



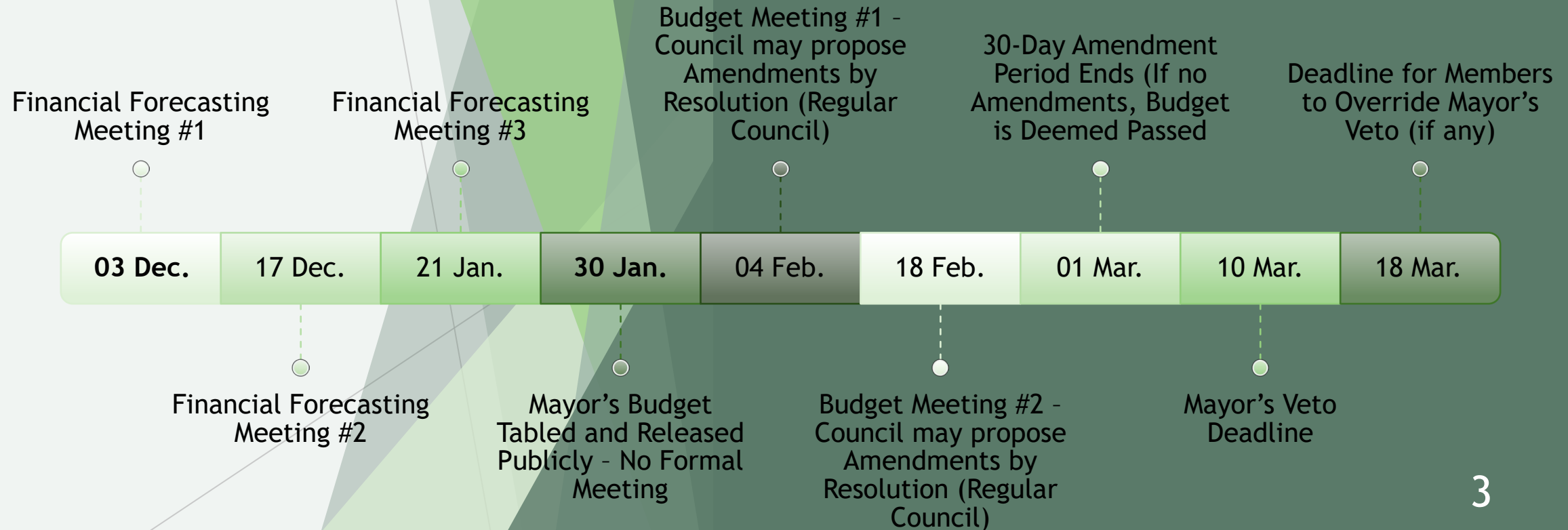
2026 Budget

Post February 4th Amendment
February 04, 2026

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Budget Timeline Forecast & Tabling- 2026



Overall Budget Impacts

- ▶ **2026 Forecasted Southgate Taxation Rate Increase 3.45%**
- ▶ 1% of the Southgate Tax Rate is Equivalent to \$145,023 (\$124,453 for 2025 Budget)

In Previous years we had presented a Blended Rate. Since Grey County's Information has not been finalized, the forecast meetings will focus on Southgate Taxation increases

- ▶ 1% of the Blended Tax Rate is Equivalent to \$220,943 (\$192,299 for 2025 Budget)
- ▶ **Grey County Final Rate Increase is 4.78%**
- ▶ Blended Rate Forecasted Based on Estimates = **3.47%**

Wages - Cost of Living Allowance (COLA)

- Budgeted at 2% increase
 - Total \$126,360
 - Taxation \$105,500 (0.73% of Budgeted Southgate Rate Increase)
 - User-Fee \$20,860
- IT Upgrades
 - Total Increase from D2 based on updated quotes \$19,510
 - Taxation \$18,290
 - User-Fee \$1,220

Overall Budget Impacts

Uncontrollable/Already Approved Items

Item	Cost	Percentage Impact
Roads Capital - Debt Repayments (Victoria Street Phase 1 & 2 - Debt Items Starting in 2025 - Not Budgeted for full payments in 2025)	\$197,161	1.36%
Police Services Increase - Final Amount Rec'd	\$148,497	1.02%
Conservation Authorities (GRCA & SVCA) - Final Amount Rec'd	\$11,872	0.08%
Insurance Premiums Increase - RST Not Budgeted Previously	\$32,286	0.22%
Roads Operating - Sideroad 75 - Municipal Drainage Works - Southgate Portion	\$150,000	1.03%
Roads Capital - 50% of Tandem Plow Truck (in 2025 Budget Split between 2025/2026 Budgets)	\$135,000 Taxation (\$215,000 Total - \$30,000 Sale of Current, \$50,000 Winter Maintenance Reserve)	0.93%
Roads Capital - Pickup Truck - Deferred in 2025 Budget to 2026	\$50,000 Taxation (\$60,000 Total - \$10,000 Sale of Current)	0.34%
Wages - Step Increases	\$66,000 Taxation (\$89,500 total including user-fee wages)	0.46%
Total		5.45%

