, as well as Aircraft Servicing at the Airport. The 2026 update includes net reductions primarily to reflect the revised opening of Fairvern, the amendment to transfer Airport to MAI and reductions in Fleet maintenance costs	261,226	(102,257)	158,969
Change Subcontractor 2026 approved budget increase mainly for Roads; reductions in update reflect a decrease in Roads and the 2025 amendment to transfer Airport to MAI	27,006	(63,999)	(36,993)
Increase Area charges for roads contracted services	400	169,000	169,400

Purchased Services	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change Program Services Other net increase in 2026 approved budget of \$125K mainly for Community Transportation offset in part by OW Programs, and 2026 approved and updated budgets include the impact of the Early Learning and Child Care 2025 amendment which included offsetting expenditure and grant allocations.	(3,355,688)	3,485,475	129,787
Other adjustments	75,993	(21,146)	54,847
Total Purchased Services Budget Drivers	(1,829,046)	5,228,192	3,399,146

Transfer to Others	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Transfer to Providers (Community Housing)	204,738	-	204,738
Increase COCHI funding to Providers	-	275,025	275,025
Increase Transfer to Airport which was offset by reductions in other expense lines	(580,253)	1,384,349	804,096
Increase Early Learning and Childcare (reflects 2025 Amendment which included offsetting expenditure and grant allocations)	(2,297,333)	2,297,333	0
Decrease Affordable Housing (mainly for OPHI rental Housing and District AHP Initiatives)	(322,814)	275,955	(46,859)
Increase in Muskoka Health Unit	68,480	-	68,480
Increase in Ontario Works	367,800	-	367,800
Increase Client Supports (mainly for Homelessness Prevention)	94,380	-	94,380
Other adjustments	(44,860)	16,000	(28,860)
Total Transfer to Others Budget Drivers	(2,509,862)	4,248,662	1,738,800

Finance Charges/Reserves	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Internal Debt mainly due to 100 Pine Street; the update includes a decrease in internal debt for an airport project which has now been transferred to MAI	598,109	(212,289)	385,820
Increase External Debt related to the issuance of debentures for Fairvern	5,057,666		5,057,666
Changes in Transfer to Affordable Housing Reserve to support the Affordable Housing Investment Framework; the update reflects costs that have transitioned from capital to operating (mainly 100 Pine Street) and cost reduction measures; the overall increase in expenditure in Community Housing, Affordable Housing, and Homelessness Prevention is proposed to be \$1,000,000 in 2026	1,000,000	(636,674)	363,326
Changes in Transfer from Affordable Housing Reserve for MAHIP, and 100 Pine Street	(498,696)	-	(498,696)
Decrease Transfer from Tax Stabilization Reserve that was used in 2025 to offset a portion of the increased costs in policing provided by the OPP	127,943	-	127,943
Decrease Transfer from Environmental Reserve for Hauled Sewage operations to offset changes in leachate recoveries in 2025	75,000	-	75,000
Increase Transfer from WSIB Reserve to support the District's Health and Safety program	(30,622)	-	(30,622)
Change in Transfer from Debt Reduction Reserve to phase out supports for Fairvern due to grant changes; the increased transfer in the update is related to projected increases in policing costs	118,680	(1,254,438)	(1,135,758)

Finance Charges/Reserves	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Transfer from Provincial Gas Tax to support the Community Transportation Demand Responsive Transit pilot program	(300,000)	-	(300,000)
Increase Transfer from Fairvern Debt Reserve to offset projected financing costs related to the issuance of debentures	(1,756,314)	-	(1,756,314)
Increase in Transfer to Climate Change Reserve to reflect a Service Level Change to support the Corporate Climate Change Action Plan	250,000	-	250,000
Increase Transfer to Muskoka Hospital Local Share Capital Fund	358,000	-	358,000
Increase Transfer to Hospital Reserve	85,000	-	85,000
Increase Transfer to Fairvern Debt Reserve	350,000	-	350,000
Increase Transfer to Roads Reserve	1,125,977	-	1,125,977
Increase Transfer to Corporate Capital Reserve primarily 100 Pine Street	154,794	-	154,794
Increase Transfer to Reserves at 1.97% guideline for Computer, ITSC, Port Carling Locks, Ambulance, Social Housing, and Planning Reserves	34,024	-	34,024
Increase Transfer to Environmental Reserve at 2.0% guideline less a proposed update to decrease contributions by \$600,000; annual contributions are currently \$3.0 million, and staff propose offsetting the increase to Climate Change with decreased contributions to Environment; in addition, a review of capital project proposed in the years beyond 2035 indicates that the reserve will be in a significant surplus position	59,531	(600,000)	(540,469)

Finance Charges/Reserves	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Change in Transfer to Fleet Reserve contribution to reflect an update to reduce contributions to 2.0% guideline and to reflect the removal of Fleet contributions associated with MAI equipment	118,201	(205,445)	(87,244)
Change in Transfer to Airport Reserve with creation of MAI	309,564	(607,221)	(297,657)
Increase Transfer to Roads Capital and the Pines Capital Reserves in response to the updated Asset Management Plan; contributions reflect a 25-year plan to address the Pines infrastructure gap and a 30-year plan to address the Roads infrastructure gap	-	482,095	482,095
Increase Transfer to Pines Reserves based on historical increases of 3.2%	26,760	-	26,760
Other adjustments	(5,672)	(10,228)	(15,900)
Total Finance Charges/Reserves Budget Drivers	7,257,945	(3,044,200)	4,213,745

Net Internal Service Charges	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Finance Services charges across the tax supported divisions mainly The Pines and Fairvern, 2025 Early Learning and Childcare Amendment, with reduction related to 2025 MAI Amendment	111,068	(51,247)	59,821
Change in Computer Service Internal charges across the tax supported divisions increase for annual District-wide allocation and update reduction for 2025 MAI Amendment	298,910	(62,300)	236,610
Change Fleet Charges for planned requirements and 2025 MAI Amendment	157,175	(334,752)	(177,577)

