



2026 Budget

A responsible plan for today and the future

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TOWNSHIP OF WILMOT

2026 Budget

A responsible plan for today and the future

Budget tabled | Friday, January 9, 2026

Formally presented to Council and public | Thursday, January 29, 2026

Final budget amendments consideration | Monday, February 9, 2026

Publication Information

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Township of Wilmot 2026 Budget

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Message from the Mayor

The 2026 Budget reflects the Township of Wilmot's commitment to governing with care, discipline, and foresight. It balances the immediate responsibility to continue to deliver reliable services with the long-term obligation to strengthen the financial and institutional foundations of the Township for current and future citizens.

Budget decisions influence affordability, the condition of community infrastructure, and the reliability of the services on which residents and businesses depend. At the same time, these decisions must be made with a clear understanding of broader pressures, including rising costs, aging assets, historic organizational choices, evolving legislation, and current economic conditions. This budget has been developed with that full context in mind.

Throughout its development, assumptions were tested, past practices were examined, and future risks were considered deliberately. The objective was not simply to balance a single year, but to place the Township on a stronger and more sustainable footing over the long term. Where investments are proposed, they are directly tied to maintaining essential services, managing risk responsibly, and using public resources with purpose and restraint.

It is also important to recognize that the Township's portion of the property tax bill represents only one part of the total taxes property owners pay. While the Township cannot control all external cost pressures, this budget reflects a deliberate effort to exercise prudence within our authority and to be transparent about the choices before us.

I want to acknowledge the professionalism and dedication of Township staff, whose work underpinned the development of this budget, along with the Township's external consultants from KPMG, whose professional expertise and leadership were instrumental in supporting the budget process, including providing accounting capacity, financial analysis, and validation throughout its development. I also wish to recognize the engagement of my Council colleagues throughout this process. Community perspectives, gathered through both formal and informal opportunities, also informed this work.

This document is intended to provide a clear overview of the 2026 budget and the direction it sets. Additional detail is available throughout this budget and in the supporting materials that accompany it.

Together, we will continue the work of strengthening Wilmot's foundation for today and for the future.



Her Worship Natasha Salonen
Mayor, Township of Wilmot

Budget at a Glance

A high-level overview of the Township's 2026 budget and its impact

Budget	2026 rate changes	Estimated annual household impact	Assumptions
Township Levy	9.7%	\$231	Median household, assessed at \$426,000
Water*	5%	\$30	Average annual household water consumption of 186m ³
Wastewater*	6%	\$45	Average annual household water consumption of 186m ³
Total impact		\$306	

These figures reflect Township-controlled services only.

These estimates are based on the median residential assessment value and average household water consumption and will not reflect the exact dollar tax change for every property.

*Updated to reflect Council-approved water and wastewater rates (2025). Budget calculations were unchanged.

2026 Budget Snapshot**

Total operating expenditure: \$18,156,686

Total capital expenditures: \$12,042,395

Reserve contributions: \$1,500,000

Township tax levy: \$15,830,040

Additional capital funding sources: \$5,514,020
(OCIF funding, Housing-Enabling Water Systems Fund, etc.)

Non-taxation revenues: \$5,369,869
(Grants, user fees, etc.)

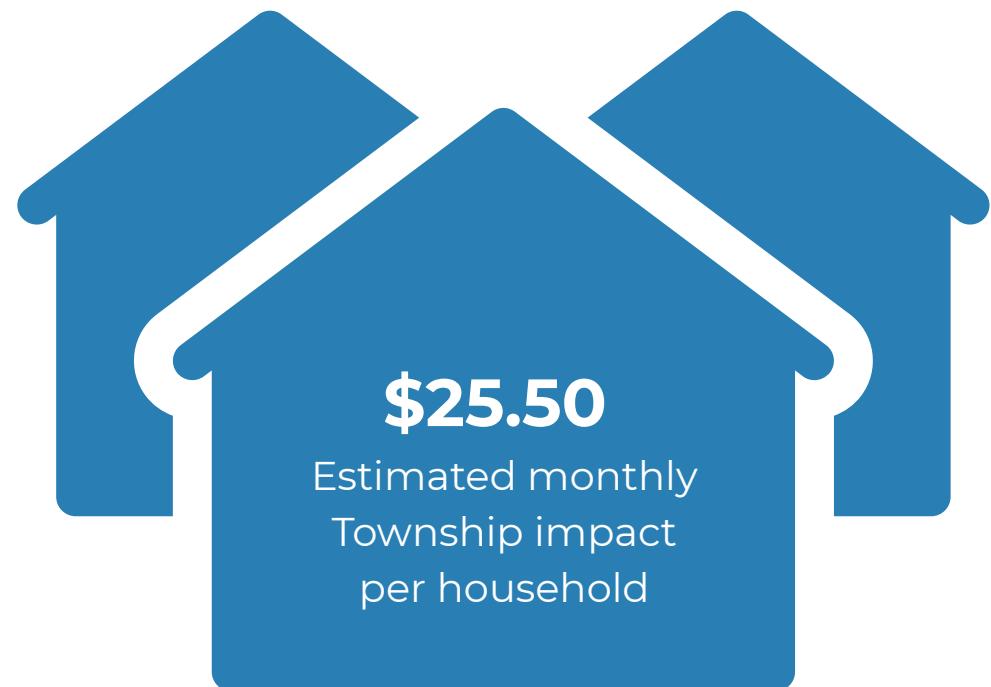
Debt financing: \$4,865,381

Assessment growth: \$119,771
(0.83% growth projected by MPAC)

**Updated to include additional capital funding sources.

Budget Highlights

What's driving the 2026 budget



This estimate is based on the median residential assessment value (\$426,000) and includes a household with average monthly water and wastewater usage (15m³). This will not reflect the exact tax change for every property.



Capital sustainability

9% increase of capital budget toward capital projects and reserves, as directed by Council in 2025, to improve asset sustainability and long-term financial stability



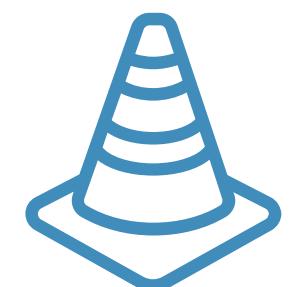
Organizational resilience

Creation of a Deputy CAO role to support leadership continuity and operational oversight



Financial governance

Separation of Corporate and Financial Services to enhance leadership focus and internal controls



Strategic investments

Targeted investments of over \$12M in capital projects focused on maintaining service levels and managing existing assets

About Wilmot

The Township of Wilmot is an area municipality within the Region of Waterloo, serving a mix of rural communities, villages, and towns for the 22,500 people that call Wilmot home.

Wilmot operates within a two-tier municipal system. The Township delivers core local services such as fire protection, local roads, planning and development services, parks, facilities, and community programs. Other services such as regional infrastructure, policing, public health, and social services are provided by the Region of Waterloo, while education is delivered through local school boards. As a result, the Township controls only a portion of the total property tax bill paid by property owners.

