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Municipalité de
RUSSELL
Township

BUDGET 2026

Township of Russell Budget Brief

A collaborative, connected and
sustainable community for everyone

Approved
November 10, 2025

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Message from the Mayor

A Thoughtful and Community-Focused 2026 Budget

Dear Residents,

Enclosed is the 2026 Budget — the result of careful planning, collaboration, and a shared commitment by Council and staff to serve our community thoughtfully, transparently, and responsibly.

Over two days of productive, open discussion, Council reviewed the draft budget prepared by staff. Together, we made thoughtful — and at times difficult — decisions to meet today's needs while planning responsibly for the future.

This year's tax levy adjustment reflects those choices. It balances rising costs and service expectations with a responsible approach to affordability. Even with these adjustments, Russell Township continues to maintain one of the lowest municipal tax rates in the United Counties of Prescott and Russell — a sign of our ongoing commitment to prudent financial management.

We've also improved how we account for certain costs. Some administrative expenses have been realigned to the departments and services they support. This change makes our budget clearer and more accurate — a best practice in municipal financial management. It was done carefully to keep user fees stable and to protect taxpayers, using existing reserves to limit impacts on residents.

A highlight this year is the record amount of government grants secured over the past year. While these grants have only a modest effect on the 2026 budget, they make a real difference in funding major projects. With external funding for roads, recreation, and infrastructure renewal, the Township can strengthen its Asset Management Plan — using fewer tax dollars and reserves to maintain and replace our assets. These grants help keep our long-term finances strong and reduce future funding pressures.

Council's direction to staff was clear: protect service quality, maintain infrastructure responsibly, and plan for a sustainable future, all while recognizing that residents are feeling financial pressure from every direction. Whether it's the cost of living, groceries, or housing, we know that every increase matters. That's why this budget seeks balance — preserving essential services and long-term sustainability while keeping the impact on taxpayers as low as possible.

I want to thank Council members for their thoughtful input and Township staff for their dedication throughout this process. This budget reflects our shared commitment to a strong, sustainable, and resilient future for Russell Township.

Thank you for your continued trust and engagement.



Mayor Mike Tarnowski,
Township of Russell

Chief Administrative Officer's Message

The 2026 budget marks a shift in how we plan for the future—not just year to year, but across decades. With a new Asset Management Plan and Development Charges Study nearing completion, we are making decisions based on stronger long-term data, growth forecasting, and capital planning than ever before. These foundational tools are shaping not only this budget, but the way we approach financial sustainability for years to come.

This budget is built with the future in mind. It invests in the people, infrastructure, and systems needed to manage sustained population growth, aging assets, rising service expectations, and a more complex regulatory environment.

We know the pressures are real—on affordability, on service delivery, and on our organization's capacity to adapt. That's why this budget focuses on building the internal strength and external partnerships we need to remain resilient. It supports the next stage of our Human Resources strategy, launches new tools to better track performance, and positions the Township to make generational investments like the wastewater treatment plant and the Recreation Complex with greater financial confidence.

In every department, you'll find not just operational numbers, but deliberate choices. This is a budget about readiness—ready for growth, ready for renewal, and ready to serve our community with the professionalism, transparency, and ambition that residents expect.

As we begin this next chapter, I want to thank Council for its leadership and staff for their dedication to turning strategy into service, every day.



Richard Godin
Chief Administrative Officer

Treasurer's Message

Over the past year, the Township has made significant progress in strengthening its long-term financial position while continuing to provide high-quality services to residents. The 2026 budget reflects a series of key financial strategies—both new and ongoing—that position us more sustainably for the future.

A major milestone this year was the completion of the 2025 Asset Management Plan (AMP). Updating this plan required extensive work from our administration, and the result is a much clearer picture of the condition of our infrastructure and the costs required to maintain it. The 2026 budget introduces a new 10-year strategy that will allow us to meet our annual asset replacement needs over the next decade.

In parallel, the updated Development Charges (DC) study is moving forward and is expected to be finalized by the end of 2025. This alignment between asset management and growth financing ensures that not only are our existing assets properly funded, but that future infrastructure is also supported by new development rather than relying solely on taxpayers. Together, these two plans reinforce the Township's long-term vision and its ability to serve current and future generations, making the Township of Russell an ideal place to live and raise a family.

This past year also brought exceptional opportunities. We secured more than \$25 million in major grants to support large infrastructure projects. These contributions will significantly reduce the financial burden on residents while allowing us to move ahead with strategic investments.

The 2026 budget also reflects the final staffing additions identified in the Human Resources Plan adopted in 2023. We continue to strengthen our Fire Services and Public Safety and Enforcement Department to meet increasing service demands driven by growth. In addition, several financial strategies have been built into this budget to prepare for upcoming pressures—most notably the need for a new wastewater treatment plant, which represents one of the most significant future capital requirements for the Township.

We continue to navigate a post-COVID reality where the cost of everything is higher than before. Despite this, we remain committed to maintaining—and where possible, improving—the level of service our community expects. By combining responsible planning, long-term forecasting, and the strategic use of external funding, the 2026 budget supports today's needs while preparing for tomorrow's challenges.



Sébastien Dagenais
Director of Corporate Services / Treasurer

The Budget Process

Timeline

1. July 14, 2025, to September 8, 2025 — Public survey on strategic priorities.
2. September 8, 2025, at 7 p.m. — Council’s public consultation for the 2026 Budget.
3. August to October 13, 2025 — Development of the Draft Budget.
4. October 14, 2025 — Draft Budget Report available.
5. October 23 and 24, 2025 — Working sessions to discuss the Draft Budget.
6. October 25 to November 9, 2025 — Staff update the Draft Budget as directed.
7. November 10, 2025 — Council reviews and adopts the 2026 Budget.

Public Consultation and Engagement Summary

On September 8, 2025, residents attended Council’s Public Consultation on the 2026 Budget. This session offered residents the opportunity to share their priorities directly with Council members, Township staff, and fellow community members. Public requests and ideas were also accepted by email throughout the year.

In total, 29 requests were received during the public consultation, in addition to 7 submissions from committees and 7 from Council members.

To complement the public meeting, a Public Survey on Strategic Priorities was conducted from July 14 to September 8, 2025, inviting residents to share their views on municipal priorities and services. The Township received 582 responses, representing approximately 4% of the Township’s population aged 20 and over.

While this may appear modest, it actually reflects an above-average engagement rate for municipal surveys, which typically range between 1% and 3% participation. This strong level of feedback demonstrates residents’ growing interest in the Township’s financial planning and decision-making process.

Key Findings from the 2026 Budget Direction Survey

Residents were asked how they would prefer the Township to manage its budget while balancing service delivery and taxation. The results reveal a noticeable diversity of opinion and a shift in fiscal perspectives. Of those who responded, 27% indicated a preference to increase taxes to maintain current service levels, 35% preferred to reduce municipal services to avoid a tax increase, and 43% supported raising user fees for specific services.

Interestingly, infrastructure emerged as the service that residents most often identified for potential reduction to avoid a tax increase. However, it also ranked as the most important service to residents overall. This contrast suggests that while residents recognize the importance of maintaining and investing in infrastructure, they are also highly sensitive to the financial impact of tax increases. The results indicate a complex balance between the desire to sustain essential infrastructure and the need to manage affordability for taxpayers.

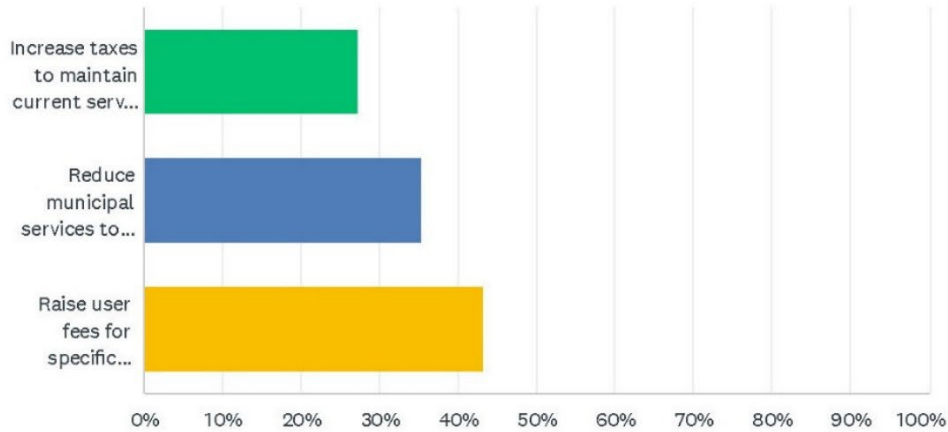
Although these options cannot be implemented immediately—and the views of 4% of residents may not represent the entire population—the survey provides valuable insights into emerging trends and will help guide the development of strategies that reflect community priorities.

Survey Questions

The following questions were included in the 2026 Budget Direction Survey to help the Township better understand residents' expectations, priorities, and perspectives on municipal services and taxation. The responses provided a valuable foundation for identifying emerging trends and community preferences that will guide the development of the 2026 Budget.

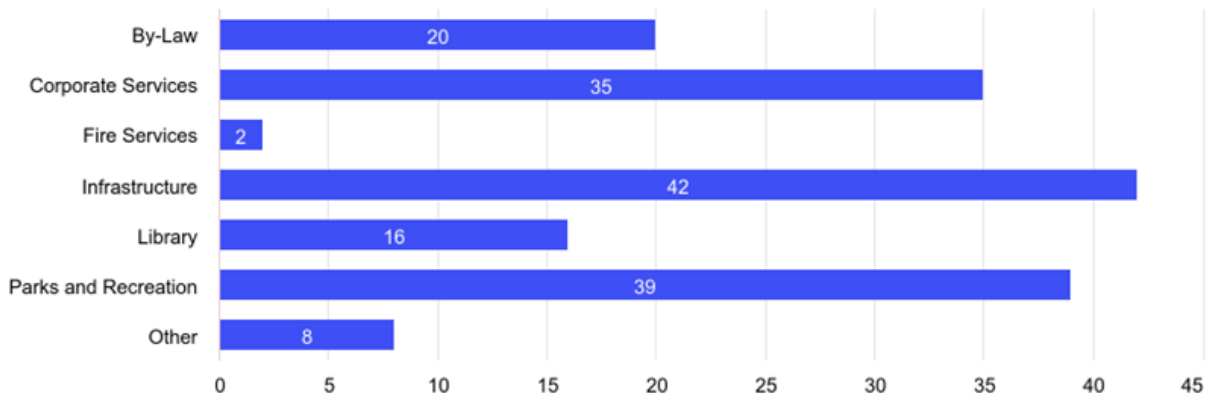
Q3 We want to know, would you prefer the Township to:

Answered: 495 Skipped: 87

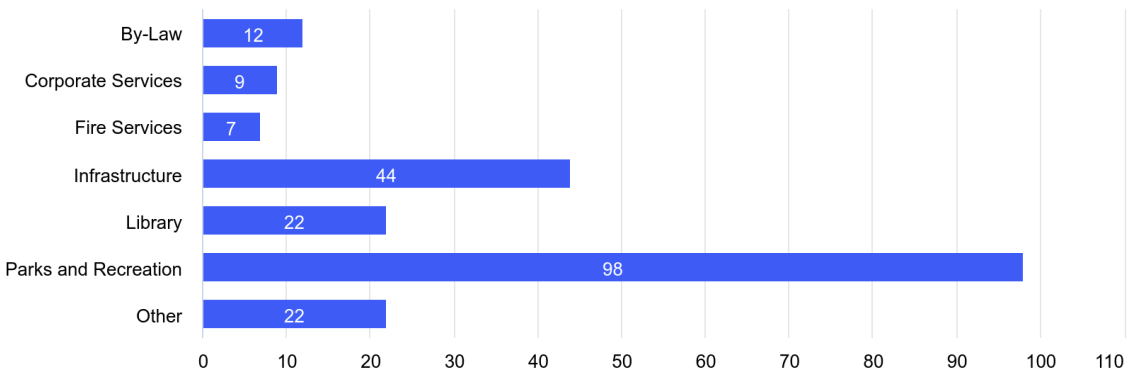


ANSWER CHOICES	RESPONSES	
Increase taxes to maintain current service levels	27.27%	135
Reduce municipal services to avoid a tax increase (see question 4)	35.35%	175
Raise user fees for specific services (see question 5)	43.23%	214
Total Respondents: 495		

Question 4: If you answered Reduce services to avoid a tax increase, which services would you reduce?

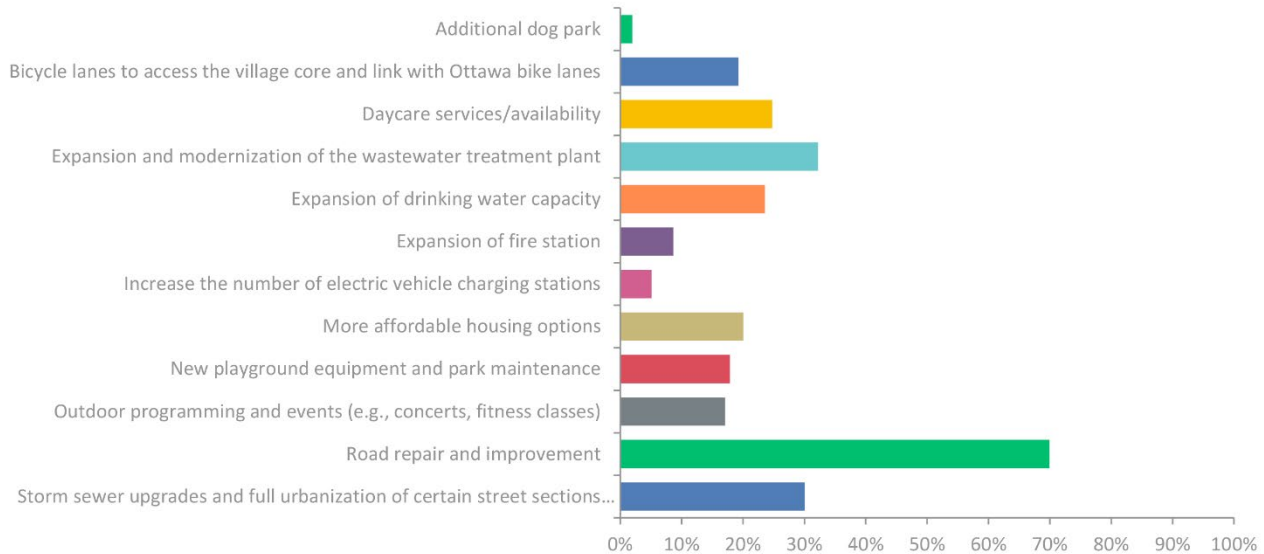


Question 5: If you selected "Raise user fees," which services do you believe should have increased or new user fees?

