



**"THE SEEDS WE SOW TODAY ARE THE TREES THAT WILL
SHELTER THE FUTURE"**



- UNKNOWN



2026 BUDGET PHILOSOPHY

MAY 13, 2025

THE MUNICIPAL BUDGET

Why do we develop a municipal budget?

- To allocate the resources required to operationalize Council's Strategic Plan
- To identify the cost of delivering programs and services
- To ensure compliance with the Municipal Government Act

What does Council approve?

- Coming year operating program, operating projects and capital projects planned spend
- Multi-year capital and operating projects commencing in the year
- Project and program carry forwards will be brought forward at year end
- Any proposed amendments to the approved budget will be brought forward as a Request for Decision (RFD)

BUDGET COMPONENTS

Operating Program Budget

- Allocates resources necessary to deliver programs and services to residents based on pre-determined service levels

Operating Project Budget

- Allocates resources to one-time operating projects that vary from year to year

Capital Project Budget

- Allocates resources to major repairs, and the replacement of existing capital infrastructure

BUDGET INPUTS

Council's Strategic Plan

- Alignment to Council's objectives

Department Scans

- Internal assessment of factors impacting budget development
- Departmental priorities, organizational challenges, and risk mitigation

CIBC Economic Update

- Key economic trends and forecasts impacting businesses and residents
- Presented to Council in April

Resident Engagement

- Residents and businesses get the opportunity to provide feedback
- Ensures alignment with community expectations

Council Budget Updates

- Council will be briefed on budget development progress

BUDGET DEVELOPMENT

Service Level Assessment

- Impacts from growth – economic development, infrastructure, population
- Resident expectations
- Impacts from inflation – cost of goods