As a community defined by both growth and continuity, Wilmot's responsibilities extend beyond day-to-day service delivery to include the long-term stewardship of public assets, infrastructure, and community spaces. Decisions made at the local level must reflect this balance and the unique role the Township plays within the broader regional system.

Understanding Wilmot's structure, responsibilities, and place within the Region of Waterloo provides important context for the 2026 Budget and the decisions reflected throughout this document.



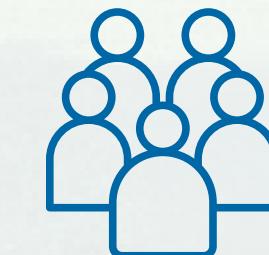
263.7km² of land
~81 people per km²



250km² of land in
Wilmot is designated
Agricultural



7,209 households



22,500 residents



280 acres of
parkland with 100+
outdoor amenities



17 Township
owned/ managed
facilities



The Township
provides 40+ services
to the community

Township Governance

The Township of Wilmot is governed by an elected Council, consisting of the Mayor and five Councillors representing four wards. Council is responsible for setting the strategic direction of the Township, approving policies and by-laws, and providing oversight of municipal operations on behalf of citizens.

In May 2025, the Province of Ontario extended Strong Mayor powers to additional municipalities, including Wilmot. Under this framework, the Mayor is legislatively responsible for proposing the annual municipal budget. Council retains its role in debating and amending the budget and most other key municipal decisions.

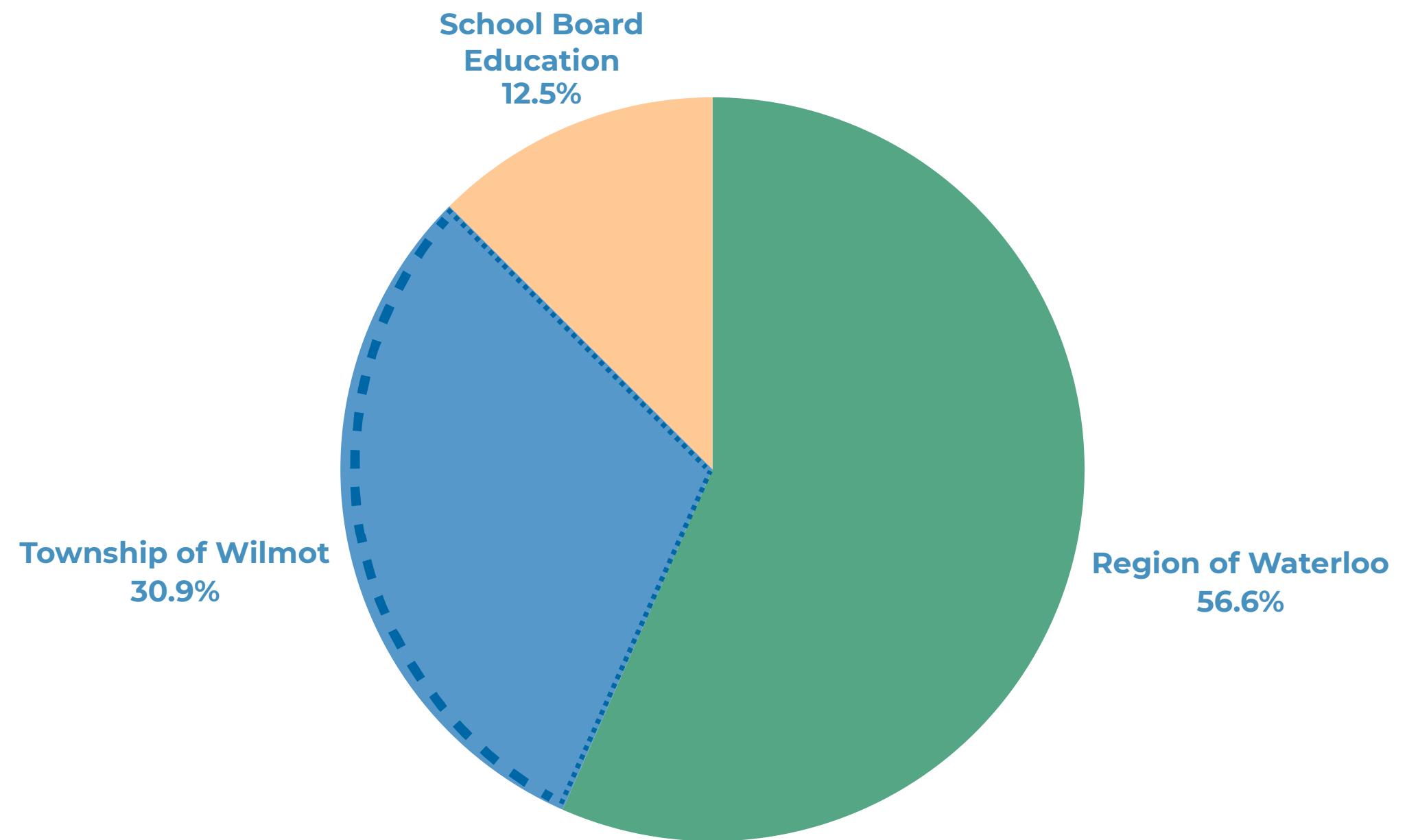
The Township is supported by a professional staff team led by the Chief Administrative Officer (CAO) and the Deputy CAO. Municipal operations are organized across core service areas, including Community Services, Corporate Services, Development Services, Financial Services, Fire Services, and Infrastructure Services. Staff are responsible for implementing Council direction, delivering services, and managing Township assets in accordance with approved policies, by-laws, and legislation.

Together, Council and staff work within a defined governance framework to ensure decisions are transparent, accountable, and aligned with the long-term interests of the community.



Township of Wilmot Council, 2022 - 2026 Term

Where Your Property Taxes Go



The Township of Wilmot collects property taxes on behalf of the Region of Waterloo and local school boards.

Only the Township portion of the property tax bill is used to fund Township services.

Percentages are based on 2025 and reflect how property tax revenues are distributed, not the full cost of delivering each service.