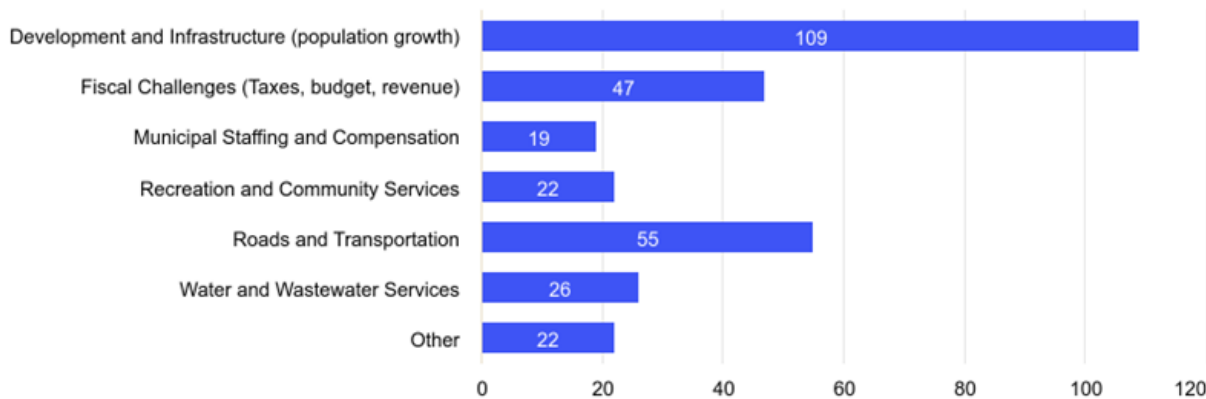


Q6: Which of the following investment projects should be prioritized over the next 5 years? (Select up to 3)

Answered: 509 Skipped: 73



Question 11: In your opinion, what is the biggest budgetary challenge the Township faces?



Understanding the Original Tax Increase Scenario

As outlined in report CSAS-FS-2025-21, presented to Council on October 14, 2025, the first draft of the 2026 Budget includes an overall 8.4% tax increase. The total 2026 budget amounts to \$76,547,478, broken down as follows:

- Operating Budget: \$55,474,393
- Capital Budget: \$21,073,085

For tax-supported services, the combined operating and capital budget totals \$61,787,537, with:

- Operating: \$44,022,350
- Capital: \$17,765,187

The tax levy is projected to increase from \$19,823,466 to \$22,377,563, representing an increase of \$2,554,097, allocated as follows:

- Growth assessment: \$820,042
- Net taxation increase (8.4%): \$1,734,055

The 8.4% increase is driven by several significant financial pressures that the Township must address in 2026:

- **Ontario Provincial Police (OPP) costs**
Although the official billing statement has not yet been issued, the Solicitor General has advised municipalities to budget for a potential 11% increase. For the Township of Russell, this represents \$267,807, or 1.3% in taxation.
- **Recreation Complex funding**
The budget includes 1% in taxation increase, plus an additional \$150,000 contribution, for a total of \$355,000.
- **Asset Management Plan (AMP 2025)**
To meet the ten-year phase-in target, the AMP recommends a contribution equal to 3.15% (2.8% + requirement for 2026 new asset) in taxation, totaling \$645,000, including the requirements of new assets in 2026.
- **New Full-Time Equivalents (FTEs)**
To maintain current service levels and meet growing community expectations, new staffing requirements total \$805,000, or 3.93% in taxation.
- **Compensation adjustments**
The combined impact of a 1.8% Cost of Living Adjustment (COLA), the third year of the market salary phase-in, and the full annualization of 2025 FTEs totals \$560,000, equivalent to 2.73%.
- **Insurance, software licensing, and UCPR IT support**
These combined cost increases total \$120,000, or 0.59% in taxation.

Together, these total approximately \$2,733,000, while the net impact reflected in the 2026 budget is \$2,554,000. The difference of \$179,000 is the result of other budget adjustments that offset these costs.

This reduction reflects the impact of operational efficiencies, economies of scale, annual indexation measures, and planned revenue increases. In other words, the savings and revenue strategies built into the 2026 budget exceed the cost of additional expenses not listed among the major pressures.

This demonstrates the considerable effort made by Administration to contain the tax impact while continuing to meet legislative requirements, inflationary cost increases, and growing community expectations for service delivery.

Strategies to Reduce the Tax Impact in 2026

While the first draft of the 2026 Budget reflects an 8.4% tax increase, four strategies presented in this budget brief provided Council with the opportunity to significantly reduce the net impact on taxpayers. Together, these measures could lower the increase by up to 5.72%.

1. OPP Billing Offset Through Reserve Funding

The Township has the option to use \$120,341 from the existing reserve to partially offset the increase in the OPP billing for 2026. Applying this reserve would reduce the tax impact by approximately 0.59%.

2. Adjustment to the Annual Asset Management Requirement

By removing the annual asset management contribution tied to the four facilities that will be replaced by the new Recreation Complex, the Township can reduce its annual AMP requirement by \$1.2 million. This adjustment translates into tax relief equivalent to 0.54%.

In addition, the Township has modeled alternative strategies to close the annual funding gap over longer timelines of 12 and 15 years. These options would extend the period over which the Asset Management Plan is fully funded, thereby reducing the yearly tax impact on residents. While a longer phase-in delays the elimination of the infrastructure gap, it provides greater flexibility for taxpayers and offers Council additional tools to balance affordability with long-term sustainability.

3. Phased-In Funding for New Fire Services Positions

All new FTE positions in Fire Services are currently budgeted at 100% for 2026. By phasing in the cost of these positions over four years and using the existing HR reserve to support the transition, the Township could reduce the 2026 budget impact by \$300,000, or 1.5% in taxation.

4. Realignment of Corporate Services Cost Recovery

Corporate Services are not currently cost-shared proportionally between tax-supported departments and user fee-funded services. Adjusting the cost allocation model to reflect actual service usage would allow a portion of these costs to be transferred to user-fee departments. This strategy could generate savings of \$635,441, equal to 3.09% in taxation.

Looking Ahead to 2027: Why Deferring Costs Has Limits

While the strategies outlined in this budget brief offer Council options to reduce the 2026 tax impact, it is important to recognize that deferring financial pressures into future years does not eliminate them. Based on known commitments and reasonable assumptions, the Township is already facing several built-in cost increases for 2027. If nothing unexpected occurs and current service levels and growth trends continue, the 2027 budget would need to absorb the following pressures:

- **Recreation Complex financing**
The phased funding strategy continues in 2027, requiring an additional contribution of approximately \$375,000.
- **Asset Management Plan (AMP) annual requirement**
A further 2.8% increase—equivalent to approximately \$575,000—will be needed to stay on track with the 10-year phase-in target of the AMP. In addition, new assets coming into service in 2027 are expected to add roughly \$100,000 to the annual requirement, bringing the total increase to about \$675,000.
- **OPP costs**
Based on current provincial indications and recent trends, another increase of approximately \$285,000 is anticipated.
- **New Full-Time Equivalents (FTEs)**
In line with historical growth and the 2023–2026 HR Plan, an average of four new positions per year results in an estimated impact of \$360,000 for 2027.
- **Compensation adjustments**
Assuming a 2% Cost of Living Adjustment, continued implementation of the five-year market grid strategy, and the full-year impact of FTEs added in 2026, and a 2% indexation on all operational expenses, budgetary pressures are expected to total approximately \$650,000.

Projected Taxation Impact

Assuming growth in the tax base continues at a similar level to 2026, generating roughly \$820,000 in new taxation revenue, the remaining unfunded amount would still total approximately \$1.525 million. This represents a projected tax increase of 7.44% in 2027, before any new initiatives, inflationary impacts beyond assumptions, or unforeseen costs.

Final 2026 Budget – Summary of Key Adjustments

Following two days of productive and thoughtful discussions with Council on October 23 and 24, all agreed-upon adjustments have now been applied to the approved budget.

Throughout these discussions, Council and staff explored various strategic options, weighing fiscal responsibility, fairness to current taxpayers, and long-term sustainability. One of Council's key priorities was to avoid deferring tax pressures to future years, recognizing that delaying difficult decisions will not make them easier later.

Here are the main changes made to the final 2026 budget:

- **Fire Department Staffing Strategy**

A revised four-year implementation plan for new full-time equivalents (FTEs) has been adopted, resulting in approximately \$250,000 in savings for 2026.

- **Asset Management Strategy Update**

Council approved the 10-year funding phase-in strategy while removing four major facilities (Embrun Arena, Russell Arena, Russell Centennial Pool, and Camille Piché Hall) from the AMP's short-term lifecycle planning. These assets will be replaced by the future Recreation Complex, and their long-term future will be analyzed in an upcoming study. This adjustment reduced the 2026 budget by over \$100,000.

- **Corporate Services Cost-Recovery Model**

A new funding approach was implemented to ensure a more balanced split between taxation and user-fee departments. Previously funded ~85% by taxation, Corporate Services will now be funded 65% by taxation and 35% by user fees. This shift generated \$650,000 in savings to the taxation with minimal impact on user fees, thanks to higher-than-expected growth in user-fee departments.

- **Waste Collection Fee**

The only user fee affected by this reallocation was the waste collection fee. However, Council decided to defer any increase to 2027 and 2028, as no other rate hikes are anticipated in those years.

- **OPP Reserve Strategy**

Council chose not to draw from the existing OPP reserve to offset the 2026 invoice increase. Instead, the reserve will be preserved for future public safety initiatives.

- **Support for Dundas Manor (Winchester)**

In response to a \$75,000 funding request from Dundas Manor, Council approved the inclusion of a new budget line to begin setting aside funds toward this commitment. The Township will allocate \$25,000 per year for the next three years, starting in 2026.

- **Additional Adjustments**

In line with Council's direction, the following were also incorporated into the final budget:

- Increased crossing guard wages to \$25/hour per crossing.
- Removal of proposed public skating and stick and puck/ring sessions fees at both arenas.
- Updated COLA to 2.1%, per the Township's compensation policy.

