

Statement 1**Consolidated Financial Plan 2026-2030 (\$ in thousands)**

	2026	2027	2028	2029	2030
REVENUES					
Revenues					
Development Fees					
Developer Contributed Assets	20,000	20,000	20,000	20,000	20,000
Developer Cost Charges	43,736	26,800	37,973	14,109	23,775
Parkland Acquisition	1,918	200	200	200	200
Contribution from Others	5,537	1,648	3,096	1,587	1,598
Development Fees Total	71,191	48,648	61,269	35,896	45,573
Property Taxes	131,659	139,465	147,683	156,416	165,689
Parcel Charges	135	141	147	154	161
Fees & Charges	76,072	80,094	84,855	90,051	95,657
Interest	4,435	4,555	4,575	4,575	4,575
Grants	16,825	11,162	7,516	5,952	42,852
Total Revenues	300,317	284,065	306,045	293,044	354,507
EXPENDITURES					
Operating Expenditures					
Debt & Interest Payments	1,511	1,668	4,299	5,665	6,474
Amortization	30,808	30,808	30,808	30,808	30,808
Other Expenditures	195,967	192,747	197,442	206,464	215,551
Total Expenditures	228,286	225,223	232,549	242,937	252,833
ANNUAL SURPLUS	72,031	58,842	73,496	50,107	101,674
Add Back: Amortization Expense (Surplus)	30,808	30,808	30,808	30,808	30,808
Less: Capital Expenditures	304,081	74,377	85,255	69,820	78,305
Less: Developer Contributed Capital	20,000	20,000	20,000	20,000	20,000
CHANGE IN FINANCIAL POSITION	(221,242)	(4,727)	(951)	(8,905)	34,177
OTHER REVENUES					
Add: Borrowing Proceeds	82,400	5,000	-	30,000	-
OTHER EXPENDITURES					
Less: Principal Payments on Debt	5,111	4,061	2,809	3,781	5,317
TOTAL REVENUES LESS EXPENSES	(143,953)	(3,788)	(3,760)	17,314	28,860
INTERNAL TRANSFERS					
Transfer From Reserve Funds					
Capital Works Reserve	889	-	-	-	-
Equipment Replacement Reserve	13,699	2,572	2,127	2,632	2,737
Fire Department Capital Reserve	1,219	-	-	-	-
Growing Community Reserve	13,735	1,500	-	-	-
Sanitary Sewer Reserve	1,494	-	-	-	-
Total Transfer from Reserve Funds	31,036	4,072	2,127	2,632	2,737
Less: Transfer To Reserve Funds					
Capital Works Reserve	1,064	(14)	497	1,315	(210)
Equipment Replacement Reserve	3,025	3,410	3,683	3,851	4,022
Fire Department Capital Reserve	1,653	1,513	1,186	(947)	(1,965)
Land Reserve	5	5	5	5	5
Total Transfer to Reserve Funds	5,747	4,914	5,371	4,224	1,852
Transfer From (To) Own Reserves	107,729	4,692	(5,093)	(7,378)	(9,076)
Transfer From (To) Surplus	10,935	(62)	12,097	(8,344)	(20,669)
Transfer From (To) Surplus & Own Reserves	118,664	4,630	7,004	(15,722)	(29,745)
TOTAL INTERNAL TRANSFERS	143,953	3,788	3,760	(17,314)	(28,860)
BALANCED BUDGET	-	-	-	-	-

Statement 2

Revenue and Property Tax Policy Disclosure

REVENUE DISCLOSURE

Revenue Proportions	2026		2027		2028		2029		2030	
	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%
Revenues										
Property Taxes	131,659	34.5	139,465	48.2	147,683	48.3	156,416	48.4	165,689	46.6
Parcel Charges	135	-	141	-	147	-	154	-	161	-
Fees & Charges	76,072	19.9	80,094	27.7	84,855	27.7	90,051	27.9	95,657	27.0
Borrowing Proceeds	82,400	21.5	5,000	1.7	-	-	30,000	9.3	-	-
Other Sources	92,451	24.2	64,365	22.3	73,360	24.0	46,423	14.4	93,000	26.2
Total Revenues	382,717	100	289,065	100	306,045	100	323,044	100	354,507	100
Other Sources include:										
Development Fees Total	71,191	18.6	48,648	16.9	61,269	19.9	35,896	11.1	45,573	12.8
Interest	4,435	1.2	4,555	1.6	4,575	1.5	4,575	1.4	4,575	1.3
Grants (Other Govts)	16,825	4.4	11,162	3.9	7,516	2.5	5,952	1.8	42,852	12.1
	92,451	24.2	64,365	22.3	73,360	24.0	46,423	14.4	93,000	26.2

OBJECTIVES & POLICIES

Property Tax Revenue

Property tax revenue is the City's primary revenue source, and one which is heavily reliant on the residential class. Diversification of the tax base and generation of non-tax revenue are ongoing objectives, outlined in Financial Sustainability Policy 5.52 section 6.

The Financial Plan includes property tax increases that are as listed below:

	2026	2027	2028	2029	2030
General Purpose	3.50%	3.50%	3.50%	3.50%	3.50%
Infrastructure Replacement	-	1.00%	1.00%	1.00%	1.00%
Total Property Tax Increase	3.50%	4.50%	4.50%	4.50%	4.50%

Additional information on the tax increases and the cost drivers can be found in the most recent Financial Overview Report.