Services funded through the Region of Waterloo and School Boards

Region of Waterloo

- Policing
- Public Health
- Social Services
- Regional roads
- Water supply and treatment
- Garbage and green bin collection

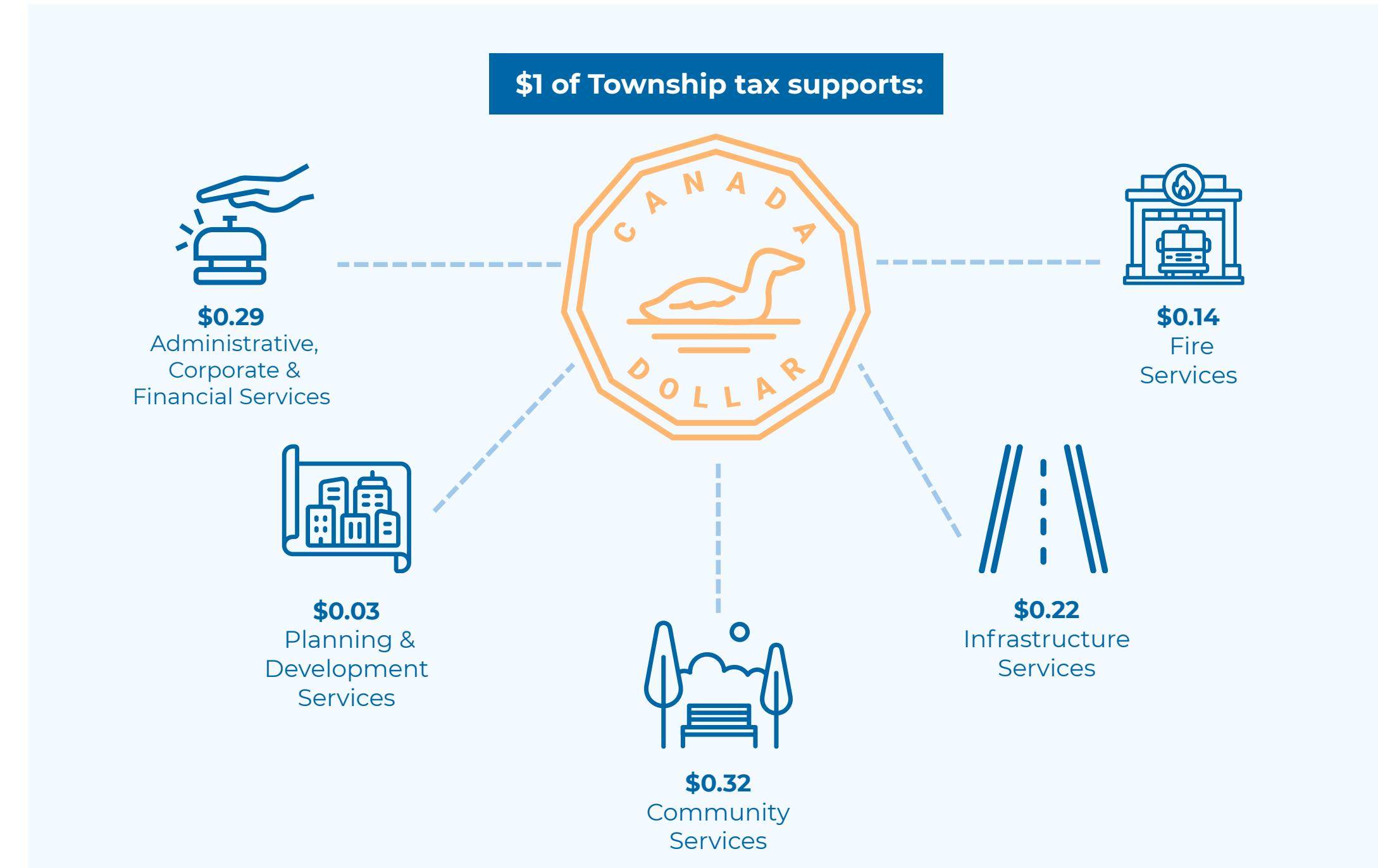
School Board Education

Elementary and secondary education are funded through provincial education taxes, which are collected as part of your property tax bill and remitted to the school board of your choice:

- Waterloo Region District School Board
- Waterloo Catholic District School Board
- Conseil scolaire catholique MonAvenir
- Conseil scolaire Viamonde

Your Township Tax Dollars at Work

A breakdown of levy funded Township operating expenditures



Township tax dollars fund the delivery of over 40 core local services to the residents and businesses across Wilmot.

The allocation shown on this page reflects operating expenditures included in the Township's 2026 budget. These figures reflect Township controlled services only and show per one dollar of Township tax collected.

Economic and Financial Considerations

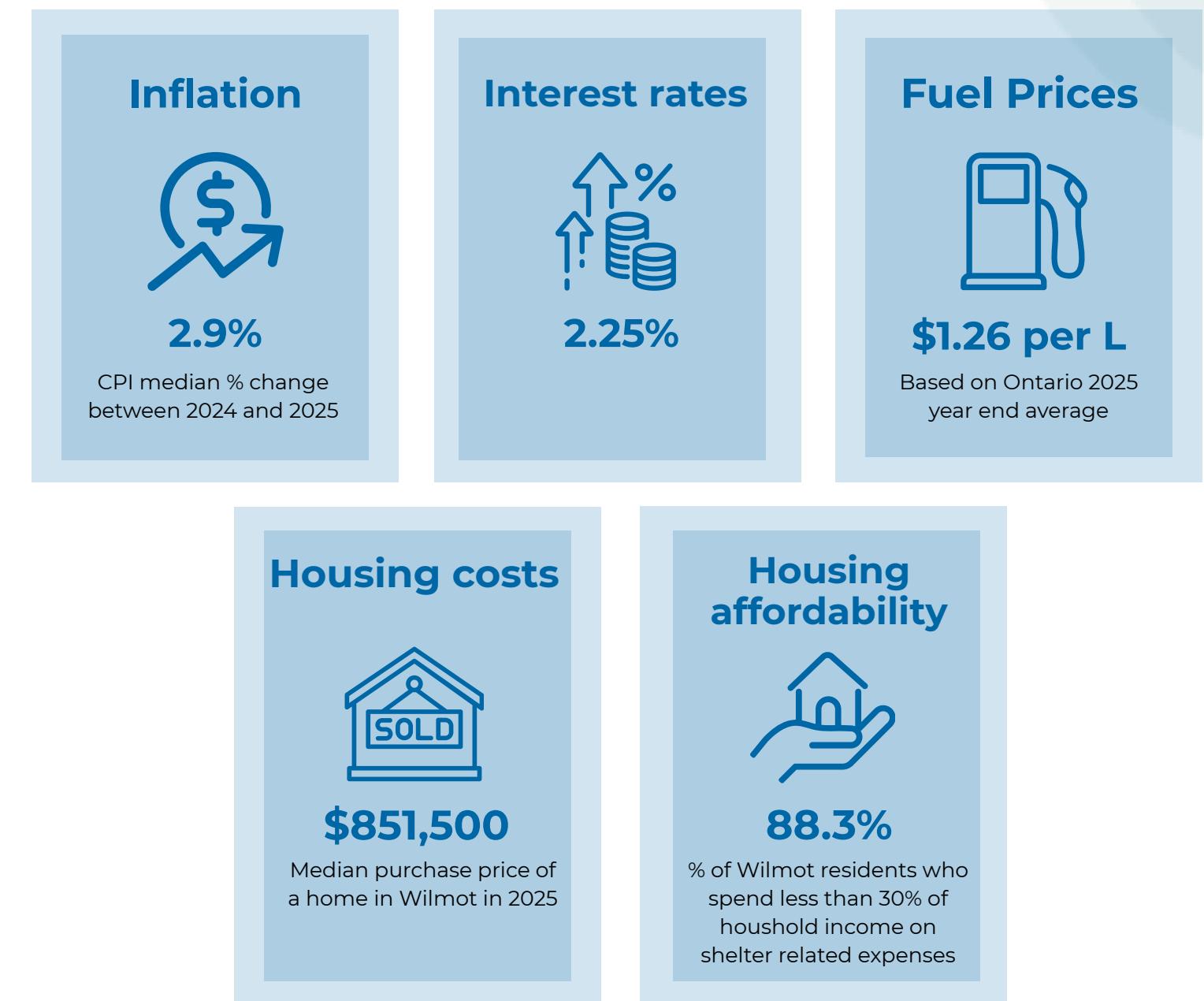
External factors shaping the 2026 Budget