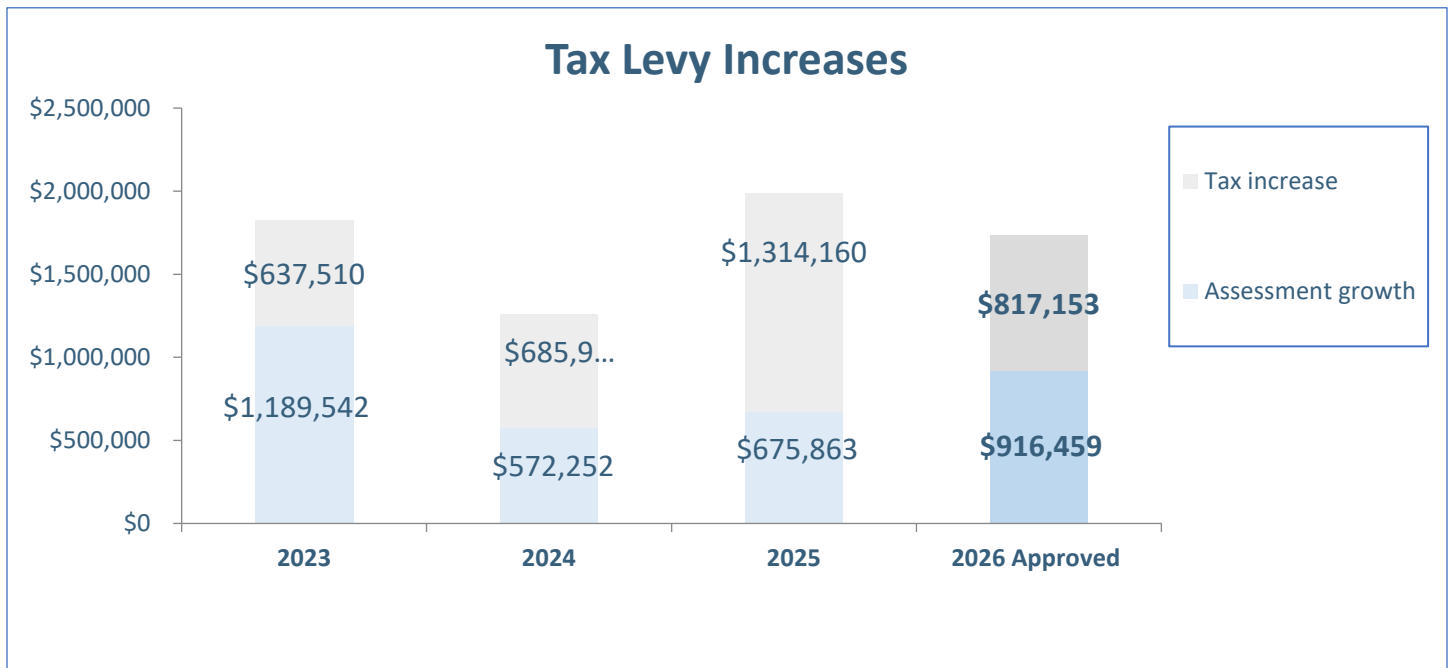
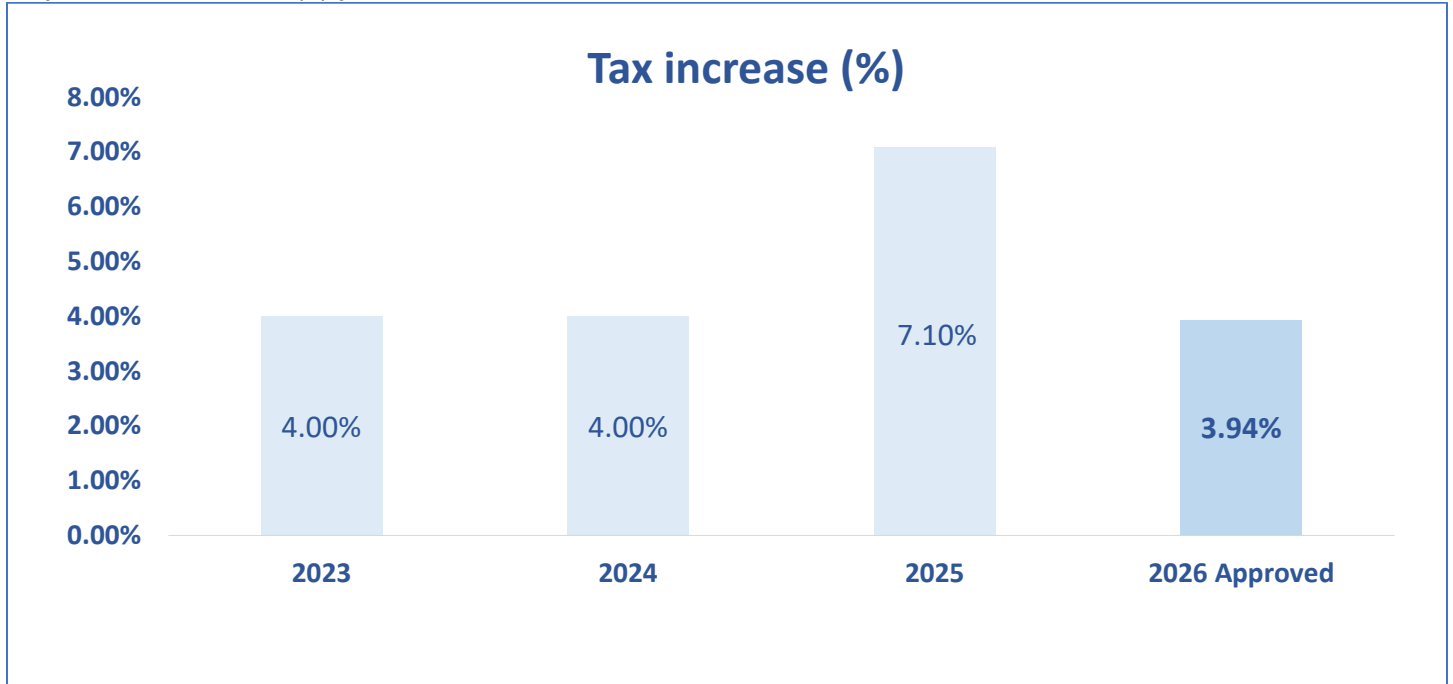
Tax Impact Summary

With all changes applied, the final tax increase is 3.94%, a significant reduction from the original 8.4%. It's important to note that OPP contract costs alone account for approximately \$267,807 of this increase — about 1.3% of the total. Excluding the OPP increase, the net tax impact to residents would be 2.64%.

Taxation and How We Compare

Municipal Taxation

The total tax levy in 2026 is estimated to be \$21,557,078. Below are some statistics on the increases to our tax levy over the last four (4) years.



Residential Tax Rates

The Township of Russell has the second-lowest tax rate for 2025 across all eight municipalities of the United Counties of Prescott and Russell, which includes East Hawkesbury, Champlain, Casselman, Alfred and Plantagenet, Clarence-Rockland, Nation, and Hawkesbury.

Prescott-Russell Residential Tax Rates										
Taux de taxes résidentielles dans Prescott-Russell										
STATISTICS FOR 2025 - STATISTIQUES 2025										
Municipalities / Municipalités Prescott - Russell	2025 Residential Rate / Taux résidentiel	Per each \$100,000 assessment / A chaque 100 000\$ d'évaluation \$	Comparison in % with other Municipalities / Comparaison en % avec les autres municipalités	TAX RANKING ORDER BY YEAR / CLASSEMENT PAR ANNÉE Ranking order changes by year / L'ordre change à chaque année Lowest (1) to highest (8) / Du plus bas (1) au plus élevé (8)						Population 2021 CENSUS Recensement 2021
				2025	2024	2023	2022	2021	2020	
EAST HAWKESBURY	0.00571591	\$571.59	-7.23%	1	1	1	1	1	1	3,418
RUSSELL *	0.00616131	\$616.13	0.00%	2	2	2	2	2	2	20,076
CASSELMAN	0.00729482	\$729.48	18.40%	3	3	3	3	4	4	8,665
CHAMPLAIN	0.00748877	\$748.88	21.55%	4	4	4	4	3	3	3,970
ALFRED/PLANTAGENET	0.00803904	\$803.90	30.48%	5	5	5	5	5	5	9,949
CLARENCE/ROCKLAND	0.00835717	\$835.72	35.64%	6	7	6	6	6	6	26,505
NATION	0.00854177	\$854.18	38.64%	7	6	7	7	7	7	13,350
HAWKESBURY	0.01327024	\$1,327.02	115.38%	8	8	8	8	8	8	10,194

* Estimated Budget 2026 rate (Approved budget) Taux estimé - Budget 2026 : (Budget approuvé)	0.00640406
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Average Property Assessment

The Township of Russell has the highest average property assessment across all eight municipalities in the United Counties of Prescott and Russell.

Municipalité / Municipality	Average assessment in 2025 Évaluation moyenne en 2025		Municipal taxes levied on AVG assessment Impôts fonciers prélevés basés sur l'évaluation moyenne	
	\$	Rank (highest to lowest) Classement (plus élevé au plus bas)	\$	Rank (highest to lowest) Classement (plus élevé au plus bas)
Russell	359,276	1	4,275	2
Clarence-Rockland	313,527	2	4,381	1
Casselman	296,110	3	3,843	3
Nation	271,063	4	3,781	4
Champlain	240,039	5	3,175	6
Alfred & Plantagenet	217,685	6	2,975	7
East Hawkesbury	213,186	7	2,451	8
Hawkesbury	174,033	8	3,227	5

Understanding the Real Impact of Tax Increases on the Final Tax Bill

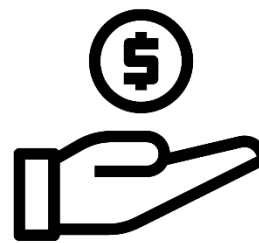
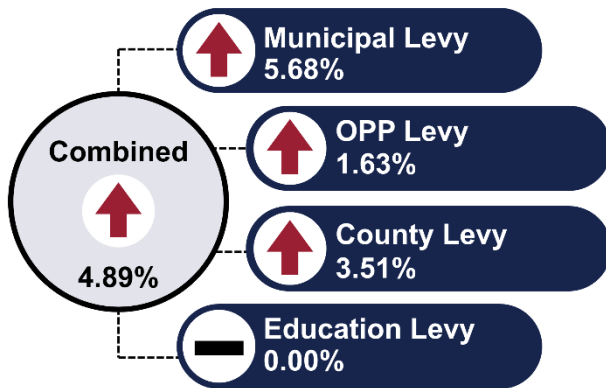
When reviewing tax rate adjustments, it is important to distinguish between the portion controlled by the Township and the components set by other authorities. The first table illustrates how a resident's property tax bill is divided among three entities: the Township of Russell, the United Counties of Prescott and Russell (UCPR), and the school boards. In 2025, the Township's tax rate increased by 7.31%. Of this increase, 1.63% was directly attributable to the rise in the annual OPP billing. The total cost increase was \$533,564, representing a 23% jump, which would normally have resulted in a 2.88% tax impact. However, thanks to provincial support, the actual impact on taxation was limited to 1.63%. The UCPR increased their tax rate by 3.51%, while school boards maintained a 0% change.

When these three components are combined, the overall impact on the resident's total tax bill was a 4.89% increase.

The second table shows how every tax dollar is distributed. For each dollar paid by a resident, \$0.48 goes to the Township of Russell, \$0.37 goes to the United Counties of Prescott and Russell, and \$0.15 goes to the school boards. This breakdown provides important context when evaluating the financial impact of tax changes on households.

How the 2025 Budget Wrapped Up

Impact on a Residential Property



For every \$1 in taxes you pay...

- Municipal \$0.48
- United Counties of Prescott and Russell \$0.37
- Schools \$0.15



Tax Increase Versus Inflation

Why a Tax Rate Increase Remains Necessary in 2026

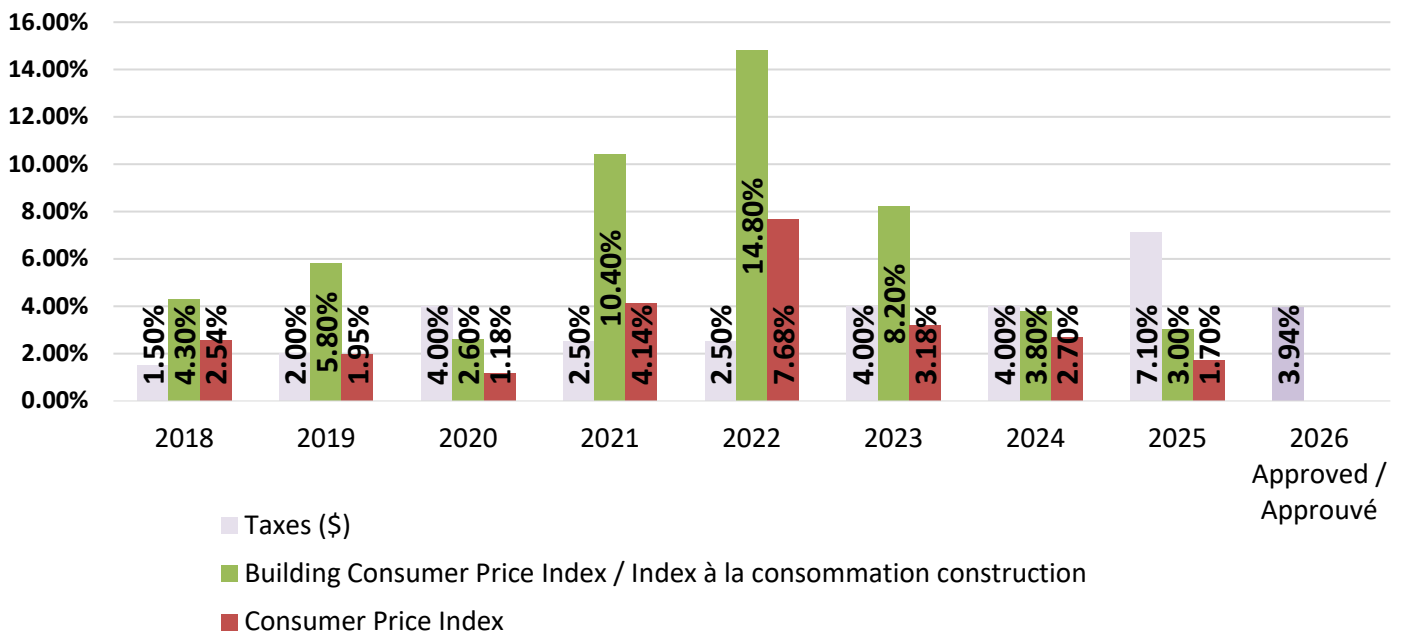
While last year’s budget included a significant adjustment of 7.1% to the municipal tax rate—surpassing the 1.7% increase in the Consumer Price Index (CPI)—the financial pressures on our operations have by no means disappeared. That increase was essential to begin realigning our revenues with the true cost of delivering services, but it did not eliminate the structural challenges we face.

Over the past decade, inflation, labour costs, construction prices, and the cost of municipal infrastructure have continued to rise faster than our historical tax increases. The 2025 tax adjustment helped us close a portion of the gap and reduce our dependence on reserves, but the underlying cost drivers—especially in areas such as asset management, policing, emergency services, and capital renewal—continue to impact the budget.

In addition, program grants like Ontario Community Infrastructure Fund (OCIF) and Canada Community Building Fund (CCBF) are declining, and municipalities are increasingly expected to fund a larger share of infrastructure renewal on their own. Many of our assets are reaching the end of their lifecycle, and essential reinvestments can no longer be postponed without creating future backlogs or compromising service levels.

Although we succeeded last year in outpacing inflation, our costs did not stabilize as a result. The 2026 budget must therefore continue the work that was started: protecting core services, funding infrastructure responsibly, and reducing reliance on reserves and one-time revenues. A continued, measured increase in taxation is necessary to keep pace with economic realities while ensuring long-term financial sustainability for our residents and our community.

History of Tax Increase VS Consumer Price Index



Human Resource Action Plan

In February 2023, Council approved the Human Resources (HR) Action Plan as a strategic framework to anticipate future workforce needs and support informed decision-making in response to the Township’s growth. The plan reflects the recommendations of the 2022 level of service review, which identified priority areas for improvement, including strengthening staffing levels, responding to increasing service demands across programs, and optimizing the management of roles and responsibilities.

The year 2026 marks the final year of the current HR Plan, after which a new plan will be developed to guide the Township’s human resources strategy for the next four-year mandate. The 2026–2029 plan will establish a structured and progressive roadmap to further strengthen the Township’s organizational capacity, legislative compliance, and employee engagement. Key areas of focus will include policy modernization, workforce planning, compensation strategy, and employee engagement initiatives.

