

Subject: Proposed 2026 Budget Directions, Timeline and Consultation Process

File Number: ACS2025-FCS-FSP-0009

**Report to Finance and Corporate Services Committee on 2 September 2025
and Council 10 September 2025**

Submitted on August 21, 2025 by Rogers, General Manager and Chief Financial Officer, Finance and Corporate Services Department

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Ward: Citywide

Objet : Orientation, calendrier et processus de consultation proposés pour le budget de 2026

Numéro de dossier : ACS2025-FCS-FSP-0009

**Rapport présenté au Comité des finances et des services organisationnels
le 2 septembre 2025**

et au Conseil le 10 septembre 2025

Soumis le 21 août 2025 par Cyril Rogers, Directeur général et chef des finances, Direction générale des finances et des services organisationnels

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATIONS

That the Finance and Corporate Services Committee recommend that Council approve the following:

- 1. The approach and timetable for consultation and consideration of the 2026 Budget as outlined in the report.**
- 2. The following directions for developing the Draft 2026 Budget:**
 - a. That the Draft 2026 Municipal Budget be developed in accordance with Section 290 of the Municipal Act, which requires municipalities to prepare and adopt a balanced budget, ensuring that total expenditures do not exceed total revenues. To balance the City's expenditures, funding sources include grants from other levels of government, fees and service charges (including rates and fares), property taxes, payment in lieu of taxes, and reserves.**
 - b. That the Draft 2026 Municipal Tax Supported Budgets be developed with an overall net tax requirement increase of no more than 3.75 per cent including:**
 - i. The City-wide tax levy increase of up to 2.9 percent, which includes funding for City-wide tax supported services, Library and Public Health, and that Council recommend that the Library and Public Health Boards develop their draft budgets based on their *pro rata* share of this.**
 - ii. The Ottawa Police Services levy be increased between 2.9 per cent and 6.5 per cent and that Council recommend that the Police Services Board develop their draft budget based on this.**
 - c. That the municipal tax supported services include a list of budget efficiencies for the Draft 2026 Budget. To date the City has avoided an additional 10 per cent tax increase over this Term of Council through \$207.5 million of achieved savings. These efficiencies reduce the overall tax supported net requirement while maintaining service and balancing affordability.**
 - i. That Council recommend that the Library and Public Health Boards develop their draft budgets to include a list of budget efficiencies to reduce the overall tax supported net requirement.**
 - ii. That Council recommend that the Ottawa Police Services Board develop their draft budget to include a list of budget efficiencies to reduce the overall tax supported net requirement.**

- d. That the Draft 2026 Transit Budget be developed in consideration of the continued path to financial sustainability, work of the Transit Long-Range Financial Plan Working Group and advocacy for support from other levels of government, including the provincial commitment to upload the Ottawa LRT as announced in the Province of Ontario's 2025 Budget, and the following items:
 - i. A transit levy increase of between 3 and 15 per cent
 - ii. A fare increase between 2.5 and 7.5 per cent
 - iii. A list of operating efficiencies to reduce the overall fare and transit tax levy requirement
 - iv. Identify a list of capital investment deferrals for consideration as part of the tabled Draft 2026 Transit Budget
 - v. Identify any funding related to the provincial commitment to upload the Ottawa LRT
 - vi. Identify federal funding from the Capital Plan under the Baseline Funding Stream of the Canada Public Transit Fund (CPTF)
 - vii. Identify any other levers for consideration as part of the tabled Draft 2026 Transit Budget
- e. That the assessment growth taxation revenues generated from new properties be estimated at 1.6 per cent of the current taxation for 2025 and that Council recommend that the Library, Public Health, and the Police Services Boards develop their budgets within this allocation.
- f. That City user fees and charges increase in accordance with the direction outlined in the Fiscal Framework or the Long-Range Financial Plans.
- g. That the garbage fee be increased in accordance with the approved Solid Waste Services Master Plan and Solid Waste Long-Range Financial Plan, reflecting a 10 per cent increase in 2026.

- h. That the Draft 2026 Capital Budget be developed in accordance with the direction outlined in the 2024 Development Charges (DC) Provisional Background Study, Long-Range Financial Plans and Fiscal Framework.
 - i. That the Draft 2026 Rate Supported Budget be developed in accordance with the approved 2025 Long-Range Financial Plan VI - Water, Wastewater and Stormwater.
3. That the 2026 Recreation, Culture and Facility Services User Fees be approved to allow registrations and rentals sold in 2025 for 2026 to use 2026 rates, as described in this report.

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et des services organisationnels recommande au Conseil ce qui suit :

1. La méthode utilisée et l'échéancier pour les consultations sur le budget de 2026 et son examen, comme l'indique le rapport.
2. Les directives suivantes pour l'élaboration du budget provisoire de 2026.
 - a. que le budget municipal provisoire de 2026 soit élaboré conformément à l'article 290 de la *Loi sur les municipalités de l'Ontario* qui exige que les municipalités préparent et approuvent un budget équilibré en veillant à ce que les dépenses totales ne dépassent pas les recettes totales. Afin d'équilibrer les dépenses de la Ville, les sources de financement comprennent les subventions d'autres ordres de gouvernement, les frais de service et redevances (y compris les tarifs), les impôts fonciers, les paiements en remplacement d'impôts et les réserves;
 - b. que le budget municipal provisoire financé par les recettes fiscales pour 2026 soit élaboré avec une augmentation globale des besoins fiscaux nets ne dépassant pas 3,75 %, y compris :
 - i. l'augmentation des taxes municipales de 2,9 % au maximum, qui comprend le financement des services municipaux financés par les recettes fiscales, des bibliothèques et de la santé publique, et que le Conseil recommande au Conseil de la

Bibliothèque publique d'Ottawa et au Conseil de santé d'Ottawa d'élaborer leurs budgets provisoires en fonction de leur part proportionnelle de cette augmentation;

- ii. **que l'augmentation de la taxe prélevée pour le Service de police d'Ottawa soit entre 2,9 % et 6,5 %, et que le Conseil recommande à la Commission de service de police d'Ottawa d'élaborer son budget provisoire en fonction de cette augmentation;**
- c. **que les services municipaux financés par les recettes fiscales comprennent une liste des mesures d'efficacité budgétaire pour le budget provisoire de 2026. À ce jour, la Ville a évité une augmentation additionnelle de 10 % des impôts au cours du mandat du Conseil grâce à des économies de 207,5 millions de dollars. Ces mesures d'efficacité réduisent le besoin net global financé par les recettes fiscales tout en maintenant les services et en maintenant en équilibre l'abordabilité;**
 - i. **que le Conseil recommande au Conseil de la Bibliothèque publique d'Ottawa et au Conseil de santé d'Ottawa d'élaborer leurs budgets provisoires en y incluant une liste de mesures d'efficacité budgétaire visant à réduire le besoin net global financé par les recettes fiscales;**
 - ii. **que le Conseil recommande à la Commission de service de police d'Ottawa d'élaborer ses budgets provisoires en y incluant une liste de mesures d'efficacité budgétaire visant à réduire le besoin net global financé par les recettes fiscales.**
- d. **que le budget provisoire de 2026 pour les transports en commun soit élaboré en tenant compte de la voie vers la viabilité financière, des travaux du groupe de travail sur le Plan financier à long terme des transports en commun et des efforts de mobilisation auprès des autres paliers de gouvernement, y compris l'engagement provincial de transférer les responsabilités du TLR d'Ottawa, comme annoncé dans le budget 2025 du gouvernement de l'Ontario :**
 - i. **une augmentation de la taxe prélevée pour le transport en commun comprise entre 3 et 15 %;**

