

2026 Provisional Budget Presentation

February 23, 2026



AGENDA

- Operating Budget
 - Revenue
 - Expenses
- Property Taxes
- Shortfall Funding Scenarios
 - Impact on Average Assessed Single Family Residence
- Department Budgets
- Capital Projects Overview
- Impact of Capital Projects on Reserves
- Questions

2026 OPERATING BUDGET

Revenues

- Property tax revenue declined in 2025

2024 \$5,876,538

2025 \$4,805,372

- Capital Renewal Levy – amount equal to 2% of property tax revenue, compounded annually

2026 Base Amount \$623,261

2026 Levy (2%) \$ 96,000

\$719,261 contribution to Capital Renewal Reserve (not including interest)

- Increase in operating grants received
- Increase in sales of service
 - New revenue sources
 - Increased usage
 - Rate increases

2026 OPERATING BUDGET

Expenses

- Maintaining current services and service levels
- Finding efficiencies and cost savings
- Contractual commitments
 - Collective agreement, service agreements, community grants
- Funding operational expenses through grants when possible
- One-time costs for election, strategic planning, new council orientation, union negotiations
- Annual Transfer to Capital Reserves – funded through property taxes

General Capital	\$200,000
-----------------	-----------

Vehicle & Equipment Replacement	\$277,300
---------------------------------	-----------

Fire Dept Vehicle & Equip Replacement	\$167,000
---------------------------------------	-----------

PROPERTY TAXES

2026 Revenue \$13,446,361

2026 Expenses \$14,085,174

\$ (638,813) shortfall – to be funded by property taxes and other sources of funding

2025

**2026
SCENARIOS**

Prior Years Surplus (~1.5M available)	Financial Stability Reserve (~1.2M available)	MLMCF Dividends (~1.5M available)	Property Tax Revenue Increase	Property Tax Revenue Percentage Increase	Estimated Impact to Average Assessed Single-Family Residence (*municipal property tax only)
266,919	100,000	50,000	437,074	9.09%	126.96
100,000	54,857	100,000	383,956	8.00%	115.60
120,000	62,926	120,000	335,887	7.00%	101.49
140,000	70,994	140,000	287,819	6.00%	89.22

SHORTFALL FUNDING SCENARIOS

8.0% Property Tax Increase

Tax Revenue Comparison	2026	2025	Increase	% of Increase
Class 1 Residential	2,401,256	2,208,052	193,204	8.75%
Class 2 Utilities	1,048,979	999,027	49,952	5.00%
Class 4 Major Industry	359,024	329,380	29,644	9.00%
Class 5 Light Industry	291,028	267,612	23,416	8.75%
Class 6 Business/Other	1,090,211	1,002,493	87,718	8.75%
Class 8 Recreation	269	247	22	8.75%
Total	5,190,767	4,806,811	383,956	8.00%

Tax Rate Comparison	2026	2025	% of Increase
Class 1 Residential	8.2132	7.9978	2.69%
Class 2 Utilities	39.7801	39.4047	0.95%
Class 4 Major Industry	58.3741	56.1076	4.04%
Class 5 Light Industry	30.5266	28.6063	6.71%
Class 6 Business/Other	10.4562	10.0035	4.53%
Class 8 Recreation	7.2037	6.8250	5.55%

SHORTFALL FUNDING SCENARIOS

8.0% Property Tax Increase

Allocation of funding shortfall

Prior Years Surplus	Financial Stability Reserve	MLMCF Dividends	Property Tax Revenue Increase
100,000	54,857	100,000	383,956

Impact on the average assessed single-family residence

	2026	2025	Increase
	(\$174,544)	(\$164,900)	
Property Tax	1,434.44	1,318.84	115.60
Water*(12%)	573.40	511.96	61.44
Sewer*(10%)	351.55	319.59	31.96
Garbage*(6.5%)	226.56	212.73	13.83
Total	2,585.95	2,363.12	222.83