As part of the 2026 Budget, a 1.8% Cost of Living Adjustment (COLA) has been included for all employees and Council members to help maintain competitive compensation and support retention. In addition, 2026 includes the third and final year of the phased implementation of the most recent market compensation review, which was undertaken to align salaries with comparable municipalities.

Here is a snapshot of where we stand with the HR plan full-time equivalent:

2023-2026 HR PLAN STATUS				
Position Filled			Hiring Postponed	
	2023	2024	2025	2026
CAO Office	HR Coordinator	Data and Performance Management Analyst (included in the 2026 budget)	- Administrative Clerk (included in the 2026 budget) - Communication Officer (included in the 2026 budget)	NEW – HR Officer (included in the 2026 budget)
Finance/Asset Management	Financial Analyst - Revenue	Finance Clerk		
Public Safety & Enforcement	By-Law Officer	Office Coordinator (50% By-Law / 50% Fire)	By-Law Officer (included in the 2026 budget)	
Building, Planning & Economic Development	Community Development Officer	Civil Engineer (NOT included in the 2025 budget)		
Infrastructure Services	- Water Wastewater Operator - Civil Engineer Technician (delayed to 2024)	Public Works Operator		- Public Works Operator (included in the 2026 budget) - Water Wastewater Operator

Park & Recreation	- Recreation Operator - Recreation Lead Operator		Aquatic Coordinator (included in the 2026 budget)	Rec Complex Staff - Program Manager (included in the 2025 budget) - Project Manager (included in the 2025 budget) NEW – Ice Coordinator (included in the 2026 budget)
Fire Services	- Deputy Chief, Operation & Training - Fire Prevention Inspector (delayed to 2024)	- Fire Training Officer		- Fire Prevention Officer (included in the 2026 budget) - 4 additional volunteer firefighters (4 VFF included in the 2026 budget) NEW – Maintenance Technician Officer (included in the 2026 budget)
		- 4 additional volunteer firefighters (4 VFF included in the 2026 budget)		
Library			Communications Coordinator (NOT included in the 2026 budget)	

Throughout this document, Department will outline their specific human resources requirements to maintain essential service levels, considering factors such as compliance, economic impact, and community benefit, while ensuring effective and sustainable service delivery now and in the future.

Russell Township FTE (includes part-time as equivalent FTE hours)				
	2023 Approved Budget	2024 Approved Budget	2025 Approved Budget	2026 Approved Budget
	FTE	FTE	FTE	FTE
CAO Office	4.83	1	1	2
Corporate Services, Finance/Asset Management	15	19.32	20.20	*24.38 (includes Eco Dev and Community Development)
Building and Planning	13.97	13.96	14.16	-
Building and Fire Services	3.01	3.64	5.73	*11.97 (includes Building Dept.)
Daycare	63.2	67.32	58.00	61.6

Infrastructure and Planning Services	28.34	29.64	30.40	*36.66 (includes Planning Dept.)
Library	7.83	8.15	7.95	7.95
Parks and Recreation	25.68	25.90	27.78	28.54
Public Safety & Enforcement	7	7	7.50	8.25
Total Township	168.8	175.9	172.2	181.4

Council and Employee Reimbursement Strategy

Implementing a structured reimbursement strategy for Council and employees—aligned with Canada Revenue Agency (CRA) guidelines—through the 2026 budget would demonstrate transparency and accountability to both staff and elected officials. This initiative supports a key objective of the Township’s 2023–2026 Strategic Plan: to be recognized as a leading employer in the region, and it would further promote sound financial management practices.

A formalized reimbursement framework would also help enhance employee satisfaction and reinforce trust in organizational processes. The updated rates, designed to remain competitive with neighbouring municipalities, would be integrated into the annual budget exercise, with the new amounts taking effect in the first pay period of the new year.

The table below provides a comparison between the Township’s current reimbursement rates and the CRA-approved rates, which are incorporated into the 2026 Budget.

Name	Mileage	Meal Allowance
Russell Township	52 cents/km	Breakfast: \$10 Lunch: \$20 Dinner: \$40 Incidentals \$10 Full day: \$80
CRA	63.5 cents/km	Breakfast: \$28.40 Lunch: \$27.40 Dinner: \$57.70 Incidentals \$17.50

[Meals and Allowances - Canada.ca](https://www.canada.ca/en/government/department/departmental-services/Meals-and-Allowances-Canada.ca)

[Directive on Travel: Appendix A – CRA Kilometric Rates - Canada.ca](https://www.canada.ca/en/government/department/departmental-services/Directive-on-Travel-Appendix-A-CRA-Kilometric-Rates-Canada.ca)

Council, CAO and Corporate Services

This section of the Budget includes the Township's Council, the office of the Chief Administrative Officer (CAO), the Clerk's office, Human Resources, Information Technology, Communications, Finances and Asset Management, Industrial Park and Economic & Community Development.

Operations

Operating costs are for the day-to-day expenses for existing assets, services, and facilities.

Total operational budget: \$10,850,674 (2025, \$11,660,223)

Highlights for Council

- ✓ All operating budget line items were indexed by 2%.
- ✓ An amount of \$25,000 has been added to Council's operating budget to support requests from Township committees, following a recommendation from the Accessibility Committee. Council will determine when and how these funds will be allocated, and the Community Development Department will be responsible for tracking them.
- ✓ An amount of \$25,000 has been added to the operating budget to begin setting aside funds in response to a \$75,000 funding request from Dundas Manor in Winchester. The Township plans to allocate \$25,000 per year over the next three years to meet this commitment.

Highlights for CAO's Department

- ✓ **\$115,000 – New Data Performance Management Analyst**, which is part of the 2023-2026 HR Plan. The Data Performance Management Analyst will support the CAO by leading the development and maintenance of corporate dashboards, coordinating performance reporting, and tracking progress on strategic initiatives. This role will bridge data and decision-making by working closely with Directors and staff to collect key metrics, monitor project outcomes, and prepare concise, actionable insights. In addition to technical data responsibilities, the position will provide high-level coordination and administrative support to ensure the CAO's office operates with maximum efficiency and strategic focus.
- ✓ **2026 Studies** – The following studies have been included in the 2026 budget. The impact on taxation is a total of \$25,000 as they will mostly be funded through reserves.
 - **Office space needs analysis** (financing: growth management fund): The Office Space Needs Analysis will assess current and future office space requirements to support service delivery and staff growth. This study will evaluate existing facilities, identify opportunities within built and vacant Township-owned assets, and develop a long-term vision to ensure office space is aligned with operational needs, fiscal responsibility, and future expansion.
 - **Corporate performance management framework** (financing: grant efficiency reserve): There is an opportunity to develop and implement a Corporate Performance Management Framework to formalize key performance indicators (KPIs). This framework will support evidence-based decision-making, enhance strategic planning, and drive continuous improvement across financial, operational, and service areas. It will also enable the Township to measure progress toward strategic goals, strengthen accountability, improve transparency, and identify areas for innovation and efficiency.
 - **2027-2030 Strategic Plan** (financing: taxation + growth management reserve): We are set to begin the preliminary preparations for the 2027 – 2030 Strategic Plan late in 2026, with the goal of finalizing it with a new Council in early/mid 2027.
- ✓ Increase of \$20,000 to legal fees to align with the Corporation's needs, based on the average expenditures over the past four years.

Highlights for Clerk’s Department

The Clerk Department plays an essential role and is responsible to carry out its mandatory statutory duties as set out in the Municipal Act. In addition to fulfilling legislative requirements under the Act, the Clerk Department ensures that all statutory obligations are administered to fully comply with provincial legislation, particularly as it relates to matters such as elections, access to information and privacy, intergovernmental affairs, records management, Council and Committee meetings, lottery licences, marriage licences and death registrations and burial permits.

- ✓ **\$90,077 – New Full-Time Position (FTE)** – This role was identified in the 2023–2026 HR Plan and was originally planned before 2026 but postponed for financial reasons. As the community grows, the volume of resident requests to the Clerk’s Department continues to increase (as shown in the table below), and no new position has been added since 2021. This additional resource will help maintain the level of customer service residents are accustomed to. The new employee will be stationed at the Town Hall reception to provide Clerk services without appointments, allowing the Clerk and Deputy Clerk to focus on strategic and business plan priorities rather than day-to-day operational tasks.

Clerk Department’s Monthly Statistics 2025

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
CLERK DEPARTMENT REQUESTS - BY MONTH	122	121	137	157	129	108	101	98	162	0	0	0	1,135
↓ BREAKDOWN BY REQUEST TYPE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
Council Agenda Packages Published & Amendments	4	8	6	10	6	6	0	2	4	0	0	0	46
By-Laws Approved	15	19	6	19	18	12	0	11	15	0	0	0	115
Certified Resolutions	0	2	0	2	12	10	1	0	3	0	0	0	30
Certificates prepared	0	0	1	0	0	0	0	0	1	0	0	0	2
Contract notices and reminders sent (BFs)	6	1	0	3	3	3	3	2	9	0	0	0	30
Committee Requests	13	10	17	19	11	10	8	20	21	0	0	0	129
Council Requests	3	4	6	3	1	0	1	2	5	0	0	0	25
Requests from municipalities and other agencies	7	6	9	13	8	11	4	7	11	0	0	0	76
Resident Requests	30	32	33	23	29	33	31	25	34	0	0	0	270
NEW (2025) -- Internal Requests (Staff)	25	19	32	26	12	10	11	10	21	0	0	0	166
Marriage Licences Issued	0	2	4	8	11	2	11	6	10	0	0	0	54
Lottery Licences Issued	0	0	3	4	1	1	2	0	2	0	0	0	13
Commissioner of Oath Requests	18	15	15	21	10	5	23	8	22	0	0	0	137
Freedom of Information (FOI-ATIP) Requests Received	1	3	5	4	7	5	6	5	4	0	0	0	40
IPC Inquiries Received	0	0	0	1	0	0	0	0	0	0	0	0	1
New (2025) -- Formal Complaints (Client Service Policy)	0	0	0	0	0	0	0	0	0	0	0	0	0
Ombudsman Inquiries Received	0	0	0	0	0	0	0	0	0	0	0	0	0
Integrity Commissioner - Complaints Received	0	0	0	1	0	0	0	0	0	0	0	0	1

Clerk Department's Annual Statistics 2020-2025

	2020	2021	2022	2023	2024	2025	TOTAL
CLERK DEPARTMENT REQUESTS - BY YEAR	758	851	909	1,071	1,123	1,135	4,218
PLEASE NOTE: that the 2025 statistics include data from January to September ONLY ; the months of October to December have not yet been accounted for yet but will be incorporated progressively.	21%	12%	7%	18%	5%		
Increase in demand for Clerk Dept Services noted for the last five (5) consecutive years.							

↓ BREAKDOWN BY REQUEST TYPE	2020	2021	2022	2023	2024	2025	TOTAL
Council Agenda Packages Published & Amendments	25	60	78	88	88	46	370
By-Laws Approved	169	146	139	144	120	115	909
Certified Resolutions	N/A	63	30	36	36	30	129
Certificates prepared	7	35	24	8	10	2	89
Contract notices and reminders sent (BFs)	97	75	53	27	67	30	380
Committee Requests	68	63	53	150	93	129	459
Council Requests	26	43	37	81	83	25	281
Requests from municipalities and other agencies	108	114	98	65	71	76	501
Resident Requests	109	139	145	192	235	270	864
NEW (2025) - Internal Requests (Staff)	N/A	N/A	N/A	N/A	N/A	166	166
Marriage Licences Issued	84	58	121	78	92	54	510
Lottery Licences Issued	11	6	19	22	15	13	100
Commissioner of Oath Requests	32	22	71	134	149	137	494
Freedom of Information (FOI-ATIP) Requests Received	17	23	37	27	51	40	172
IPC Inquiries Received	0	3	1	4	5	1	14
New (2025) -- Formal Complaints (Client Service Policy)	N/A	N/A	1	10	3	0	14
Ombudsman Inquiries Received	5	1	1	4	4	0	15
Integrity Commissioner - Complaints Received	0	0	1	1	1	1	6

- ✓ **\$6,000 - New FOI Management Software** – The number of Freedom of Information (FOI) requests continues to rise and is becoming increasingly difficult to track manually while meeting legislated deadlines. This new software will help the municipality manage requests and follow-ups more efficiently through the Clerk's Department and ensure compliance with legal obligations.

Highlights for Communication Department

The Communications Department plays a critical role in supporting transparency, accountability, and trust between the municipality and its residents. Its primary purpose is to ensure clear, consistent, and accessible communication that reflects Council’s priorities, municipal services, and community initiatives. The department will coordinate efforts to expand and strengthen public engagement, ensuring that residents have meaningful opportunities to contribute to decision-making and shape the future of the community.

- ✓ **\$105,062 - New Full-Time Position (FTE)** – This role was identified in the 2023–2026 HR Plan and was originally planned before 2026 but delayed due to financial constraints. Communications responsibilities have expanded significantly in recent years (as shown in the table below), and no additional staffing has been added. This new resource will strengthen the department’s capacity to deliver effective communications, support higher-level strategic initiatives, and implement future public engagement activities. The timing aligns well with the 2025 Public Engagement Study, as this position will directly support the implementation of several recommendations included in the Township’s public engagement action plan.