- ii. **une augmentation de tarif comprise entre 2,5 et 7,5 %;**
 - iii. **une liste des mesures d'efficacité opérationnelle visant à réduire le montant global des tarifs et de la taxe sur les transports en commun;**
 - iv. **l'établissement d'une liste des reports d'investissements en immobilisations à prendre en considération dans le cadre du budget provisoire de 2026 pour le transport en commun qui a été déposé;**
 - v. **l'identification de tout financement lié à l'engagement provincial de transférer la responsabilité du TLR d'Ottawa;**
 - vi. **l'identification du financement fédéral du plan d'immobilisation dans le cadre du volet Financement de base du Fonds pour le transport en commun du Canada (FTCC);**
 - vii. **l'identification de tout autre levier à prendre en considération dans le cadre du budget provisoire de 2026 pour le transport en commun qui a été déposé.**
- e. **que les recettes fiscales générées par la hausse des évaluations foncières au titre des nouvelles propriétés soient estimées à 1,6 % de l'assiette fiscale actuelle pour 2025 et que le Conseil municipal recommande au Conseil de la Bibliothèque publique d'Ottawa, au Conseil de santé d'Ottawa et à la Commission de service de police d'élaborer leur budget dans les limites de cette attribution;**
 - f. **que les frais d'utilisation et les redevances de la Ville soient augmentés conformément à l'orientation présentée dans le cadre financier ou dans les plans financiers à long terme;**
 - g. **que les frais de collecte des ordures soient majorés conformément au Plan directeur de la gestion des déchets solides et au Plan financier à long terme des Services des déchets solides approuvés, qui prévoient une hausse de 10 % en 2026;**
 - h. **que le budget provisoire des immobilisations pour 2026 soit élaboré conformément à l'orientation présentée dans l'étude préliminaire sur les redevances d'aménagement de 2024, dans les plans financiers à**

long terme et dans le cadre financier;

- i. que le budget provisoire de 2026 financé par les redevances soit élaboré conformément au Plan financier à long terme VI pour les programmes relatifs à l'eau, aux eaux usées et aux eaux pluviales.**
- 3. Que les frais d'utilisation de la Direction générale des loisirs, de la culture et des installations pour 2026 soient approuvés afin de permettre aux inscriptions et aux locations vendues en 2025 pour 2026 d'utiliser les tarifs de 2026, comme il est décrit dans le présent rapport.**

EXECUTIVE SUMMARY

In the 2022-2026 Council Governance Review report ([ACS2022-OCC-GEN-0030](#)), a term of Council budget process was approved. One of the requirements of the budget process is that the General Manager and Chief Financial Officer of Finance and Corporate Services annually presents a budget directions report that details the budget timetable and provides budget directions in advance of each budget.

Following the adoption of the 2025 Budget, the Mayor's office, the City Manager's office and the General Manager of Finance and Corporate Services and Chief Financial Officer immediately began work on the 2026 Budget. The City's focus remains on prudent financial management to provide value for money for municipal services.

Throughout this term of Council, the City continued its implementation of the Service Review Framework to ensure continuous improvements throughout the organization that drive innovation, find efficiencies, improve market competitiveness, and increase engagement amongst staff, elected officials, residents and other partners. As part of the budget development process, all departments and services continue reviewing monthly expenditures, line by line, to ensure that service delivery is not impacted and that there is alignment to the 2023-2026 Term of Council Priorities.

In addition to the formal service review process, the City continues to deliver service improvements, which has helped departments address growth pressures through creating organizational capacity through the simplification, automation and standardization of processes.

Over this term of Council, the City has achieved \$207.5 million in efficiencies, with more savings to be identified in the Draft 2026 Budget. These savings are equivalent to

avoiding a ten per cent increase in property tax and has allowed the City to invest in Council priorities while balancing affordability for residents.

Each year, the City provides an enormous degree of detail in the budget to support transparency and accountability. In addition, there have also been several new and enhanced products introduced this term of Council to make these detailed and complex documents more accessible and resident friendly. The budgets and investments continue to be aligned to the Term of Council Priorities, such as housing affordability, transit, poverty reduction, a diversified economy and climate change.

The Transit Long-Range Financial Plan Working Group, comprised of members of City Council and staff, continued to meet throughout 2025 to review and analyze a list of levers to mitigate transit financial challenges for consideration in the Draft 2026 Transit Budget and future budgets. Discussions with the Province are currently in progress with respect to the commitment to proceed through the due diligence process with the uploading of the Ottawa LRT, and any funding agreements will be reflected as part of the Draft 2026 Transit Budget. In addition, with the approval in principle as it relates to the federal funding of the Capital Plan under the Baseline Funding Stream of the CPTF, the Draft 2026 Budget will also include funding related to this federally supported program.

Further, several financial plans were brought forward to guide the Draft 2026 Budget and continuously demonstrate the City's commitment to strong financial management and financial sustainability, including the Strategic Asset Management Plans, Reserve Management Plans, and various Long-Range Financial Plans.

The purpose of the report is to provide Council with an outline of the projected pressures that the City will be facing in 2026. This includes impacts related to inflationary pressures such as fuel and capital driven by the supply chain, potential tariff impacts and economic conditions; the proposed annual increase in property taxation; outlining the budget allocation targets for the Boards and Transit Committee. In addition, this report proposes a timetable for the tabling, the continuation of the consultation process, review, consideration and adoption of the 2026 Budget.

Capital program requirements for 2026, and forecasts for 2027-2029, are proposed to be developed in accordance with the Council approved Tax, Rate, Housing, Transit and Solid Waste Long-Range Financial Plans (LRFPs), Transportation Master Plan, Infrastructure Services Master Plan, and 2024 Development Charges (DC) Provisional Background Study.

The Draft Budget 2026 will continue to demonstrate its responsibility to the community it serves by building on the stability achieved, sustaining investment in the essential services residents rely on, facing the challenges from aging infrastructure, climate change and funding security, while balancing affordability with a prudent approach to benefit the community into the long-term horizon and continued commitment and discipline in municipal spending.

Financial Implications

Draft Budget 2026 will be developed to mitigate and address the financial pressures outlined in the report. These proposed strategies and key financial considerations and mitigations will allow Council to achieve the target of no more than 3.75 per cent overall property tax increase.

