



2027 Proposed Budget Highlights AND 2027-2029 Proposed Budget and Fiscal Plan

Introduction from City Manager



On behalf of City Administration, I am pleased to introduce the highlights from the [Proposed 2027-2029 Budget and Fiscal Plan](#).

This overview outlines what Administration is proposing to Council for capital and operating budgets.

Spruce Grove has nearly doubled in population over the past 15 years. That growth brings momentum, opportunity, and a growing demand for services. New home building permits, for example, are processed in under three business days on average.

Keeping pace with growth takes thoughtful planning. Spruce Grove is committed to managing growth responsibly, balancing our current needs with the long-term sustainability of our community. Council invests tax dollars in what our community needs today while keeping tomorrow in mind. This budget stays focused on what a municipality is [responsible](#) for including the infrastructure and services that shape day-to-day life, from roads and parks to water, fire protection, and community safety.

Spruce Grove continues to carry one of the lowest residential tax rates among comparable municipalities

in the region. Administration is proposing a 3.9 per cent tax increase for 2027, following the moderate, predictable approach Council has taken for several years. Of that, 1 per cent goes toward repairing and replacing existing infrastructure.

Highlights include the twinning of Grove Drive, planning for a new outdoor aquatics facility and the preservation of Horizon Stage, and \$3.2 million for water main rehabilitation in Grove Meadows. Utilities are fully funded through the rates residents pay, which keeps that work separate from property taxes. Public safety remains a priority, with continued investment in enforcement and ongoing work on a Community Safety Strategy. Dedicated resources are also proposed to support implementation of Council's [2026-2029 Strategic Plan](#) and advance Council's priorities over the term.

Growth will continue to shape the choices ahead and Administration will keep a focus on fiscal sustainability while preparing responsibly for the future.

Thank you for taking the time to read the highlights. I invite you to review the full [2027-2029 Proposed Budget and Fiscal Plan](#), available online at sprucegrove.org/Budget.

Dean Screpnik, CPA, CMA, CLGM
City Manager

What is a Budget and Fiscal Plan?

As a municipal government, the City of Spruce Grove delivers the local infrastructure, programs, and services residents rely on.

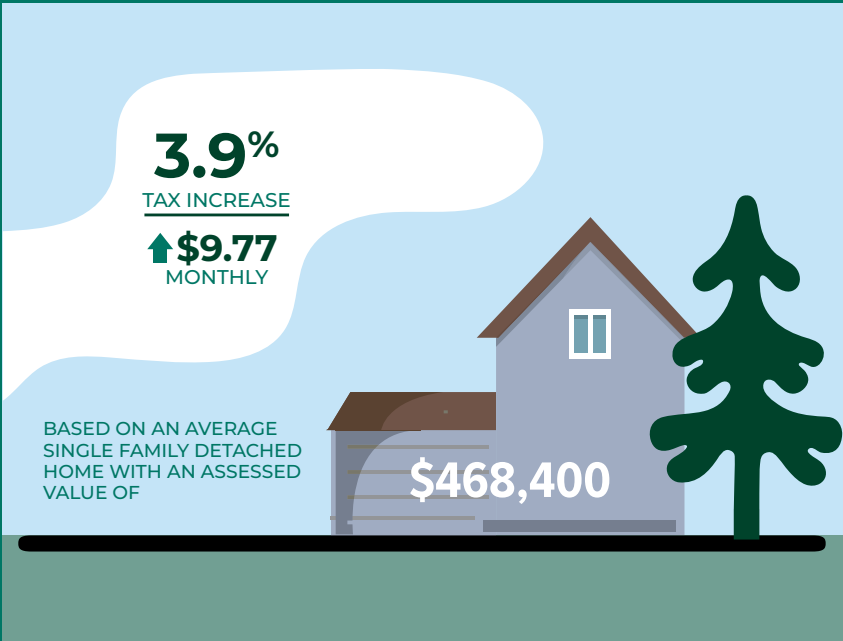
This includes transportation networks (roads and trails), utility services and structures (water, sanitary sewer, stormwater and solid waste), and parks and open

spaces, as well as funding community facilities such as the TransAlta Tri-Leisure Centre and the Spruce Grove Public Library. The [Budget and Fiscal Plan](#) outlines the resources required to deliver these programs and services, provide funding to the community, as well as implementing Council's vision for the City of Spruce Grove, as described in the [2026-2029 Strategic Plan](#).