Communications Performance Indicators – Posts, Events & Subscribers	2023	2024	2025*
Inquiries to general@russell.ca and comms@russell.ca	970	1,352	839
Social Media – Direct Message Inquires	121	110	50
Social Media Posts	762	914	813
Public Engagement Events	NA	16	28
Public Engagement Events – Participants	NA	1,038	1,366
Public Surveys	1	4	8
Public Surveys – Participants	525	2,381	2,804
Regular Council Meetings – AVG view	84	130	122
New Subscribers – Email Alerts	NA	272	250
New Subscribers – Facebook	NA	569	550
New Subscribers – Instagram	NA	187	200
New Subscribers – X	NA	13	-5

**The figures for 2025 do not include the months of October, November, and December, and the totals are expected to increase by approximately 20 to 25%.*

- ✓ **\$7,500 – Public Engagement Platform** – A new public engagement platform will be integrated into the Township’s upcoming website, as recommended in our Public Engagement Study. Such a tool allows residents to provide input more easily, participate in consultations from anywhere, and stay informed on municipal projects that matter to them. It also centralizes engagement activities, improves transparency, and helps the Township collect data and feedback in a more structured and efficient way. The platform will cost between \$15,000 and \$20,000 per year; however, because implementation will take place in 2026, it will only be operational for approximately six months during the first year. As a result, only 50% of the annual cost has been included in the 2026 budget, with the remaining 50% to be added in 2027.
- ✓ **\$2,000 – IAP2 Training (Year 1 of Ongoing Program)** – One employee will complete the IAP2 training at a cost of \$2,000. Another staff member will take the same training in 2027, and this rotation will continue annually until all relevant employees have completed it. In addition, each staff member will take one supplementary training session every year at a cost of \$400 per person to continue building internal expertise in public engagement best practices.
- ✓ **\$1,965 – Plain Language Training** – All employees in Communications Department will complete the “Plain Language” training at a cost of \$655 per person. This will improve the clarity of our public materials, make municipal communication more accessible to residents, and support the Township’s broader public engagement strategy.

Highlights for Economic and Community Development

In 2025, the Township adopted a new Strategic Plan for the Economic and Community Development Department, followed by a five-year Action Plan designed to implement the priorities identified in that strategy. All budget adjustments proposed in the 2026 draft budget align with Year 1 of this Action Plan and directly support Council's goals for economic growth, community vitality, and investment readiness.

Several key initiatives and financial allocations have been incorporated to support implementation:

- ✓ **\$10,000 each – Community Events**
Funding has been designated for *Meet Me on Main Street* and *Local Flavours*. These events are funded through the Regional Community Investment Fund (RCIF) grant and advance objectives related to community animation, quality of life, tourism, and encouraging local purchasing.
- ✓ **\$10,000 – Physician Attraction & Health Centre Development**
This allocation supports efforts to attract and retain physicians, as well as long-term planning for a modern health centre to meet future community needs.
- ✓ **\$3,000 – CJRO Community Radio Advertising**
In response to public feedback, this funding will enable not-for-profit organizations to promote their events on CJRO radio, increasing visibility and participation in local initiatives.
- ✓ **\$12,000 – Business Intelligence Tools**
Funding for the *Gazelle* and *Lightcast* portals will provide key data for entrepreneurs and investors and identify foreign companies seeking to establish operations in Canada. This directly supports efforts to accelerate business attraction and expansion in the 417 Industrial Park.
- ✓ **\$6,000 – Industrial Park Marketing**
This budget will be used to market available industrial lots, helping the Township attract, retain, and grow local businesses.
- ✓ **\$10,000 Capital – Interactive Community and Business Hub**
As part of the Township's website redevelopment, the department is creating a fully interactive hub for both the economic and community sectors. This platform will inform residents, investors, and organizations about activities, funding opportunities, events, and programs, while also building an up-to-date registry of local businesses and community groups. This initiative supports goals such as improving business data and developing a comprehensive inventory of enterprises and community organizations.
- ✓ **Other Strategic Initiatives**
Additional funding supports Student Day, the *Job Succession Scholarship* program, job fairs, the Industrial Park BIA, urban core beautification initiatives, a *Community Spirit Accessibility Award* in partnership with the Accessibility Committee, and the *Township of Russell Rising Leader Medal* in collaboration with Communications Department. Advertising initiatives promoting farming, community development, and Shop Local efforts also contribute to increased visibility, economic stimulation, and stronger community engagement.

Collectively, these initiatives support broader objectives such as optimizing business data, building a local employer–youth network, strengthening partnerships with schools and community organizations, defining the identity of each urban centre, and advancing beautification and enhancement programs.

Major Studies and Incentives

- ✓ **\$30,000 – Affordable Housing / Density Community Improvement Plan (CIP)**
Funded through the CIP Reserve, this initiative promotes the development of affordable housing by supporting builders and responding to local needs. The Township will apply to the second intake of the Rural Ontario Development (ROD) Program in January 2026.
- ✓ **\$50,000 – Strategic Land Study**
Funded through the Industrial Park Reserve, this study will guide the next phase of industrial park expansion and ensure readiness for future investment.

Highlights for Finance Department

The Finance Department is responsible for managing the Township’s budgeting, accounting, long-term financial planning, reserves, asset management funding, and financial reporting. As the organization continues to grow, the department must modernize its tools and processes to maintain service levels, meet regulatory requirements, and support informed decision-making across all departments. The 2026 Budget includes two key initiatives to support this transition:

✓ **Three-Year Funding Strategy for Financial Software Modernization**

The 2026 Budget includes the first year of a three-year strategy to gradually absorb the operating cost of a new core financial software system. The Township’s current system, *Diamond*, costs \$65,000 annually and will no longer be supported after 2028. Based on preliminary estimates, modern financial platforms now range from \$100,000 to \$125,000 per year. Rather than absorbing the full impact in a single year—which would place significant pressure on taxation—the strategy proposes an annual increase of \$20,000 over three years to phase in the required funding.

✓ **\$20,000 – Operational Review of Finance Department Roles and Technology**

In 2026, the Township plans to undertake a review of the Finance Department’s structure, roles, and responsibilities. Many of the department’s current processes rely on outdated software and manual tasks, including the use of Excel for tracking critical information. While this was manageable when the Township was smaller, growth has increased service demands and highlighted the need for modernization and efficiency. The study will help determine whether new software solutions could reduce or defer the need for additional staffing. The first \$20,000 from the three-year financial software strategy will be used to fund this review.

Highlights for Human Resources

The Human Resources (HR) Department supports Township initiatives through diverse workforce, effective recruitment, and employee engagement. It strives in delivering Township services such as payroll, benefits administration, and employee onboarding. It provides policy development, compliance, and workplace culture.

The HR team is currently working on transforming our human resources processes by integrating HR, payroll, talent management, and service delivery into a single, streamlined platform. This will further enhance operational efficiency, improve employee experiences, and ensure compliance with regulatory requirements.

✓ **\$105,062 – New Full-Time Position (FTE)**

Although this role was not part of the 2023–2026 HR Plan, the responsibilities of the Human Resources department have expanded significantly in recent years. As shown in the data below, service demands continue to rise annually while staffing levels have remained unchanged. Adding this position will strengthen the Township’s ability to deliver HR services, support strategic workforce initiatives, and focus on employee engagement and organizational development. This new FTE will replace the seasonal HR position that was included in previous budgets.

HR Performance Indicators – Recruitment	2022	2023	2024	2025*
Recruitment File – Open Positions	32	47	30	41
Resumes Received	687	683	646	731
Candidates Invited for Test	27	57	60	45
Candidates Invited for Interviews	95	102	140	158

**The figures for 2025 do not include the months of October, November, and December. We currently have six open positions, so the numbers shown will increase by approximately 20 to 25%.*

✓ **\$ 25,000 – Four-Year HR Financial Strategy**

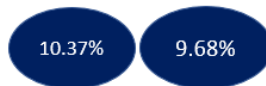
The 2026 Budget introduces a dedicated HR funding strategy of \$25,000 per year over four years. Implementing a structured financial plan is critical to sustaining organizational capacity, workforce stability,

and service excellence. Unlike previous years, where \$50,000 was needed every second year—creating spikes in the budget—this new approach smooths costs over time and ensures predictable funding. The strategy supports long-term objectives such as:

- **Job Description Reviews** – Updating and realigning job descriptions to reflect current responsibilities, new legislative requirements, and evolving organizational needs. This helps ensure clarity of roles, proper classification, and internal equity.
- **Salary Grid Updates** – Revising and modernizing salary grids to maintain fair compensation structures, support retention, and ensure alignment with staffing growth and fiscal capacity.
- **Salary Benchmarking and Market Comparisons** – Conducting compensation analyses to compare Township positions with comparable municipalities and sectors, ensuring competitiveness and reducing risks related to turnover and recruitment challenges.
- **Policy Updates** – Reviewing and updating HR policies to reflect best practices, legislative compliance, and organizational priorities, while supporting consistent and transparent decision-making.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
COUNCIL	\$60.22	\$55.79
CAO'S OFFICE	\$50.21	\$31.58
COMMUNICATIONS	\$41.73	\$28.84
CLERK'S OFFICE	\$48.87	\$40.98
HUMAN RESOURCES	\$52.33	\$28.80
IT INFORMATION TECHNOLOGY	\$34.43	\$20.60
ADMINISTRATION	\$105.76	\$72.00
ASSET MANAGEMENT	\$53.04	\$64.31
417 INDUSTRIAL PARK	\$0.00	\$0.00
ECONOMIC DEVELOPMENT	\$24.52	\$35.49
OTHER REVENUES, (Grants, reserve transfers)	(\$236.73)	(\$168.51)
Municipal tax invoice, for a home with an average assessment of \$353,000	\$234.39	\$209.88



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$1,360,367.

Notable Project List:

- ✓ \$90,000 – Phase 2 of the audio/video upgrade in Gaston Patenaude Hall. This phase includes the full modernization of the remaining equipment at an estimated cost of \$150,000. Phase 1, valued at \$60,000, was approved in the 2025 Budget.
 - **Phase 1:** Upgrade the audio, video, and display systems along with hybrid meeting room technology to enhance sound quality, visual performance, and connectivity. This phase will focus on modernizing core infrastructure to support effective collaboration between in-person and remote participants.
 - **Phase 2:** Implement advanced webcasting and broadcasting equipment to enable high-quality live streaming, virtual participation, and public accessibility. This phase will ensure seamless integration with the upgraded hybrid systems and strengthen the organization’s capacity for transparent and inclusive communication.

- ✓ \$55,000 – Annual IT equipment replacement and additions.
- ✓ \$25,000 – Replacement of eight (8) network switch.
- ✓ \$65,000 – Interlock paver replacement at the front of Town Hall.
- ✓ \$915,367 – Asset Management fleet replacement:
 - \$424,867 Replacement of 1999 GMC Heavy Rescue (year 2).
 - \$2,500 additional funds for new pick up for training officer (year 2).
 - \$420,000 Snow plow replacement.
 - \$68,000 New truck for Public Safety and Enforcement.
- ✓ \$75,000 – Website redesign, implementation, hosting, and technical support
Our current website provider has announced that the platform we use will no longer be supported as of June 2026. As a result, we need to completely rebuild our website.

New Funding Strategy – Corporate Services Department

Currently, the Corporate Services Department is funded approximately 85% through taxation and only 15% through user fees, even though it provides administrative, communication, financial, IT, and legislative support to all municipal services — including those entirely funded by user fees (e.g., water, wastewater, childcare). Based on the nature of services delivered and their usage across departments, a more accurate and equitable split would be 65% funded by taxation and 35% by user fees. The current structure places an unfair burden on tax-supported services, which are covering a disproportionate share of corporate support costs.

Beginning in 2026, the Township is proposing a proportional cost allocation model based on each department's share of the total municipal operating budget. For example, if the Water Department represents 15% of total expenditures, it would contribute 15% of Corporate Services costs.

This new approach will:

- Promote fairness and transparency.
- Better reflect the actual use of Corporate Services across departments.
- Reduce the burden on taxation.

However, while the strategy will have a positive impact on the tax rate, it will also require adjustments to certain user fees, as departments funded through fees will begin paying their fair share of Corporate Services costs.

The following table outlines the projected financial impacts on user-fee-supported departments:

Total Expense per Department for 2026			Funding of Corporate Services Department		
Name	Expense	Percentage	Actual	2026	Adjustment
Other Department	\$25,675,855	63.29%	\$2,710,222	\$1,996,157	-\$714,065
Waste Collection	\$1,549,840	3.82%	\$1,908	\$120,492	\$118,583
Waste Disposal	\$229,432	0.57%	\$1,908	\$17,837	\$15,929
Sewer	\$2,604,232	6.42%	\$123,049	\$202,465	\$79,416
Water	\$3,695,863	9.11%	\$160,646	\$287,333	\$126,87
Building	\$1,157,628	2.85%	\$74,523	\$89,999	\$15,476
417 Industrial Park	\$211,179	0.52%	\$0	\$16,418	\$16,418
Daycare – St-Jean	\$1,936,554	4.77%	\$30,536	\$150,556	\$120,021
Daycare – St-Joseph	\$1,742,563	4.30%	\$31,829	\$135,475	\$103,646
Daycare – Mother Teresa	\$756,187	1.86%	\$19,524	\$58,789	\$39,266
Library	\$1,011,316	2.49%	\$0	\$78,624	\$78,624
Total Expense	\$40,570,648		\$3,154,145	\$3,154,145	

As shown in the table above, this new funding strategy generates an additional \$635,441 in revenue, which directly reduces the taxation requirement by the same amount. This additional revenue will come from user-fee-supported departments, based on their proportional share of the Township’s total operating expenditures.

The next table illustrates the financial impact on each user-fee department, depending on whether the adjustment is applied entirely in 2026 or phased in over two or three years. For the Childcare, Building, and 417 Industrial Park departments, the distribution was calculated using percentages rather than per-user rates—100% in one year, 50% over two years, or 33% over three years.