The 2026 Budget was developed in the context of broader economic conditions affecting households, municipalities, and local service delivery. These external factors influence cost assumptions, revenue expectations, and affordability considerations.

The Bank of Canada monitors inflation through the Consumer Price Index (CPI) and sets interest rates to support price stability. A median quarterly CPI change of 2.9% between 2024 and 2025 reflects sustained inflation trends, while interest rates remain above historic norms, contributing to ongoing affordability pressures for households and municipalities.

Fuel prices influence the operating costs associated with municipal fleets, winter maintenance, and service delivery. The fuel price shown reflects the Ontario 2025 year-end average fuel price and was one the assumptions used in developing the 2026 Budget. This provides context for transportation-related operating costs.

The federal and provincial benchmark for housing affordability defines affordability as spending 30% or less of income on total shelter costs, including mortgage or rent, property taxes, and utilities. Most existing Wilmot households currently fall within this threshold, reinforcing the importance of affordability considerations in municipal decision-making. This measure does not reflect the affordability of purchasing a home in the community.

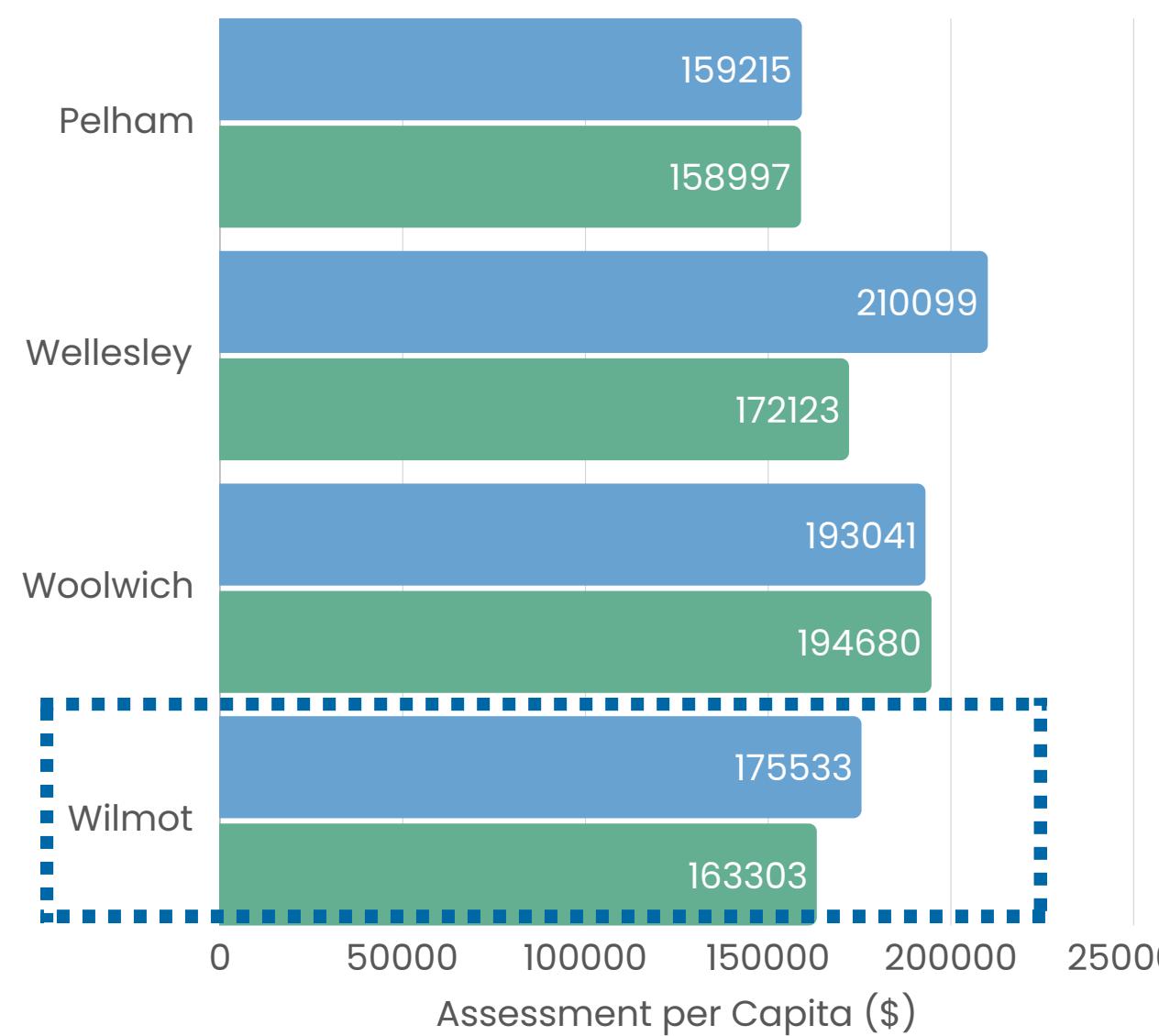


How Wilmot Compares

The comparative information presented is drawn from the BMA Management Consulting Inc. Municipal Study 2024, a standardized benchmarking resource commonly used by Ontario municipalities. These comparisons provide structural context and do not account for differences in service levels or local priorities. Due to the timing of Financial Information Return submissions, Wilmot was not included in all measures in the latest edition; the data shown reflects the most recent information available for comparative context.

Assessment Per Capita

● 2024 unweighted ● 2024 weighted



Assessment per capita provides a high-level indicator of a municipality's fiscal capacity relative to peers. Unweighted assessment reflects total assessed property value per resident, while weighted assessment reflects the assessment base used for municipal taxation after provincial tax ratios are applied.

Assessment Composition

● Residential ● Commercial & Industrial

● Farmland ● Other



Weighted assessment composition illustrates the relative mix of major property classes that form each municipality's tax base after provincial tax ratios are applied.