Table 1a: Overall tax Target

Property tax increase components (percentage)	2026
Assessment growth	1.60%
Tax increase	3.75%
Total increase	5.35%
Property tax increase components (thousands of dollars)	2026
Assessment growth	\$34,960
Tax increase	\$81,945
Total increase	\$116,905

Table 1b: Inflationary Assumptions Comparison

Inflationary assumptions	2023	2024	2025	2026	Term of Council Average
Contracts and property leases	2%	2%	2%	2%	2.0%
Electricity	6%	3%	3%	5%	4.3%
Heating	17%	16%	0%	-20%	3.3%
Water	2%	2%	2%	2.7%	2.2%
Fuel (diesel per litre)	\$1.48	\$1.36	\$1.44	\$1.16	\$1.36
Contributions to reserves	6.33%	3%	2%	2%	3.3%

The Draft 2026 Budget documents will include comprehensive details of all pressures, all revenue sources, Service Review efficiencies and continuous improvement efficiencies for consideration by Council.

Financial Update on Key Challenges

The City continues to reaffirm its commitment to strong financial management amid ongoing economic challenges, specifically as it relates to two main financial challenges unique to Ottawa as we enter the development of the tabled Draft 2026 Budget process. External financial pressures – particularly transit ridership levels, increasing construction costs of transit, inequitable provincial and federal funding, and declining revenue from payments in lieu of taxes (PILTs), continue to challenge the City's established approach to maintaining strong financial management without impacting services or increasing taxes.

External economic conditions continue to signal that the economy is softening. The Bank of Canada held interest rates steady in June, employment growth is forecasted to be subdued leading to soft employment growth. The City of Ottawa's economy lost 10,000 jobs in June, leading to an increase in its unemployment rate to 6.2 per cent from 5.6 per cent in May, according to Statistics Canada. This follows a loss of 4,000 jobs in May. Gatineau, Quebec, also saw its unemployment rate rise to 6.5 per cent, while Kingston's remained at 7.5 per cent.

Household spending and residential investments is also forecasted to be subdued driven by the weak labour market conditions and higher levels of household savings due to economic uncertainty. Many of these factors are adding strain on the housing market which is more sensitive to cyclical fluctuations than overall consumer spending.

Falling consumer and business confidence, disrupted trade flows and impacts driven by tariffs, signals of higher cost and financial market volatility are expected to continue. Striking the right balance across all economic factors and impacts to consumers, businesses and residents will continue to be an important consideration in managing these overall impacts.

City Council's continued fiscal leadership and sustained commitment to reducing costs and delivering services as efficiently as possible – all while making critical investments in priority areas such as transit, infrastructure, and housing, continues to be a priority for this Term of Council.

The City continues to participate in numerous discussions with the provincial and federal governments regarding its unique financial challenges and the need for equitable funding and support. The City is committed to working closely with its government partners to address outstanding issues.

Transit LRFP Working Group

In November 2023, Council approved a motion ([ACS2023-OCC-CCS-0153](#)) recommending that an “internal working group be made up of City staff from the relevant departments, working with the Mayor, as well as the Chairs of the Transit Commission, Transportation Committee (now Public Works and Infrastructure Committee) and Planning and Housing Committee.” The group was given the task of exploring all mitigation levers and options discussed in the technical briefing and some additional ones, including but not limited to:

- Feasibility of bulk pass purchase
- Sustainability and equity lens review of passes
- Exploration of Urban Transit Fare
- Other sources of revenue, such as, municipal vehicle registration fees, ride-hailing fees, private parking levies, land value capture, sale of development rights at transit stations, road tolls, cordon (area) charges, and mobility charges
- Feasibility of development rights / air rights on City-owned land near transit stations (Transitway and O-Train)
- Updated ridership projection model
- Capital and facilities review
- Service alignment review
- Advocate for additional funding from senior levels of government and funding similar to Metrolinx / GO Transit in the Toronto area

The working group continued to meet throughout 2025 on a regular basis to explore all levers and the financial implications of each as consideration for the Draft 2026 Budget and to address future, expected budget pressures. Some of these levers could be implemented within a year or two to solve the more immediate financial pressures as staff continue to advance work on the longer-term solutions. The group continues to

explore and identify areas for Council to advocate to senior levels of government for additional funding or powers to implement new sources of revenue to ensure the financial sustainability of Ottawa's transit services.

Work is also progressing with respect to the commitment made during the Provincial Budget to explore the upload of Ottawa's LRT. In addition, with the approval in principle as it relates to the federal funding of the Capital Plan under the Baseline Funding Stream of the CPTF, the Draft 2026 Budget will also include funding related to this federal supported program

Service Reviews and Continuous Service Improvement

The Council-approved Service Review Framework, as outlined in the 2023 Draft Operating and Capital Budgets report ([ACS2023-FCS-FSP-0001](#)), and the accompanying Service Review Program, continue to be essential components in the development of the annual draft budget. By establishing the policies and principles needed to formally evaluate City services, the Framework aids in identifying opportunities for cost savings and revenue generation to reinvest in strategic priorities for this Term of Council.

An important complement to the formal service review process is the City's approach to continuous service improvement, which has helped departments absorb growth without need for additional resources by creating organizational capacity through the simplification, automation and standardization of processes.

Together, service reviews and continuous service improvement efforts have achieved a cumulative savings of more than \$207.5 million in this term of Council's draft budgets, the equivalent of avoiding an approximate 10 per cent property tax increase.

Outcomes from recent service review and continuous service improvement initiatives will be reflected in the 2026 budgets.

Public Consultation and Input

Members of Council will continue to have the opportunity to seek public input prior to and during the budget process through Councillor-led virtual and/or in person consultation sessions or other means as determined by the individual Councillor. A questionnaire was conducted through Engage Ottawa, the City's online engagement platform from May 26 to June 30 to better understand the priorities of residents. After the Draft 2026 Budget is tabled, the opportunity to ask questions will be open for the public through Engage Ottawa.

New this year, public consultations began earlier in response to requests from both Councillors and residents. Councillors initiated their consultation efforts in the spring, and these engagements will continue throughout the budget period. Additionally, the annual questionnaire, typically conducted in the fall, was moved to an earlier timeframe to align with the revised consultation schedule.

The City promotes the Councillor-led public consultation sessions and online engagement opportunities on ottawa.ca and Engage Ottawa, using communications tools and through the City's social media channels. Public Information and Media Relations have provided supplementary materials to support Councillors during the budget process.

Residents are encouraged to watch, attend or participate in Committee and Council meetings to learn more about budget discussions and provide input through written or verbal submissions.

RÉSUMÉ

Un processus budgétaire pour le mandat du Conseil a été approuvé dans le rapport sur l'Examen de la structure de gestion publique 2022-2026 du Conseil ([ACS2022-OCC-GEN-0030](#)). L'une des exigences du processus budgétaire est que le directeur général et chef des finances de la Direction générale des finances et des services organisationnels présente chaque année au Conseil un rapport d'orientation budgétaire détaillant le calendrier budgétaire et fournisse des orientations budgétaires avant le dépôt de chaque budget.