Net Internal Service Charges	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Increase Insurance Charges based on estimated renewal costs, with update reflecting reduction for 2025 MAI Amendment	149,917	(43,789)	106,128
Decrease Insurance Recovery from Rate Support update and 2025 MAI Amendment	(167,118)	134,229	(32,889)
Increase Fleet Recovery to reflect increased costs and service level changes, with update decreasing related to 2025 MAI Amendment	(262,984)	315,624	52,640
Increase in Finance Services Internal Recovery with update reduction for 2025 MAI Amendment	(129,234)	51,247	(77,987)
Increase Computer Service Internal Recovery for annual DMM allocation with update reduction for 2025 MAI Amendment	(302,350)	69,715	(232,635)
Other adjustments	(16,879)	0	(16,879)
Total Net Internal Charges Budget Drivers	(161,495)	78,727	(82,768)

Summary of Expense Category	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Total Expenditures	16,501,062	(2,359,046)	14,142,016

Grants	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Change Early Learning and Childcare Funding (reflects 2025 amendment)	5,888,776	(5,888,778)	(2)
Increase in Community Transportation (MTO and Ontario Gas Tax)	127,942		127,942
Increase Ontario Works Programs	(277,800)		(277,800)
Decrease Provincial Ontario Municipal Partnership Fund or OMPF (continued 15% reduction annually)	21,968		21,968
Decrease Affordable Housing Funding	32,005	121,000	153,005

Grants	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Increase in Community Housing		(289,500)	(289,500)
Increase Paramedic Services Funding (reflects increase based on prior year approved budget)	(396,857)		(396,857)
Increase Court Security and Prisoner Transport Funding	(22,488)		(22,488)
Increase The Pines Operations Long Term Care Funding	(211,666)		(211,666)
Decrease Fairvern Operations Long Term Care Funding (2026 includes Capital Financing, reflects delay of occupancy)	(10,108,797)	4,272,284	(5,836,513)
Other adjustments	12,226	(19,001)	(6,775)
Total Grants	(4,934,691)	(1,803,995)	(6,738,686)

User Fees, Fines/Penalties, Application Fees/Permits, Investment Income, Supplementary Taxes and Other Rebates	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Change Airport revenues, due to 2025 MAI Amendment, with update reflecting total shift to MAI	(2,901,092)	3,732,770	831,678
Increase External Recovery (primarily Insurance and update reflects 2025 MAI Amendment)	21,433	(197,161)	(175,728)
Increase Rent (primarily 100 Pine St. with update to include 575 First St. S.)	(487,518)	(8,723)	(496,241)
Increase User Fees (Hauled Sewage)	-	(258,361)	(258,361)
Increase Miscellaneous User Fees (primarily Community Transportation, 100 Pine St. and update to increase PC Locks)	(39,380)	(32,000)	(71,380)
Increase Supplementary Taxes	(20,610)	(124,993)	(145,603)
Increase Investment Income	(104,000)	(220,235)	(324,235)

User Fees, Fines/Penalties, Application Fees/Permits, Investment Income, Supplementary Taxes and Other Rebates	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Change Resident Fees (mainly Fairvern, based on expected occupancy but updated to decrease, reflecting delay in occupancy)	(2,346,074)	1,227,868	(1,118,206)
Other adjustments	(12,675)	-	(12,675)
Total User Fees	(5,889,916)	4,119,165	(1,770,751)

Service Charges Municipal	Original \$ Levy Impact 2026	Update \$ Levy Impact 2026	Total \$ Levy Impact 2026
Increase Municipal Service Charges (primarily to reflect increased cost recovery with IT partner municipalities and libraries and Telecommunications)	(96,470)	-	(96,470)
Total Service Charges Municipal	(96,470)	-	(96,470)

Summary of Revenue category	Original \$ Increase (Decrease) 2026	Update \$ Increase (Decrease) 2026	Total \$ Increase (Decrease) 2026
Sub-Total of Expenditures	16,501,062	(2,359,046)	14,142,016
Revenue Increases	(10,921,077)	2,315,170	(8,605,907)
Total Net Levy Increase	5,579,985	(43,876)	5,536,109

Appendix 6 - 2026 Water and Wastewater User Fees

Installed Water Meter (monthly basic service charge)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Less than 25mm (1") meter	\$23.45	\$24.62	\$1.17
25 mm (1") meter	\$42.94	\$45.09	\$2.15
38mm (1.5") meter	\$78.70	\$82.64	\$3.94
50 mm (2") meter	\$107.36	\$112.73	\$5.37
75 mm (3") meter	\$341.66	\$358.74	\$17.08
100mm (4") meter or larger	\$437.31	\$459.17	\$21.86
The consumption component shall be calculated on the basis of the volume of water supplied to the premises multiplied by the following factor: Rate/per m3.	\$2.1280	\$2.2295	\$0.1015

No Water Meter Installed (monthly service charge)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Residential and Light Commercial Users	\$108.21	\$113.79	\$5.58
Other Non-metered Users Cost per Equivalent Residential Unit (ERU). Number of ERU as determined by District	\$108.21/ERU	\$113.79/ERU	\$5.58/ERU

Wastewater rates for Water Meter Size (monthly basic service charge)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Less than 25mm (1") meter	\$7.32	\$7.69	\$0.37
25mm (1") meter	\$11.72	\$12.31	\$0.59
38mm (1.5") meter	\$29.94	\$31.44	\$1.50
50mm (2") meter	\$40.57	\$42.60	\$2.03
75mm (3") meter	\$121.59	\$127.67	\$6.08
100mm (4") meter or larger	\$156.34	\$164.16	\$7.82
Consumption/m3	\$2.85	\$2.9580	\$0.1065

