



2026

3 Year Financial Plan

December 16, 2025



Legislated Requirements

Section 283.1 of the MGA

1. Annual budget requirements for operating and capital budgets are unchanged.
2. At a minimum a “written” three year financial plan and a “written” five year capital plan must be prepared.
3. Multi-year plans do not include the year in which they are prepared
4. Council must review and update these plans annually

Long Term Financial Planning Benefits & Drivers

Primary Benefit:

- Identifies future financial challenges and opportunities, allowing the leadership team to plan ahead and develop a “roadmap” to minimize/eliminate challenges and take full advantage of opportunities.
- Over the past year we have been focusing on developing reserve strategies for anticipated future costs in both operating and capital to help mitigate the impact on taxation in the year the expense is incurred and normalize the expense year over year.



Financial Plan – Minimum Standards

1. In addition to section 283.1 of the MGA, the Municipal Corporate Planning Regulation establishes a minimum standard for the content of financial and capital plans.
2. The regulation provides that the three-year financial plan must include, at a minimum:
 - Anticipated total revenues and total expenses by major category
 - Anticipated annual surplus or deficit
 - Anticipated accumulated surplus or deficit
3. To meet the minimum legislated requirement, a 3-year forecast must be completed.
4. The intent is to develop a plan, not a multi-year budget.

Forecast Drivers

2026 Budget	Inflation	Growth	Service Changes	2027 Plan
2027 Plan	Inflation	Growth	Service Changes	2028 Plan
2028 Plan	Inflation	Growth	Service Changes	2029 Plan

Budget approved in the 2026 Calendar Year (November/December 2025) – includes
2026 Budget + Operating Plan for 2027, 2028 and 2029

Three Year Plan Assumptions

- Although inflation is sitting around the Bank of Canada target rate of 2%, inflation projected remains at 3% for 2027, 2028, and 2029 due to current economic uncertainties, geopolitical factors and ongoing environmental challenges particularly as we enter an election year.
- Growth at 2% per year for certain items such as wages on top of inflation.
- Operating Federal and Provincial Grant funding assumptions for 2026 budget carried forward for 2027, 2028 and 2029.
- Policing costs were anticipated to rise 36% on April 1, 2025 with a one year deferral, but no further information has been received outside of costs increasing around the 30% mark, which has been incorporated in the current budget.
- Additional loan maturing December 2026, and two more to follow in 2029 but remain budgeted as balance will be allocated to reserves and more debt incurred per Capital Borrowing Plan.
- Increase of Fortis Franchise Fee proposed to 12%, to remain constant if it comes into force for the 3 year operating plan.
- Continued recreational funding from County rising with inflation
- Increases in assessment in 2027 tied to balances provided from Tanmar Consulting for 2026 development
- No major changes predicted in service levels

Three Year Plan: Budget Change Summary



2027

- Increase \$320,965
- 8.56%

2028

- Increase \$282,294
- 6.93%

2029

- Increase \$47,059
- 1.08%

Note: small increase in 2029 due to the completion of two significant projects in the previous two years, as outlined in the following slides. Initial proposed budget for this year can be expected to be similar rates to prior years.

2027 Major Annual Service Changes

Removed Items – Completed in 2026 Budget

- Feasibility Study Costs and related NRED and matching Grant Revenue (Ec Dev)
- Tech purchases (Community Services, Administration, FCSS, Utilities/PW)

Added Items for 2027

- \$21,000 ESRI System (Water/Sewer/Gas)
- \$2,200 training (Pembina)
- \$1,500 uniform replacements and \$1,500 in training (Bylaw)
- \$74,000 electrical bays, wash bay upgrades, epoxy coating, \$1,030 increase in STARS contribution (Fire)
- \$1,800 in project management training (Pembina)