Après l'adoption du budget de 2025, le Bureau du maire, le Bureau du directeur municipal et le directeur général de la Direction générale des finances et des services organisationnels et chef des finances ont immédiatement commencé à travailler sur le budget de 2026. La Ville continue de mettre l'accent sur une gestion financière prudente afin d'optimiser les services municipaux.

Tout au long de ce mandat du Conseil, la Ville a poursuivi la mise en œuvre du cadre d'examen des services afin de garantir des améliorations continues dans toute l'organisation, qui favorisent l'innovation, permettent de réaliser des gains d'efficacité, améliorent la compétitivité sur le marché et renforcent l'engagement du personnel, des élus, des résidents et des autres partenaires. Dans le cadre du processus d'élaboration du budget, tous les services et directions générales continuent d'examiner leurs dépenses mensuelles, ligne par ligne, afin de s'assurer que la prestation des services

n'est pas affectée et que les priorités pour le mandat du Conseil 2022-2026 sont respectées.

Outre le processus officiel d'examen des services, la Ville continue d'améliorer ses services, ce qui a aidé les directions générales à faire face aux pressions liées à la croissance en renforçant leurs capacités organisationnelles grâce à la simplification, à l'automatisation et à la standardisation des processus.

Au cours de ce mandat du Conseil, la Ville a réalisé 207,5 millions de dollars d'économies, et d'autres économies seront identifiées dans le budget provisoire de 2026. Ces économies équivalent à une augmentation de 10 % de l'impôt foncier et ont permis à la Ville d'investir dans les priorités du Conseil tout en gardant un équilibre avec l'accessibilité financière pour les résidents.

Chaque année, la Ville fournit un budget très détaillé afin de favoriser la transparence et la responsabilité. En outre, plusieurs nouveaux produits améliorés ont été introduits au cours de ce mandat du Conseil afin de rendre ces documents détaillés et complexes plus accessibles et plus conviviaux pour les résidents. Les budgets et les investissements continuent d'être alignés sur les priorités du mandat du Conseil, telles que l'accessibilité au logement, les transports en commun, la réduction de la pauvreté, une économie diversifiée et les changements climatiques.

Le groupe de travail du Plan financier à long terme du transport en commun, composé de membres du Conseil municipal et de membres du personnel, a poursuivi ses rencontres en 2025 afin d'examiner et d'analyser une liste de leviers permettant d'atténuer les difficultés financières liées au transport en commun, à prendre en considération dans le cadre du budget provisoire de 2025 pour le transport en commun et des budgets à venir. Les discussions se poursuivent avec la province concernant l'engagement à mener à bien le processus de diligence raisonnable avec le transfert des responsabilités du TLR d'Ottawa, et tout accord de financement sera reflété dans le budget provisoire de 2026 pour les transports en commun. De plus, avec l'approbation de principe du financement fédéral du plan d'immobilisation dans le cadre du volet Financement de base du Fonds pour le transport en commun du Canada, le budget provisoire de 2026 inclura également le financement lié à ce programme soutenu par le gouvernement fédéral.

En outre, plusieurs plans financiers ont été présentés afin d'orienter le budget provisoire de 2026 et de démontrer de manière continue l'engagement de la Ville en faveur d'une gestion financière solide et de la viabilité financière, notamment les plans stratégiques

de gestion des actifs, les plans de gestion des fonds de réserve et divers plans financiers à long terme.

Le rapport a pour but d'expliquer au Conseil les futures pressions auxquelles la Ville sera confrontée en 2026. Cela comprend les répercussions liées aux pressions inflationnistes telles que les prix du carburant et des capitaux induits par la chaîne d'approvisionnement, les répercussions potentielles des droits de douane et la conjoncture économique, l'augmentation annuelle proposée de l'impôt foncier, ainsi que les objectifs d'affectation budgétaire pour les conseils et le comité des transports en commun. En outre, ce rapport propose un calendrier pour le dépôt, la poursuite du processus de consultation, l'examen, l'étude et l'adoption du budget de 2026.

Il est proposé que les besoins liés au programme d'immobilisations de 2026 et aux prévisions pour 2027-2029 soient élaborés conformément aux plans financiers à long terme pour les taxes, les redevances, le logement, le transport en commun et les services des déchets solides, au Plan directeur des transports, au Plan directeur des infrastructures et à l'étude préliminaire sur les redevances d'aménagement de 2024 approuvés par le Conseil.

Le budget provisoire de 2026 continuera de démontrer sa responsabilité envers la communauté qu'il dessert en tirant parti de la stabilité obtenue, en maintenant les investissements dans les services essentiels sur lesquels les résidents comptent, en relevant les défis que posent les infrastructures vieillissantes, les changements climatiques et le financement de la sécurité, tout en conciliant l'abordabilité avec une approche prudente dans l'intérêt de la communauté à long terme et en faisant preuve de discipline en matière de dépenses municipales.

Répercussions financières

Le budget provisoire de 2026 sera élaboré pour atténuer et traiter les pressions financières décrites dans le rapport. Ces stratégies ainsi que ces importantes considérations financières et mesures d'atténuation proposées permettront au Conseil d'atteindre l'augmentation ciblée maximale de l'impôt foncier de 3,75 %.

Tableau 1a : Objectifs fiscaux d'ensemble

Composantes de l'augmentation de l'impôt foncier (pourcentage)	2026
Hausse des évaluations foncières	1,60 %
Hausse des taxes	3,75 %
Augmentation totale	5,35 %

Composantes de l'augmentation de l'impôt foncier (milliers de dollars)	2026
Hausse des évaluations foncières	34 960 \$
Hausse des taxes	81 945 \$
Augmentation totale	116 905 \$

Tableau 1b : Comparaison des hypothèses relatives à l'inflation

Hypothèses relatives à l'inflation	2023	2024	2025	2026	Hausse moyenne pour le mandat du Conseil
Contrats et baux immobiliers	2 %	2 %	2 %	2 %	2,0 %
Électricité	6 %	3 %	3 %	5 %	4,3 %
Chauffage	17 %	16 %	0 %	-20 %	3,3 %
Eau	2 %	2 %	2 %	2,7 %	2,2 %
Carburant (diesel par litre)	1,48 \$	1,36 \$	1,44 \$	1,16 \$	1,36 \$
Contributions aux réserves	6,33 %	3 %	2 %	2 %	3,3 %

Les documents du budget provisoire de 2026 comporteront des détails exhaustifs sur l'ensemble des pressions, sources de recettes, et gains d'efficacité découlant de l'examen des services et de l'amélioration continue sur lesquels le Conseil devra se pencher.

Mise à jour financière sur les principaux défis

La Ville a réaffirmé son engagement à assurer une robuste gestion financière dans le contexte des défis économiques continus, plus spécifiquement les deux principaux défis financiers propres à Ottawa maintenant que nous entreprenons le processus d'élaboration du budget provisoire de 2026 qui a été déposé. Les pressions financières externes, en particulier les niveaux d'achalandage du transport en commun, l'augmentation des coûts de construction liés au transport en commun, l'inégalité du financement provincial et fédéral, et la baisse des recettes provenant des paiements tenant lieu d'impôts (PTLI), continuent de mettre à dure épreuve l'approche établie de la Ville pour maintenir une robuste gestion financière sans toucher les services ou augmenter les impôts.