Summary of Changes: Draft 1 to Draft 2 to Draft 3 to Draft 4	Amount	Impact on Tax Rate - Southgate Rate
Draft 1		5.11%
Library Operating - Software Change for Patron Computer	\$2,300	0.02%
SVCA - Final Amount Received	\$2,136	0.01%
Municipal Land - Legal Fees	\$5,000	0.03%
Canine - MSS Contract 30 Hours	\$8,000	0.06%
Roads - Operating - Unit #126 Repairs/Maintenance	\$15,000	0.10%
Recreation - Operating - Hours for New Position (30 to 40)	\$21,969	0.15%
Roads - Capital - SDRD 41 Micro Surfacing	\$22,000	0.15%
Roads - Operating - Winter Maintenance - Sand & Salt	\$50,000	0.34%
Roads - Capital - SDRD 39 - Micro Surfacing	\$82,000	0.57%
Roads - Capital - Wilders Lake Road Micro Surfacing	\$150,000	1.03%
Roads - Capital - Sand Dome Replacement (2025)	\$376,504	2.60%
Roads - Capital - S36 - Sd Rd 71 Replacement	-\$500,000	-3.45%
Growth - MPAC Forecasted Results for 2026 @ 100%	-\$711,597	-4.91%
OPP Services - Final Amount Received	-\$5,135	-0.04%
Draft 2		<u>1.61%</u>
S033 Bridge Replacement (In place of Asset Management Plan)	\$200,000	1.42%
Additional 2 Hours - Dundalk & Egremont Transfer Stations	\$16,742	0.12%
Roads - Streetlight Utilities - Flato Developments - Assumed Roads	\$30,400	0.22%
All Departments - IT Upgrades/Enhancements	\$18,290	0.12%
Finance - Tax Registration Revenues	-\$47,040	-0.32%
Draft 3		<u>3.17%</u>
Contribution to General-Use Reserves - Feb 04 Amendment	\$40,000	0.28%
Draft 4		<u>3.45%</u>

Additional Proposed Items

Item for Consideration - Not Included in Forecasted Rate Increase	Amount	Impact on Tax Rate
Roads - Capital - 49 G9-26 Double Surface Treatment (DST) 367, 368, 45, 459-Padding	\$420,000	2.90%
Roads - Capital - Contribution to Reserves	\$500,000	3.45%
Administration - Capital - Contribution to Reserves	\$500,000	3.45%
Fire - Capital - Contribution to Reserves	\$100,000	0.69%
Finance - Capital - Contribution to Reserves - Financial System Replacement	\$25,000	0.17%
Library - Capital - Contribution to Reserves	\$100,000	0.69%
WRDM - Capital - Collection Truck - 50% Deposit	\$275,000	1.90%
Roads - New Lead Hand Position	\$77,620	0.54%
Library - Outreach Position	\$47,400	0.33%
Administration - Operating - Pay Administration Strategy update	\$27,000	0.19%
Total Additional Items		<u>14.31%</u>

Asset Management Plan

December 3rd Council Approved Option #2 with a 5-year phased in approach a Service Level of Current Funding + 2%/year

This requires an annual increase of 3.40% from 2024 service levels.

AMP is based on 2024 Asset Data for Replacements, not Additional Assets

Phased-In Funding Required		\$2,058,258
2025 Increase in Capital Spending (Over 2024)	\$863,513	
2026 Increase in Capital Spending - as forecasted in Draft 3 (Over 2025)	\$861,999	
Total to Date Increase in Funding	\$1,725,512 (2025 + 2026)	
Remaining Funding Required for Phase-In		\$332,746
Funding Recommended		
2027 (Additional to Forecast - \$332,746/3 years)	\$110,915	*Not adjusted for Inflation
2028	\$110,915	*Not adjusted for Inflation
2029	\$110,915	*Not adjusted for Inflation

Operating & Capital Budget:

Finance Department

- Total Operating Budget\$826,432
- \$85,432 Operating Increase Year over Year:
 - Wages & Benefits - 2025 Maternity Leave Salaries were unbudgeted, Financial Analyst not budgeted for 12 months in 2025, Customer Service Rep Split in 2026 40% Finance, 50% Clerks, 10% Recreation (80% Finance in 2025)
 - (\$47,040) Increase to Revenue - Tax Registrations
 - \$6,700 in Audit Fees (Agreement with KPMG)
 - Increased Contribution to Capital

- Total Capital Budget\$6,000
- \$6,000 - Computers (Taxation)

Additional Item for Consideration	Amount	Impact on Tax Rate
Contribution to Reserves - Financial System	\$25,000	0.17%

Operating & Capital Budget:

Administration/HR/IT

Total Operating Budget

\$1,130,537

- **\$85,816** Operating Increase Year Over Year
 - \$3,250 Telephone & Internet Charges
 - \$12,750 Computer & Contracted Services
 - \$22,003 Insurance
 - Reduction in Legal Fees
 - Wages & Benefits
- **\$40,000 Contribution to General-Use Reserves - Per Feb 04 Amendment**

Total Capital Budget

\$223,443

- \$2,500 - Office Furniture (Taxation)
- \$220,943 - Contribution to Reserves (Taxation)

Additional Item for Consideration	Amount	Impact on Tax Rate
Contribution to Reserves	\$500,000	3.45%
Pay Administration Strategy Update	\$27,000	0.19%

Operating & Capital Budget:

Planning

Total Operating Budget

\$249,903

- \$11,453 Decrease Year Over Year
 - (\$13,800) Increase in Revenue - Proposed Fee Increase
 - Wages & Benefits
 - \$1,020 Computer Services Increase

Total Capital Budget

\$30,000

- \$30,000 - Zoning By-Law Review (Development Charges) - 2025 Carry Forward Item

Economic Development

Total Operating Budget

\$253,123

- \$29,557 Increase Year Over Year
 - \$30,000 Increase to Capital Contribution
 - \$2,000 Advertising
 - \$700 Professional Development
 - Wages & Benefits
 - \$10,000 Chamber of Commerce to be Funded through Community Funds

Total Capital Budget

\$70,000

- \$40,000 - Dundalk Revitalization (50% Reserves/ 50% ROD Funding - *Pending Approval*)
- \$20,000 - Contribution to Reserves - CIP (Taxation)
- \$10,000 - Entry Signage (Taxation)

Operating & Capital Budget:

Clerks

Total Operating Budget **\$430,943**

- \$127,851 Increase Year Over Year Net-Impact
 - \$88,600 - Legislative Coordinator (New Position)
 - Wages & Benefits - 50% of Customer Services Position (20% in 2025), Step increases and COLA
 - (\$4,500) Increase in Marriage Ceremony Revenues
 - \$11,148 Legal Fees, Computer Services
 - \$6,450 Professional Development - Attended Conference Virtual in 2025