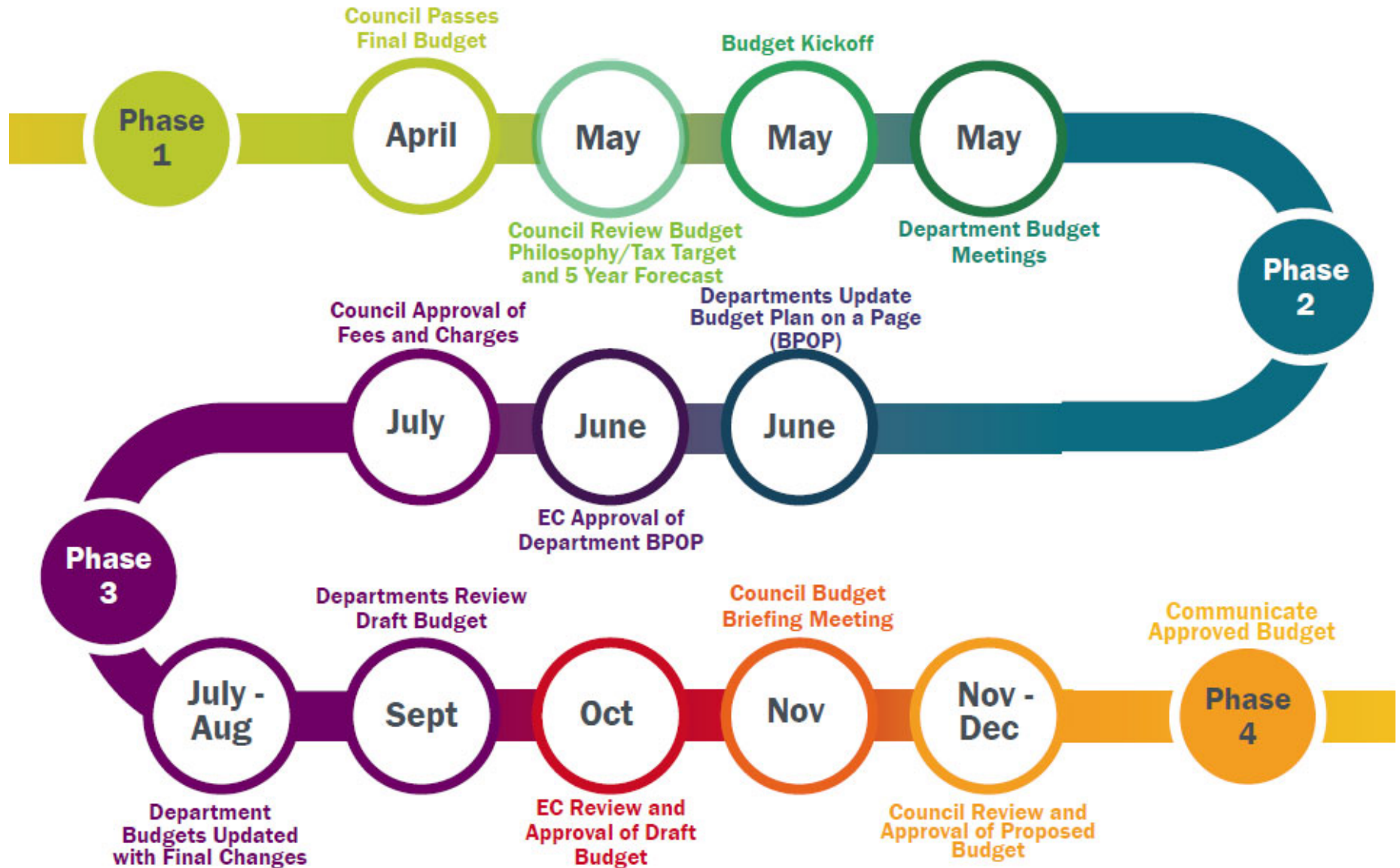
Structurally Balanced Budget

- Revenues are equal to expenses
- Recurring expenses are funded through recurring revenues
- One-time expenditures are funded through one-time funding opportunities

Fiscal Responsibility

- Use of Grant funding and Restricted Surplus
- Tax rate stabilization to avoid significant fluctuations from year to year
- Where possible, tax supported debt will be avoided
- Sustainable increase to property taxes

2026 BUDGET MILESTONES





TAX RATE CONSIDERATIONS

BUDGET PRESSURES & OPPORTUNITIES

- Political
- Economic
- Technological
- Environmental
- Legal

HISTORIC IMPACTS OF INFLATION

2019-2024



Tariffs +?%



Fuel
+41%



Vehicles
+26%



Energy
+35%

Historical Goods and services routinely purchased by the County

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>

TAX RATE CONSIDERATIONS

- Maintenance of existing service levels
- Keeping tax rates competitive and affordable
- External budget pressures



2027–2031 FINANCIAL PLAN

BENEFITS OF LONG-TERM PLANNING

- Focus on long-term strategy
- Develop funding strategies
- Ensures financial sustainability and community viability
- Identifies the long-term financial impacts of external influences
- Illustrates impact of decisions
- Detection of potential risks