La conjoncture économique extérieure continue d'indiquer un ralentissement de l'économie. La Banque du Canada a maintenu ses taux d'intérêt inchangés en juin, et on prévoit une croissance de l'emploi prudente, ce qui entraînera une faible croissance de l'emploi. Selon Statistique Canada, l'économie de la ville d'Ottawa a perdu 10 000 emplois en juin, ce qui a fait passer le taux de chômage de 5,6 % en mai à 6,2 %. Cette baisse fait suite à la perte de 4 000 emplois en mai. Gatineau, au Québec, a également vu son taux de chômage grimper à 6,5 %, tandis que celui de Kingston est resté stable à 7,5 %.

Les dépenses des ménages et les investissements résidentiels devraient également rester modérés en raison de la faiblesse du marché du travail et de l'augmentation de l'épargne des ménages due à l'incertitude économique. Bon nombre de ces facteurs exercent une pression supplémentaire sur le marché de l'habitation, qui est plus sensible aux fluctuations cycliques que les dépenses de consommation globales.

La baisse de la confiance des consommateurs et des entreprises, la perturbation des flux commerciaux causée par les droits de douane et ses répercussions, les signes d'une hausse des coûts et la volatilité des marchés financiers devraient se poursuivre. Trouver le juste équilibre entre tous les facteurs économiques et leurs répercussions sur les consommateurs, les entreprises et les résidents restera un élément important à prendre en considération dans la gestion de ces répercussions globales.

La poursuite du leadership fiscal du Conseil municipal et le maintien de son engagement à réduire les coûts et à fournir des services de la manière la plus efficace possible, tout en faisant des investissements essentiels dans les secteurs prioritaires comme le transport en commun, les infrastructures et le logement, continuent d'être une priorité pour le présent mandat du Conseil.

La Ville continue à prendre part à de nombreuses discussions avec les gouvernements provincial et fédéral à propos des défis financiers qui lui sont propres et de la nécessité d'obtenir un financement et un soutien équitables. Elle est déterminée à travailler étroitement avec ses partenaires gouvernementaux pour régler les problèmes qui restent à résoudre.

Groupe de travail sur le Plan financier à long terme du transport en commun

En novembre 2023, le Conseil a approuvé une motion ([ACS2023-OCC-CCS-0153](#)) recommandant qu'un « groupe de travail interne soit composé de membres du personnel de la Ville provenant des directions générales concernées, en collaboration avec le maire, ainsi que les présidents de la Commission du transport en commun, du

Comité des transports (maintenant le Comité de l'infrastructure et des travaux publics) et du Comité de la planification et du logement ». Le groupe a été chargé d'explorer tous les leviers et options d'atténuation qui ont été abordés lors de la séance d'information technique, ainsi que d'autres, y compris, mais sans s'y limiter, les suivants :

- la faisabilité de l'achat de laissez-passer en grande quantité;
- l'examen des laissez-passer selon une optique d'équité et de durabilité;
- l'exploration des tarifs de transport en commun urbain;
- d'autres sources de revenus, comme les droits municipaux d'immatriculation des véhicules, les frais pour les services de voiturage, les taxes sur les stationnements privés, la captation de la valeur foncière, la vente de droits d'aménagement aux stations de transport en commun, le péage routier, les frais de périmètre et les frais de mobilité;
- la faisabilité d'instaurer des droits d'aménagement ou droits de propriété aériens sur des terrains de la Ville situés près des stations de transport en commun (Transitway et O-Train);
- l'élaboration d'un modèle de projection de l'achalandage actualisé;
- l'examen des immobilisations et des installations;
- l'examen de l'harmonisation des services;
- le financement supplémentaire par des instances supérieures du gouvernement et du financement semblable à Metrolinx et GO Transit dans la région de Toronto.

Le groupe de travail a continué de se réunir sur une base régulière en 2025 afin d'explorer d'autres leviers et les implications financières de chacun d'eux à considérer dans le cadre du budget provisoire de 2026 et afin de répondre à de futures pressions budgétaires anticipées. Certains de ces leviers pourraient être mis en œuvre dans un délai d'un an ou deux pour faire face aux pressions financières les plus urgentes, tandis que les membres du personnel continueraient à travailler sur les solutions à plus long terme. Le groupe continue également à explorer et à répertorier les domaines dans lesquels le Conseil peut plaider auprès des instances supérieures du gouvernement pour obtenir des fonds ou des pouvoirs supplémentaires pour mettre en œuvre de

nouvelles sources de revenus afin d'assurer la viabilité financière des services de transport en commun d'Ottawa.

Les travaux se poursuivent également en ce qui concerne l'engagement pris dans le budget provincial d'étudier le transfert de la responsabilité du TLR d'Ottawa. En outre, avec l'approbation de principe du financement fédéral du plan d'immobilisation dans le cadre du volet Financement de base du Fonds pour le transport en commun du Canada, le budget provisoire de 2026 inclura également le financement lié à ce programme soutenu par le gouvernement fédéral.

Examen des services et amélioration continue

Le Conseil a approuvé le cadre d'examen des services présenté dans le rapport intitulé « Budgets préliminaires de fonctionnement et d'immobilisations de 2023 » ([ACS2023-FCS-FSP-0001](#)), et le programme d'examen des services qui l'accompagne, qui continuent d'être des éléments essentiels à l'élaboration du projet de budget annuel. En établissant les politiques et les principes nécessaires à l'évaluation formelle des services municipaux, ce cadre aide à identifier les possibilités de réduction des coûts et de génération de revenus afin de réinvestir dans les priorités stratégiques du mandat du Conseil.

L'approche de la Ville en matière d'amélioration continue des services, qui a aidé les directions générales à absorber la croissance sans avoir besoin de ressources supplémentaires en créant des capacités organisationnelles grâce à la simplification, à l'automatisation et à la normalisation des processus, constitue un complément important au processus officiel d'examen des services.

Ensemble, les examens des services et les efforts d'amélioration continue ont permis de réaliser des économies cumulées de plus de 207,5 millions de dollars dans les budgets du Conseil pour le mandat actuel, ce qui équivaut à éviter une augmentation d'environ 10 % de l'impôt foncier.

Les résultats des récents examens des services et des initiatives d'amélioration continue seront pris en compte dans les budgets de 2026.

Consultation et commentaires du public

Les membres du Conseil auront l'occasion de recueillir les commentaires du public avant et pendant le processus budgétaire grâce à des séances de consultation virtuelles ou en personne menées par les conseillers, ou par d'autres moyens déterminés par chaque conseiller. Un questionnaire a été mené sur Participons Ottawa,

la plateforme de participation citoyenne en ligne de la Ville, du 26 mai au 30 juin afin de mieux comprendre les priorités des résidents. Une fois le budget provisoire de 2026 déposé, le public aura l'occasion de poser des questions au moyen de Participons Ottawa.