Wastewater Rates for Non-Metered (fixed monthly rates)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Residential and Light Commercial Users	\$124.77	\$130.42	\$5.65
Other Non-metered Users Cost per Equivalent Residential Unit (ERU). Number of ERU as determined by District	\$124.77/ERU	\$130.42/ERU	\$5.65/ERU

Connection Fees	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
New Water/Wastewater Account	n/a	\$39.00	n/a
Final Meter Reading	n/a	\$45.00	n/a
Service Connection - any size	Actual Cost	Actual Cost	n/a
Application for Permit to Connect - per service (Where an applicant wishes to connect to both water and sanitary sewage systems at the same time, only a single permit application fee shall be payable.)	\$75.00	\$78.00	\$3.00
Meter/service tampering (e.g. those who turn their own water on without inspection/reporting, are found to have bypassed their meter and/or have made unauthorized connections)	n/a	\$5,000.00	n/a

Temporary Water Service - Low Volume Users	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
First Two Weeks (minimum charge)	\$74.00	\$75.00	\$1.00
Per Week Thereafter	\$46.00	\$47.00	\$1.00

Service Charge Turning Water and or Wastewater Service On or Off	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
During Working Hours without overtime incurred by District staff	\$56.00	\$119.00	\$63.00
During Off Hours (all times not included in designated hours)	\$254.00	\$265.00	\$11.00
Unscheduled service (all times)	\$254.00	\$265.00	\$11.00

Meter Purchase and Inspection	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
To provide a 16mm (5/8") diameter meter and radio read device (no installation) and inspect after installation	\$498.00	\$506.00	\$8.00
To provide a water meter, including radio read device (no installation), other than that described above	Actual Cost	Actual Cost	n/a

Hydrant Maintenance	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Municipal Hydrant (Annual)	\$84.00	\$85.00	\$1.00
Private Hydrant (Post firefighting event)	Actual Cost	Actual Cost	n/a
Additional Hydrant Installation	Actual Cost	Actual Cost	n/a
Connection Fee	Actual Cost	Actual Cost	n/a

Hydrant Maintenance - Non-Firefighting Use (each bulk water filling station)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Per Day per hydrant/bulk water station, plus usage/m3	\$133.00 + \$2.128/m3	\$135.00 + \$2.2295/m3	\$2.00/\$0.1015
Per Season (3 months) per bulk water station or one hydrant, plus usage/m3	\$928.00 + \$2.128/m3	\$944.00 + \$2.2295/m3	\$16.00/\$0.1015
Per Non-Freezing Season, plus usage/m3	\$1,872.00 + \$2.128/m3	\$1,904.00 + \$2.2295/m3	\$32.00/\$0.1015
Per Year per hydrant/bulk water station, plus usage/m3	\$2,342.00 + \$2.128/m3	\$2,382.00 + \$2.2295/m3	\$50.00/\$0.1015

Request for Property Servicing Information	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Excludes field work	\$64.00	\$65.00	\$1.00
Includes field work	\$131.00	\$133.00	\$2.00

Tests and Inspections	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Water Service Only Inspection Fee	\$562.00	\$572.00	\$10.00
Sanitary Sewage Only Inspection Fee	\$600.00	\$626.40	\$26.40
Inspection of both water and sewer services	\$872.00	\$910.00	\$38.00
Meter Service Fee - determined customer issue (cut meter wire, frozen meter, damaged meter/MXU)	n/a	Actual Cost	n/a
Inspect and/or test a 16mm (5/8") meter – if found to be functioning correctly	\$104.00	\$119.00	\$15.00
Inspect and/or test a 16mm (5/8") meter – not functioning properly due to external damage or misuse	\$104.00 + cost of new meter	\$106.00 + cost of new meter	\$2.00
Inspect or test a 16mm (5/8") meter – if not functioning properly due to reasons other than above	No Charge	No Charge	n/a
Third party testing of any meter or to inspect or test all other water meters except those outlined above	Actual Cost	Actual Cost	n/a
Missed Appointment (on site)	n/a	\$112.00	n/a
Thawing of frozen water service (\$300 deposit required)	n/a	Actual Cost	n/a
Replace/repair frozen water meter	n/a	Actual Cost	n/a

Tapping Fee (excluding water service parts)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Water Service Tapping Fee (< or equal to 50mm (2") diameter)	\$562.00	Actual Cost	n/a

Tapping Fee (excluding water service parts)	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Water Service Tapping Fee (> 50mm (2") diameter)	Actual Cost	Actual Cost	n/a

Other Fees	Current 2025 Rate	Proposed 2026 Rate	\$ Difference
Water and Wastewater Modeling	Actual Cost	Actual Cost	n/a
Water Permit Amendments - Form 1 Drinking Water System Application Review	Actual Cost	Actual Cost	n/a
Performing a Sewer Dye test	\$109.00	\$119.00	\$10.00
Environmental records search	n/a	\$130.00	n/a
Environmental Compliance Approvals	Fees as set by the Ministry of the Environment	Fees as set by the Ministry of the Environment	n/a
Sewer spill response/incident	n/a	Actual cost	n/a
Disposal of sand and grit removed from sanitary sewers (minimum charge)	\$587.00/m ³	\$613.00/m ³	\$26.00/m ³
Disconnection Notice Charge	\$44.00	\$46.00	\$2.00
Shut Off Fee for Shut Off due to Violation	\$56.00	\$119.00	\$63.00
Service Restoration if Service was shut off for violation – During Working Hours	\$56.00	\$119.00	\$63.00
Unscheduled Service Restoration if Service was shut off for violation (All Times)	\$254.00	\$265.00	\$11.00

Appendix 7 - 2026 General User Fees

As per the General user fees by-law Section C. 9. fees are automatically adjusted for inflation based on the greater of 2% and the 12-month average of the Statistics Canada Consumer Price Index for All Items - Ontario and the Statistics Canada Non-Residential Building Construction Price Index – Greater Toronto Area as at March 31st of each year. 2026 General User Fees have been adjusted by 2.3% with the exception of the following categories which have been adjusted by 10%.