*water, sewer and garbage rates are based on same rate increase as 2025 for display purposes only

SHORTFALL FUNDING SCENARIOS

7.0% Property Tax Increase

Tax Revenue Comparison	2026	2025	Increase	% of Increase
Class 1 Residential	2,379,176	2,208,052	171,124	7.75%
Class 2 Utilities	1,038,988	999,027	39,961	4.00%
Class 4 Major Industry	355,730	329,380	26,350	7.00%
Class 5 Light Industry	288,352	267,612	20,740	7.75%
Class 6 Business/Other	1,080,186	1,002,493	77,693	7.75%
Class 8 Recreation	266	247	19	7.75%
Total	5,142,698	4,806,811	335,887	7.00%

Tax Rate Comparison	2026	2025	% of Increase
Class 1 Residential	8.1373	7.9978	1.74%
Class 2 Utilities	39.4012	39.4047	(0.01)%
Class 4 Major Industry	57.8385	56.1076	3.09%
Class 5 Light Industry	30.2443	28.6063	5.73%
Class 6 Business/Other	10.3594	10.0035	3.56%
Class 8 Recreation	7.1371	6.8250	4.57%

SHORTFALL FUNDING SCENARIOS

7.0% Property Tax Increase

Allocation of funding shortfall

Prior Years Surplus	Financial Stability Reserve	MLMCF Dividends	Property Tax Revenue Increase
120,000	62,926	120,000	335,887

Impact on the average assessed single-family residence

	2026	2025	Increase
	(\$174,544)	(\$164,900)	
Property Tax	1,420.33	1,318.84	101.49
Water*(12%)	573.40	511.96	61.44
Sewer*(10%)	351.55	319.59	31.96
Garbage*(6.5%)	226.56	212.73	13.83
Total	2,571.84	2,363.12	208.72

*water, sewer and garbage rates are based on same rate increase as 2025 for display purposes only

SHORTFALL FUNDING SCENARIOS

6.0% Property Tax Increase

Tax Revenue Comparison	2026	2025	Increase	% of Increase
Class 1 Residential	2,357,095	2,208,052	149,043	6.75%
Class 2 Utilities	1,028,998	999,027	29,971	3.00%
Class 4 Major Industry	352,436	329,380	23,056	7.00%
Class 5 Light Industry	285,676	267,612	18,064	6.75%
Class 6 Business/Other	1,070,161	1,002,493	67,668	6.75%
Class 8 Recreation	264	247	17	6.75%
Total	5,094,630	4,806,811	287,819	6.00%

Tax Rate Comparison	2026	2025	% of Increase
Class 1 Residential	8.0618	7.9978	0.80%
Class 2 Utilities	39.0223	39.4047	(0.97)%
Class 4 Major Industry	57.3030	56.1076	2.13%
Class 5 Light Industry	29.9636	28.6063	4.74%
Class 6 Business/Other	10.2633	10.0035	2.60%
Class 8 Recreation	7.0708	6.8250	3.60%

SHORTFALL FUNDING SCENARIOS

6.0% Property Tax Increase

Allocation of funding shortfall

Prior Years Surplus	Financial Stability Reserve	MLMCF Dividends	Property Tax Revenue Increase
140,000	70,994	140,000	287,819

Impact on the average assessed single-family residence

	2026	2025	Increase
	(\$174,544)	(\$164,900)	
Property Tax	1,408.06	1,318.84	89.22
Water*(12%)	573.40	511.96	61.44
Sewer*(10%)	351.55	319.59	31.96
Garbage*(6.5%)	226.56	212.73	13.83
Total	2,559.57	2,363.12	196.45

*water, sewer and garbage rates are based on same rate increase as 2025 for display purposes only

DEPARTMENT BUDGETS

General Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
10,333,794	10,002,888	330,906