ASSUMPTIONS & CAVEATS

The plan is presented based on information received to date

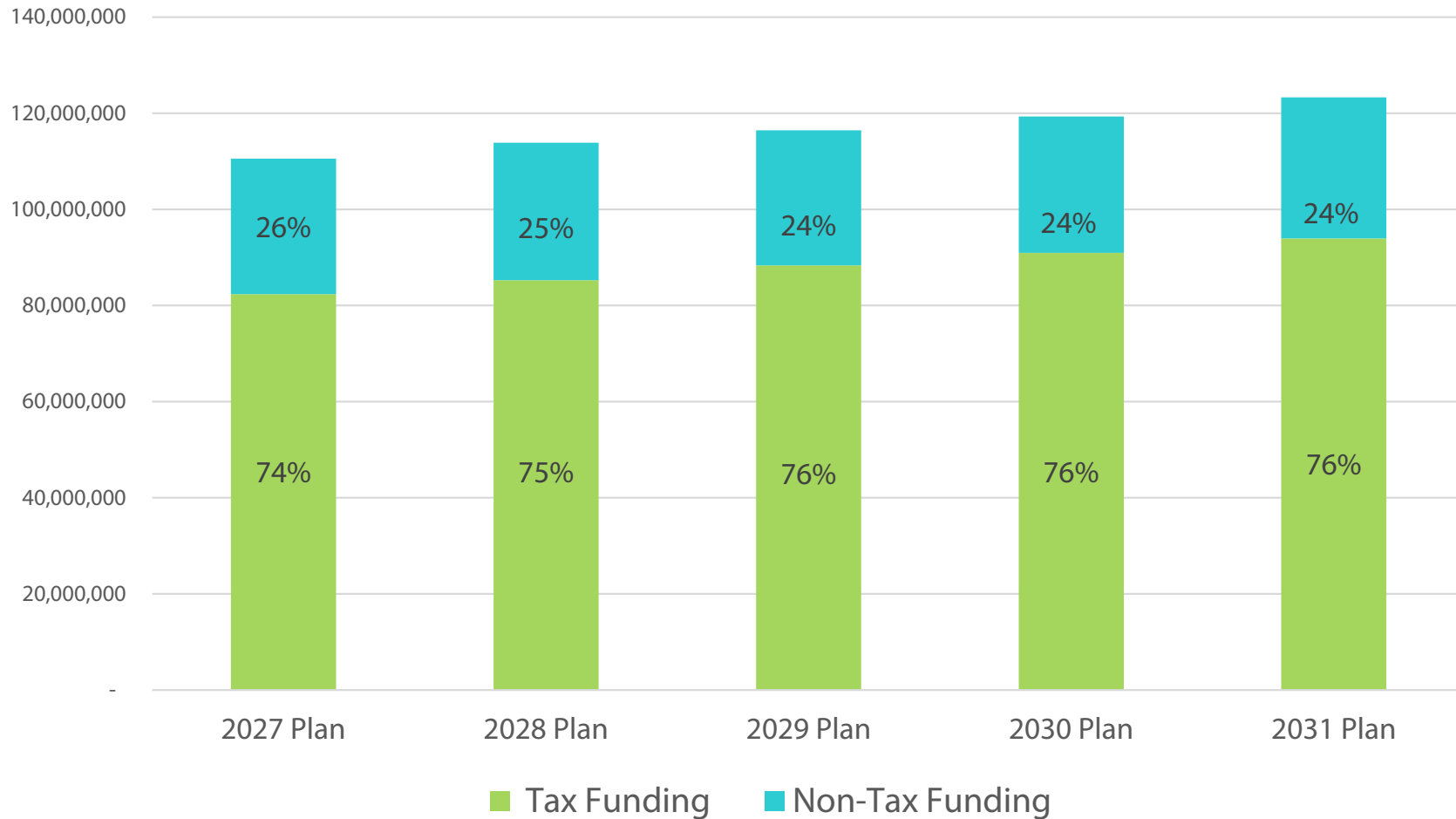
External factors

- Economic volatility
- Provincial and Federal policy updates
- Sustainable funding

Variability

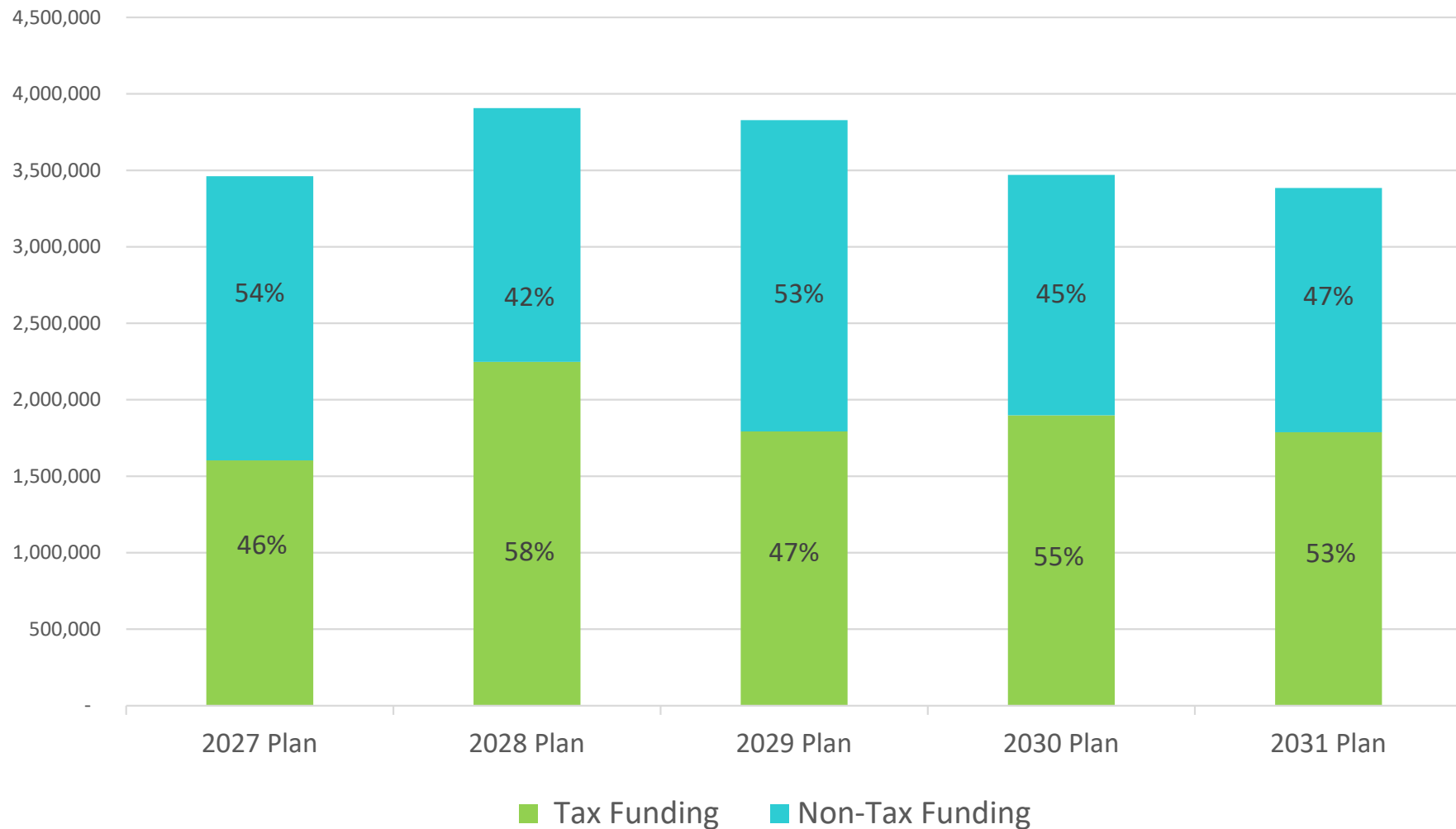
- It is common to see some variability in the plan from year to year
- Forecasts will be refined with the annual budget process as details become certain
- Prioritization will remove some items and add others

