

That the Executive Committee recommends that Council:

1. Direct Administration to return to the 2025 November Adjustments to the 2023 – 2026 Business Plans and Budgets with a recommendation to help address the infrastructure maintenance funding gap by increasing capital budget by \$62.2 million in 2026, funded from a one-time realized gain on sale of investments that will be contributed to the Fiscal Stability Reserve at year-end.
2. Direct Administration to identify a sustainable long-term funding source to support the change in terms of reference for the Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged from 2.6 per cent to 5.0 per cent of annual property tax revenue, and to return to Council with a recommendation as part of the 2027 - 2030 Business Plans and Budgets.



Previous Council Direction

During the 2025 May 27 Regular Meeting of Council, Council approved the Notice of Motion (EC2025-0520) directing Administration to:

Prepare an amendment to the Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged terms of reference, to increase the 2.6 per cent annual property tax funding to 5 per cent and return to the 2025 July 22nd Executive Committee.



Reserve Funding

- 2.6 per cent of annual property tax revenue, or \$64.2 million, is budgeted to be contributed to the Reserve for Future Capital and Lifecycle Maintenance Upgrade Merged in 2026.
- Increasing the budgeted contribution to 5.0 per cent in 2026 would require an additional \$62.2 million.

Administration must evaluate several funding strategies to secure the additional \$62.2 million required annually to help address the infrastructure funding maintenance gap, including:

- Advocating to the Provincial and Federal Government for matched funding,
- Reviewing current capacity and aligning existing revenues with budget,
- Increasing property taxes and/or user fees, and
- Reducing service levels.

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