3 Year Plan By Object: 2027

Inflation & Growth		3.0%	2.0%		
	Budget Operating 2026	Inflation \$	Growth \$	Service Changes \$	Budget Operating 2027
Revenue:					
TAXATION (EXCLUDING REQUISITIONS)	3,749,631	-	-	320,965	4,070,596
USER FEES	3,828,121	107,321	2,178	-	3,937,620
RESERVE TRANSFER	210,786	1,441	-	-	212,227
GRANTS	578,735	13,176	-	45,530	546,381
Total Revenue	8,367,273	121,938	2,178	275,435	8,766,824
Expenses:					
TAXATION (REBATES & CONTINGENCY)	5,000	-	-	-	5,000
STAFFING - WAGES & CONTRIBUTIONS	3,096,032	92,881	61,921	-	3,250,834
STAFFING COSTS - TRAINING & OTHER	173,646	5,209	-	5,500	184,355
PROFESSIONAL FEES	1,066,898	31,947	20	22,000	1,120,865
LEASES	16,767	503	-	-	17,270
INSURANCE	242,740	7,282	20	-	250,042
GOODS & SUPPLIES	267,990	8,040	-	1,870	274,160
POSTAGE & COPIES	27,178	815	-	-	27,993
REPAIRS & MAINTENANCE	630,580	18,917	-	73,960	723,457
VEHICLE EXPENSE	119,700	3,591	-	-	123,291
UTILITIES	610,287	18,309	-	-	628,596
OTHER - FINANCE CHARGES / DEBENTURES	525,643	7,090	-	-	532,733
OTHER - PROGRAMS / EVENTS	112,077	3,362	-	-	115,439
OTHER - UTILITY SUPPLY PURCHASE	628,559	18,857	-	-	647,416
OTHER - LIBRARY GRANT & OTHER COMMUNITY GRAN	85,836	2,575	-	-	88,411
RESERVE TRANSFERS	758,340	7,925	-	10,047	776,312
AMORTIZATION	1,380,976	-	-	32,306	1,413,282
Total Expenses	9,748,249	227,303	61,961	141,943	10,179,455
Balance after adjustments	- 1,380,976	- 105,365	- 59,782	133,493	- 1,412,631

2028 Major Annual Service Changes

Removed Items

- \$21,000 ESRI System (Water/Sewer/Gas)
- \$1,500 uniform replacements and \$1,500 in training (Bylaw)
- \$74,000 electrical bays, wash bay upgrades, epoxy coating

Added Items

- \$1,030 increase in STARS contribution (Fire)
- \$150,000 Master Service Plan (Transportation)
- \$40,000 Communications contract (Admin)





3 Year Plan By Object: 2028

Inflation & Growth		3.0%	2.0%		
	Budget Operating 2027	Inflation \$	Growth \$	Service Changes \$	Budget Operating 2028
Revenue:					
TAXATION (EXCLUDING REQUISITIONS)	4,070,596	-	-	282,294	4,352,890
USER FEES	3,937,620	110,606	2,287	-	4,050,513
RESERVE TRANSFER	212,227	6,163	-	-	218,390
GRANTS	546,381	13,524	-	-	559,905
Total Revenue	8,766,824	130,293	2,287	282,294	9,181,698
Expenses:					
TAXATION (REBATES & CONTINGENCY)	5,000	-	-	-	5,000
STAFFING - WAGES & CONTRIBUTIONS	3,250,834	97,525	65,017	-	3,413,375
STAFFING COSTS - TRAINING & OTHER	184,355	5,531	-	-	189,886
PROFESSIONAL FEES	1,120,865	33,626	21	170,000	1,324,511
LEASES	17,270	518	-	-	17,788
INSURANCE	250,042	7,501	21	-	257,565
GOODS & SUPPLIES	274,160	8,225	-	1,030	283,414
POSTAGE & COPIES	27,993	840	-	-	28,833
REPAIRS & MAINTENANCE	723,457	21,704	-	70,960	674,201
VEHICLE EXPENSE	123,291	3,699	-	-	126,990
UTILITIES	628,596	18,858	-	-	647,453
OTHER - FINANCE CHARGES / DEBENTURES	532,733	7,302	-	-	540,035
OTHER - PROGRAMS / EVENTS	115,439	3,463	-	-	118,902
OTHER - UTILITY SUPPLY PURCHASE	647,416	19,422	-	-	666,838
OTHER - LIBRARY GRANT & OTHER COMMUNITY GRAN	88,411	2,652	-	-	91,063
RESERVE TRANSFERS	776,312	8,163	-	10,048	794,522
AMORTIZATION	1,413,282	-	-	30,946	1,444,228
Total Expenses	10,179,455	239,029	65,059	141,064	10,624,607
Balance after adjustments	- 1,412,631	- 108,736	- 62,772	141,230	- 1,442,909