Wilmot's Economic Context

Population Growth



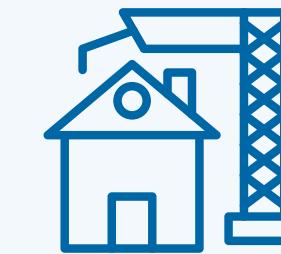
Increase of 1,534 people since 2015

Median Household Income



\$114,000

Building Investment in Wilmot



\$53.9 M
Average annual private building investment
(10 year average)

Business & Work



Over 250 businesses and workplaces in Wilmot

The Township of Wilmot as an Employer



71% of Township staff live in Wilmot

The Township of Wilmot Employs



85 full-time staff
155 part-time staff
78 volunteer firefighters

External Grant Funding Secured



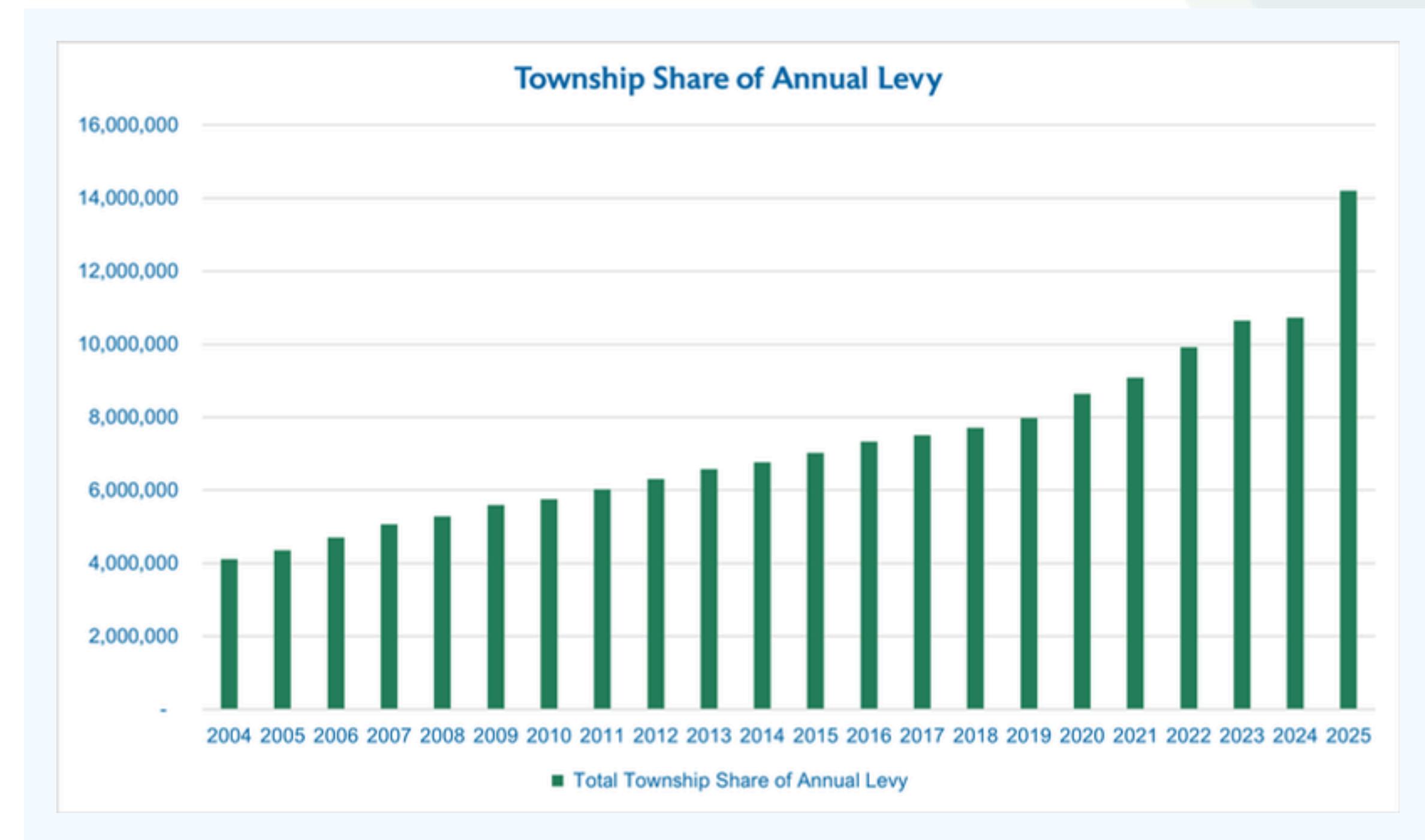
Over \$2.6 million in grant funding for 2025

Historic Wilmot Levy

While residential tax rates remained at or below inflation for many years, the total cost of providing Township services continued to increase.

Growth in assessment and new development helped absorb rising costs, allowing rates to remain stable while overall service costs grew. Over time, this approach relied on future growth and reliance on drawing from reserves.

This historical pattern is why recent budgets focus on rebuilding long-term financial stability while continuing to manage affordability for residents.



Figures shown are Township-only and do not include Regional or School Board education taxes.

The Budget Process

The 2026 Budget was developed under Ontario's Strong Mayor framework and reflects an iterative process that responded to changing circumstances while strengthening financial oversight and transparency.

Key elements of the 2026 budget process included:

- Early one-on-one pre-budget discussions with councillors
- Initial budget meetings with department leadership
- Department-led budget development aligned with Council direction
- Independent financial review and validation by KPMG
- Use of multiple years of actual financial results to inform assumptions
- Community input through councillor-led town halls, public meetings, and Council-informed articulation of resident priorities
- Iterative review by the Mayor, Corporate Leadership Team, and KPMG

The 2026 Budget represents Wilmot's first budget prepared under the Strong Mayor legislative framework. While the Township began the year with an established budget plan and timeline, the process evolved to respond to organizational changes and the need for additional financial capacity to support a thorough and reliable budget review.

To strengthen financial oversight and ensure the budget was grounded in accurate, complete information, the Mayor engaged KPMG to provide independent financial expertise. This support allowed the Township to validate historical data, review multiple years of actual results, and apply a more rigorous, line-by-line approach to developing the 2026 Budget.

This culmination of work has resulted in a more transparent and realistic financial plan for Wilmot Township.

Budget Process Timeline





CAO's Statement on the Budget

"2025 was a time of stabilizing and rebuilding, while growing a culture of cooperation and collaboration. Staff embraced the idea that "we're all in this together," working cohesively with Council to move the organization forward and bring value to the community.

The process of preparing the 2026 Budget also reflected this approach. Staff worked closely with the mayor on the proposed budget, while the mayor sought advice from each councillor, many of whom hosted townhall meetings to obtain the community's input.

The experienced professionals at KPMG facilitated a detailed line-by-line review of the past 3 years' budgets, making sure every item was necessary and justifiable. This also involved some "right-sizing" and one-time corrections. KPMG's authoritative guidance is significant in making the 2026 Budget a trustworthy document. The results are fiscally responsible and help get Wilmot moving in the right direction."

