



The City of  
**SPRUCE  
GROVE**

## REQUEST FOR DECISION

**MEETING DATE:** April 13, 2026

**TITLE:** 2026 Spring Budget Adjustment

**DIVISION:** Corporate Services

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### **SUMMARY:**

Council approval is requested for budget amendments to the 2026 Budget and Fiscal Plan approved on December 8, 2025, prior to setting the property tax rate for 2026.

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### **PROPOSED MOTION:**

THAT the 2026 Spring Budget Adjustment, as presented in Attachment 1, be approved.

THAT the 2026 Operating Budget be amended to increase operating revenue by \$583,755, increase operating expenses by \$825,255, and increase net transfers from reserve by \$241,500, as outlined in Attachment 1.

THAT the 2026 Capital Budget be amended to increase capital revenue by \$625,000, increase capital expenses by \$2,245,596, and increase net transfers from reserve by \$1,620,596, as outlined in Attachment 1.

### **BACKGROUND / ANALYSIS:**

The Spring Budget Adjustment (SBA) process provides an opportunity to amend the budget prior to setting the property tax rate for the year. Amendments to budget are typically to address increase revenue from assessment growth, revisions to revenue and expense forecasts, and adjustments to ongoing or one-time operating expenditures. These updates allow Administration to incorporate emerging trends, refine assumptions, and ensure that the budget remains aligned with both corporate priorities and the City's long-term financial sustainability.

## **PROPOSED SPRING BUDGET ADJUSTMENTS**

### **Ongoing Revenues and Expense Adjustments**

- Property Taxes
  - Total estimated property assessment\* growth at the time of the 2026 budget approval was 4.12 per cent. Assessment data received now shows actual growth of 4.99 per cent. This yields \$438,447 in additional revenue from property taxes due to assessment growth.
- 1 FTE Communications Advisor - Mayor and Council
  - 2026 costs associated with this new role are included in the SBA in the amount of \$83,755. This position is being added to address capacity challenges to deliver on Council's mandate related to getting prompt communications out to the community.
- Planning and Development Revenues
  - Administration has increased the forecasted Planning and Development revenues related to building permits by \$70,000.

The increase in assessment growth revenue, additional permit revenue, and the addition of the Communications Advisor role allows for a reduction to the 2026 property tax revenue requirement of 0.69 per cent. This reduces the anticipated property tax revenue increase of 4.68 per cent, approved by Council in December 2025, to 3.99 per cent.

*\*Property assessments determine how the approved municipal tax levy is distributed among properties, not the total amount of tax collected by the City. Through the budget process, Council establishes the total tax levy required to fund municipal services. That total levy is then allocated across all properties based on their assessed values. Properties with assessment increases greater than the municipal average will assume a larger share of the levy, while properties with increases below the average, or decreases, will assume a smaller share. As a result, changes in an individual property's tax bill may differ from the overall budgeted tax increase, depending on how that property's assessment has changed relative to the municipal average.*

### **One-time Revenues and Expense Adjustments**

The following one-time revenue and expense adjustments have been included in the SBA and are outlined in Attachment 1. These items are funded by additional external revenues or through existing reserves thus resulting in no impact on the tax rate.

### **Municipal Operating**

- Community Health Needs Assessment Study - \$150,000 funded through the Operating Projects Reserve. This item was identified as part of advocacy discussion with Council during strategic planning sessions. The funds are being set aside as a placeholder as further planning and discussions are ongoing.

- Seasonal Parks Bylaw Officers Pilot project for \$51,500 to support enforcement of Municipal Bylaws, funded through the Operating Projects reserve. More information is provided on this item under the Central Park Activation Plan briefing for Council during this meeting.
- Reclassification of the feasibility study costs for 410 King Street in the amount of \$40,000 from the Capital budget to a one-time operating project funded through the Operating Projects reserve.
- Integrated Youth Services program expenses of \$500,000 fully funded through contributions from Kickstand.

### **Municipal Capital**

- Land Servicing costs for the South Century Industrial Park - \$250,000 funded through the Land Reserve.
- “NoTraffic” Pilot for Highway 16A - \$860,000 funded through the Capital Projects reserve. Information on this project was brought to Council at the February 9, 2026 Regular Council Meeting when Council provided direction to bring it forward as part of SBA.
- Reclassification of the feasibility study costs for 410 King Street in the amount of \$40,000 from the Capital budget to a one-time project funded through the Operating Projects reserve.
- Security Cameras project - \$35,596 funded through the Capital Projects Reserve.
- Amendment of \$50,000 to the existing Pavijet MG7 Skid Steer attachment project, funded through the Capital Projects Reserve.
- Amendment of \$85,000 to the existing Re-imagined Central Park project, funded through Capital Projects reserve.