Nouveauté cette année, les consultations publiques ont commencé plus tôt en réponse aux demandes des conseillers et des résidents. Les conseillers ont lancé leurs efforts de consultation au printemps, et ces engagements se poursuivront tout au long de la période budgétaire. En outre, le questionnaire annuel, généralement mené à l'automne, a été avancé afin de s'aligner sur le calendrier de consultation révisé.

La Ville annonce les séances de consultation publique organisées par les conseillers et les possibilités de participer en ligne sur le site ottawa.ca et la plateforme Participons Ottawa au moyen de ses outils de communication et de ses médias sociaux. Le Service de l'information du public et des relations avec les médias a fourni du matériel supplémentaire pour soutenir les conseillers pendant le processus budgétaire.

Les résidents sont invités à regarder les réunions du Conseil municipal et des comités, à y assister ou à y participer pour en apprendre davantage sur les discussions budgétaires et transmettre leurs commentaires par écrit ou verbalement.

BACKGROUND

On December 7, 2022, Council approved the term of Council budget process as part of the 2022-2026 Council Governance Review report ([ACS2022-OCC-GEN-0030](#)). The report included the following:

- The Chief Financial Officer/Treasurer to bring forward a report that details the budget timetable and provides budget directions, in advance of each yearly budget
- The various Boards to be allocated their pro rata share of the tax target and any assessment growth
- Council to direct the various Boards to develop their draft budgets within this annual allocation
- The City Manager will work with the Mayor in the development of the draft budget that is in alignment with the approved direction. Councillors will be consulted as the draft budget is being prepared

- Individual Members of Council to organize and lead public consultations on the Draft 2026 Budget
- The Committees to hear public delegations before deliberating on the budget and approving any revisions that can be funded from within the budgets under committee review
- Council, sitting as Committee of the Whole to consider, to review and amend the budget

Experience has shown that providing direction that imposes the fiscal discipline by way of a predefined tax increase helps Council mitigate tax increases to an acceptable level.

The Draft 2026 Budget will also identify efficiencies and opportunities and any one-time issues and recommend any additional strategies that may be required to achieve Council's direction. A consolidated draft budget that is balanced, as required by legislation, and reflects the directions being proposed within this report will be tabled at Council and referred to Standing Committees for further consultation and consideration.

Members may move a motion at a Standing Committee to increase that Committee's budget envelope by identifying an offsetting reduction from a different Standing Committee's budget. Such motions would be referred to City Council, sitting as Committee of the Whole, for consideration as that other Standing Committee's budget may have already been approved. Members would also continue to have the ability to increase budget envelopes/identify offsetting reductions by moving motions at Committee of the Whole. Identified offsetting reductions must be deemed appropriate by the Finance and Corporate Services Department, as not all funds can be used for all purposes. For example, members would not be able to increase a tax supported program budget by reducing a rate supported program, or one that is funded with provincial dollars.

Committee consideration of the budget will also include budgets from the Ottawa Police Services Board, the Ottawa Public Library Board, the Public Health Board, and the Committee of Adjustment.

DISCUSSION

Further to Motion 2022-03/16 approved by Council on December 7, 2022, for policy matters of Citywide significance, staff must describe in staff reports any other options considered and reasons why those options were or were not ultimately recommended.

2026 Budget Directions and Development

As part of the budget development process approved by Council on December 7, 2022, specific Council direction is required with respect to a tax target that would guide staff in the development of the Draft 2026 Budget, that will be tabled at Council.

- b. That the Draft 2026 Municipal Tax Supported Budgets be developed with an overall net tax requirement increase of no more than 3.75 per cent including:**
 - i. The City-wide tax levy increase of up to 2.9 per cent, which includes funding for City-wide tax supported services, Library and Public Health, and that Council recommend that the Library and Public Health Boards develop their draft budgets based on their pro rata share of this.**
 - ii. The Ottawa Police Services levy be increased between 2.9 per cent and 6.5 per cent and that Council recommend that the Police Services Board develop their draft budget based on this.**
- c. That the Municipal tax supported services include a list of budget efficiencies for the Draft 2026 Budget. To date the City has avoided a 10 per cent tax increase over this Term of Council through \$207.5 million of achieved savings. These efficiencies reduce the overall tax net requirement while maintaining service and balancing affordability.**
 - i. That Council recommend that the Library and Public Health Board develop their draft budgets to include a list of budget efficiencies to reduce the overall tax supported net requirement.**
 - ii. That Council recommend that the Ottawa Police Services Board develop their draft budget to include a list of budget efficiencies to reduce the overall tax supported net requirement.**

Staff have completed preliminary reviews to identify 2026 budget pressures. The projected 2026 expenditures include compensation and benefit increases, along with estimated inflationary increases on fuel, utilities, contracts, and capital construction impacts. Staff will also include a list of efficiencies and opportunities as part of the tabled 2026 Budget.

Additional operational requirements associated with the cost of operating and maintaining new infrastructure such as roads and winter maintenance costs, continued investment in, affordable housing and increasing the investment in City tax supported capital assets as per the Long Range Financial Plan-Tax Supported Capital ([ACS2017-CSD-FIN-0017](#)) have also been considered.

It is recommended that the Citywide levy be increased by up to 2.9 per cent. The Citywide levy funds most City services including the Library and Public Health Boards. Both boards would be allocated their individual pro-rated share of up to 2.9 per cent.

The Ottawa Police levy is a separate levy and is recommended to increase between 2.9 per cent and 6.5 per cent overall.

- d. That the Draft 2026 Transit Budget be developed in consideration of the continued path to financial sustainability, work of the Transit Long-Range Financial Plan Working Group and advocacy for support from other levels of government, including the provincial commitment to upload the Ottawa LRT as announced in the Province of Ontario's 2025 Budget:**
 - i. A Transit levy increase of between 3 and 15 per cent**
 - ii. A fare increase between 2.5 and 7.5 per cent**
 - iii. A list of operating efficiencies to reduce the overall fare and transit tax levy requirement**
 - iv. Identify a list of capital investment deferrals for consideration as part of the tabled 2026 Draft Transit Budget**
 - v. Identify any funding related to the provincial commitment to upload the Ottawa LRT**
 - vi. Identify federal funding of the Capital Plan under the Baseline Funding Stream of the Canada Public Transit Fund (CPTF)**
 - vii. Identify any other levers for consideration as part of the tabled Draft 2026 Transit Budget**

The Transit LRFP Working Group continue to review several levers that could be implemented as part of the 2026 Budget and could be phased-in over several budget years to minimize the impact on taxpayers and on fares. These short-term options/scenarios will be tabled for consideration by Transit Committee and Council as

part of the budget deliberation process. The key levers for consideration will include analyses and recommendations for the following levers: fares, Transit levy, funding from other levels of government, operating cost efficiencies, and continuing to defer capital investments.