UNADJUSTED OPERATING PROGRAM FORECAST



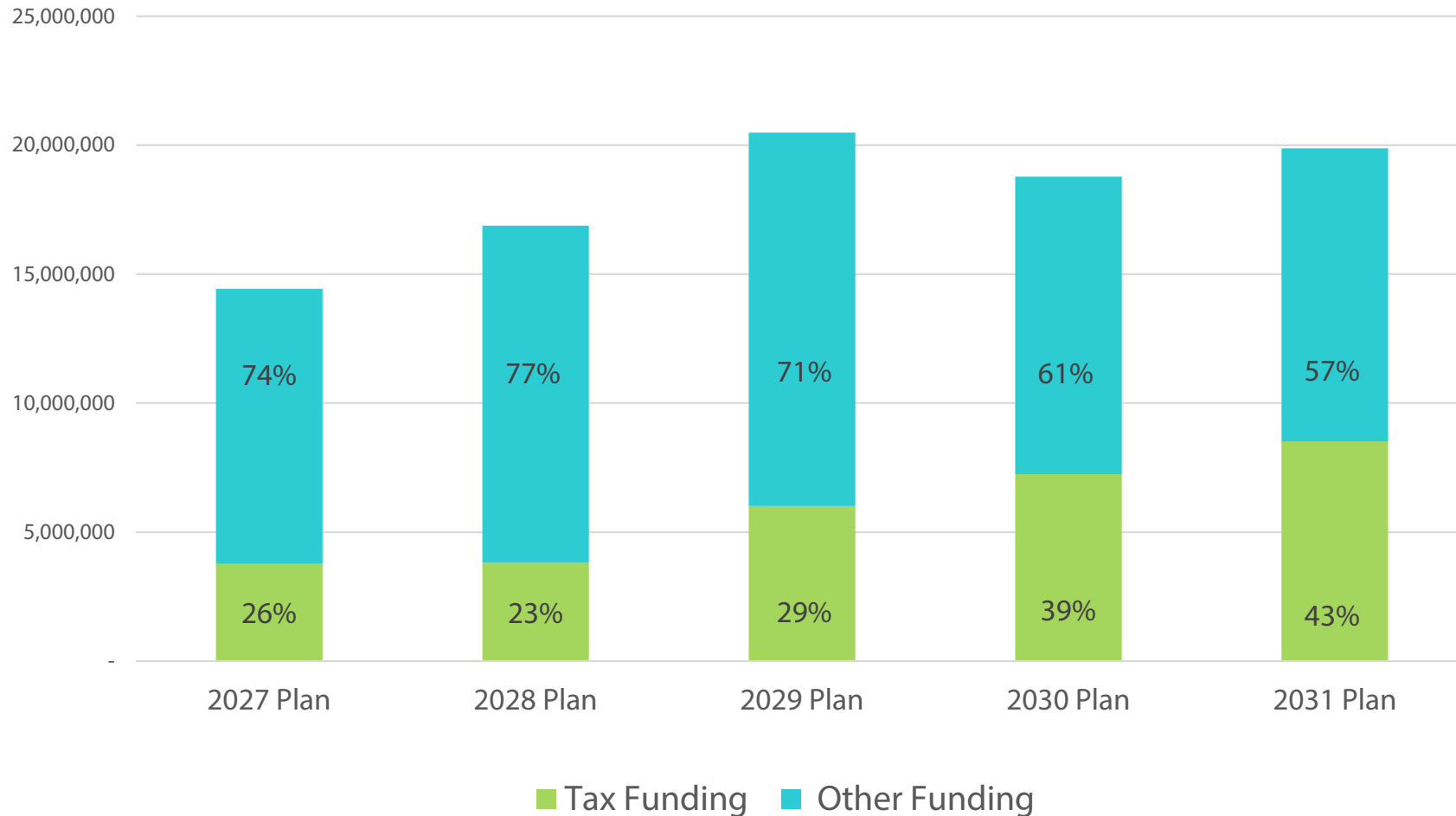
These bars represent unadjusted numbers. During the budget cycle, administration and Council work together to achieve a reasonable tax rate adjustment each year.