- Increase in property tax revenue
 - Budget includes 8% tax revenue funding scenario for display purposes only
 - Council will direct staff on which funding scenario they prefer
- Decrease in 1% Utility Taxes, Grants in Lieu & Other Assessments
 - 2024 Grant carried forward to 2025 to offset reduction in property tax revenue
- Increase in penalties and interest on taxes
- Decrease in transfers from other governments
 - One-time grant payment in 2025

DEPARTMENT BUDGETS

General Government Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
2,779,696	2,556,709	222,987

- Increase in Administration
 - Addition of Economic Development Assistant
 - Purchase District logo items for donations/events/give aways
 - Moved legal budget to Common Services
- Increase in Economic Development
 - Operational projects – carried over from 2025 or new projects funded by grants
- Increase in Grants in Aid & Fees for Service
 - Unallocated value from 2026 budget
- Increase in Common Services
 - One-time costs for the fall election
 - All department legal budgets moved to Common Services

DEPARTMENT BUDGETS

Protective Services Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
597,551	429,594	167,957

- Increase in Transfers from other Governments
 - Increase revenue from road rescue
 - Carry over Community Resiliency Investment (CRI) grant from 2025
 - Carry over grant from Emergency Management and Climate Readiness from 2025
 - Carry over Emergency Operation Centre and Emergency Support Services grants from 2025

DEPARTMENT BUDGETS

Protective Services Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
1,700,669	1,492,440	208,229

- Increase in Emergency Management
 - Expenses related to carry over projects from 2025
- Decrease in Building Inspection
 - Services are contracted out
- Decrease in Bylaw Enforcement
 - Moved legal budget to Common Services
- Increase in Fuel Mitigation
 - Expenses related to carry over projects from 2025

DEPARTMENT BUDGETS

Transportation Services Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
162,119	159,000	3,119

- Increase in Airport Sales of Service/User Fees
 - Lease Income - budget to reflect actual revenue received
 - Other Sales of Service – reduced fuel sales

DEPARTMENT BUDGETS

Transportation Services Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
2,981,685	2,961,089	20,596

- Increase in Personnel
 - Contractual obligations
 - Wage/benefits budget reallocated to other areas within the department based on operational needs and prior years actual costs
- Decrease in Grants in Aid & Fees for Service
 - In-kind requests/approvals lower than prior year
- Decrease in Engineering
 - Carry over operational project from 2025
- Decrease in Ditch & Storm Drain
 - Removed prior year funding for operational projects that have been completed or did not move forward

DEPARTMENT BUDGETS

Health, Social Services & Housing Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
79,719	50,523	29,196

- Increase in Sales of Service/User Fees
 - New revenue through rental income
- Increase in Transfers to Other Governments
 - Additional funding for increased hours for Victim Services worker

Health, Social Services & Housing Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
178,426	142,362	36,064

- Increase in Victim Services
 - Additional hours for worker
- Increase in Mosquito Control
 - Training for staff

DEPARTMENT BUDGETS

Development Services Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
71,381	1,200	70,181

- Increase in Transfers to Other Governments
 - Operational project funded by grant

Development Services Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
70,181	0	70,181

- Increase in Planning & Development
 - Operational project for 2026

DEPARTMENT BUDGETS

Parks, Recreation & Culture Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
427,671	367,711	59,960

- Increase in Parks Sales of Service/User Fees
 - Budget to reflect increase usage at RV Park
- Increase in Recreation Sales of Service/User Fees
 - Bylaw rate increase for revenue
 - Reflect closer to prior years revenue received

DEPARTMENT BUDGETS

Parks, Recreation & Culture Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
3,709,121	3,565,644	143,477

- Increase in Personnel
 - Contractual obligations
 - Wage/benefits budget reallocated to other areas within the department based on operational needs
- Decrease in Parks Maintenance
 - Reflect closer to actual expenses
- Increase in Pool
 - Increase in additional operational projects