Name	Yearly Impact on User Fee		
	1 year	2 years	3 years
Other Department			
Waste Collection	\$15.12	\$7.56	\$5.04
Waste Disposal	\$2.03	\$1.02	\$0.68
Sewer	\$11.48	\$5.74	\$3.83
Water	\$16.94	\$8.47	\$5.65
Building	\$15,475.82	\$7,737.91	\$5,158.61
417 Park	\$16,417.99	\$8,208.99	\$5,472.66
Daycare – St-Jean	\$120,020.69	\$60,010.35	\$40,006.90
Daycare – St-Joseph	\$103,646.11	\$51,823.06	\$34,548.70
Daycare – Mother Teresa	\$37,265.64	\$19,632.82	\$13,088.55
Library			

As shown in the next table, the annual tax savings vary depending on the cost distribution option selected. If Council chooses the two-year option, the user-fee departments would absorb the financial impact over two years, and the overall tax increase would be reduced by 1.55%. Under this scenario, water users, for example, would see an increase of \$8.47 per year for the next two years.

Administration is recommending the Hybrid 2-Year / 3-Year Option. This approach uses reserves to ensure that taxation benefits fully from the strategy starting in 2026, while phasing in the user-fee impacts over two or three years. This method avoids placing a significant increase on users in a single year and allows the Township to rebalance the cost of Corporate Services between taxation and user-fee departments beginning in 2026.

Name	Yearly Impact on Taxation – 1 % = \$205,601				
	1 year	2 years	3 years	Hybrid – 2 years	Hybrid – 3 years
Other Department					
Waste Collection	\$118,583.01	\$59,291.50	\$39,527.67	\$118,583.01	\$118,583.01
Waste Disposal	\$15,928.54	\$7,964.27	\$5,309.51	\$15,928.54	\$15,928.54
Sewer	\$79,416.03	\$39,708.02	\$26,472.01	\$79,416.03	\$79,416.03
Water	\$126,868.78	\$63,343.39	\$42,228.93	\$126,686.78	\$126,686.78
Building	\$15,475.82	\$7,737.91	\$5,158.61	\$15,475.82	\$15,475.82
417 Park	\$16,417.99	\$8,208.99	\$5,472.66	\$16,417.99	\$16,417.99
Daycare – St-Jean	\$120,020.69	\$60,010.35	\$40,006.90	\$120,020.69	\$120,020.69
Daycare – St-Joseph	\$103,646.11	\$51,823.06	\$34,548.70	\$103,646.11	\$103,646.11
Daycare – Mother Teresa	\$39,265.64	\$19,632.82	\$13,088.55	\$39,265.64	\$39,265.64
Library					
Total Expense	3.09%	1.55%	1.03%	3.09%	3.09%

Summary of Council Direction

Following Council's direction during the budget deliberations, the Township will implement the hybrid two-year/three-year cost allocation approach for the Corporate Services funding strategy. Under this model, the full taxation benefit of the new funding structure will be applied in 2026, while the financial impacts on user-fee-supported departments will be phased in gradually. To achieve this, reserves will be used to offset a significant portion of the increases that would otherwise be passed on to users.

This approach allows the Township to immediately rebalance the cost of Corporate Services—reducing the taxation requirement by the full amount in 2026—without placing undue pressure on user fees. For the Daycares, Building, and 417 Industrial Park departments, reserves will fully absorb the additional Corporate Services charges, resulting in no fee increase for users at this time. For Waste Collection, users will see no impact in 2026, with modest increases of approximately \$8.58 in both 2027 and 2028. For Water and Sewer services, no user impact is projected under the hybrid model.

By adopting this strategy, the Township addresses long-standing inequities in the distribution of Corporate Services costs, ensures that user-fee departments begin contributing their fair share, and provides predictable, manageable impacts for ratepayers. The hybrid approach strikes an effective balance between fairness, transparency, and financial stability, while maintaining affordability for residents and service users as the Township transitions to a more accurate cost-allocation framework.

Fire Services and Building Department

The Fire Services provides a comprehensive range of emergency and community safety services designed to protect life, property, and the environment within the Township. Core responsibilities include, but not limited to, fire suppression, rescue operations including motor vehicle collisions and medical assistance. In addition to emergency response, the department delivers proactive programs such as fire prevention, public education, fire code inspections, and plans review for new developments, while working closely with other municipal departments to ensure compliance with the Ontario Fire Code.

The Building Department is responsible for ensuring that all construction within the Township complies with the Ontario Building Code and other applicable standards. Building services include the review of building plans, issuance of building permits, and inspections at various stages of construction to verify compliance and ensure that projects meet required standards for safety, structural integrity, and accessibility. The department also provides guidance to property owners, builders, and developers to support safe and compliant building practices within the community.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

- Total operational budget for Fire Services: \$2,685,878 (2025, \$2,646,485)
- Total operational budget for Building Department: \$1,303,487 (2025, \$1,222,239)

Highlights for Fire Services

To implement the recommendations of the 2025 Fire Services Organizational Review, the following new positions are proposed for consideration for 2026:

- ✓ \$125,000 – Fire Prevention Officer/Inspector that is part of the 2023-2026 HR Plan. This position is responsible for providing fire safety code compliance services, inspection, fire public education, development, and implementation of a municipal inspection program and for fire cause investigation and determination.
- ✓ \$125,000 – Maintenance/ Firefighter is responsible for maintaining the fire stations, vehicles, equipment, and the grounds. The Maintenance Firefighter is also responsible for the scheduling, organizing, and coordinating contractors who are working on fire service property or equipment.
- ✓ \$14,000 – Increase for new software license for Fire Department Records Management System, which stores departmental data and Ontario Fire Marshal Standard Incident Reporting information.

With an agreement through the Canadian Red Cross, Fire Services will continue to offer First-Aid/CPR/AED courses to staff and will offer the programs to the public in 2026. In addition, with the capital purchase of a fire extinguisher demonstration prop, Fire Services will be offering fire extinguisher training to the public and businesses in our community.

Fire Services Staffing Phase-In Plan

Adding two new full-time positions, retaining the currently vacant full-time role, and hiring eight volunteer firefighters represent a cost of \$498,760. Since the Administrative Assistant position is already included in the 2025 budget, the net impact on taxation for 2026 is 1.75%, which is how it is currently reflected in the budget. To reduce this financial pressure, administration is recommending a four-year phased approach to hiring the two new full-time employees, the vacant full-time position, and the volunteer firefighters. Rather than applying the full 1.75% increase in a single year, this strategy would distribute the cost over four years, resulting in an annual taxation impact of about 0.58%. By staggering hiring dates throughout the year and using the HR Reserve to offset initial costs, the plan can be implemented effectively. Table below outlines the proposed financial strategy.

2026-2029 Fire Service Financial Strategy

Operation Budget	Impact on 2026 Budget	Impact on 2027 Budget	Impact on 2028 Budget	Impact on 2029 Budget
Salary grid D5 at 40 hours - Administrative Assistant/Firefighter-Q2	\$92,480	\$125,000	\$132,000	\$140,000
Salary grid D5 at 40 hours - Maintenance Technician/Firefighter-Q3	\$62,408	\$125,000	\$132,000	\$140,000
Salary grid D5 at 40 hours - Fire Inspector/Prevention Officer/Firefighter -Q4	\$31,648	\$125,000	\$132,000	\$140,000
8 new volunteer Firefighters - 2 per year	\$19,690	\$39,380	\$59,070	\$78,760
Total	\$206,226	\$414,380	\$455,070	\$498,760
Reserve	\$81,536	\$165,000	\$81,000	\$0
Taxation	\$124,690	\$249,380	\$374,070	\$498,760

Highlights for the Building Department

- ✓ **\$12,400** – Continuation of the summer student position as a part-time role to support the Building Services Department with administrative duties and building permit applications.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
FIRE SERVICES	\$184.11	\$170.13
FIRE STATION #11	\$38.01	\$49.23
FIRE STATION #12	\$37.22	\$37.27
BUILDING (User fees)	\$0.00	\$0.00
Municipal tax invoice, for a home with an average assesement of \$353,000	\$259.34	\$256.63

11.47%

11.83%

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$574,900.

Notable Project List:

- ✓ \$300,000 – Purchase of land for the future expansion of Station 11
- ✓ \$88,000 – Purchase of a Self-Contained Breathing Apparatus Decontamination (SCBA) machine
- ✓ \$52,400 – Purchase of Personal Protective Equipment
- ✓ \$45,000 – Office renovations at Station 11 to accommodate full-time staff
- ✓ \$35,000 – Additional equipment for the Pumper/Rescue
- ✓ \$30,000 – Design construction for the future fire station expansions
- ✓ \$24,500 – Purchase of a fire extinguisher training prop

Infrastructure and Planning Departments

The Infrastructure Department is responsible for maintaining essential infrastructure services, including road and sidewalk maintenance, drinking water systems, storm and sanitary sewer management, and waste management. We ensure the reliable delivery of these critical services to support the well-being and safety of our community.

The Planning Department is responsible for site plan reviews, zoning amendments, the Official Plan, and overall community growth and land use planning. The department also oversees subdivision applications and development.

Operations

Operating costs are the day-to-day expenses to maintain existing assets and facilities and provide services to residents. The proposed operational budget is to maintain the current level of service.

Total operational budget: \$22,531,010 (2025, \$19,896,094).

Highlights for Infrastructure Services

- ✓ Water and sanitary sewer fees are proposed to increase to reflect asset requirements identified in the 2025 Asset Management Plan.
 - Proposed revised rates increases compared to 2025 rates:**
 - Water Flat fee – \$350.00; increase of \$7.00 (2.04% increase)
 - Variable rate – \$3.41 per m³; increase of \$0.00 per m³ (0% increase)
 - Sewer Flat fee – \$392.00; increase of \$20.00 (5.4% increase)
- ✓ Creation of a new reserve for the future construction of the sanitary treatment plant. A contribution of \$20 per user is proposed in 2026, with an annual increase of \$10 over the next 10 years. This strategy provides a strong foundation, as it will build a reserve of approximately \$5 million and generate about \$1 million in annual revenue that can be used to help finance the future loan for the project or cover operating costs.
- ✓ A new financial strategy has been introduced to ensure Corporate Services costs are shared equitably between taxation-based departments and user fee-funded services. The resulting impact on water and sewer rates is outlined in the Corporate Services section, with increases of \$16.94 per water user and \$11.48 per sewer user. However, due to reduced water loss achieved through Infrastructure Department initiatives, the water-related increase can be fully offset without affecting users. Similarly, growth and lower-than-anticipated annual asset management requirements in sewer services allow the Township to absorb the additional costs, resulting in no impact to sewer users.
- ✓ The operational water budget includes \$250,000 for a water meter replacement program. Being an asset management initiative, this program will be put in place to replace about 500 water meter per year as a preventive maintenance.
- ✓ Waste management user-fee to be increase to \$311:
 - Includes the automated organic and waste collections.
 - Recycling collection will be performed by Miller Waste – entirely separate from the Township contract.
- ✓ \$75,000 – Update to the Storm Water Masterplan. This assessment will establish the sequence of storm sewer rehabilitation. This system is still underfunded. The budget still needs to be increase over the next years, mostly to cover the asset replacement requirement.
- ✓ Part-time staff in the Public Works Team has been changed to a full-time to address increased need in the summer; as an example, the boulevard maintenance.

- ✓ \$60,000 – A proposed transit feasibility study is included in the transit budget (360). It is a recommendation of the 2025 transportation masterplan.

Highlights for Planning Department

- ✓ Continue the review of the zoning by-law.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
PUBLIC WORKS	\$639.20	\$655.42
STORM SEWERS	\$132.99	\$63.20
PLANNING & ZONING	\$37.15	\$37.62
Municipal tax invoice, for a home with an average assesment of \$353,000	\$809.36	\$756.24

35.80%

34.87%

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$17,943,711.

Notable Project List:

- ✓ \$2,450,000 – Road rehabilitation (paving plan)
 - Angele Street
 - Bols Street
 - Bourdeau Crescent
 - Cecile Street
 - Centenaire Street from St-Jean-Baptiste Street to St-Augustin Road
 - Cloutier Drive North of Ste-Therese
 - Drentrex Road
 - Eadie Road from Route 100 to Route 200
 - Louise Crescent
 - Route 100 from Boundary Road to North Russell Road
 - Stanley Crescent
 - Wade Road from Sujack Street to Route 400
 - Lapalme Street
- ✓ \$7,750,000 – Storm Sewer reconstruction on Notre-Dame Street.
 - Financed by a grant, United Counties of Prescott and Russell and Russell.
 - Cost to the Township is \$1,813,000.

This project received \$9.6 million in funding to cover a major portion of the storm sewer reconstruction, increase the watermain capacity, and replace a sanitary force main.

With the assistance of the province, several items were added to the scope of the project, like the watermain upgrade. More intersection improvements will also be added to the project. These changes to the original scope do have a major impact on the timeframe of the project. We are now projecting a completion in 2028.

- ✓ \$250,000 – Water tower cleaning and repairs.

- ✓ \$3,800,000 – Roundabout at St-Guillaume Rd and Route 300.
 - Financed by a grant, United Counties of Prescott and Russell and Russell.
 - Cost to the Township is \$627,000 from development charge.
- ✓ \$2,857,898 – Water reservoir and watermain upgrade.
- ✓ \$200,000 – Planification of the Wastewater Treatment Plant.
- ✓ \$80,000 – Snow blower replacement.
- ✓ \$26,000 – Grass mower replacement.
- ✓ \$150,000 – Roof repair – municipal garage (857 Route 400).
- ✓ \$278,000 – Municipal Parking retrofit near Blais Street.
- ✓ \$75,000 – Landscaping – Gateway to Commercial Park.

Library

The Library offers a rich and rewarding learning experience for all members of the community. As an inclusive and welcoming space, it serves as a vital gathering place that fosters social connection, personal growth, and a sense of belonging.

Through diverse programs, collections, and services, the Library supports lifelong learning and celebrates the joy of reading and writing.

As a cornerstone of the community, the Library plays a key role in promoting equitable access to information, bridging digital divides, and supporting literacy and education for all ages.

Continued investment in the Library ensures that it can meet the evolving needs of the population - especially those who rely on its resources the most. Budget support sustains not only books and materials, but also the spaces, technology, and programming that enrich lives, empower individuals, and strengthen community resilience.