Hauled from Lagoons

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
4.1 Hauled Sewage Fees						
4.1.1 Hauled Sewage Disposal Fees	\$165.00	per 4.55 cubic metres of sewage disposed	No	\$39.89	per cubic metre of sewage disposed	\$3.63 per cubic metre of sewage disposed
4.1.2 Issuance of an Additional Access Card	\$12.88	/n/a	Yes	\$13.18	n/a	\$0.30
4.1.3 Replacement of Lost Access Card	\$64.42	n/a	Yes	\$65.90	n/a	\$1.48

Port Carling Locks

8.1 Port Carling Locks and Related Bridge (vessel registration number required to qualify for “Yearly Rate”)

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
8.1.1 Small Lock Fees						
8.1.1.1 One Recreational Boat Capable of Using Small Locks Whether Small or Large Locks are Used - One Way Passage	\$12.39	n/a	Yes	\$13.72	n/a	\$1.33
8.1.1.2 One Recreational Boat Capable of Using Small Locks Whether Small or Large Locks are Used - Yearly Rate Per Vessel (normal operating hours only)	\$113.27	n/a	Yes	\$124.78	n/a	\$11.51
8.1.1.3 Day Pass for Vessels Described in 8.1.1.1	\$18.36	n/a	Yes	\$20.35	n/a	\$1.99
8.1.1.4 Small Commercial Boats (Barges, etc.) Capable of Using Small Locks Whether the Small Locks or Large Locks Are Used	\$36.06	One-way passage	Yes	\$39.82	One-way passage	\$3.76

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
8.1.2 Large Lock Fees (Except Vessels Described in 8.1.1.1)						
8.1.2.1 Large Commercial / Recreational Boats (Without Lift Bridge) – Normal Operating Hours - One-way passage	\$125.22	n/a	Yes	\$137.83	n/a	\$12.61
8.1.2.2 Large Commercial / Recreational Boats (Without Lift Bridge) – Normal Operating Hours - Yearly Rate Per Vessel (normal operating hours only)	\$1,155.73	n/a	Yes	\$1,271.46	n/a	\$115.73
8.1.2.3 Large Commercial / Recreational Boats (Without Lift Bridge) – Outside Normal Operating Hours	\$189.30	One-way passage	Yes	\$208.41	One-way passage	\$19.11
8.1.2.4 Large Commercial / Recreational Boats (With Lift Bridge) – Normal Operating Hours	\$153.43	One-way passage	Yes	\$168.81	One-way passage	\$15.38
8.1.2.5 Large Commercial / Recreational Boats (With Lift Bridge) – Outside Normal Operating Hours	\$215.20	One-way passage	Yes	\$236.73	One-way passage	\$21.53
8.1.2.6 Where Operation of the Large Locks is Requested by Yearly Pass Holders Outside of Normal Operating Hours	\$98.63	One-way passage	Yes	\$108.63	One-way passage	\$10.00
8.1.2.7 Large Commercial / Recreational Boats (With Lift Bridge) – Includes those with Capacity Between 20-80 Passengers – Normal Operating Hours	\$1,988.64	Yearly Rate Per Vessel (normal operating hours only with a maximum of 75 lifts per year)	Yes	\$2,187.61	Yearly Rate Per Vessel (normal operating hours only with a maximum of 75 lifts per year)	\$198.97
8.1.2.8 Use of Large Locks as a Dry Dock Facility. Service available annually, after Thanksgiving Day until winter closure of the locks and by pre-arranged appointment only (appointment requests must be made a minimum of 90 days in advance).	\$121.59	per calendar day	Yes	\$133.85	per calendar day plus applicable electricity costs	\$12.26

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
8.1.3 Miscellaneous						
8.1.3.1 Dock Facilities: Berthage Fees for Pleasure Craft or Commercial Vessels of any Kind are either of:	\$5.08	per metre per day or part thereof after 3 hours / \$119.88 per metre of length per month	Yes	\$5.59	per metre per day or part thereof after 3 hours / \$131.87 per metre of length per month	\$0.51/ \$11.99
8.1.3.2 Overnight Berthage Fees for Tour Boats	\$5.08	per metre of length per night	Yes	\$5.59	per metre of length per night	\$0.51

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
8.2 Port Sandfield Swing Bridge						
8.2.1 Where operation of swing bridge is requested by appointment - during normal hours as established by District By-law	\$153.54	n/a	Yes	\$169.03	n/a	\$15.49
8.2.2 Where operation of swing bridge is requested by appointment - outside normal hours as established by District By-law	\$215.49	n/a	Yes	\$237.17	n/a	\$21.68

Activity or Service	2025 Applicable Fees and Charges	Additional Specification	HST Extra	2026 Proposed Applicable Fees and Charges	Additional Specification	Proposed Fee Increase
9.3 James Bartleman Island Park						
8.3.1 Special Use Permit Preparation Fee	\$62.92		Yes	\$69.25		\$6.33

Appendix 8 – Major Projects 2026 - 2035

The following tables summarize the forecasted expenditures for major capital projects scheduled over the 10-year period in the Tax Supported Budget.