DEPARTMENT BUDGETS

Fiscal Services Revenue

2026 Provisional Budget	2025 Final Budget	Budget Change
2,412,939	2,210,172	202,767

- Decrease in Transfer from Prior Year Surplus
 - Reduction in budget to fund shortfall
- Increase in Transfer from NFA Surplus
 - Budget to reflect increased depreciation
- Decrease in Financial Stability Reserve
 - Reduction in budget to fund shortfall

DEPARTMENT BUDGETS

Fiscal Services Expenses

2026 Provisional Budget	2025 Final Budget	Budget Change
2,665,396	2,502,845	162,551

- Increase in Transfers
 - Includes 2% capital renewal levy (~96,000)
 - Revenue from Public Health rental income transferred to Capital Renewal Reserve
 - Revenue from Fire Dept road rescue transferred to Fire Department Reserve
 - Increased budgeted amount of investment interest transferred to reserves

CAPITAL PROJECT OVERVIEW

	2026 BUDGET	FUNDING SOURCE
GENERAL GOVERNMENT		
Replace Phone System	11,301	Capital Renewal Reserve
TOTAL GENERAL GOVERNMENT	11,301	
FIRE SERVICES		
Rescue Air Bag Replacement	10,000	Volunteer Firefighting Association
PPE Replacement – Helmets and Boots	31,500	Fire Dept Vehicle & Equip Reserve/Grants
TOTAL FIRE SERVICES	41,500	
PUBLIC WORKS		
Airport Automatic Gate Install (carry over)	27,217	Capital Renewal Reserve/Grants
Public Works Automatic Gate Install (carry over)	30,086	Capital Renewal Reserve

CAPITAL PROJECT OVERVIEW

	2026 BUDGET	FUNDING SOURCE
PUBLIC WORKS cont...		
Vacuum Flusher/Trailer(2003) (carry over)	130,000	Vehicle & Equipment Reserve
Water/Sewer Truck(2016) Replacement (carry over)	245,000	Vehicle & Equipment Reserve
Flat Deck Pickup(2008) Replacement (carry over)	70,000	Vehicle & Equipment Reserve
Road Paving	1,000,000	General Capital Reserve
Loader(2009) Replacement	400,000	Vehicle & Equipment Reserve
Dump/Plow Truck(2010) Replacement	525,000	Vehicle & Equipment Reserve
Olympia(2000) Replacement	200,000	Vehicle & Equipment Reserve
TOTAL PUBLIC WORKS	2,627,303	

CAPITAL PROJECT OVERVIEW

	2026 BUDGET	FUNDING SOURCE
RECREATION SERVICES		
Recreation Centre Upgrade (carry over)	360,697	Grants
Outdoor Rink Boards (carry over)	37,029	Apply for Grant
Arena Dehumidifier Wheel Replacement (carry over)	53,340	Capital Renewal Reserve
TOTAL RECREATION SERVICES	451,066	
TOTAL GENERAL CAPITAL	3,131,170	

\$2,675,753

Funded by reserves

\$ 455,417

Funded by grants

\$3,131,170

IMPACT OF CAPITAL PROJECTS ON RESERVES

Reserve Name	Est. Value at Dec 31, 2025	2026 Estimated Annual Transfers	2026 Estimated Allocations to Projects	2026 Estimated Remaining Balance
<i>Capital Reserve Funds</i>	(not including investment interest)			
General Capital	3,246,315	200,000	(1,000,000)	2,446,315
Capital Renewal	2,375,366	623,261	(104,253)	2,894,374
Vehicle & Equipment Replacement*	2,363,759	277,300	(1,570,000)	1,071,059
Fire Vehicle & Equipment Replacement	773,548	167,000	(1,500)	939,048
Community Works Gas Tax	249,774	212,808		462,582
Northern Capital & Planning Grant	708,185			708,185

*staff researching other funding options available to continue vehicle/equipment replacement in future years

QUESTIONS

The background is a light blue gradient. A dark blue vertical bar is on the left. Several thin, light blue curved lines sweep across the right side. A single thin, dark blue vertical line is positioned to the right of the word 'QUESTIONS'.