Library services include

- Books (audiobooks), VOX books (reading along books), movies, magazines, online resources like Ancestry, take home radon kits, and museum passes.
- Free access to Internet and programs for everyone.
- Programs for babies/children, teens, and adults.

The Russell Branch is open on Sundays from 10:00 a.m. to 2:00 p.m., except for summer months.

Operations

Total operational budget: \$1,035,866 (2025, \$1,011,316).

Highlights:

Revenues have increased due to community partnerships. In 2026, we have secured \$120,000 for capital projects in the eagerly anticipated new Embrun branch.

Local Grants and sponsorships enhancing youth section, adult section, self serve kiosk: \$120,000.

- \$70,000 Valoris
- \$30,000 Desjardins
- \$20,000 (to be announced)

Operational expense overview:

- ✓ \$6,000 – Programming fees (author visits, animation, TD Summer Reading Club, activities, Sunday Socials, ect.)
- ✓ \$6,800 – Overdrive (Libby app) e-books platform and magazine (annual licence)
- ✓ \$4,000 – Additional titles (e-books) in Overdrive
- ✓ \$13,000 – Hoopla (e-books, magazines, audiobooks, music, tv) on demand-purchase
- ✓ \$950 – Cantook (MaBiblio numérique)
- ✓ \$125 – Mes Racines
- ✓ \$650 – Ancestry (in Library Access only) – Genealogy resources
- ✓ \$425 – Large Print Pool (English)
- ✓ \$3,000 – Newspapers, magazines and ILL (Interlibrary Loans) fees

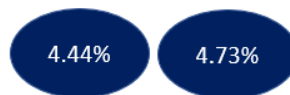
New Embrun Branch:

- ✓ \$4,000 – Moving fee (one-time).
- ✓ Embrun Co-op has indicated that their site plan approval is expected by December 2025, and the anticipated possession date is now set for December 1, 2026. The school board has been informed that we will continue to lease the current space until the end of the 2026–2027 school year.
- ✓ Year 2 of the library’s long-term 0.05% annual tax increase over 17 years. This measure is expected to generate approximately \$9,500 in the first year and about \$198,000 by the end of the period. These funds will be essential for renegotiating the lease terms and ensuring the library’s long-term financial sustainability.

A formal Service Agreement is being drafted between the Library Board and Council. It is expected to be completed in 2025. This document will cover services and agreement between both parties and annexes related to different services.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
LIBRARY	\$100.48	\$102.69
Municipal tax invoice, for a home with an average assessment of \$353,000	\$100.48	\$102.69



Capital Projects

Annual Library Fundraising Campaign: \$4,000

- Adopt-a-Book

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$102,500 as outlined below.

Notable Project List:

- ✓ \$50,000 – Physical Books (French & English)
- ✓ \$2,000 – Replace two public printers (Russell & Embrun)

New Embrun Branch:

- ✓ \$1,500 – 3D printer
- ✓ \$15,000 – Virtual reality
- ✓ \$2,000 – Game console
- ✓ \$5,000 – Donor wall
- ✓ \$2,000 – Sensory wall
- ✓ \$15,000 – Interactive table (PLAY table)
- ✓ \$10,000 – Russell branch signage (Rebranding)
- ✓ \$20,000 – Russell Township Library Space & Services Needs Study

Parks and Recreation Department

Parks and Recreation Services include four Daycare Centres, the Russell Centennial Pool, the New York Central Recreational Trail, the Sports Dome, the bowling hall, two arenas, the Camille Piché and Marionville halls, the Russell Youth and Sports Centre, the Community Grants Program, municipal programs, sport courts and fields, 27 parks and play structures, and the future Recreation Complex.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total operational budget: \$13,330,595 (2025, \$11,056,942).

Highlights:

- ✓ **Sports Dome Conference Room Rentals**
Addition of a new hourly rate of \$40 vs \$25 to better reflect operational costs for events beyond standard meetings.
- ✓ **Sports Dome – Membership Rates**
Effective May 1, 2026, new gym memberships will see a rate adjustment—for example, the adult monthly pass will increase from \$60 to \$65 (an 8.3% increase)—to support equipment upgrades and rising operational costs, while current members retain their existing rates if they keep renewing. This represents the second increase in the eight years since the gym opened, with the last adjustment in January 2024.
- ✓ **Optimizing prime-hour ice availability**
Allows us to better accommodate minor sports and new users, while still maintaining one public skating session per arena on Saturday and one on Sunday. By reallocating and selling these ice times, we expect to recover approximately \$5,500 per arena for the season. While surrounding rinks typically offer only one prime-hour session per weekend, we have been providing two per arena, for a total of four sessions across the Township. – Removed after discussions held during the budget working sessions.
- ✓ **Public skating**
Sessions are being reintroduced as a paid service (\$3 per adult, \$2 per child) to help recover lost revenue and prepare residents for the transition to the new recreation complex, with estimated revenue of approximately \$4,000 per arena. Some municipalities reach out to sponsors to help cover the cost of the ice, which is something that could be explored to keep the program free for participants. – Removed after discussions held during the budget working sessions.
- ✓ **Stick & Puck**
Sessions will now be a paid service, priced at \$5 per person or \$40 for a package of 10 sessions. Based on an average of 10 participants per session, the estimated revenue is approximately \$4,000 per arena. Since these sessions have fewer participants than public skating, the higher per-person fee helps offset the cost of ice rental. – Removed after discussions held during the budget working sessions.
- ✓ **Bowling Hall Rentals**
New fee of \$145 vs \$120 for birthday party bookings for groups of 6–12 people over a 2-hour period. This will help cover the loss of lane revenue during parties, which typically last longer than one hour, while improving service for these events.
- ✓ **Camps**
We are re-introducing mandatory full-time enrollment at \$170 per week, which means no daily registration at \$34 per day.

✓ **Hall Rentals**

Addition of a new cleaning and late fee (as per the reservation contract) for hall rentals, which will be required as a deposit at the time of the booking.

✓ **Daycares:**

- Garderie St-Jean /La Croisée
 - 57 enrollments in the preschool program.
 - 4% increase at the Garderie St-Jean / La Croisée before and after school program in September 2025, giving a total of 234 registered children.
- St. Mother Teresa Daycare
 - 24 enrollments in the preschool program.
 - 37.4% increase in the before and after program in September 2025, giving a total of 134 registered children.
- Garderie St-Joseph
 - 83 enrollments in the preschool program.
 - 21.6% increase in the before and after program in September 2025, giving a total of 123 registered children.

✓ **Embrun Train Station Museum**

A new operational budget has been established for the Embrun Train Station Museum to support the ongoing costs of the project. This \$20K allocation was originally approved in the 2025 budget.

✓ **Recreation Complex**

Given the scale of the borrowing, a \$10,000 allocation has been included in the 2026 operational budget to obtain expert financial advice and identify the most advantageous borrowing strategy as the project transitions from construction financing to long-term debt.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
RECREATION - ADMINISTRATION	\$17.93	\$18.47
MUNICIPAL PROGRAM	\$0.92	\$0.49
PARKS	\$73.58	\$70.25
BEAUTIFICATION	\$2.19	\$2.24
EMBRUN ARENA	\$24.80	\$32.44
CANTEEN EMBRUN	(\$0.21)	(\$0.33)
C.COM. C. PICHÉ	\$9.47	\$15.63
BOWLING	\$2.77	\$5.98
RUSSELL ARENA	\$26.75	\$36.71
CANTEEN RUSSELL	(\$0.10)	(\$0.33)
MARIONVILLE COMMUNITY HALL	\$11.12	\$7.28
R.S.Y.C.	\$3.79	\$2.64
POOL	\$1.03	\$4.66
SPORTS DOME	\$5.26	\$2.80
RECREATION COMPLEX	\$251.10	\$223.03
KEITH BOYD MUSEUM	\$4.22	\$2.98
EMBRUN TRAIN STATION MUSEUM	\$2.10	\$0.00
Municipal tax invoice, for a home with an average assesement of \$353,000	\$436.72	\$424.96

19.32%

19.59%

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$1,049,207.

Notable Project List:

- ✓ \$737,701 – Phase 2 Station Trail tennis/pickleball courts
- ✓ \$60,000 – Brisson Park consultation design
- ✓ \$26,000 – Swing set addition at Richelieu Park
- ✓ \$63,500 – Decommissioning of Russell Tennis Courts
- ✓ \$7,500 – New soccer net anchoring
- ✓ \$15,000 – Replacement of specific gym equipment
- ✓ \$12,200 – Update LED lighting at Marionville Community Center
- ✓ \$50,000 – Melanie Park site plan design
- ✓ \$6,000 – Solar shades at Marionville Community Center
- ✓ \$14,000 – LED upgrade interior lighting at Russell Sport and Youth Center
- ✓ \$37,306 – Exterior window replacement at Russell Sport and Youth Center

Public Safety and Enforcement Department

The Public Safety and Enforcement Department is responsible for the development, administration, and enforcement of safety, security, and regulatory measures to ensure the well-being of our community.

Municipal Law Enforcement

Responsible for the enforcement of municipal bylaws, including:

- Parking regulations
- Business licensing (e.g., taxis, transient traders, canteens)
- Issuance of permits (e.g., pool, fire, signage)
- Enforcement of nuisance complaints (e.g., noise, lighting)
- Neighbor disputes (e.g., fencing, clean yards)
- Property standards, landlord/tenant issues
- Animal care and control, including wildlife management

Municipal Emergency Preparedness – Response & Planning

Responsible for ensuring the implementation of a department-wide comprehensive emergency management plan, which is integrated with the corporate emergency management plan to aid in ensuring maximum safety for the public and staff in the event of an emergency situation.

Corporate Security

- Oversees security planning and administration for municipal facilities.
- Manages access control systems, alarm systems, and security cameras.

Special Events Coordination

- Supports and coordinates community groups and organizations in planning public events.
- Manages event logistics such as road closures, noise exemptions, detours, and parking restrictions.

Health & Safety

Acts as the program coordinator for workplace health and safety initiatives.

Russell County OPP Detachment Board

- Provides coordination and administrative support to the Police Services Board.
- Assists with budget planning and related functions.

Crossing Guard Program

Administers and coordinates the municipal crossing guard program in collaboration with local school boards.

Animal Control

- Manages and maintains the municipal dog park and dog pound.
- Responds to animal-related service calls.
- Oversees contracts with other townships for animal control services.

Police Services

- Facilitate and coordinate interactions between the Township and the OPP. Ensure effective communication and collaboration between police services the township and the community.
- Participate in community programs, public safety meetings, and the night watches.

Building Management

- Manage and maintain infrastructure such as 855 Route 400, 215 Industriel Street, and 225 Industriel Street.
- Coordinate with Kin club new storage building, also responsible for maintenance and security.

These services are delivered with the goal of ensuring the safety, security, and quality of life for all members of our community.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total operational budget: \$4,328,032 (2025, \$4,450,210).

Highlights:

OPP Budget:

In 2024, the Township of Russell—like all other municipalities in Ontario served by the OPP—faced a significant increase in policing costs for 2025. To help municipalities absorb this sharp rise, the provincial government provided temporary financial assistance to offset a portion of the increase.

Although the official 2026 billing statement has not yet been issued, the Township has been advised that any increase will be capped at 11%. This represents a maximum threshold, not a confirmed rate, and the final increase may be lower. In 2025, an additional 279 properties were added to the Township's tax base. The current policing cost is \$189.44 per property. If the full 11% increase were applied, the cost would rise to approximately \$210.28 per property.

For the Township of Russell, an 11% increase would represent \$267,806 more than the 2025 cost of \$2,434,607. On its own, this increase equals 1.3% in taxation.

Thanks to the provincial support received in 2025, the Township was able to place \$120,341 in reserve to help offset part of the expected increase for 2026. However, it is important to note the following:

- Even with an 11% increase in 2026, the policing bill will still not return to the 2025 pre-provincial-aid level of \$2,832,428.
- It is reasonable to expect additional annual increases of up to 11% for the next two to three years, until costs fully return to the levels that were projected before provincial intervention.

Managing this financial pressure remains a key consideration in the 2026 budget. The strategic use of the reserve will help soften the immediate tax impact, but it will not eliminate the challenge over the medium term.

Council opted not to use the reserve to pay part of the 2026 increase but rather keep it for future public safety initiatives.

Public Safety Department Budget:

- ✓ \$105,061.57 (Annual Salary + Benefice) – The new FTE will be hired in the fourth quarter, so the actual impact on the 2026 budget is \$26,000. Municipal Law Enforcement Officer part of the 2023-2026 HR plan.
- ✓ \$27,053 – Russell Township share of Police Services Board costs.
- ✓ \$18,262 – Crossing guard salary increase from \$17.60 to \$25.00 per crossing which reflect the median in the province of Ontario.
- ✓ \$40,000 – Animal Control Budget revenue from contracts with other municipalities. With other revenues such as dog licensing this budget is showing a total revenue of \$20,171 for this budget.
- ✓ \$6,000 – Projected increased revenue from the AMPS program.
- ✓ \$4,000 – Emergency reserve funds.
- ✓ \$12,000 – A new budget has been created for the Kin Club – Community Storage building to help cover the operational costs associated with this project.
- ✓ \$6,000 – To create Block Parent Program.

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$42,400. There will also be an additional Municipal Law Enforcement vehicle equipped as such, which will be identified in the fleet budget.

Notable Project List:

- ✓ \$10,200 – Replace ceiling and lighting to LED in the basement of 225 Industriel – AM reserve.
- ✓ \$14,000 – Replace the front walkway at 225 Industriel – AM reserve.
- ✓ \$5,500 – Upgrade to LED lighting at 215 Industriel – energy reserve.
- ✓ \$12,300 – Replace furnace and AC at 215 Industriel – AM reserve future initiative.