Jeff Willmer, Chief Administrative Officer of Wilmot



2026 Operating Budget by Department



**Township of Wilmot
2026 Budget**

Organization-Wide Operating Budget Factors

Changes in departmental operating budgets reflect not only service delivery needs, but also several organization-wide factors that affect how costs are accounted for and presented across the Township. The items below provide context to support a clearer understanding of the departmental budget summaries that follow.

Compensation and Workforce Costs

The 2026 budget includes a 2.6% cost-of-living adjustment (COLA) applied across the organization, along with salary grid movements related to promotions and role changes across the workforce.

In the prior year's budget, a "compensation gapping" amount was included as a reduction to each department's compensation budget line item which did not align with the Zero-Based Budgeting concept. For the 2026 budget, this line item was removed to simplify the compensation budget and make the process more transparent. Each compensation budget line was reviewed in detail by the Wilmot staff and the budget for 2026 estimated based on headcount, adjusted for 2.6% COLA, vacancies and when they are expected to be filled.

Zero-Based Budgeting and Cost Realignment

The 2026 budget was developed using a refreshed zero-based budgeting approach, requiring each expense to be justified using multi-year actuals, prior budgets, and supporting evidence. This review identified several costs that had not been consistently or fully reflected in prior budgets despite being incurred. As a result, some line items may appear higher in 2026, not due to service increases, but because costs are now being more accurately accounted for.

Improved Financial Accuracy and Reporting

As part of strengthening internal financial practices, expenses have been reviewed and aligned to the appropriate departments and service areas. In some cases, this correction may appear as a new or increased cost within a department, even though the expense has existed in previous years. These adjustments improve the accuracy, consistency, and clarity of the Township's financial reporting and supports better long-term financial planning.

The factors outlined on this page affect all departments and are therefore not repeated in the individual department budget summaries. These factors and the department-level variance notes are not intended to be exhaustive, but rather to highlight the primary drivers behind both increases and decreases in departmental budgets.

Office of the CAO

Department Overview

The Office of the Chief Administrative Officer (CAO) provides overall corporate leadership, organizational coordination, and strategic oversight for the Township, with all departmental directors reporting to the CAO.

The office supports Council direction, corporate priorities, and cross-departmental alignment while ensuring effective governance, accountability, and performance management.

2026 Priorities

- ✓ Leading a culture of cooperation and collaboration
- ✓ Improving regular reporting to Council and the community on the Strategic Action Plan, Annual Work Plan, and budget variances
- ✓ Strengthening organizational resiliency and succession planning



Office of the CAO

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	794,350	964,550	170,200	21%
Operating Expenses	47,165	150,714	103,549	220%
Contingency	12,500	-	(12,500)	-100%
Office of the CAO - Expenditures	854,015	1,115,264	261,249	31%

2026 Budget Notes – Key Variances

- The increase in compensation reflects one-time employment-related obligations, along with the addition of a stipend associated with the Deputy CAO role.
- Operating expense increases are primarily driven by recruitment and legal costs, along with minor changes to employee benefit costs.
- The 2026 budget does not include contingency or unsupported “other” amounts for the Office of the CAO, reflecting clearer, fully justified budgeting practices.

Office of Mayor and Council

Department Overview

The Office of the Mayor and Council provides leadership, governance, and policy direction for the Township through the elected Mayor and Council.

The office supports engagement with residents, community partners, and other orders of government.

Administrative support ensures the effective functioning of Council while maintaining transparency, accountability, and accessibility.



Office of Mayor and Council

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	281,550	365,100	83,550	30%
Operating Expenses	43,375	74,281	30,906	71%
Contingency	12,500	-	(12,500)	-100%
Mayor and Council - Expenditures	337,425	439,381	101,956	30%
2026 Budget Notes – Key Variances				
<ul style="list-style-type: none">Operating expense increases are primarily related to service delivery requirements for special events and the accurate alignment of membership and association costs that have existed in prior years.The 2026 budget does not include contingency or unsupported “other” amounts, reflecting clearer and fully justified budgeting practices.				

Corporate and Financial Services

Department Overview

As part of the Township's organizational restructuring in December 2025, Corporate Services and Financial Services were formally separated into two distinct departments. This change reflects the growing complexity of both functions and provides dedicated leadership to strengthen financial oversight while ensuring corporate services are effectively supported.

Financial Services

Financial Services is responsible for the Township's financial planning, budgeting, accounting, financial reporting, treasury functions, and regulatory compliance. The department assists Council and staff by providing accurate financial information, strong financial controls, and long-term fiscal planning to support informed decision-making.

2026 Priorities

- ✓ Developing a Long-Term Financial Plan with independent assessment and guidance from KPMG
- ✓ Restoring regular and reliable financial reporting to Council, the community, and the province
- ✓ Implementing a new enterprise resource planning (ERP) system
- ✓ Updating and enhancing the Township's Asset Management Plan

Corporate Services

Corporate Services supports the effective operation of the Township through oversight of legislative services, communications, human resources, information technology, and by-law enforcement. The department ensures transparency, accountability, and compliance with statutory requirements while supporting Council, staff, and the public.

2026 Priorities

- ✓ Delivering an accessible and fair municipal election
- ✓ Modernizing the Township's records management system
- ✓ Reviewing and updating corporate policies and procedures
- ✓ Updating and implementing the Township's corporate communications strategy



Corporate and Financial Services

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	2,049,400	2,325,600	276,200	13%
Operating Expenses	433,350	916,185	482,835	111%
Fees and Charges	(223,050)	(241,000)	(17,950)	8%
Transfer to Reserves	27,000	(55,472)	(82,472)	-305%
Corporate Services - Expenditures	2,286,700	2,945,313	658,613	29%

2026 Budget Notes – Key Variances

- Records and Information Management: The introduction of contracted services to support records retention, shredding, and the implementation and ongoing support of the Township's records management system.
- Municipal Election: Contracted services associated with delivering the 2026 municipal election, including online voting and an external election coordinator.
- Professional and Advisory Services: Increased use of contracted services to support corporate and financial functions, including assistance with the 2026 budget process, completion of outstanding provincial reporting requirements, development of the Long-Term Financial Plan, asset management coordination services, and updated audit services.
- One-Time Facility and Accessibility Improvements: Minor one-time investments to improve accessibility at the Finance counter and support office reconfiguration.
- The increase in fees and charges reflects updated projections for administrative fees based on anticipated service demand.

Community Services

Department Overview

Community Services is the Township's largest department and is responsible for the delivery and operation of municipal facilities, parks, and recreation services.

The department supports community well-being by maintaining public spaces, providing recreational programming, and ensuring facilities are safe, accessible, and well maintained.

2026 Priorities

- ✓ Advance priorities identified through the Community Services Master Plan and the Arts and Culture Master Plan, strengthening community partnerships, expanding recreation opportunities, and supporting coordinated cultural growth.
- ✓ This work supports sustainable service delivery while balancing long-term asset management, cost recovery opportunities, and community needs.