General Administration		10-Year Forecasted Expenditures
130157 Asset Management System Future		1,518,780
130386 DMM Financial Software Upgrades		1,100,000
Computer Services		10-Year Forecasted Expenditures
130314 Computer Equip Life Cycle Replacement Future		1,667,460
130315 Core IT Infrastructure Management Future		2,270,000
130319 DMM IT Infrastructure Future		1,354,560
Fleet		10-Year Forecasted Expenditures
130809 Regular Fleet Acquisitions Future		12,733,300
130812 Heavy Fleet Acquisitions Future		8,533,800
130840 Regular Fleet Acquisitions 2026		624,300
Facility Services		10-Year Forecasted Expenditures
530037 GH Paramedic Station Bay Addition		1,530,000
530071 New Georgian Bay Paramedic Station		5,100,000
530072 New Lake of Bays Paramedic Station		5,100,000
Hauled Sewage		10-Year Forecasted Expenditures
495009 McLean Upgrade/Expansion		1,180,170
495010 Baxter Upgrade/Expansion Future		1,827,132
495017 Receiving Facilities HV Sewage Plant		680,340
495018 Receiving Facilities GH Sewage Plant		3,287,097
495045 District Wide Lagoon Cell Decommission		621,000
Roads		10-Year Forecasted Expenditures
300086 DMM Capital - Reconstruction (Urban) Future		38,697,000
300112 DMM Capital - Reconstruction (Urban) 2026		5,484,188
301001 DMM Capital - Reconstruction (Rural) Future		31,642,410
311125 BB MR 15 Santa's Village Rd to Boyers Beach Rd 2.9 km		Confidential
311276 DMM Capital - Surfacing Future		128,760,000
311280 BB MR 4 from Wellington St N to MR 50 3.7 km		Confidential
311500 DMM Capital Surfacing 2026		13,767,000

Roads	10-Year Forecasted Expenditures
312001 Culverts - Capital Upgrades and Maintenance Future	6,344,700
312004 Culverts - Capital Upgrades and Maintenance 2026	603,630
313038 Structures - Minor Capital Upgrades and Replacement Future	6,045,400
313098 BB MR 16 Pre Muskoka River Crossing Bridge #016002	Confidential
313157 Structures - Major Capital Upgrades and Replacement Future	26,474,100
313162 Structures - Minor Capital Upgrades and Replacement 2026	582,450
313163 Structures - Major Capital Upgrades and Replacement 2026	4,950,825
314019 Traffic - Capital Upgrades and Construction Future	5,230,800
314031 Traffic - Capital Upgrades and Construction 2026	1,270,800
315009 Capital Maintenance - Roadside Improvements Future	4,870,000
316008 Capital Maintenance - Storm Sewer Improvements Future	586,120
318001 DMM Miscellaneous Land Future	1,724,900
319001 DMM - Capital Upgrades (Low Volume Roads) Future	73,440,000
319004 DMM - Capital Upgrades (Low Volume Roads) 2026	8,472,000
320001 Roadside Safety - Initiatives and Capital Upgrades Future	5,055,120
317001 Non-Tangible Capital - Inspections, Reporting, and Close-Outs Future	810,960

Port Carling Locks	10-Year Forecasted Expenditures
371000 DMM - Large Locks Capital Future	2,010,620
370053 DMM - Small Locks Capital Future	1,727,880
372000 DMM - Locks Docks Capital Future	1,826,900

Affordable Housing	10-Year Forecasted Expenditures
620789 MAHIP - Multi-residential Capital Incentives	24,950,000
620790 MAHIP - Multi-residential Capital Incentives ARU	2,300,000
620791 Capacity Building Initiatives	1,600,000

Community Housing	10-Year Forecasted Expenditures
710117 Future Housing Renewal and Rehabilitation Needs	20,700,000

Paramedic Services	10-Year Forecasted Expenditures
530011 Defibrillators Future	760,245
530061 Vehicles 2026	947,000
530062 Vehicles 2027	547,000
530063 Vehicles 2028	1,130,736
530064 Vehicles 2029	1,050,736
530065 Vehicles 2030	1,255,736

Paramedic Services	10-Year Forecasted Expenditures
530066 Vehicles 2031	1,255,736
530067 Vehicles 2032	1,004,736
530068 Vehicles 2033	760,000
530074 Vehicles 2034	1,134,000

Pines	10-Year Forecasted Expenditures
620023 Pines Furniture Fixtures and Equip Replacements Future	841,500

Summary	10-Year Forecasted Expenditures
Subtotal Expenditures > \$500,000	\$493,362,982
Subtotal Expenditures < \$500,000	\$13,829,713
Total Capital Project Expenditures	\$507,192,695

The following tables summarize the forecasted expenditures for major capital projects scheduled over the 10-year period in the Rate Supported Budget.

Water

Replacement/Upgrade	10-Year Forecasted Expenditures
431134 HV Hidden Valley WM Repl	3,706,500
431179 GH Repl MR 169 fr Readman to McPherson Phase II	597,276
431180 GH Repl MR 169 fr McPherson to End Phase III	621,180
434043 BB Wellington Transmission WM	8,626,140
434059 DMM Water Replacements/Upgrades-State of Good Repair	24,359,124
439014 DMM Water Replacement/Upgrades - System Expansion	3,060,000

System Expansion	10-Year Forecasted Expenditures
439015 Baysville System Expansion - Brunel Rd	3,750,000

Plant	10-Year Forecasted Expenditures
432017 PC WTP Rehabilitation	15,300,000
432019 BB WTP Expansion	1,020,000
432020 GH WTP Expansion	1,020,000
432021 HV WTP Expansion	30,080,100
432067 PS WTP Upgrades Future	12,500,000

Reservoir	10-Year Forecasted Expenditures
434011 PS Water Tower	1,380,936

Reservoir		10-Year Forecasted Expenditures
434012 BAYS Water Tower		5,610,000
434034 GH Repair/Paint Beach Road Tower		1,110,780
Scada		10-Year Forecasted Expenditures
432052 DMM SCADA Upgrades Future		1,830,900
432145 DMM SCADA Upgrades 2026		597,276
State of Good Repair		10-Year Forecasted Expenditures
432140 DMM Treatment Water - State of Good Repair		29,650,000
434065 DMM - Repairs and Maint - State of Good Repair		7,228,600
Inspections		10-Year Forecasted Expenditures
432142 DMM Five Year Model Calibration		519,750
Repairs and Maintenance		10-Year Forecasted Expenditures
431222 Water Meters - Future		2,066,520
Summary - Water		10-Year Forecasted Expenditures
Subtotal Expenditures > \$500,000		\$154,635,082
Subtotal Expenditures < \$500,000		\$5,215,822
Total Capital Project Expenditures		\$159,850,904

