Village of Rycroft
Request for Decision

Council Meeting Date: Nov 4, 2026

TOPIC: 2027 to 2029 Interim Operating Budget and 2027 to 2031 Capital Budget

RECOMMENDED ACTION:

1. That Council approve the updated 2027 to 2029 Interim Operating budget as presented.

BACKGROUND: As Council has scheduled the annual Strategic Planning Meeting for November 6, 2026, after Council discussion and consideration if any changes are required, they can be amended at the November 17, 2026, or December 3, 2026 Regular Meeting of Council.

Council reviews and updates the next years' provisional operating budgets and capital budgets at the end of the year. This preliminary direction is given with consideration to service levels after Council has had a strategic planning meeting to provide direction to Administration. The final budget will be presented to Council in April, once requisition levels are formalized, and Council has all information to set a tax rate.

Tax rate changes over the past 8 years:
In 2026: Council had 1% tax rate increase for residential and 1% on the non-residential tax Rate
In 2025: held the residential tax rate 0% change and the Non-Residential Tax rate 0% change.
In 2024 Council had a 3% increase on the residential tax rate and 3% on the Non-Residential Tax rate.
In 2023 there was a 5% residential and 3% non-residential.
From 2018 to 2022 there were 0% increases for each year.

Council should always consider an increase, as history has shown those municipalities that do not raise their rates by **1-2%** annually eventually end up one year having to place a large likely double digit increase on the residents and businesses to catch up. Inflationary costs of operation are consistently rising as materials, supplies, and services cost more every year. For this approval, Council should focus on service level, revenues and expenditures. Tax rates will be determined in the Spring.

Highlights of the interim budget include:

OPERATING REVENUES:

- The Local Government Fiscal Framework Act establishes a framework for providing infrastructure funding to all Alberta municipalities began in 2024/25. With funding levels for 2027 anticipated to be $64,946.
- The Local Improvement Tax revenue will continue for those areas repaved in 2023/2024.
- Utility Franchise Fees and bank interest projections have been adjusted accordingly
- Arena revenue from Pickleball users has been removed per Council decision in October 2025

- Total Equalized Assessment has had little change or effect on the revenues
- Water, sewer, and solid waste revenues remain at cost recovery
- Per the Regional Development Initiative Agreement with Saddle Hills County $750,000 to be received in 2027.
- Total Revenues are budgeted at $3,121,750 (2026 was $3,484,717)

OPERATING EXPENSES:

- Council Remuneration will increase to 36,050; equivalent to 3% above 2026.
- Council Memberships and Contingency will increase by 3% over 2026 levels.
- Road maintenance including gravel purchases will increase by 3% due to higher prices on materials.
- The arena operating grant is budgeted at $20,000.
- Other minor juggling of spending amounts have been made to the budget to be more reflective of actual working of our operation
- Police funding increased to ($44,768) for 2027 / 2028
- Cost-of-Living Allowance increase for 2027. Anticipated if Council approves, equivalent to a 3% increase.
- Total Expenses budgeted at **$2,538,773 (2026 was $2,464,828)**

CAPITAL BUDGET:

- $45,000 to replace the front doors on the Administration Building with handicap accessible access (dependant on matching grant)
- $100,000 of completion work to the 2026 waterline project to be completed in early 2027. Cost to be covered by Capital reserves and allocated Provincial grant funds.
- Replacement trees for Dog Park $30,000
- Replacement Pickup truck for public works $65,000
- Arena Roof patching and Insulation project (new) $140,000 funds to come from Capital reserves and potential grants.
- Total Capital budgeted 2027 at **$260,167 (2026 was $757,367)**

POLICY AND/OR LEGISLATIVE IMPLICATIONS: Council must adopt an operating budget for each calendar year by January 1 of that calendar year (*MGA s 242*).
Council must adopt a capital budget for each calendar year by January 1 of that calendar year (*MGA s. 245*).

ALTERNATIVE OPTIONS:

1. Council could suggest other changes to the budgets.

ATTACHMENTS:

1. 2027 to 2029 Operating and Capital Budget

Kevin Keller — November 4, 2026

Chief Administrative Officer — **Date**