Total Capital Budget **\$3,500**

- Laptop/Tech for New Position (Taxation)

Operating & Capital Budget:

Council

Total Operating Budget

\$295,400

- \$5,629 Decrease Year Over Year
 - Reduction in Capital Contribution

Total Capital Budget

\$67,500

- \$12,500 Contribution to Election Reserves - 2030 (Taxation)
- \$15,000 Council Laptops (\$11,250 Reserves, \$3,750 Taxation)
- \$40,000 Election (Reserves)

Operating & Capital Budget:

Building

Total Operating Budget

\$669,983

- \$246,305 - Year Over Year Decrease (Transfer from Reserves)
 - (\$100,000) Legal Fees - Decreased Litigation
 - (\$72,000) Reduction in Capital Contribution
 - (\$15,000) Reduction - Contract Fees
 - \$68,500 Revenue Reduction on Building Permits
 - Wages & Benefits Decrease - Remove Position - Inspector

Total Capital Budget

\$3,000

- Laptop

***Building Department budget is \$0 impact to Taxation as it is funded through fees**

Operating & Capital Budget:

By-Law & Canine

By-Law

Total Operating Budget - **\$302,870**

- \$17,203 Decrease Year Over Year
 - (\$28,000) Legal - Decreased Litigation
 - \$530 Computer Services

Total Capital Budget - **\$6,000**

- \$5,000 Contribution to Reserve - Vehicle (Taxation)
- \$1,000 Tablet for Unit #314 (Taxation)

Canine

Total Operating Budget - **\$49,795**

- \$7,695 Increase Year Over Year
 - (\$11,200) - MSS at 30 hours/week
 - \$3,000 Pound Service
 - \$3,300 Legal
 - \$8,495 Wages - Previously Allocated to incorrect department. No impact to budget overall, this corrects the departments to accuracy

Total Capital Budget - **\$0**

- \$0

Operating & Capital Budget:

Fire & Emergency Management

Total Operating Budget

\$878,220

- \$107,329 Decrease - Year Over Year
 - Wages & Benefits
 - \$10,550 Contracted Services, Computer Services, Legal Fees
 - \$10,000 Building Maintenance
 - (\$135,032) Reduction in Capital Contribution - No Reserve Contribution

Total Capital Budget

\$62,800

- \$34,200 SCBA Air Bottle Replacements (Taxation)
- \$7,500 SCBA Air Pack Retrofit (Taxation)
- \$3,100 PPE (Taxation)
- \$3,000 Computer (Taxation)
- \$10,000 Cascade Bottles (Taxation)
- \$5,000 Grey County Radio Reserve (Taxation)

Additional Item for Consideration	Amount	Impact on Tax Rate
Contribution to Reserves	\$100,000	0.69%

Operating & Capital Budget:

Library

Total Operating Budget

\$626,935

- \$73,636 Increase - Year over Year
 - \$57,500 - Increase in Capital Contributions
 - \$11,900 Wages & Benefits - Program Assistant Increase
 - \$2,790 Increase Computer Services

Total Capital Budget

\$94,500

- \$27,500 Library Collections - Replacements & Growth (\$15,000 funded through DCs)
- \$5,000 Computers (Taxation)
- \$2,000 Furniture (Taxation)
- \$60,000 - Contribution to Reserves (Taxation)

Item for Consideration	Amount	Impact on Tax Rate
Contribution to Reserves	\$100,000	0.69%
Community Outreach Position (30 hours)	\$47,400	0.33%

Operating & Capital Budget:

Recreation & Culture

Total Operating Budget

\$811,862

- \$43,049 Increase Year Over Year
 - \$25,150 Computer Services
 - Debit Terminal at Arena
 - Recreation/Facility Management Software Implementation (\$8,000-\$11,000/year for five years, \$12,000 Set-up fee to be funded through Recreation Reserves)
 - Increase in Infinity Costs - Current & New Position
 - (\$5,350) Decrease in Yard Maintenance - Will be Completed by New Position
 - Wages & Benefits - Step Increases, COLA
 - \$87,869 New Position
 - Increase in Revenues
 - 2nd Year of North Wellington Aquatic Funding - 5-years of \$50,000/year funded through Reserves (Community Funds)

Total Capital Budget

\$643,500

- \$300,000 Sports Field Development (DCs)
- \$100,000 Sports Field Development Study (\$75,000 DCs, \$25,000 Taxation)
- \$10,000 Contribution to Rural Reserves (Taxation)
- \$125,000 Contribution to Infrastructure Reserve (Taxation)
- \$3,500 Laptop & Tech for New Position (Reserves)
- \$80,000 Parkland Developments (Development Charges)
- \$50,000 Flooring for Auditorium (Reserves)

Operating Budget:

Public Works - Roads & Solid Waste Roads

Total Operating Budget

\$8,260,099

- \$1,291,481 Increase - Year Over Year
 - \$885,041 Contribution to Roads Capital/Debt Repayment
 - Increases to Materials, Supplies & Fuel
 - \$78,495 Wages & Benefits (allocated to incorrect department - See Canine - Net \$0 impact on budget correction)
 - Promote Operator to Team Leader, Transfer to Dedicated WRDM/Roads Admin, Add Casual Operator, add \$10,000 for On-Call Pay for Snowplow Operators
 - \$150,000 SRD 75 Municipal Drainage
 - \$50,000 Added for Additional Salt & Sand

Waste Resources and Diversion Management

Total Operating Budget

\$999,498

- \$89,514 Increase - Year Over Year
 - \$84,591 - Wages & Benefits
 - Manager + Roads/Waste Admin Reallocation of Wages
 - Step Increases & COLA
 - \$16,742 - Additional 2 Hours/Transfer Station
 - (\$16,500) Increase in Revenue (Fee/Tipping/Blue Cart Contract)