2029 Major Annual Service Changes

Removed Items

- \$150,000 Master Service Plan (Transportation)
- Removal of \$40,000 Communications contract (Admin)





3 Year Plan By Object: 2029

Inflation & Growth		3.0%	2.0%		
	Budget Operating 2028	Inflation \$	Growth \$	Service Changes \$	Budget Operating 2029
Revenue:					
TAXATION (EXCLUDING REQUISITIONS)	4,352,890	-	-	47,059	4,399,949
USER FEES	4,050,513	113,993	2,402	-	4,166,908
RESERVE TRANSFER	218,390	6,348	-	-	224,737
GRANTS	559,905	13,930	-	-	573,835
Total Revenue	9,181,698	134,270	2,402	47,059	9,365,429

Expenses:					
TAXATION (REBATES & CONTINGENCY)	5,000	-	-	-	5,000
STAFFING - WAGES & CONTRIBUTIONS	3,413,375	102,401	68,268	-	3,584,044
STAFFING COSTS - TRAINING & OTHER	189,886	5,697	-	-	195,583
PROFESSIONAL FEES	1,324,511	39,735	22	- 149,000	1,215,269
LEASES	17,788	534	-	-	18,322
INSURANCE	257,565	7,727	22	-	265,314
GOODS & SUPPLIES	283,414	8,502	-	1,030	292,947
POSTAGE & COPIES	28,833	865	-	-	29,698
REPAIRS & MAINTENANCE	674,201	20,226	-	-	694,427
VEHICLE EXPENSE	126,990	3,810	-	1,500	132,299
UTILITIES	647,453	19,424	-	-	666,877
OTHER - FINANCE CHARGES / DEBENTURES	540,035	7,745	-	-	547,779
OTHER - PROGRAMS / EVENTS	118,902	3,567	-	-	122,470
OTHER - UTILITY SUPPLY PURCHASE	666,838	20,005	-	-	686,843
OTHER - LIBRARY GRANT & OTHER COMMUNITY GRAN	91,063	2,732	-	-	93,795
RESERVE TRANSFERS	794,522	8,408	-	10,049	812,979
AMORTIZATION	1,444,228	-	-	30,000	1,474,228
Total Expenses	10,624,607	251,377	68,312	- 106,421	10,837,875

Balance after adjustments	- 1,442,909	- 117,107	- 65,910	153,480	- 1,472,446
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Reserve Objectives

- Plan for future operating and capital needs
- Plan for contingencies
- Minimize debt and interest on capital projects
- Generate investment income
- Support strategic cash management
- Risk Management Planning



Reserve Stabilization

- **Administration** – continue with \$35,000 annual transfer for future technology expenditures
- Fire – continue annual allocation per policy of sales less vehicle expenses for future equipment – approximately \$1,550
- **Streets** – \$90,000 transfer to cover future capital costs
- **Utilities** – continue with capital investment charge and utility infrastructure reinvestment rider at the same amount as prior year. Garbage dividend strategy to continue to increase reserves.
- **Pembina Place** – continuation of \$100,000 transferred to reserves annually per recreation agreement (50/50 cost share Town & County)
- **Fortis Franchise Fee** – Proposed increase included in the 2026 budget from 10% to 12% to cover future policing cost increases
- Continuing to develop reserve strategy that works towards normalizing recurring costs over a longer period and reduces the Town's reliance on grants to maintain critical infrastructure.

Questions