Wastewater

System Expansion		10-Year Forecasted Expenditures
411259 Baysville System Expansion - Brunel Road		1,377,000
Pumping Station Large		10-Year Forecasted Expenditures
413094 HV Covese Dr SPS Forcemain		1,380,936
413131 HV Twin Hodges PS Forcemain Future		5,610,000
413201 DMM Large Station - State of Good Repair Future		1,110,780
Pumping Station Small		10-Year Forecasted Expenditures
413044 PS SPS #3		896,000
413193 GH Fernwood SPS		710,940
413205 Baysville System Expansion - Brunel Road		765,000
413212 HV New Lines Shop		1,453,800
413213 BB Small Station Upgrades for Hospital and Development		3,345,600

Pumping Station Significant Growth Related		10-Year Forecasted Expenditures
413200 DMM Large Station - System Expansion		876,750
Replacements/Upgrade		10-Year Forecasted Expenditures
411274 DMM WW Replacement/Upgrades Future		9,641,500
Rehabilitation		10-Year Forecasted Expenditures
411275 DMM WW Repairs and Maint - State of Good Repair Future		2,176,000
Plant		10-Year Forecasted Expenditures
412069 HV GP Upgrade Future		10,206,834
412153 BB Lagoon Ln MBR Roof Replacement		515,100
412167 PC Membrane Replacements		2,428,083
412170 BB Lagoon Ln MBR equipment replace / refurb		9,733,926
412174 Port Carling WWTP Expansion		12,546,000
Mountview/Golden Pheasant		10-Year Forecasted Expenditures
413195 HV Mountview Decommission		597,440
413214 HV MV Phase 2		18,408,433
Scada		10-Year Forecasted Expenditures
412164 DMM PLC Modernization - BAYS, Lagoon Lane, Beaver Crk		780,438
412072 DMM SCADA Upgrades Future		988,380
Summary - Wastewater		10-Year Forecasted Expenditures
Subtotal Expenditures > \$500,000		\$83,416,261
Subtotal Expenditures < \$500,000		\$7,070,531
Total Capital Project Expenditures		\$90,486,792

Solid Waste

Disposal		10-Year Forecasted Expenditures
450094 Rosewarne Cell Development - Cell 5		5,430,000
450159 Rosewarne Cell Development - Cell 6		5,600,000
450095 Rosewarne Cell Development - Cell 7		5,940,000
450122 Rosewarne Cell Development - Cell 8		7,020,000
450164 Rosewarne Administration Building - Addition		1,143,150
Transfer Stations		10-Year Forecasted Expenditures
450144 DMM Replacement Scales Futures		736,000
450151 Huntsville Transfer Station - under development		2,139,960
Closed and Historic Landfills		10-Year Forecasted Expenditures
450031 Beiers Compliance/Final Cover		6,989,400
450076 Maintenance and Care of Area Closed Landfills		1,080,000
450087 Chaffey Area Landfill Site Remediation Phase II		6,649,500
Annual Improvements		10-Year Forecasted Expenditures
450102 Well Maintenance and Decommissioning Various Sites		748,500
450134 Signage, Security and Site Improvements Future		823,000
Summary – Solid Waste		10-Year Forecasted Expenditures
Subtotal Expenditures > \$500,000		\$44,299,510
Subtotal Expenditures < \$500,000		\$2,301,441
Total Capital Project Expenditures		\$46,600,951