Property tax revenue includes property taxes as well as grants in lieu of property taxes.

Parcel Charges

Parcel charges, for some properties, consist of a local area service or improvement charge. They are a useful tool for assigning a fixed or variable cost to all, or a subset of, properties to support specific services. Unlike property taxation, parcel charges do not need to be based on assessed property value and can instead reflect other factors that more accurately represent the cost of delivering the service.

A sewer parcel charge that existed in previous financial plans has been removed.

Statement 2

Revenue and Property Tax Policy Disclosure

Fees & Charges

Fees should be reviewed annually and updated if needed. Fees are used to offset some or all the costs of providing specific services. The utility fees are reviewed annually with a view towards using rate stabilization practices to smooth out large fluctuations in rates, as set out in the Business Planning Guidelines.

Borrowing Proceeds

Debt is used when it makes sense, and with caution as it commits future cash flows to debt payments, restricting the ability to use these funds to provide other services. The source of the debt payments needs to be considered as does the justification for advancing the project. More information on previously approved borrowing can be found in the most recent Annual Financial Report.

Other Sources

This will vary greatly year to year as it includes:

- Development fees which fund capital projects from the Development Cost Charges reserve
- Contributions from others in relation to capital
- Grants which are sought from various agencies and may be leveraged with City funds

PROPERTY TAX DISCLOSURE

Property Tax Revenue Distribution

Property Class	Taxation Revenue ('000s)		Assessed Value ('000s)		Tax Rate (\$/1000)	Multiple (Rate/Res.Rate)
Residential	103,222	79.8%	36,037,598	91.0%	2.8643	1.0
Utility	962	0.7%	24,041	0.1%	40.0000	14.0
Major Industry	-	0.0%	-	0.0%	14.9274	5.2
Light Industry	6,591	5.1%	883,091	2.2%	7.4637	2.6
Business/Other	18,448	14.3%	2,643,727	6.7%	6.9782	2.4
Rec./ Non-Profit	77	0.1%	7,820	0.0%	9.8296	3.4
Farm	108	0.1%	4,627	0.0%	23.3552	8.2
Total	129,409	100%	39,600,905	100%		

Statement 2

Revenue and Property Tax Policy Disclosure

PROPERTY TAX DISCLOSURE

Objectives & Policies

Property taxes are the City's largest source of revenue. Annual business planning practices are the mechanism for resource allocation decisions.

The City's Financial Sustainability Policy section 6 discusses the necessity of diversifying the tax base. Development of employment-related properties is one method of diversification.

A policy in the Financial Sustainability Plan that calls for stable tax increases and the adoption of the annual increase early in the prior year in the Business Planning Guidelines provides citizens with a more stable and predictable set of cost increases.

Property Tax Rates

It is policy to adjust property tax rates annually to offset the change of market values on property taxes. Tax rates are set to offset market change in each property class. Property tax increases are then applied at the same relative increase for all classes, unless legislation restricts the rates, as with Class 2, Utility.

In previous years, class 5 and 6 were treated as a composite class; in this financial plan, this is no longer the case and they are treated separately.

In reviewing tax rates to ensure competitiveness, absolute rates, tax multiples and overall tax burden are considered. The impact that assessed values have when comparing to other geographical areas must be considered in a comparison of tax rates.

Permissive Tax Exemptions

Council has set policies around the use of permissive tax exemptions. These are Council Policies 5.19 through 5.24. These policies discuss Churches, Community Halls, Heritage Sites, Homes for the Care of Children and the Relief of the Aged, the Poor, the Disabled and the Infirm, Municipal Recreational Services, Private Hospitals and Daycares, Private School and Youth Recreation Groups.

Revitalization Tax Exemptions (no current programs)

In the past, Revitalization Tax Exemptions have been leveraged as a tool to provide incentives for the attainment of strategic goals related to land development and the attraction of high-value jobs. The Town Centre Investment Incentive Program was established to attract private investment in the fulfillment of the Town Centre Area Plan. Similarly, the Employment Land investment Incentive Program was designed to encourage job creation by supporting investment in buildings and infrastructure on identified "employment lands".

Statement 3

Capital Expenditure Disclosure

The sole purpose of this statement is to meet legislative requirements and highlight the value of the Development Cost Charges; no other conclusions should be drawn from the figures as the information could be misconstrued. This disclosure is required under the Local Government Act s. 560 (2); capital costs attributable to projects to be partially funded by Development Cost Charges (DCC) must be included in the financial plan. The DCC program includes projects as far out as 2045 so the capital expenditures must be extended to match. Certain types of projects are not planned past the five-year time horizon of the financial plan. Much less scrutiny is given to projects that are planned in years 2031 through 2045. Projects in these years typically exceed likely funding available.

Capital Program for 2031 – 2045

(\$ in thousands)

Capital Works Program	8,296
 Source of Funding	
Development Fees	
Development Cost Charges	4,575
Contribution from Others	-
	<u>4,575</u>
Borrowing Proceeds	-
Grants	-
Transfer from Reserve Funds	807
Revenue Funds	2,914
	<u>3,721</u>
	<u><u>8,296</u></u>