2027 Proposed Municipal Operating Budget

The City invests tax dollars in what our community needs today while keeping tomorrow in mind, taking a steady, predictable approach to growth. They fund the program and service delivery for the City’s transportation networks, the provision of public transit and public safety services, parks and open spaces, community programming and so much more! As a growing City, we are dedicated to maintaining and enhancing the amenities and offerings we provide our community in a fiscally responsible way.



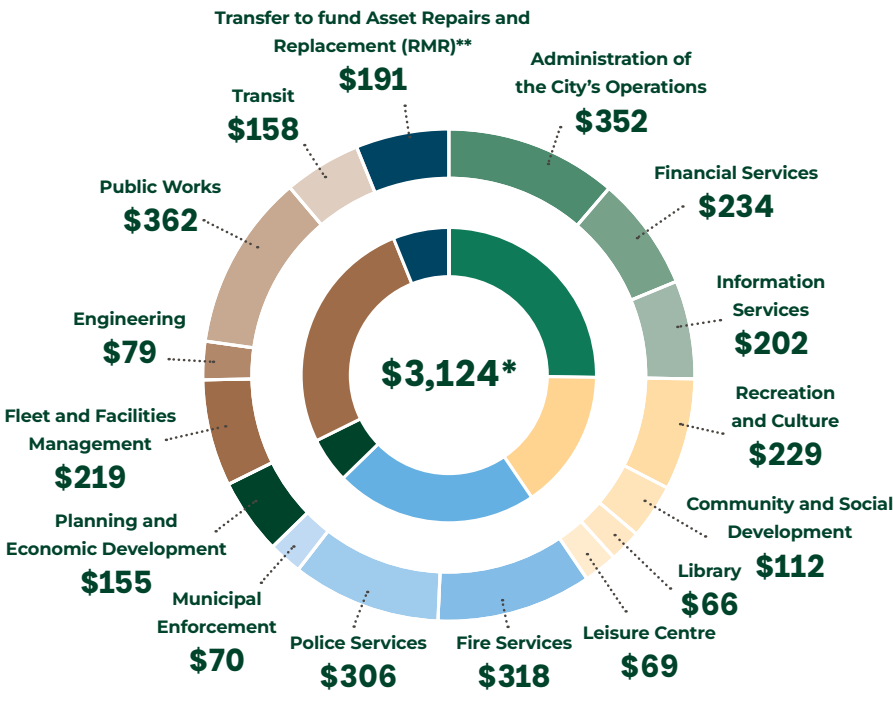
The 2027 Proposed Municipal Operating Budget of \$104.959 million includes a 3.9% per cent tax increase.

- A 2.9 per cent general tax increase supports the maintenance and expansion of City services; and
- Continuation of the 1.0 per cent tax increase to fund the repair, maintenance and replacement of existing infrastructure, vehicles and equipment, which is part of a funding strategy that was approved by Council in 2021.

For an average residential property with an assessed value of \$468,400, a 3.9% per cent tax increase represents a monthly increase of \$9.77 in 2027. That translates to an annual property tax bill of \$3,124.

** Transfer to fund Asset Repairs and Replacement (RMR) in the chart to the right represents the use of municipal tax dollars to pay for critical infrastructure repairs, maintenance and replacement.

How Municipal Taxes are Spent



*Based on average residential property with an assessed value of \$468,400



Funding Our Community

In 2027, \$4.695 million will be directed towards supporting community initiatives, such as the Spruce Grove Public Library, small business development, the TransAlta Tri-Leisure Centre, underrepresented and equity deserving groups, and much more.



2027 Proposed Municipal Capital Budget

The Municipal Capital Budget reflects significant investments in community facilities, transportation networks, and parks and open spaces. The City continues to invest in reserves for the repair, maintenance, and replacement of existing infrastructure, vehicles and equipment, which will be funded by the 1.0 per cent dedicated tax increase and split tax.