Item for Consideration	Amount	Impact on Tax Rate
Addition of Team Leader (Holstein)	\$77,620	0.54%

Item for Consideration	Amount	Impact on Tax Rate
Collection Truck - 50% Deposit	\$275,000	1.90%

Roads Capital

Project	Amount	Funding Source
Roads		
Asphalt Approaches to Bridges	\$35,000	Taxation (\$24,550), CCBF (\$10,450)
12 G8-21 CIP with DST	\$275,000	CCBF
Main St West Reconstruction & Sidewalks	\$4,931,000	Grey County (\$3,150,000), Debt Issuance - Payments in 2027 (\$1,781,000)
Contribution to Reserves	\$220,943	Taxation
SDRD 71 Culvert Replacements	\$200,000	Taxation
03 08-G9 CIP Pave 50mm	\$2,000,000	Reserves (\$500,000), DCs (\$880,000), Debt Issuance - Payments in 2027 (\$620,000)
S36 - SDRD 71 Replacement	\$200,000	Taxation
S125 - Dual Culverts	\$200,000	Taxation
Bradley/Highpoint	\$66,000	Taxation (\$36,960), DCs (\$29,040)
Artemesia Townline Proton Station - HWY 10	\$350,000	Taxation
Osprey Street Construction	\$4,106,016	HECS Grant/DCs
Dundalk Sidewalks	\$30,000	Taxation (\$16,800), DCs (\$13,200)
SDRD 39 Micro Surfacing	\$82,000	Taxation
Wilders Lake Road Micro Surfacing	\$150,000	Taxation
SDRD 41 Micro Surfacing	\$22,000	Taxation
Sand Dome Replacement - Holstein	\$376,504	Taxation
S033 Bridge Replacement	\$200,000	Taxation
Victoria Street - Debt Payment - Principal & Interest	\$824,638	Taxation

Roads Capital - Continued

Project	Amount	Funding Source
Street Lights		
Debt Payment - Principal & Interest	\$14,437	Taxation
Storm Drains		
Braemore Storm Works	\$149,000	Taxation
Debt Payment - Principal & Interest	\$64,028	Taxation
Signs	\$16,500	Taxation
Equipment		
Backhoe	\$300,000	Taxation
Single Axel Plow Truck	\$300,000	Taxation (\$275,000), Sale of Asset (\$25,000)
Tandem Plow Truck (50% Deferred from 2025 Budget)	\$215,000	Taxation (\$135,000), Winter Maintenance Reserve (\$50,000), Sale of Asset (\$30,000)
Pickup Truck (Deferred from 2025 Budget)	\$60,000	Taxation (\$50,000), Sale of Asset (\$10,000)
Trackless Boom Mower	\$55,000	Taxation
SUV for Dundalk Depot (Shared Roads/Water/Wastewater)	\$45,000	Taxation (\$11,250), Water/Wastewater Reserves (\$33,750)

Operating Budget:

Public Works - Water & Wastewater

Water

Total Operating Budget

\$1,393,092

- \$20,717 Decrease - Year Over Year
 - \$142,722 Increase in Debt Repayments - Water Tower & Victoria Street
 - \$63,400 Increase in Repairs/Maintenance & Materials - Water Meters nearing end-of-life (15-20 year life expectancy)
 - (\$22,500) Decrease in Write-offs (New Process Implemented in 2025 to Eliminate Need to do so)
 - (\$14,500) Increase in Revenues - Residential/Commercial
 - Wages & Benefits - Promotion of Operator to Team Leader, Added Operator for 6 Months, Transfer of Dedicated Water Operations Admin

**Watson's
Water/Wastewater
Rate Study Approved by
Council January 21,
2026. Effective January
01, 2026 (reflected on
March 2026 billing)**

Wastewater

Total Operating Budget

\$1,107,110

- \$67,110 Increase- Year Over Year Net-Impact
 - \$20,000 Lagoon Professional Services
 - \$10,000 Collection System Review Study
 - \$3,910 Computer Services
 - Wages & Benefits - Promotion of Operator to Team Leader, Added Operator for 6 Months, Transfer of Dedicated Water Operations Admin
 - (\$67,000) Increase in Revenues - Residential/Commercial/Frontage Connections

****Water/Wastewater Department budgets are \$0 impact to taxation as they are fee based****

Operating Budget:

Public Works - Cemetery & Crossing Guards

Cemetery

Total Operating Budget

\$70,933

- \$25,883 Year Over Year Net-Impact
 - \$9,768 Wages & Benefits - Increase of Hours - Admin and Management, Step Increases, COLA
 - \$2,000 Assumed Cemeteries
 - \$1,500 Audit Fees - Not budgeted under Cemetery in 2025
 - \$1,500 Machine Rentals
 - \$500 Membership Fees

Crossing Guards

Total Operating Budget

\$27,098

- \$6,748 - Year Over Year Net-Impact
 - Wages & Benefits - Crossing Guard Management, Step Increases and COLA