### **Utility Capital**

- Environmental Creek Bed Erosion Preventative Maintenance project - \$90,000 funded through the Storm Water Reserve and \$365,000 funded through the Watershed Resiliency and Restoration grant.
- Eco Centre Fencing project - \$250,000 funded through Waste Reserve. This is needed due to increased theft and trespassing on the Eco Centre site.

### **Developer Capital**

- Construction of a dedicated parent drop-off loop at Copperhaven School to reduce traffic congestion on Grove Drive - \$300,000 funded through Developer Contributions (Cash in Lieu of Municipal Reserve).

## OTHER BUDGET ADJUSTMENTS

### 2025 Municipal Tax and Utility Funded Carry Forward Requests - Approved February 23, 2026

- \$7,150 for Microgrants for Operating Project Reserve funded carry forward.
- \$66,850 for the Waste Audit Enterprise Resource Planning project, Waste Reserve funded carry forward.

### Summary of Impact of Spring Budget Adjustment on Budget 2026

#### Impact of Spring Budget Adjustment on Budget 2026 (in 000's):

	2026 Budget (Dec 8, 2025)	2025 Tax Funded Carryforwards (Feb 23, 2026)	2025 Non-Tax Funded Carryforwards	2026 Spring Budget Adjustments	2026 Final Budget
<b><u>Municipal Operating Budget</u></b>					
Revenues	98,686		3	584	99,273
Expenses	95,136	7	815	825	96,784
Transfer To/(From) Reserves	3,550	(7)	(812)	(242)	2,489
<b><u>Utility Operating Budget</u></b>					
Revenues	37,191				37,191
Expenses	28,441	67			28,508
Transfer To/(From) Reserves	8,750	(67)			8,684
<b><u>Developer Operating Budget</u></b>					
Revenues	6,196				6,196
Expenses	3,405				3,405
Transfer To/(From) Reserves	2,792				2,792
<b><u>Municipal Capital Budget</u></b>					
Revenues	6,534		128	(40)	6,623
Expenses	12,746		3,517	1,241	17,503
Transfer To/(From) Reserves	(6,211)		(3,388)	(1,281)	(10,880)
<b><u>Utility Capital Budget</u></b>					
Revenues	1,890			365	2,255
Expenses	8,662		3,976	705	13,343
Transfer To/(From) Reserves	(6,772)		(3,976)	(340)	(11,088)
<b><u>Developer Capital Budget</u></b>					
Revenues	5,708		3,904	300	9,912
Expenses	7,115		3,904	300	11,318
Transfer To/(From) Reserves	(1,407)				(1,407)

### Legislative Authority

- *Municipal Government Act*, Section 242(3) - An interim budget operating for part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.
- CP-1060-24 - Reserves and Accumulated Surplus

**OPTIONS / ALTERNATIVES:**

Council can choose to make changes to any of the items identified for SBA or add them to the list of adjustments. This would require further analysis and budget revision.

**CONSULTATION / ENGAGEMENT:**

The review process for the recommended SBA included input from Administration.

**IMPLEMENTATION / COMMUNICATION:**

Once approved by Council, all recommended changes will be incorporated into the SBA and reflected in the City’s final 2026 budget. The adjustment results in a reduced municipal tax rate. The updated 2026 budget will be made publicly through the following sources:

<b>COMMUNICATIONS TACTIC</b>	<b>TIMING</b>
<b>Website content</b>	April
<b>Social media (Facebook, LinkedIn)</b>	April
<b>CityPulse e-newsletter</b>	April
<b>City Page (newspaper)</b>	April

**IMPACTS:**

This decision will allow for the update and finalization of the 2026 budget.

**FINANCIAL IMPLICATIONS:**

If approved by Council, the proposed 2026 Municipal Operating Budget will reduce the tax increase to 3.99 per cent, down from the 4.68 per cent increase approved in December 2025.

As noted in the Background / Analysis section, individual tax impacts will vary depending on how a property’s assessment changed relative to the municipal average.