Community Services

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	4,245,820	4,682,750	436,930	10%
Operating Expenses	1,784,970	2,076,530	291,560	16%
Revenues	(2,327,060)	(2,631,450)	(304,390)	13%
Community Services - Expenditures	3,703,730	4,127,830	424,100	11%

2026 Budget Notes – Key Variances

- Facility Operations and Maintenance: Operating expense increases primarily reflect required repairs and maintenance at the Wilmot Recreation Complex to keep core facilities, along with increased building and grounds maintenance across recreation and administrative facilities.
- Utilities and Service Levels: Increases in hydro, natural gas, and water and sanitary costs are driven by higher levels of facility use, expanded programming hours, and projected increases in utility rates.
- Parks and Grounds Maintenance: Additional operating pressures reflect maintenance requirements and administrative support associated with parks and facilities operations.
- User Fees and Revenues: Increased user fees and program revenues help offset inflationary increases, reflecting strong community demand for recreation programs and facility use.

Development Services

Department Overview

Development Services is responsible for managing growth within the Township through planning, building, economic development, and heritage functions.

The department supports orderly development by administering land use planning policies, reviewing building and development applications, and ensuring compliance with applicable legislation and regulations.

Development Services works closely with applicants, residents, business owners, and internal departments to balance growth with community character, long-term sustainability, and economic viability.

2026 Priority

- Completion of the Township's new Official Plan, which will guide future growth and development



Development Services

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	1,125,200	1,233,300	108,100	10%
Operating Expenses	209,100	201,250	(7,850)	-4%
Planning Revenues	(443,800)	(344,000)	99,800	-22%
Building Revenues	(657,300)	(677,019)	(19,719)	3%
Transfer to/(from) Reserve fund	14,200	(45,681)	(59,881)	-422%
Development Services - Expenditures	247,400	367,850	120,450	49%
2026 Budget Notes – Key Variances				
<ul style="list-style-type: none"> Planning Revenues: Planning-related revenues are projected to be lower in 2026, reflecting a reduction in anticipated subdivision registrations. Building Revenues: Building revenues are projected to increase modestly, reflecting updated fee assumptions aligned with cost-of-living adjustments to the Fees and Charges By-law 				

Fire Services

Department Overview

Fire Services is responsible for protecting the community through public education, proactive fire prevention, emergency response, and emergency management planning.

The department places a strong emphasis on risk reduction through outreach, training, and prevention initiatives aimed at reducing emergencies before they occur.

When incidents arise, Wilmot's volunteer firefighters respond quickly and effectively to provide fire suppression and emergency services, supporting the safety and well-being of residents across the Township.

2026 Priorities

- ✓ Starting a new Fire Master Plan
- ✓ Updating Community Risk Assessment
- ✓ Introducing Fire Extinguisher Training program to the community
- ✓ Expanding public education for Fire Prevention and Emergency Management



Fire Services

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	1,340,500	1,385,487	44,987	3%
Operating Expenses	447,990	551,466	103,476	23%
Fees, Charges and Grants	(80,800)	(101,500)	(20,700)	26%
Fire Services - Expenditures	1,707,690	1,835,453	127,763	7%
2026 Budget Notes – Key Variances				
<ul style="list-style-type: none">• Training and Compensation Structure: Operating expense increases reflect a transition from daily to hourly rates for firefighter training and development. This change supports appropriate pay equity for volunteer firefighters and represents a phased approach to addressing historic compensation alignment.• Grants and External Funding: Increased grant revenues are anticipated in 2026				

Infrastructure Services

Department Overview

Infrastructure Services encompasses Engineering and Public Works and is responsible for the operation, maintenance, and renewal of the Township's core infrastructure, including roads, bridges, water and wastewater systems, and municipal rights-of-way.

Public Works focuses on daily operations such as road maintenance, snow removal, signage, drainage, and the monitoring and maintenance of drinking water and sanitary sewer systems in compliance with provincial standards.

Engineering provides oversight of asset renewal programs, traffic safety and operations, coordination with third-party utilities, and infrastructure servicing for new development.

2026 Priorities

- ✓ Advancing asset management and life-cycle planning
- ✓ Improving fleet management
- ✓ Completing upgrades to the Petersburg Water System
- ✓ Addressing infiltration and inflow within the sanitary sewer system



Infrastructure Services

Operating Department Budget

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	2,744,800	2,704,200	(40,600)	-1%
Operating Expenses	600,300	665,200	64,900	11%
Maintenance Work	660,200	644,200	(16,000)	-2%
Fees, Charges and Grants	(467,000)	(512,000)	(45,000)	10%
Recovery from Capital Projects	(686,000)	(682,974)	3,026	0%
Infrastructure services - Expenditures	2,852,300	2,818,626	(33,674)	-1%
2026 Budget Notes – Key Variances				
<ul style="list-style-type: none"> • Compensation Alignment: Changes in compensation reflect the consolidation of development engineering salaries into overall engineering compensation in 2026. This adjustment improves accuracy and transparency by more fully reflecting total staffing costs within the department. • Operating Costs: Operating expense increases are primarily attributable to higher water flow charges paid to the Region of Waterloo. • Regulatory and Compliance Activities: A slight decrease reflects fewer projects proceeding under Consolidated Linear Infrastructure Environmental Compliance Approvals (CLI ECAs) in 2026. • Fees and Revenues: Increased revenues are consistent with anticipated growth in permits, municipal consents, and site plan applications. 				

Water and Wastewater Services

Operating Budget

Water and wastewater services are fully rate-supported services through water bills

Description	2025 Budget (\$)	2026 Budget (\$)	Budget Change (\$)	Budget Change (%)
Compensation	930,300	647,700	(282,600)	-30%
Operating Expenses	5,348,200	5,415,729	67,529	1%
Debt payment (St. Agatha)	64,400	64,400	-	0%
Water and Wastewater Revenue	(7,541,900)	(8,017,934)	(476,034)	6%
Transfer to Reserve Funds	1,199,000	1,890,106	691,106	58%
Water and Wastewater Services - Expenditures	-	0	0	0%

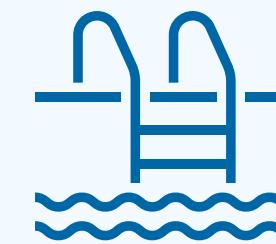
2026 Budget Notes – Key Variances

- Compensation Alignment: Changes in compensation reflect the consolidation of water services staffing salaries into overall departmental compensation in 2026. This adjustment improves accuracy and consistency in how staffing costs are accounted for.
- Operating Costs: Operating expense decreases reflect reduced contract pricing for telecommunications services, as well as lower projected hydro and natural gas costs.
- Rates and Usage: Increased revenues reflect updated water and wastewater rates and anticipated increases in water and sanitary usage associated with new development.
- Capital Reserves: Increased transfers to capital reserve funds support long-term asset renewal and system sustainability for water and wastewater infrastructure.