Capital Budget - Public Works

Department	Items	Total \$	Funding
Roads	<ul style="list-style-type: none"> Street Lights Storm Drains Roads Signs Equipment 	<ul style="list-style-type: none"> \$14,437 \$213,028 \$14,269,101 \$16,500 \$975,000 TOTAL \$15,488,066 	<ul style="list-style-type: none"> Taxation (Debt Repayment) Taxation (\$64,028 Debt Repayment) Reserves (\$500,000), Restricted Reserves (\$3,219,956), Grants (\$2,093,750), Donations from Others (\$3,150,000 Grey County) Taxation (\$2,904,395), Debt Issuance (\$2,401,000) Taxation Winter Maintenance Reserve (\$50,000), Sale of Assets (\$65,000), Taxation (\$826,250), Water Contribution for Shared Vehicle (\$33,750)
Waste Resource & Diversion Management	<ul style="list-style-type: none"> 2003 System Start-Up - Final Dundalk Transfer Station Upgrades - 2025/2026 Holstein Transfer Station Upgrades New Roll-Off Bin Tarp System 1-50 Yard - Over Budget in 2025 Covered Bin - 40-Yard 	<ul style="list-style-type: none"> \$41,687 \$382,480 (Adding to \$517,520 in 2025 Budget) \$50,000 \$6,300 \$25,000 TOTAL \$505,467 	<ul style="list-style-type: none"> Taxation (Debt Repayment) Development Charges (60% of Project - \$229,488), Taxation (\$152,992) Taxation (\$43,100), Restricted Reserves (\$6,900) Taxation Taxation
Cemetery	<ul style="list-style-type: none"> Zero-Turn Lawn Mower - 2025 Iron Fence Along Columbarium Contribution to Reserves 	<ul style="list-style-type: none"> \$10,000 \$10,000 \$5,000 	<ul style="list-style-type: none"> Reserves Reserves Taxation
Wastewater	<ul style="list-style-type: none"> Main St West Sewer Install SCADA Technology (from 2024) Osprey St Sanitary Upgrade Shared Vehicle - Roads/Wtr/WW Sewage Treatment Facility Upgrade - from 2025 Budget - \$1.5M Increase (\$4.75M, now \$6.25M) 	<ul style="list-style-type: none"> \$255,500 \$468,200 \$189,500 \$16,875 \$6,251,534 TOTAL \$7,184,609 	<ul style="list-style-type: none"> Reserves/Restricted Reserves Restricted Reserves Reserves/Restricted Reserves Reserves \$3.46M Grants, \$2.79M Restricted Reserve (DCs @ 90%)
Water	<ul style="list-style-type: none"> Well D5/Main Street Water Tower Ida St. S Victoria to Hanbury Main St. W Watermain Osprey St Watermain Upgrade Well D3 Fire System Upgrade Shared Vehicle - Roads/Wtr/WW Misc. Equipment Laptop 	<ul style="list-style-type: none"> \$342,472 \$107,761 \$34,963 \$1,070,000 \$127,500 \$500,000 \$16,875 \$2,000 \$3,000 TOTAL \$2,204,571 	<ul style="list-style-type: none"> Debt Repayment: Reserves (\$127,001), Restricted Reserves (\$215,471) Debt Repayment: Reserves (\$31,251), Restricted Reserves (\$76,510) Debt Repayment: Reserves Debt Issuance - DC Eligible- 10%/90% Debt Issuance - DC Eligible - 10%/90% Debt Issuance Reserves Reserves Reserves

Capital Budget - Public Works

Items for Consideration

Items for Consideration	Amount	Impact on Tax Rate
49 G9-26 DST 367, 368, 458, 459-Padding	\$420,000	2.90%
Contribution to Reserves	\$500,000	3.45%
Total Roads		6.35%