Average Municipal Portion of Taxes

	<u>2026</u>	<u>2025</u>
S.N.C. (S.NATION CONSERVATION)	\$22.69	\$22.52
BY-LAW ENFORCEMENT	\$87.99	\$90.02
ANIMAL CONTROL	(\$2.11)	\$0.45
EMERGENCY MEASURES	\$17.09	\$13.39
HEALTH & SAFETY	\$4.65	\$4.74
SCHOOL CROSSING GUARDS	\$12.83	\$9.03
Municipal tax invoice, for a home with an average assesement of \$353,000	\$143.13	\$140.15

6.33%

6.46%

	<u>2026</u>	<u>2025</u>
POLICES SERVICES	\$279.65	\$278.23
POLICE BOARD	(\$2.43)	\$0.00
Municipal tax invoice, for a home with an average assesement of \$353,000	\$277.22	\$278.23

12.26%

12.83%

Operational Budget Summary

The Operational Budget items are the day-to-day expenses to operate the current buildings, programs, and services of the Township.

Where Money Comes From

The percentage of day-to-day operating costs, by where it comes from:



Where Money Goes

The percentage of operational budget, which includes tax dollars, user fees, and other expenses, by department:

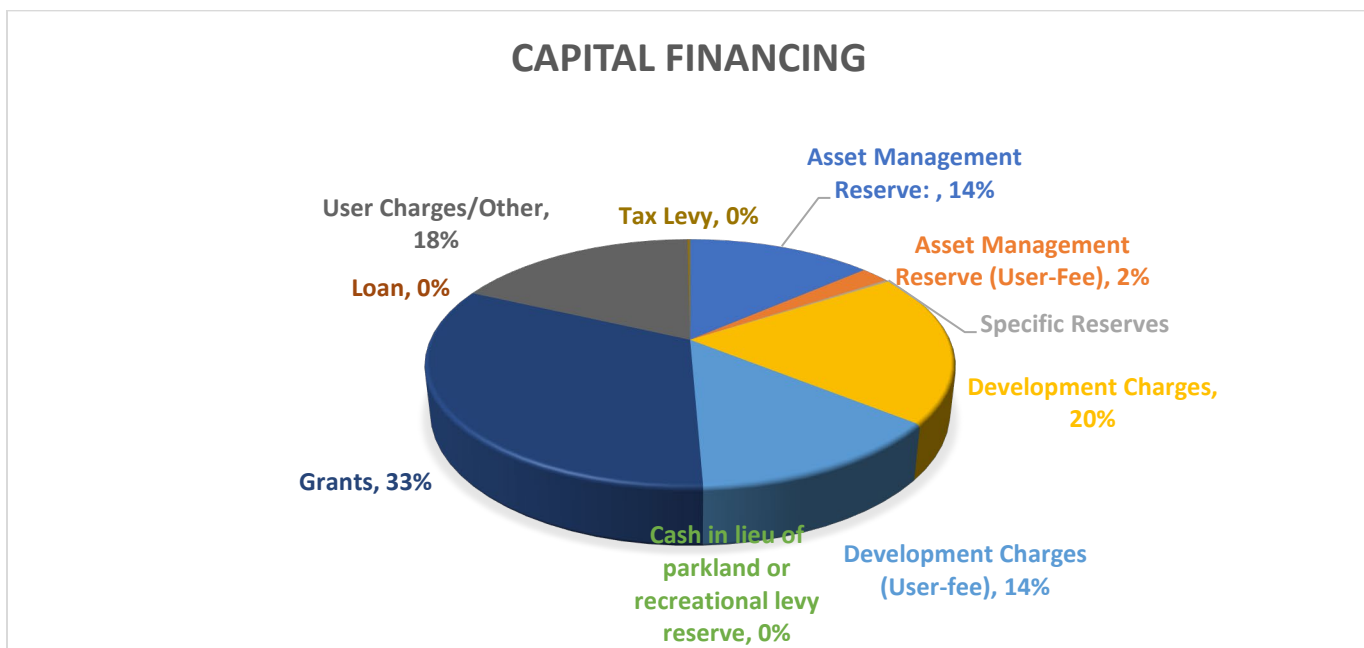


Capital Budget Summary

Total Capital Budget: \$21,073,085.

Financing

Asset Management Reserve	\$2,909,677
Asset Management Reserve (User-Fee)	\$450,000
Specific Reserves	\$48,000
Development Charges	\$4,204,075
Development Charges (User-fee)	\$2,857,898
Cash in lieu of parkland or recreational levy reserve	\$0
Grants	\$6,867,508
Loan	\$0
User Charges/Other	\$3,765,927
Tax Levy	\$40,000
	\$21,143,085



Asset Management – Funding Strategy and 2026 Budget Highlights

Following the recommendations of the Township’s 2025 Asset Management Plan (AMP), an average annual investment of \$12.84 million is required to replace and rehabilitate existing infrastructure, prevent future backlogs, and ensure long-term sustainability. To meet this need, a ten-year phase-in strategy has been included in this budget to fully fund the Township’s annual asset management requirements.

The administration’s calculation of the annual requirement differs slightly from the methodology used in the 2025 AMP. In the AMP, Ontario Community Infrastructure Fund (OCIF) and Canada Community-Building Fund (CCBF) grant revenues are included at the 2024 levels; however, we know these allocations decrease annually. For example, in 2026, OCIF funding will be reduced by 10% compared to 2025, so these grant revenues were removed from our calculation. Instead, we applied an annual adjustment based on projected grants and reserve balances, which is explained later in the document.

Adjustments were also made to the allocation of certain assets categorized under mechanical, machinery, and facilities. In the AMP, nearly \$180,000 of these assets were fully assigned to taxation-funded departments. We reallocated these costs to user fee departments, as the associated assets support their operations.

Another key difference stems from the fact that the 2025 AMP is based on 2024 results and does not reflect the significant asset management contributions made in the 2025 budget. We incorporated these amounts into our calculations: \$462,000 for taxation-supported departments and \$283,000 for user fee departments. As a result, some figures in the tables that follow differ from those in the AMP. However, the overall conclusion remains consistent: a 2.8% annual increase over the next ten years is required to close the funding gap, and this need is calculated without relying on OCIF or CCBF revenues.

For tax-supported departments, the 2026 Budget includes an annual taxation increase of 2.8%, representing approximately \$575,683 per year. In addition, Administration has introduced a new annual adjustment tool to reflect the impacts of existing reserves and recently awarded grants on the Township’s annual asset management requirement. This adjustment will be recalculated every year, since reserve balances and grant funding evolve over time.

Taxation	5 years	10 years (proposed)	12 years	15 years
Annual Requirements	\$10,286,506	\$10,286,506	\$10,286,506	\$10,286,506
Contributions from Taxation	-\$4,022,244	-\$4,022,244	-\$4,022,244	-\$4,022,244
Impacts of Reserves & Grants	-\$252,540	-\$252,540	-\$252,540	-\$252,540
Changes in Debt	-\$161,000	-\$161,000	-\$161,000	-\$161,000
Infrastructure Deficit	\$5,850,722	\$5,850,722	\$5,850,722	\$5,850,722
Tax Increase Required	28.46%	28.46%	28.46%	28.46%
Annually:	5.7%	2.8%	2.4%	1.9%

Water & Sewer	10 years (proposed)
Previous Annual Requirements	\$1,581,323
New Annual Requirements	\$2,522,785
Infrastructure Deficit	\$941,462
Infrastructure Deficit (10 years)	\$94,146
Annual Impact on Water Rates	\$7.59
Annual Impact on Sewer Rates	\$5.24

This year, the Township is the recipient of three major grants. Two of them have no impact on the annual asset management calculation:

- The grant for the Recreation Complex is excluded because the AMP 2025 does not include the annual requirements of the new facility.
- The funding for Route 300 has no effect, as the project was already fully funded through Development Charges.

However, the \$9.6 million grant for the Notre-Dame Street reconstruction does have a positive impact. Of this amount, \$3.79 million is allocated to storm sewer work. Because these costs will be covered by the grant, the Township will not need to draw from the Asset Management Reserve for that portion.

In addition, the Township has accumulated over \$7 million in various asset management reserves. When combined with the effect of the Notre-Dame grant, this provides a total of approximately \$10.79 million currently available to support the replacement of existing assets, which together are valued at \$553 million. This represents roughly 1.9% of the total asset portfolio.

Using this percentage as an offset, the Township can reasonably reduce its annual asset management requirement by 1.9%, since a portion of future replacement costs is already funded. Applied to the original requirement of \$12.84 million, this reduction represents \$245,883, resulting in a revised estimated annual need of approximately \$12.6 million.

It is important to note that this calculation does not eliminate the funding gap—it only reduces it. Since the Township is not yet meeting its full annual requirement, these adjustments simply decrease the shortfall rather than generate a surplus. The calculation will need to be updated every year to reflect changing reserve balances and future grants.

At the same time, the current funding requirement still includes the annual asset management costs of four facilities that will be replaced by the new Recreation Complex. Because the future of these buildings—whether they are sold, renovated, repurposed, or decommissioned—has not yet been determined, funds have continued to be set aside without a clear outcome.

Facility	Replacement Cost	Average Annual Requirement
Camille Piché Community Centre	\$9.5 million	\$286,000
Embrun Arena	\$17.4 million	\$476,000
Russell Arena	\$15.6 million	\$392,000
Russell Centennial Pool	\$1.5 million	\$45,000
Total	\$43.7 million	\$1.2 million

Administration recommends pausing all reserve allocations for these four facilities until Council decides how they will be used. If any of the buildings are retained in the future, their asset management requirements would be added back into the financial plan at that time and reintroduced in the operating budget. Together, these four facilities account for \$1.2 million in annual asset management needs, as outlined in the table above.

By removing these assets from the calculation, the annual requirement for tax-supported services decreases from \$10.3 million to \$9.1 million. Based on current funding levels, the adjusted annual funding gap is now approximately \$4.9 million. To close this gap over ten years, the required annual taxation increase is 2.26%, rather than the previously estimated 2.8%. For 2026, this reduces the taxation impact by \$112,000, or 0.54%

For water and wastewater services—funded through user fees rather than taxation—the annual increases needed to meet the ten-year target are approximately:

- \$65,000 for water, equal to about \$7.59 per user per year; and
- \$35,000 for wastewater, or roughly \$5.24 per user per year.

Summary of Council Direction

Following Council’s direction during the budget discussions, the Township will proceed with a ten-year phase-in strategy and remove, for the time being, the annual asset management requirements associated with the four facilities that will be replaced by the new Recreation Complex. This approach reduces the immediate funding gap and lowers the 2026 taxation impact, while maintaining a responsible long-term plan to close the infrastructure deficit.

These adjustments do not eliminate the underlying need. The \$1.2 million in annual requirements tied to these facilities has been paused, not eliminated. Once Council determines the future of these buildings—whether they are retained, repurposed, renovated, or sold—the associated asset management costs will be reintroduced into the financial plan and reflected in future budgets.

Grants

Grants play a vital role in financing capital projects.

- Canada Community-Building Fund (CCBF) \$641,837 confirmed (2025, \$641,837).
- Ontario Community Infrastructure Fund (OCIF) \$723,728 confirmed (2025, \$804,142).
- United Counties of Prescott-Russell \$528,707 (2025, \$524,774).
- Base Application Grants: \$5,581,943
 - Roundabout Projects: \$ 1,714,252.
 - Storm Sewer Rehab – Notre-Dame: \$3,786,691.
 - Other: \$ 81,000.

Reserves and Development Charges

Township reserves also provide strategic funding for capital projects and operational initiatives. Below are some key highlights from the 2026 budget:

- ✓ The total projected balance of reserves and development charges at the end of 2026 is approximately \$16,496,140.
- ✓ Our Infrastructure Fund balance has increased by around \$2,516,450.
- ✓ Our Development Charges balances has decreased by around \$986,618.
 - The Recreation Complex Reserve Fund has increased by \$2,141,675.
- ✓ We are anticipating \$4,878,000 in deferred sale revenue from the 417 Industrial Park in 2026. This revenue will be used to offset the purchase price, as well as the cost of constructing roads on the land in question.
 - The cash in lieu of parkland will support recreational operational expenses of \$8,200.00.

Prudent spending has been applied throughout the 2026 budget and maintaining a healthy reserve balance is critical. These reserves will support our cash flow needs and enable us to maintain responsible levels of debt in light of the upcoming investments in the new Recreation Complex projected to be known by the end of the year 2026.

Debt

Long-term financing will be required in 2026 for the Recreation Complex project. While the final borrowing amount will be confirmed next year, current estimates provide a clear indication of the financial outlook. The original project cost was \$104,309,044, with projected borrowing of \$79,945,116. Following the \$10 million provincial grant, increased Development Charges, and interest savings, the updated project cost is \$102,291,653, and the estimated borrowing requirement has decreased to \$66,371,834.

At an interest rate of 4.65% over 25 years, the projected annual repayment is approximately \$4.5 million (\$374,590 per month), with a total interest cost of about \$46 million. Without the future loan for the Recreation Complex, total debt repayments in 2026 are estimated at \$1,377,385, which remains within the Township's borrowing capacity.

Transfers to Organizations for Services

The Township provides funding to several organizations for services in our community with the largest amount going to the Ontario Provincial Police as the community's police service as well as the South Nation Conservation Authority:

- ✓ Ontario Provincial Police overall net services costs: \$2,732,322.
- ✓ South Nation Conservation Authority: \$216,238.
- ✓ In addition, the Township is the collecting agent for:

Bodies	Percentage of Taxation Billing
United Counties of Prescott-Russell	37.0%
Four School Boards:	
<ul style="list-style-type: none">• Upper Canada District School Board• Catholic District School Board of Eastern Ontario• Conseil des écoles publiques de l'est de l'Ontario• Conseil scolaire District des écoles catholiques de langue française de l'est ontarien	15.4% (for all)