UNADJUSTED OPERATING PROJECT FORECAST



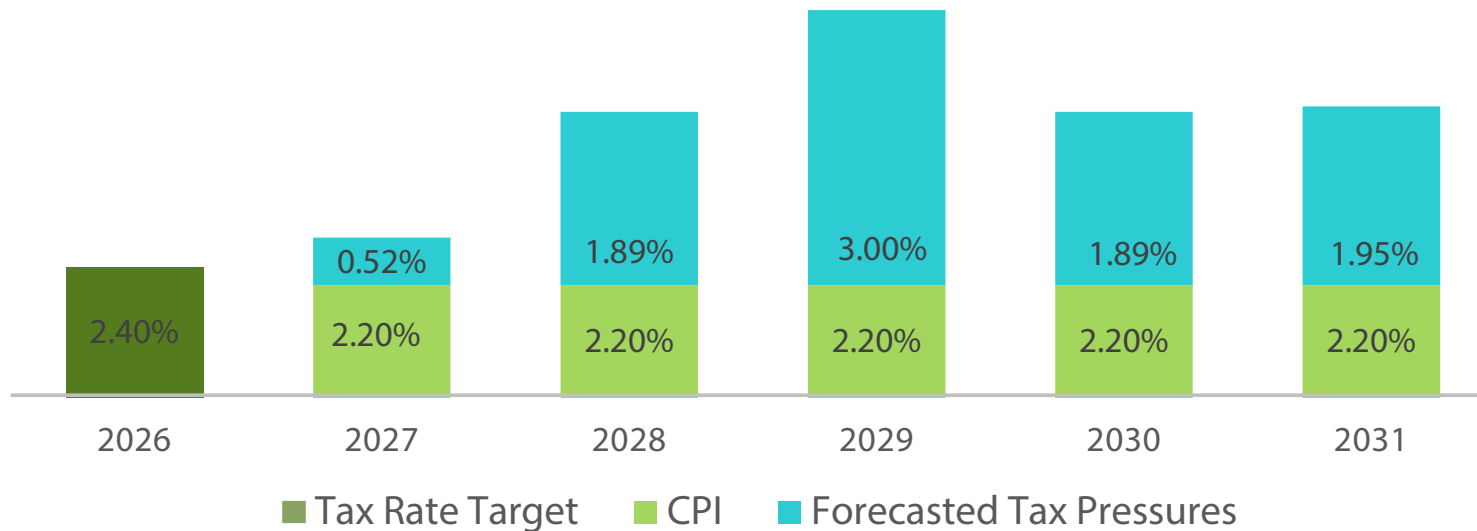
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UNADJUSTED CAPITAL PROJECT FORECAST



These bars represent unadjusted numbers. During the budget cycle, administration and Council work together to achieve a reasonable tax rate adjustment each year.

UNADJUSTED TAX RATE PRESSURES



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Unadjusted tax rate for 2026 is 8.07%, administration is proposing the 2026 residential tax rate increase at 2.40% which is equivalent to the 2026 CPI rate forecast used to prepare the Government of Alberta's 2025/26 budget.



QUESTIONS?

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