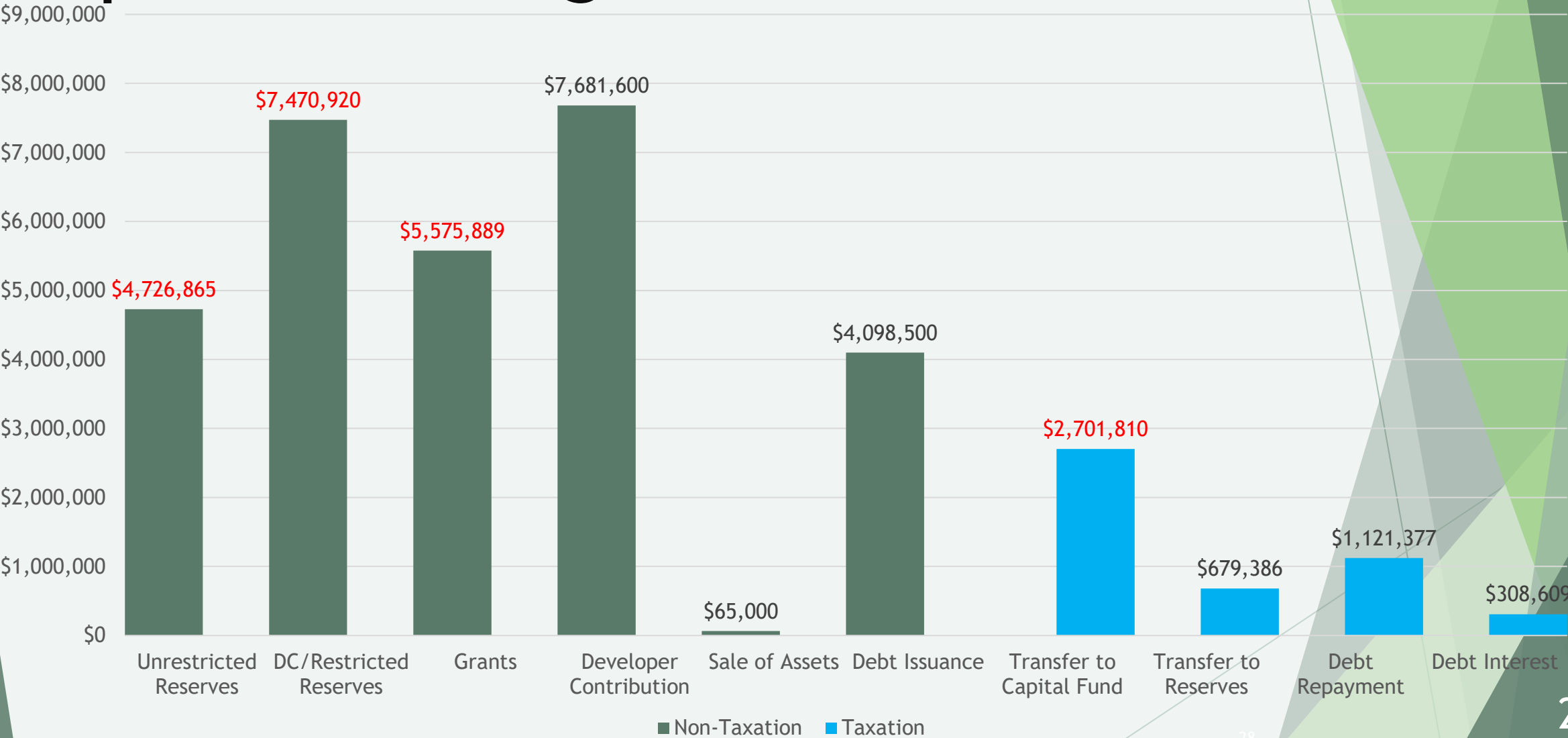
Capital Budget - Remaining Departments

Department	Items	Total \$	Funding
Finance	<ul style="list-style-type: none"> Computers 	<ul style="list-style-type: none"> \$6,000 	<ul style="list-style-type: none"> Taxation
Clerks/Council	<ul style="list-style-type: none"> Laptop/Tech for New Position Contribution to Reserve - 2030 Election Council Laptops Election - 2026 	<ul style="list-style-type: none"> \$3,500 \$12,500 \$15,000 \$40,000 	<ul style="list-style-type: none"> Taxation Taxation Taxation (\$3,750)/Reserves (\$11,250) Reserves
Administration	<ul style="list-style-type: none"> Computers/Office Furniture Contribution to Infrastructure Reserve 	<ul style="list-style-type: none"> \$5,000 \$220,943 	<ul style="list-style-type: none"> Taxation Taxation
Planning	<ul style="list-style-type: none"> Zoning By-Law Review 	<ul style="list-style-type: none"> \$30,000 	<ul style="list-style-type: none"> Reserves/Restricted Reserves
Building & By-Law	<ul style="list-style-type: none"> Contribution to Reserves - Vehicle Tablet Computer 	<ul style="list-style-type: none"> \$5,000 \$1,000 \$3,000 	<ul style="list-style-type: none"> Taxation Taxation Building Reserve
Economic Development	<ul style="list-style-type: none"> Dundalk Revitalization (Renderings) CIP - Contribution to Reserves Entry Signage - Dundalk West & East 	<ul style="list-style-type: none"> \$40,000 \$20,000 \$10,000 	<ul style="list-style-type: none"> 50% Res/50% ROD Funds - <i>Pending Approval</i> Taxation Taxation
Industrial Land	<ul style="list-style-type: none"> HWY 10 Bypass Rd - Construction (Carried forward from 2024/2025) 	<ul style="list-style-type: none"> \$3,280,400 (Share of \$7,812,000 in 2026) Remainder of Project in 2027 Completion; Total Project Estimated Cost \$13,467,540 	<ul style="list-style-type: none"> 2025 Portion Funded through Reserves (2023 Land Sales) \$4,531,600 Funded by Developer in 2026 (Total Developer Funding \$7,282,745)

Capital Budget - Remaining Departments - Continued

Department	Items	Total \$	Funding
Fire	<ul style="list-style-type: none"> • Bunker Gear • SCBA Air Bottle Replacement • SCBA Air Pack Retrofit • Computer • Grey County Radio Reserve • Cascade Bottles 	<ul style="list-style-type: none"> • \$3,100 • \$34,200 • \$7,500 • \$3,000 • \$5,000 • \$10,000 	<ul style="list-style-type: none"> • Taxation • Taxation • Taxation • Taxation • Taxation • Taxation
Recreation	<ul style="list-style-type: none"> • Computer & Tech • Sports Field Development Study • Sports Field Development • Auditorium Sport Flooring • Playground Equipment • Norm Jack Park Development • Contribution to Reserves (Rural/Infrastructure) 	<ul style="list-style-type: none"> • \$3,500 • \$100,000 • \$300,000 • \$45,000 • \$50,000 • \$10,000 • \$135,000 	<ul style="list-style-type: none"> • Reserves • Restricted Reserves 75%/Reserves 25% • Restricted Reserves • Reserves • Restricted Reserves • Restricted Reserves • Taxation
Library	<ul style="list-style-type: none"> • Library Collection (Replace & Growth) • Equipment/Furniture • Contribution to Reserves 	<ul style="list-style-type: none"> • \$27,500 • \$7,000 • \$60,000 	<ul style="list-style-type: none"> • Restricted Reserves (\$15,000), Taxation (\$12,500) • Taxation • Taxation