2026 Capital Budget Overview

The 2026 Capital Budget focuses on critical infrastructure and asset needs required to maintain core Township services. Wilmot Township is investing over **\$12M** into **44 capital projects** during 2026 to maintain core services and assets. Key projects are highlighted below; a detailed capital request for each 2026 item is located in Appendix A.

Capital Budget Highlights



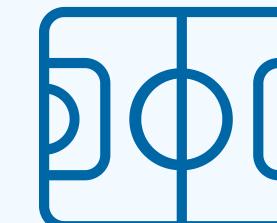
\$1.1M
HVAC System Construction
in Aquatics Centre



\$20,000
Fire Master Plan



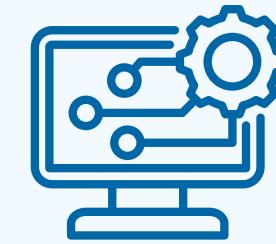
\$95,000
Traffic Calming



\$200,000
Interior renovations at
St. Agatha community Centre



\$70,000
Repairing and replacing batting
cages at necessary ball
diamonds



\$634,960
Enterprise Resource Planning
Implementation and Software

The 2026 Capital Budget prioritizes projects that are critical to service delivery, safety, and asset condition. This budget does not have a fully funded 10 year or long-term capital plan. Beginning in January 2026, the Township with assistance from KPMG is undertaking a comprehensive long-term financial and capital planning process to align future investments with best practices and Council priorities.

Capital, Reserve Contributions, and Debt for 2026

9% Capital investment increase

The 2026 budget continues Council's direction established in the 2025 budget to increase the capital levy by 9% annually over three years. This approach is intended to stabilize and strengthen funding for the Township's capital program, supporting both current-year capital projects and contributions to capital reserves. This phased increase helps address long-term infrastructure needs while avoiding sudden financial shocks.



Reserves

In 2026, the Township will contribute \$1.5M to reserves. These contributions reflect Council's renewed commitment to fiscal responsibility and long-term financial sustainability, ensuring funds are available to support future capital needs and reduce reliance on debt over time.

Debt Financing

To fund the remaining portion of the 2026 capital program, the Township will borrow \$4.8M. Debt is issued through the Region of Waterloo on behalf of all area municipalities, providing access to stronger borrowing capacity and favourable terms. The Region's Moody's AAA credit rating allows the Township to benefit from low, fixed interest rates established at the time of borrowing.



A more fulsome view of the Township's capital funding and reserve strategy, debt financing approach, and revenue framework will be presented through the Long-Term Financial Plan and Service Delivery Review work currently underway.

Grants, External Funding, and Revenues

Township services are funded through a combination of property taxes, user fees, grants, and other external revenues. The information below highlights key revenue sources and recent trends that support service delivery while helping manage affordability. These revenues help offset service costs and reduce reliance on property taxes.

Grants & External Funding

Wilmot receives regular provincial funding through programs such as the Ontario Community Infrastructure Fund (OCIF) and the Ontario Municipal Partnership Fund (OMPF), as well as one-time grants from various sources, primarily related to capital projects and community initiatives.

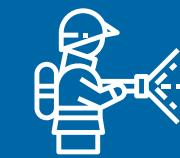
In 2026, grant funding already includes \$2.94 million in provincial funding for the Baden Trunk Sewer, supporting a critical infrastructure investment.

The Township secured more than \$493,000 in one-time grant funding in 2025 and will continue to actively pursue external funding opportunities in 2026 and beyond.

2025 one-time grants helped support:



Infrastructure



Fire Protection



Emergency Preparedness



Museum Operations



Recreation



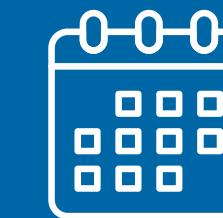
Canada Day

Revenues (User Fees & Programs)

Municipal revenues in the 2026 budget are projected estimates and, like all the expenditures in this budget, are supported by past actuals, prior budget amounts, and fact-based assumptions. User-fee revenues help offset the cost of many programs and services, particularly recreation and facility use, and reflect demonstrated community demand.

In 2026, the Township will explore additional revenue-generating opportunities where appropriate, including expanded user-fee programs with strong demand such as swimming lessons, wedding rentals at Castle Kilbride, and potential select naming rights opportunities.

2025 Revenue Highlights



Facility rentals

\$1.48M
in revenues



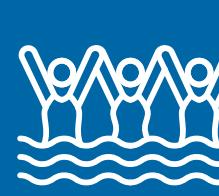
Hours of paid
rentals

52,384 hours



Swimming
lessons

11,936 participants



Swimming
classes offered

1,506 classes

Next Steps

2026 Budget Input & Adoption

January 9, 2026

Mayor tables the proposed 2026 Budget

January 29, 2026

- Mayor and staff present the proposed budget at a Special Council meeting, open to Council and the public
 - Council debate and proposed budget amendments may be introduced
 - Council may also choose to adopt the budget at this meeting

February 5, 2026

- Final deadline for Council to request amendments, with consideration at the February 9 meeting

February 9, 2026

- Final day for Council to pass budget amendments
 - If no amendments are passed, the 2026 Budget is implemented as proposed
 - If amendments are passed, the Mayor may exercise veto authority as set out in provincial legislation
 - Any mayoral veto may be overturned by Council with a two-thirds majority
- The final budget must be adopted no later than March 3, 2026, in accordance with legislation timelines following a budget being tabled

Long Term Financial Planning

While the 2026 Budget focuses on immediate priorities, the Township will begin a comprehensive long-term strategic financial planning process in Q1 2026, supported by KPMG, to establish a sustainable 10-year capital plan and strengthen reserves and debt management aligned with Council priorities and best practices

As this work progresses, Council and the community will receive updates.

These timelines reflect the process established under Ontario's Strong Mayor legislation and outline the formal stages of Council consideration and decision-making.

Acknowledgements

The Township of Wilmot gratefully acknowledges the individuals and groups whose expertise, leadership, and commitment contributed to the development of the 2026 Budget.

Council plays a central role in representing the priorities and interests of the community. Through pre-budget discussions, ongoing engagement, and formal deliberation, Council provided direction that helped shape the assumptions, priorities, and trade-offs reflected in this budget.

Township staff across all departments are recognized for their professionalism and dedication throughout the budget process. Despite significant organizational change and capacity constraints, staff contributed operational knowledge, historical context, and service-level expertise essential to developing a realistic and implementable budget.

The Township also acknowledges the significant contribution of KPMG. At a time when the Township did not have in-house accounting capacity, KPMG's professional expertise was essential in providing financial oversight, validating historical information, and supporting the development of the 2026 Budget in accordance with municipal best practices. Their involvement strengthened the accuracy, transparency, and overall integrity of the budget.

The Township thanks Wilmot residents, property owners, and businesses for their ongoing contributions to the community.

The 2026 Budget reflects a responsible plan for today and the future.



wilmot.ca/budget