The province has provided additional funding for transit security and fare enforcement through the Ottawa-Ontario New Deal. As part of the 2025 Ontario Provincial Budget, a commitment was made to upload the Ottawa LRT to the province. The federal government also continues to support the City's purchase of zero-emission buses.

Staff will provide additional details, along with a description of the effects that any change could have on service for customers or achievement of Council's policy goals, as part of the recommendations to Council and the Transit Committee in the 2026 budget presentation in November. The yearly impact of the proposed tax increases on average homes in the urban and rural areas plus an average commercial property is shown below in Table 2.

Table 2: Impact of Proposed Tax Directions

	Urban Home	Rural Home	Commercial Property
Draft 2026 Taxation	Average Assessment: \$415,000	Average Assessment: \$415,000	Average Assessment: \$460,000
Total \$ Change	\$166	\$93	\$353
% Change	3.75	2.74%	3.75%

The following pressures will be addressed in the budget when tabled:

- e. That the assessment growth taxation revenues generated from new properties be estimated at 1.6 per cent of the current taxation for 2025 and that Council recommend that the Library, Public Health, and the Police Services Boards develop their budgets within this allocation.**

The assessment growth in 2025 was approximately 1.42 per cent and the forecast for 2026 is 1.6 per cent. The 2026 forecast is based on information provided by the Municipal Property Assessment Corporation (MPAC).

As per the process approved by Council on December 7, 2022, the services governed by the Police Services Board, Board of Health and the Public Library Board will be allocated their individual pro-rated share of revenues resulting from growth in

assessment. In addition, the annual increase to the budget for the Office of the Auditor General will also be in accordance with the budget strategy applied to the Boards. The remaining balance will be available to fund other tax-supported City services.

User Fees and Charges

- f. That City user fees and charges increase in accordance with the direction outlined in the Fiscal Framework or the Long-Range Financial Plans.**

The Fiscal Framework sets the principles and recovery targets for municipal user fees. In general, the rate of increase in user fees is to be in relation to the cost increases associated with providing the service within the cost recovery framework.

As noted above, the draft 2026 transit fare increase of between 2.5 per cent and 7.5 per cent, will be included in the draft budget.

- g. That the garbage fee be increased in accordance with the approved Solid Waste Services Master Plan and Solid Waste Long-Range Financial Plan reflecting a 10 per cent increase in 2026.**

The 2026 garbage fee increase will be increased in accordance with the Solid Waste Services Long Range Financial Plan (LRFP) 2025-2053 ([ACS2024-FCS-FIN-0008](#)) and Solid Waste Residential Collection Contracts Renewal report ([ACS2023-PWD-SWS-0002](#)). The Solid Waste Services LRFP includes the short-term contracts until January 1, 2026, and then projects the cost of solid waste services once fully implemented. In 2026, the impact of a 10 per cent solid waste increase in service fee will increase the overall charge to the average single residential property by \$2 per month and the average multi-unit residential property to \$1.42 per month.

Capital Budgets

- h. That the Draft 2026 Capital Budget be developed in accordance with the direction outlined in the 2024 Development Charge (DC) Provisional Background Study, Long-Range Financial Plans and Fiscal Framework.**

The 2026 Capital Budget will be developed in accordance with the Council approved Transportation Master Plan, Infrastructure Master Plan, 2024 Development Charges Provisional Background Study, and the LRFPs. The City funds its capital program through a combination of tax funds from reserves, development charges on the growth portion of eligible projects, and debt and grants from senior levels of government. Debt

funding used to fund eligible components of the capital program will be in accordance with the Fiscal Framework and are well below the provincial debt limit.

The 2026 Budget will include an increase for municipal construction inflation. The rate to be used in 2026 is two per cent.

The 2026 Capital Budget will continue the application of the climate lens to its projects. The purpose of the application of the climate lens is to better understand how the City is investing towards implementing the [Climate Change Master Plan](#), reduce greenhouse gas (GHG) emissions and increase Ottawa's resilience to current and future impacts of climate change.

Rate-supported Budgets

- i. That the Draft 2026 Rate Supported Budget be developed in accordance with the approved 2025 Long-Range Financial Plan VI - Water, Wastewater and Stormwater.**

The budget for the services supported by the water, wastewater and stormwater rate is proposed to be considered at the same time as the tax supported budget. This allows for the Integrated Works Capital Program (combined road/water/sewer/storm capital works funded by tax and rate supported services) to be considered and approved at the same time.

The Draft 2026 Budget will be developed and presented in accordance with the 2025 Long Range Financial Plan VI - Water, Wastewater and Stormwater (Rate) Supported Programs ([ACS2025-FCS-FIN-0004](#)). The LRFP Water, Wastewater and Stormwater reflects the financial strategies that balance the need to maintain and build the capital assets that support these essential services recognizing that the assets last for multiple generations. Staff recommended the following increases as per the LRFP: Water revenue increase of 2.7 per cent, Wastewater revenue increase of 4.9 per cent, and Stormwater revenue increase of 7.6 per cent, with an overall average increase of 4.5 per cent for the rate-supported services. The estimated annual average impact to a single family connect home for 2026 is \$47.30.

These percentage increases are a target increase for revenue overall for each service. Percentage increases to individual volumetric and fixed rates will be lower due to year

over year changes in number of households and projected consumption levels and will be detailed in the budget when tabled.

The Standing Committee on Environment and Climate Change will receive public delegations and deliberate on both the tax and rate supported budgets on November 18, 2025. The Standing Committee Environment and Climate Change report would then rise to Council for final consideration.

Approval of 2026 Fees for Recreation and Culture

3. That the 2026 Recreation, Culture and Facility Services User Fees be approved to allow registrations and rentals sold in 2025 for 2026 to use 2026 rates, as described in this report.

All fees and charges must be approved by Council before they can be implemented. The Recreation and Cultural Facility Services Department (RCFS) begin selling registrations or booking rentals for the fall/winter season in late summer every year. As the winter season carries over into the next calendar year, but the budget process does not conclude until December, registrations for the following year must use current year prices. This results in lost revenue for the City which is needed to support the costs of the program which increase on January 1 each year. This aligns with the fiscal framework which sets the principles and recovery targets for municipal user fees, which in general aligns the rate increases with the cost increases in providing the service.

To align the decisions around pricing with the timing of sale, RCFS is implementing a 2.9 per cent cost of living increase to all 2026 fees in advance of budget adoption. This will allow the department to recover the increased cost of services that are purchased (such as registrations, rental permits, memberships) in the later part of 2025 and delivered in early 2026 and attain revenue expectations for the full year. This increase has been applied using the General Manager of RCFS' delegated authority under "Schedule E" of the Delegation of Authority By-law 2025-69.