Capital Funding Sources



Taxpayer (Homeowner) Impact - Southgate Rate



\$103.42/year

On average home
assessment of \$285,734

\$36.20/year

For every \$100,000 of
Assessment Value



\$8.62/month

On average home
assessment of \$285,734

\$3.02/month

For every \$100,000 of
Assessment Value



3.45% Increase

In the Southgate Tax Rate

Taxpayer (Homeowner) Impact - Blended Rate



\$160.48/year

On average home
assessment of \$285,734

\$56.17/year

For every \$100,000 of
Assessment Value



\$13.37/month

On average home
assessment of \$285,734

\$4.68/month

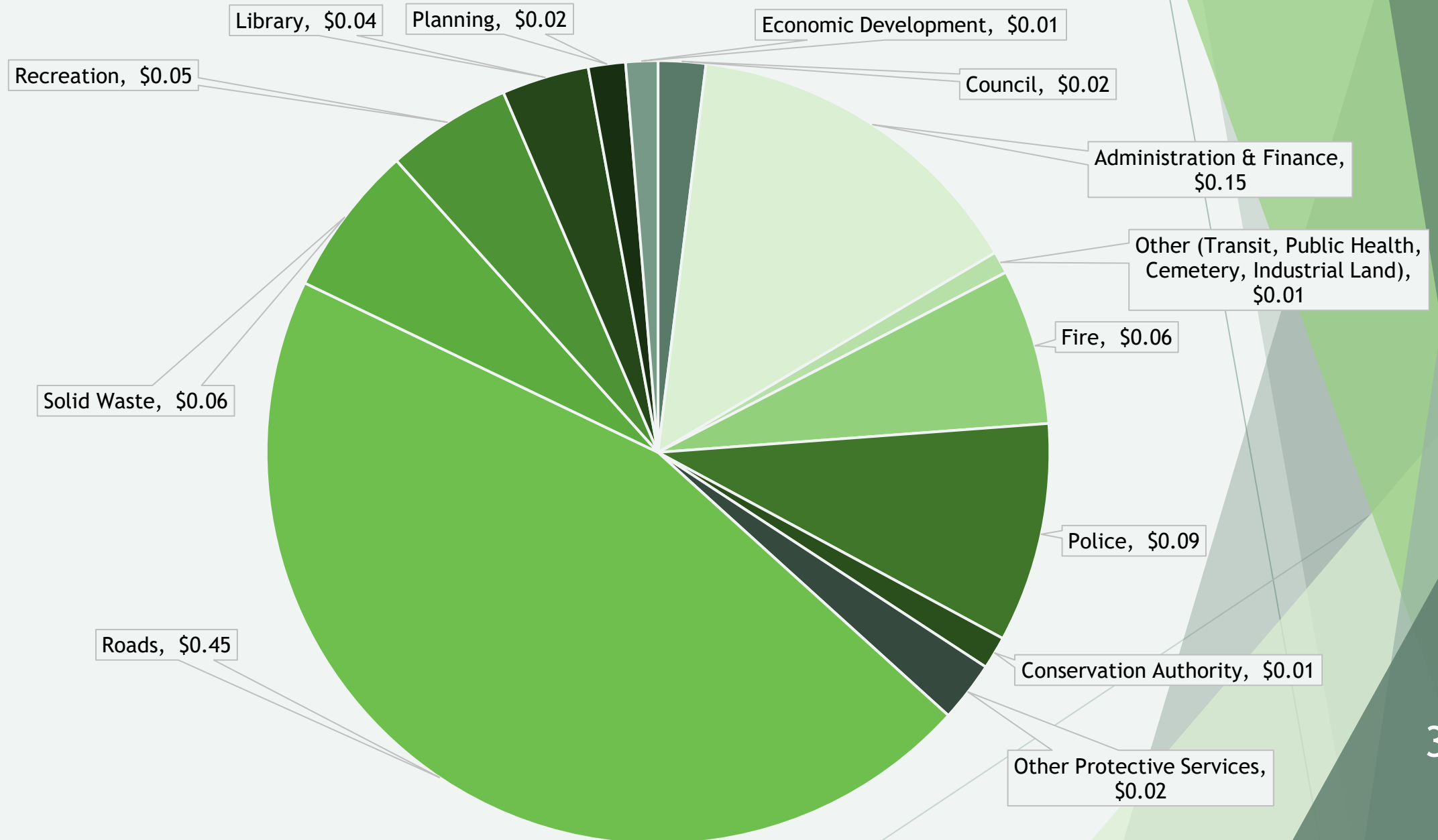
For every \$100,000 of
Assessment Value



3.47% Increase

In the Southgate Tax Rate

Departmental Breakdown per \$1 of Taxation



General Reserves

2026	Beginning	IN	OUT	Ending
Tax Stabilization & Working Funds	\$1,158,508	\$40,000	-\$137,354	\$1,061,154
Reserves - Working Purposes	\$5,184,884	\$32,500	-\$3,535,812	\$1,681,572
Reserves - Capital Purposes	\$9,578,627	\$959,639	-\$1,003,001	\$9,535,265
Reserve Funds	\$508,696	\$75,000	-\$82,500	\$501,196
Obligatory Reserves	\$10,853,392	\$535,450	-\$6,926,210	\$4,462,632
Total	\$27,284,105	\$1,642,589	-\$11,684,877	\$17,241,817

Community Funds

2026	Beginning	IN	OUT	Ending
<i>Community Enhancement - Dundalk (Royalties)</i>	\$180,085	\$49,000		
North Wellington Aquatic Centre Commitment - 5-Years (2 nd Year)			-\$25,000	
South East Grey			-\$25,000	
Economic Development - Dundalk Revitalization Renderings			-\$20,000	
Policy #3 - Grants/Donations			-\$12,500	
Chamber of Commerce - Final Year of Agreement			-\$10,000	
Projected Ending Balance				\$136,585
<i>Southgate Community Vibrancy Fund (Solar)</i>	\$270,032	\$75,000		
North Wellington Aquatic Centre Commitment - 5-Years (2 nd Year)			-\$25,000	
Policy #3 - Grants/Donations			-\$12,500	
Projected Ending Balance				\$307,532

Debenture Summary

Loan	Payment Amount	Outstanding Balance	Maturity Date
Infrastructure Ontario	\$420,937	\$1,598,096	12-16-2029
Infrastructure Ontario - 2026 Loan A	\$859,600	\$5,722,402	10-15-2035
Infrastructure Ontario - 2026 Loan B	\$107,760	\$1,108,379	10-15-2045
Waste Loan - Final Payment 2026	\$41,687		
<i>Proposed Debt (2026 Issuance, 2027 1st Payment)</i>			
Water - Main Street West Water Main (Partially repaid through DCs, remainder through Water Reserve)		\$1,070,000	12-15-2046
Water - Osprey St Water Main (Partially repaid through DCs, remainder through Water Reserve)		\$127,500	12-15-2036
Water - Well D3 Fire System Upgrade (repaid through Water Reserve)		\$500,000	12-15-2036
Roads - Main Street West Reconstruction (Partially repaid through DCs, remainder through Taxation)		\$1,781,000	12-16-2036
Roads - 03 08-G9 CIP Pave 50 mm (Partially repaid through DCs, remainder through Taxation)		\$620,000	12-16-2036
Total	\$1,429,984	\$12,527,377	

