

**Town of Niagara-on-the-Lake
2026 Proposed Operating Budget - Change Driver Summary**

Salaries	1,092,000	Comments
Additional Pay Period in 2026	500,000	2026 has 27 payperiods vs 26; rare occurrence, once every 11 years
EBG 3.25% increase plus step increases/adjustments	489,000	Per Employee Bargaining Agreement (By-law 2024-015)
New FTE - Development Engineer (Planning Services)	103,000	Engineer to support planning and development initiatives – alleviating pressure on OPS engineers and Planning staff, while mitigating development concerns
Infrastructure Support	450,000	
Transfer to Fleet Reserve	170,000	Approved via CS-25-005: \$100K to support replacement of heavy-duty vehicles, not offered in the leasing program, and \$70K to support the lease program in future operating budgets
Transfer to Capital	150,000	Commitment to increase the transfer to capital reserve by \$150K annually to support infrastructure investments
Debt (existing - not new)	130,000	2025 approved debt projects phased in at 50%, now grossed up to 100% for full year payment consideration
General Operating Pressures/Maintenance of Service Levels	273,000	
Insurance Claims	70,000	Increased to reflect closer to expected actuals
Insurance Premiums	60,000	Premiums increased by 7% based on a 2-year agreement in 2025
Utilities	55,000	Adjusted to reflect closer to expected actuals based on usage and rates
Building Maintenance	30,000	Adjusted to reflect closer to expected actuals due to aging buildings, rising costs, etc.
Roads Maintenance	29,000	Roads ditching and sidewalk repair and maintenance to reflect closer to expected actual
Fuel	22,000	Adjusted to reflect closer to expected actuals based on usage and rates
Other	7,000	Various materials and supplies throughout
Strategic Plan	20,000	
Economic Development Initiatives	20,000	Increased budget to support various initiatives, including outreach, sponsorships, community engagement events, and marketing/promotion
Levy Mitigations	(1,340,000)	
Additional Pay Period One-Time Funding	(500,000)	Transfer from the Parking Reserve to offset the one-time additional PP
Planning Fee Revenues (cost recovery)	(400,000)	New Planning fees as approved via CDS-25-160 expected to increase cost recovery by \$400K
Mat Support Heritage Shuttle	(340,000)	Funding from MAT to support Tourism related operations as approved via OPS-23-030
Fort George Operational Support	(100,000)	Maintain parking revenue support at 2025 level to offset revenue & expense pressures
Net Levy Impact	<u><u>495,000</u></u>	