Draft Tax Supported Net Levy Summary

All General

Run Date: 12/17/25 11:01 AM

	2024 Actuals	2025 YTD Actuals	2024 Revised Budget	2025 Budget Requested	2025 / 2024 Percentage Change	2025 / 2024 Dollar Change	2026 Approved in 2025	2026 Budget Updated	2026 Budget Change	2025 / 2026 Percentage Change	2025 / 2026 Dollar Change
Finance and Corporate Services											
Elected Officials	850,293	818,909	844,801	883,065	4.53%	38,264	921,971	921,971		4.41%	38,906
CAO's Office	2,191,380	2,224,970	2,335,752	2,542,551	8.85%	206,799	2,689,138	2,689,138		5.77%	146,587
Facilities Services & Corporate Climate Change	738,628	1,029,442	628,048	724,014	15.28%	95,966	1,054,881	1,054,882	1	45.70%	330,868
Corporate Administration	2,049,192	2,026,080	2,317,925	2,379,722	2.67%	61,797	2,453,814	2,378,594	(75,220)	(0.05%)	(1,128)
Information Technology Services	264,493	160,242	384,908	68,374	(82.24%)	(316,534)	(18,838)	97,279	116,117	42.27%	28,905
Fleet Operations	(47)	154,434	7,690	(668)	(108.69%)	(8,358)	(48,160)	(48,160)		7,109.58%	(47,492)
Legislative Services	1,484,258	1,430,327	1,196,446	1,350,255	12.86%	153,809	1,435,506	1,435,506		6.31%	85,251
Total Finance and Corporate Services	7,578,197	7,844,404	7,715,570	7,947,313	3.00%	231,743	8,488,312	8,529,210	40,898	7.32%	581,897
Non-Program											
Financial Services	(2,212,519)	283,555	904,586	151,377	(83.27%)	(753,209)	(63,605)	78,280	141,885	(48.29%)	(73,097)
Property Assessment Services	2,396,857	2,474,128	2,399,991	2,474,127	3.09%	74,136	2,559,711	2,559,711		3.46%	85,584
Emergency Services	16,036,618	13,758,689	15,690,996	16,111,962	2.68%	420,966	16,812,315	17,212,315	400,000	6.83%	1,100,353
Total Non-Program	16,220,956	16,516,372	18,995,573	18,737,466	(1.36%)	(258,107)	19,308,421	19,850,306	541,885	5.94%	1,112,840
Public Works Administration											
Public Works Administration	18,849	12,589	64,483	84,053	30.35%	19,570	87,018	87,018		3.53%	2,965
Total Public Works Administration	18,849	12,589	64,483	84,053	30.35%	19,570	87,018	87,018		3.53%	2,965
Transportation - Roads											
Roads	34,249,369	32,858,344	31,780,247	33,749,204	6.20%	1,968,957	35,039,613	35,805,400	765,787	6.09%	2,056,196
Total Transportation - Roads	34,249,369	32,858,344	31,780,247	33,749,204	6.20%	1,968,957	35,039,613	35,805,400	765,787	6.09%	2,056,196
Transportation - Port Carling Locks											
Port Carling Locks	795,536	775,861	831,025	837,190	0.74%	6,165	862,269	830,269	(32,000)	(0.83%)	(6,921)
Total Transportation - Port Carling Locks	795,536	775,861	831,025	837,190	0.74%	6,165	862,269	830,269	(32,000)	(0.83%)	(6,921)
Sewage Lagoons											
Sewage Lagoons	3,322,973	3,206,100	3,209,826	3,139,593	(2.19%)	(70,233)	3,300,448	2,300,431	(1,000,017)	(26.73%)	(839,162)
Total Sewage Lagoons	3,322,973	3,206,100	3,209,826	3,139,593	(2.19%)	(70,233)	3,300,448	2,300,431	(1,000,017)	(26.73%)	(839,162)
Community and Planning Services											
Planning and Policy	1,080,261	1,254,450	1,205,427	1,305,730	8.32%	100,303	1,363,231	1,363,231		4.40%	57,501
Water Strategy & Community Climate Change Ir	702,509	841,160	833,952	930,029	11.52%	96,077	971,997	952,997	(19,000)	2.47%	22,968
Geomatics/911 Addressing	441,433	476,891	468,640	539,692	15.16%	71,052	563,211	563,211		4.36%	23,519
Community Housing	4,047,863	3,786,067	3,767,935	4,100,998	8.84%	333,063	4,496,503	4,482,029	(14,474)	9.29%	381,031

Draft Tax Supported Net Levy Summary

All General

Run Date: 12/17/25 11:01 AM

	2024 Actuals	2025 YTD Actuals	2024 Revised Budget	2025 Budget Requested	2025 / 2024 Percentage Change	2025 / 2024 Dollar Change	2026 Approved in 2025	2026 Budget Updated	2026 Budget Change	2025 / 2026 Percentage Change	2025 / 2026 Dollar Change
Affordable Housing	4,180,885	2,388,104	4,247,816	5,801,906	36.59%	1,554,090	6,517,270	6,333,176	(184,094)	9.16%	531,270
Homelessness	1,102,436	1,796,319	785,786	863,703	9.92%	77,917	945,537	945,537		9.47%	81,834
Community Transportation	27,004	376,425	82,960	89,071	7.37%	6,111	98,261	98,261		10.32%	9,190
Community Initiatives	265,418	264,674	203,818	207,898	2.00%	4,080	208,476	208,476		0.28%	578
Children's Services	842,967	2,640,469	796,971	1,104,240	38.55%	307,269	1,228,529	1,228,529		11.26%	124,289
Muskoka Home Childcare Agency	356	(422,739)	(1)		(100.00%)	1	9	9			9
Ontario Works	2,499,073	1,996,103	2,391,052	2,358,193	(1.37%)	(32,859)	2,439,229	2,439,229		3.44%	81,036
Total Community and Planning Services	15,190,205	15,397,923	14,784,356	17,301,460	17.03%	2,517,104	18,832,253	18,614,685	(217,568)	7.59%	1,313,225
Health Services											
Paramedic Services	7,663,660	8,995,847	7,269,474	7,813,042	7.48%	543,568	8,306,199	8,232,709	(73,490)	5.37%	419,667
Community Paramedicine	(1)	476,828									
Emergency Management	40,508	45,982	56,047	60,371	7.71%	4,324	61,653	84,517	22,864	40.00%	24,146
Health Unit	1,734,996	1,819,980	1,680,594	1,835,762	9.23%	155,168	1,904,242	1,904,242		3.73%	68,480
Health Initiatives Capital Funding	1,839,500	2,092,291	1,839,500	2,282,500	24.08%	443,000	2,725,500	2,725,500		19.41%	443,000
Health Strategies and Initiatives	373,150	343,412	341,319	387,289	13.47%	45,970	386,316	401,316	15,000	3.62%	14,027
Pines	2,048,873	2,387,711	2,783,709	2,849,887	2.38%	66,178	3,124,312	2,754,361	(369,951)	(3.35%)	(95,526)
Fairvern	1,919,306	2,830,416	1,205,461	2,025,598	68.04%	820,137	2,150,402	2,406,317	255,915	18.80%	380,719
Seniors Programs and Services	412,202	413,110	409,233	417,203	1.95%	7,970	441,519	441,519		5.83%	24,316
Total Health Services	16,032,194	19,405,577	15,585,337	17,671,652	13.39%	2,086,315	19,100,143	18,950,481	(149,662)	7.24%	1,278,829
Airport											
Airport	1,414,168	828,916	1,293,680	1,354,911	4.73%	61,231	1,384,350	1,384,350		2.17%	29,439
Total Airport	1,414,168	828,916	1,293,680	1,354,911	4.73%	61,231	1,384,350	1,384,350		2.17%	29,439
Total All General	94,822,447	96,846,086	94,260,097	100,822,842	6.96%	6,562,745	106,402,827	106,352,150	(50,677)	5.48%	5,529,308