Ontario Annual Repayment Limit (ARL)

= Own Source Revenues x 25%
(Limit for Annual Debt Principal & Interest Payments)

**\$15,363,310 x 25% =
\$3,8340,828**

Debenture Summary - 10-Year Outlook

			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Own Source Revenues			\$ 15,363,310	\$ 15,516,943	\$ 15,672,113	\$ 15,828,834	\$ 15,987,122	\$ 16,146,993	\$ 16,308,463	\$ 16,471,548	\$ 16,636,263	\$ 16,802,626
25% Annual Limit			\$ 3,840,828	\$ 3,879,236	\$ 3,918,028	\$ 3,957,208	\$ 3,996,780	\$ 4,036,748	\$ 4,077,116	\$ 4,117,887	\$ 4,159,066	\$ 4,200,656
Project Description	Lender	Maturity Date										
Current Annual Payments:												
Well D5 - Water	IO	12-16-2029	-\$ 215,471	-\$ 215,471	-\$ 215,471	-\$ 215,471						
Main Street East - Water	IO	12-16-2029	-\$ 127,001	-\$ 127,001	-\$ 127,001	-\$ 127,001						
Main Street East - Roads	IO	12-16-2029	-\$ 64,028	-\$ 64,028	-\$ 64,028	-\$ 64,028						
LED Streetlighting	IO	12-16-2029	-\$ 14,436	-\$ 14,436	-\$ 14,436	-\$ 14,436						
Waste Loan	CIBC	03-01-2026	-\$ 41,687	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Victoria Street - 2025 Issuance through IO (Water & Road)	IO	10-15-2035	-\$ 859,601	-\$ 836,648	-\$ 814,198	-\$ 790,741	-\$ 767,788	-\$ 744,835	-\$ 722,133	-\$ 698,929	-\$ 675,975	-\$ 653,023
Water - Dundalk Water Tower	IO	10-15-2045	-\$ 107,761	-\$ 105,258	-\$ 102,879	-\$ 100,253	-\$ 97,750	-\$ 95,248	-\$ 92,841	-\$ 90,242	-\$ 87,740	-\$ 85,237
Total Proposed Payments (Previous/Future Budget Items):												
Industrial Land - HWY 10 Bypass Road (2027 Budget Item)	IO	12-16-2037			-\$ 155,801	-\$ 155,801	-\$ 155,801	-\$ 155,801	-\$ 155,801	-\$ 155,801	-\$ 155,801	-\$ 155,801
Water - Main St W Water Main (2026 Budget Item)	IO	12-16-2046		-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230	-\$ 78,230
Water - Osprey St Water Main (2026 Budget Item)	IO	12-16-2036		-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594	-\$ 15,594
Water - Well D3 Fire System Upgrade (2026 Budget Item)	IO	12-16-2036		-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156	-\$ 61,156
Water - Well D6 (2028 Budget Item)	IO	12-16-2038				-\$ 497,952	-\$ 497,952	-\$ 497,952	-\$ 497,952	-\$ 497,952	-\$ 497,952	-\$ 497,952
Wastewater - Ida & Eco Pumping Station (2027 Budget Item)	IO	12-16-2037			-\$ 192,442	-\$ 192,442	-\$ 192,442	-\$ 192,442	-\$ 192,442	-\$ 192,442	-\$ 192,442	-\$ 192,442
Wastewater - Ida N-Gleneg Sewer (2030 Budget Item)	IO	12-16-2040						-\$ 128,294	-\$ 128,294	-\$ 128,294	-\$ 128,294	-\$ 128,294
Wastewater - Glenelg Sewers (2032 Budget Item)	IO	12-16-2042								-\$ 128,294	-\$ 128,294	-\$ 128,294
Recreation - Community Centre Facility (2035 Budget Item)	IO	12-16-2048										
Admin - Admin Building (2027 Budget Item)	IO	12-16-2038		-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344	-\$ 520,344
Roads - Main St West Reconstruction (2026 Budget Item)	IO	12-16-2036		-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840	-\$ 217,840
Roads - 03-08-G9 CIP Pave 50mm (2026 Budget Item)	IO	12-16-2036		-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834	-\$ 75,834
Roads - 71-TL-26 CIP overlay 50mm (2027 Budget Item)	IO	12-16-2038			-\$ 122,314	-\$ 122,314	-\$ 122,314	-\$ 122,314	-\$ 122,314	-\$ 122,314	-\$ 122,314	-\$ 122,314
Roads - 22-03 Dromore Construct Pave (2030 Budget Item)	IO	12-16-2041						-\$ 161,710	-\$ 161,710	-\$ 161,710	-\$ 161,710	-\$ 161,710
Total Proposed Payment			-\$ 1,429,986	-\$ 2,331,841	-\$ 2,777,569	-\$ 3,249,438	-\$ 2,803,045	-\$ 3,067,594	-\$ 3,042,485	-\$ 3,144,976	-\$ 3,119,520	-\$ 3,094,065
Difference to Annual Repayment Limit			\$ 2,410,842	\$ 1,547,395	\$ 1,140,459	\$ 707,771	\$ 1,193,735	\$ 969,154	\$ 1,034,631	\$ 972,911	\$ 1,039,546	\$ 1,106,591

For demonstration purposes only:

Thank you

Post February 4th Amendment
February 04, 2026



Township of
Northgate