Proposed 2026 Budget Timetable and Public Consultation Plan

Council Budget Tabling (November 12, 2025)

The City's 2026 draft operating and capital budget is proposed to be tabled at a City Council meeting on November 12, 2025. This report includes the draft budgets for all City services, including services that report to a Board / special purpose body, namely Police, Library, Public Health, and the Committee of Adjustment. It should be noted that

in addition to the budget tabling at Council, the Police Services Board, Public Library Board and Board of Health, also hold their own meetings to table their respective budgets. The proposed 2026 budget meeting schedule is included in Document 1 of this report.

The City budget will be presented by the Mayor, the City Manager, and the Chief Financial Officer. The budgets for each of the Boards will be presented by the Chair and the head of each service. The draft budget will be available online on ottawa.ca shortly after it has been tabled.

Budget Consultation Process

Public Consultations

Resident input and feedback are integral to the development of the City's budget. Residents are not limited to the budget season to provide feedback; feedback on the budget can be submitted through a ward councillor's office at any time.

Members of Council have the opportunity to seek public input through Councillor-led in person or virtual public consultation sessions, or other means as determined by the individual Councillor. Public engagement allows residents to express their views and budget priorities to their Ward Councillor and help residents become more knowledgeable and involved in the budget development process. New this year, public consultations began earlier in response to requests from both Councillors and residents. Councillors initiated their consultation efforts in the spring, and these engagements will continue throughout the budget period. Additionally, the annual questionnaire, typically conducted in the fall, was moved to an earlier timeframe to align with the revised consultation schedule. Staff will be available to attend individual ward meetings as required. Public Information and Media Relations have provided supplementary materials to support Councillors during the budget process.

A questionnaire was conducted through Engage Ottawa, the City's online engagement platform from May 26 to June 30 to better understand the priorities of residents. After the budget is tabled, an opportunity to ask questions will be open for the public. The City will promote Councillor-led virtual or in person public consultation sessions and online engagement opportunities on ottawa.ca, Engage Ottawa and using traditional communications tools such as through the City's social media channels. A [2026 Draft Budget webpage](#) includes all relevant budget information, including information about

the engagement opportunities. Efforts have been made to strengthen public communications by using plain language to enhance budget literacy, expand engagement and improve feedback.

Councillor Engagement

Two touchpoints were offered with members of Council, the Mayor, City Manager and Chief Financial Officer to discuss the budget process and priorities.

Budget Meetings – Standing Committees / Boards / Advisory Committees (November 18 to December 5, 2025)

The draft operating and capital budget documents for each Standing Committee will be reviewed by the Chair and Vice Chair of each Standing Committee, with input from the General Manager(s) that report to those Committees.

All Standing Committees of Council as well as the Police Services Board, Library Board, and Advisory Committees will hold meetings to consider the Draft 2026 Budget for their respective areas and receive public delegations.

The Proposed 2026 Budget Meeting Schedule is included in Document 1 of this report.

Council Budget Consideration / Adoption (December 10, 2025)

It is proposed that Council consider the final budget recommendations from all the Committees of Council and local Boards at its regularly scheduled meeting of December 10. Once approved, Council would then adopt the 2026 Budget.

FINANCIAL IMPLICATIONS

The financial implications are outlined in this report.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a Citywide report.

CONSULTATION

Members of Council will continue to have the opportunity to seek public input prior to and during the budget process through Councillor-led virtual and/or in person consultation sessions or other means as determined by the individual Councillor. A questionnaire was conducted through Engage Ottawa, the City's online engagement platform from May 26 to June 30 to better understand the priorities of residents. After the draft budget is tabled, an opportunity to ask questions will be open for the public.

The City will promote the Councillor-led virtual or public consultation sessions and online engagement opportunities on ottawa.ca, Engage Ottawa and using communications tools such as the City's social media channels. Public Information and Media Relations have provided supplementary materials to support Councillors during the budget process.

Following tabling, residents will have the opportunity to ask questions through Engage Ottawa or attend Standing Committee meetings, and to register as a delegation to make a brief presentation.

ACCESSIBILITY IMPACTS

Finance and Corporate Services adheres to the requirements of the *Accessibility for Ontarians with Disabilities Act, (2005)* in its operations, programs and initiatives. This report is administrative in nature and has no associated accessibility impacts.

CLIMATE IMPLICATIONS

The 2026 Budget will continue the application of a capital lens to its capital projects. The purpose is to better understand how the City is investing in implementing the [Climate Change Master Plan](#), reduce greenhouse gas (GHG) emissions and increase Ottawa's resilience to current and future impacts of climate change.

INDIGENOUS, GENDER AND EQUITY IMPLICATIONS

The City is committed to gender equity, anti-racism, reconciliation with Indigenous peoples and addressing other equity and inclusion impacts on communities experiencing marginalization when planning and delivering its programs and services. In recent years, Council has approved the City of Ottawa's women and gender equity strategy, the Anti-Racism Strategy, and the City's Corporate Diversity and Inclusion Plan. These strategies and plans will enable the City to be more deliberate and impactful in making sustainable progress to address equity at the individual, organizational, and systemic level. When staff are developing their annual draft

operating and capital budgets, City leadership and staff should apply the gender and racial equity lens throughout this process to ensure that groups or individuals at high risk of exclusion are taken into consideration and to prevent inequitable outcomes of disparity. Staff are directed to apply an equity lens as part of this budget process to ensure sufficient resource requirements are available to execute on the commitments made within the Council approved equity plans and strategies.

TERM OF COUNCIL PRIORITIES

This report supports the current 2023-2026 Term of Council Priorities as well as the City's commitment to financial sustainability and transparency.

SUPPORTING DOCUMENTATION

Document 1 – Proposed 2026 Budget Meeting Schedule

DISPOSITION

Staff will develop the Draft 2026 Budget in accordance with the report recommendations and implement the budget process as outlined in the report.

Document 1 - Proposed 2026 Budget Meeting Schedule

Board of Health – Budget Tabling	Monday, November 3, 2025
Public Library Board – Budget Tabling	Tuesday, November 4, 2025
Police Services Board – Budget Tabling (special meeting)	Wednesday, November 12, 2025
Council – Budget Tabling	Wednesday, November 12, 2025
City Services *Police Services *Library Services *Public Health Office of the Auditor General Committee of Adjustment	
<i>*In addition to this Council meeting, the Boards hold their own meetings to table their respective budgets</i>	
Environment and Climate Change Committee	Tuesday, November 18, 2025
Planning and Housing Committee	Wednesday, November 19, 2025
Emergency Preparedness and Protective Services Committee	Thursday, November 20, 2025
Transit Committee	Monday, November 24, 2025
Community Services Committee	Tuesday, November 25, 2025
Public Works and infrastructure Committee	Thursday, November 27, 2025
Audit Committee	Monday, December 1, 2025
Board of Health	Monday, December 1, 2025
Finance and Corporate Services Committee	Tuesday, December 2, 2025
Public Library Board	Tuesday, December 2, 2025
Agriculture and Rural Affairs Committee	Thursday, December 4, 2025
Police Services Board	Friday, December 5, 2025
Council – Budget Consideration for Adoption	Wednesday, December 10, 2025

**Meeting dates are subject to change at the discretion of the respective Chair*