Draft Tax Supported Operating Budget by Object

Run Date: 12/17/25 11:01 AM

	2024 Actuals	2025 YTD Actuals	2024 Revised Budget	2025 Budget Approved	2025 / 2024 Percentage Change	2025 / 2024 Dollar Change	2026 Approved in 2025	2026 Budget Updated	2026 Budget Change	2025 / 2026 Percentage Change	2025 / 2026 Dollar Change
Expenditures											
Operating Costs											
Personnel	59,832,398	58,144,097	61,203,780	64,604,221	5.56%	3,400,441	74,474,260	69,561,709	(4,912,551)	7.67%	4,957,488
Employee Related Expenses	1,866,110	1,466,219	1,039,689	1,374,841	32.24%	335,152	1,396,787	1,473,650	76,863	7.19%	98,809
Materials & Supplies	9,002,287	6,859,769	9,524,585	7,658,575	(19.59%)	(1,866,010)	11,458,110	7,616,570	(3,841,540)	(0.55%)	(42,005)
Purchased Services	46,270,827	46,202,282	43,005,845	48,461,736	12.69%	5,455,891	46,579,436	52,387,096	5,807,660	8.10%	3,925,360
Transfer To Others	19,594,762	17,083,001	21,806,923	23,415,709	7.38%	1,608,786	20,905,847	25,154,509	4,248,662	7.43%	1,738,800
Minor Capital		11,417									
Total Operating Costs	136,566,384	129,766,785	136,580,822	145,515,082	6.54%	8,934,260	154,814,440	156,193,534	1,379,094	7.34%	10,678,452
Finance Charges/Reserves											
Finance Charges	1,451,996	385,089	1,604,209	496,369	(69.06%)	(1,107,840)	6,160,855	5,937,338	(223,517)	1,096.15%	5,440,969
Reserves	31,347,190	33,830,100	34,575,127	38,203,567	10.49%	3,628,440	39,797,026	36,221,875	(3,575,151)	(5.19%)	(1,981,692)
Total Finance Charges/Reserves	32,799,186	34,215,189	36,179,336	38,699,936	6.97%	2,520,600	45,957,881	42,159,213	(3,798,668)	8.94%	3,459,277
Net Internal Service Charges											
Fleet	(2,796,845)	(2,176,939)	(2,681,077)	(2,834,209)	5.71%	(153,132)	(2,940,018)	(2,959,146)	(19,128)	4.41%	(124,937)
Insurance	(738,585)	(808,619)	(740,636)	(882,031)	19.09%	(141,395)	(899,232)	(808,792)	90,440	(8.30%)	73,239
Support Services	(2,081,585)	(1,900,133)	(2,216,706)	(2,139,151)	(3.50%)	77,555	(2,177,636)	(2,170,221)	7,415	1.45%	(31,070)
Total Net Internal Service Charges	(5,617,015)	(4,885,691)	(5,638,419)	(5,855,391)	3.85%	(216,972)	(6,016,886)	(5,938,159)	78,727	1.41%	(82,768)
Total Expenditures	163,748,555	159,096,283	167,121,739	178,359,627	6.72%	11,237,888	194,755,435	192,414,588	(2,340,847)	7.88%	14,054,961
Revenues											
Revenue Sources											
Grants	(51,728,805)	(47,113,976)	(54,890,356)	(60,614,787)	10.43%	(5,724,431)	(65,444,224)	(67,273,219)	(1,828,995)	10.98%	(6,658,432)
Funding Transfers		(1)									
User Fees	(11,337,640)	(9,483,969)	(12,997,587)	(11,083,929)	(14.72%)	1,913,658	(16,849,235)	(12,384,842)	4,464,393	11.74%	(1,300,913)
Fines/Penalties	(769,645)	(706,603)	(1,094,863)	(1,094,863)			(1,094,863)	(1,094,863)			
Application Fees/Permits	(146,873)	(168,149)	(149,650)	(149,650)			(149,650)	(149,650)			
Service Charge Municipal	(1,608,241)	(1,633,134)	(1,595,701)	(1,825,571)	14.41%	(229,870)	(1,922,041)	(1,922,041)		5.28%	(96,470)
Supplementary Taxes	(1,975,076)	(525,217)	(1,331,520)	(1,470,520)	10.44%	(139,000)	(1,491,130)	(1,616,123)	(124,993)	9.90%	(145,603)
Investment Income	(1,037,184)	(2,443,471)	(775,765)	(1,275,765)	64.45%	(500,000)	(1,379,765)	(1,600,000)	(220,235)	25.41%	(324,235)
Other	(322,597)	(175,662)	(26,200)	(21,700)	(17.18%)	4,500	(21,700)	(21,700)			
Total Revenue Sources	(68,926,061)	(62,250,182)	(72,861,642)	(77,536,785)	6.42%	(4,675,143)	(88,352,608)	(86,062,438)	2,290,170	11.00%	(8,525,653)
Total Revenues	(68,926,061)	(62,250,182)	(72,861,642)	(77,536,785)	6.42%	(4,675,143)	(88,352,608)	(86,062,438)	2,290,170	11.00%	(8,525,653)

Draft Tax Supported Operating Budget by Object

Run Date: 12/17/25 11:01 AM

	2024 Actuals	2025 YTD Actuals	2024 Revised Budget	2025 Budget Approved	2025 / 2024 Percentage Change	2025 / 2024 Dollar Change	2026 Approved in 2025	2026 Budget Updated	2026 Budget Change	2025 / 2026 Percentage Change	2025 / 2026 Dollar Change
Net Levy	94,822,494	96,846,101	94,260,097	100,822,842	6.96%	6,562,745	106,402,827	106,352,150	(50,677)	5.48%	5,529,308