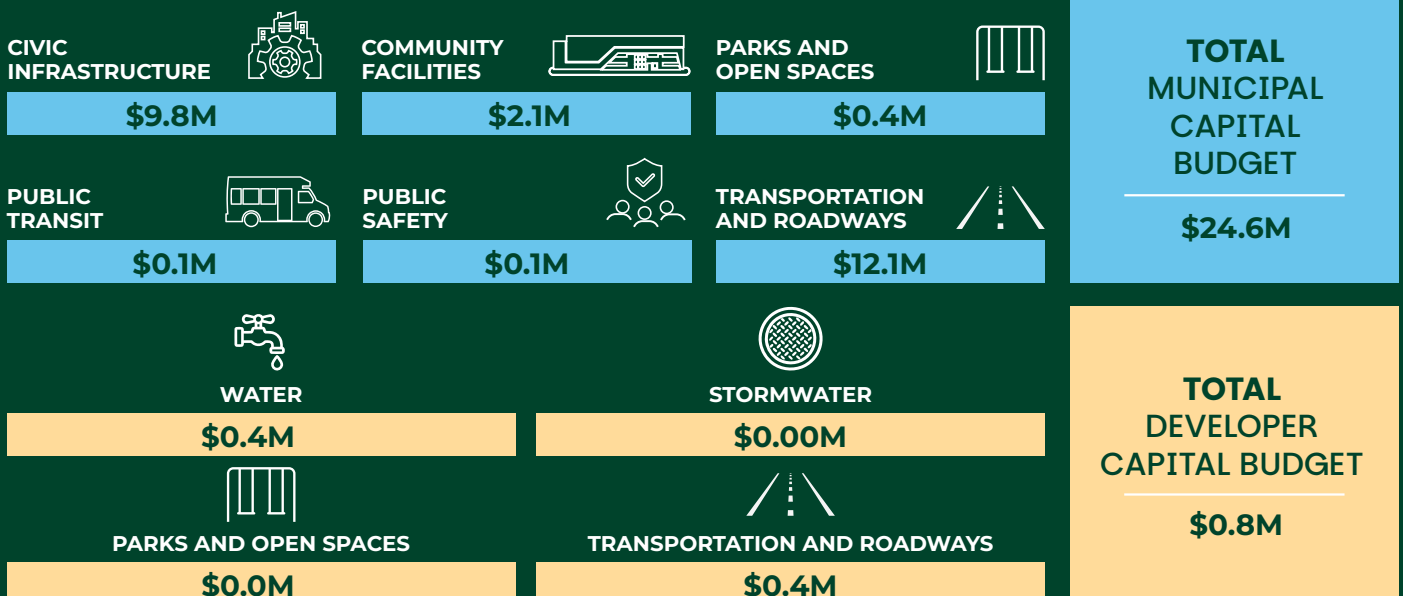
The City is investing \$12.0 million to preserve the 318-seat Horizon Stage theatre. The existing theatre, located within the Spruce Grove Composite High School, will be displaced as part of the school's planned demolition. Planning and design are scheduled to begin in 2027, with construction anticipated in 2028.

2027 Proposed Developer Capital Budget

Developer capital projects are undertaken for new growth-related projects for transportation, sanitary sewer, water, stormwater, recreation, and library infrastructure to support growth and development. These projects are funded through developer levies and recoverable debt when developer levies collected to date are insufficient.

Included in the proposed 2027 budget is the twinning of Grove Drive, a key transportation corridor. As Spruce Grove continues to grow, increasing traffic volumes are placing pressure on the existing roadway network. Twinning Grove Drive will increase road capacity, improve traffic flow, and support future growth. Design work will begin in 2027, with construction of the east segment scheduled for 2028 and the west segment for 2030. The total project budget is \$5.4 million, funded through developer debt.*

*Entire project costs included for the multi-year durations of the projects



Utility Budget and Distribution for 2027

Utility operations should be self-sustaining, which means the rates a user pays for a utility, such as water and waste removal, fully fund that utility. In summer 2026, the City conducted a utility rate review and rates were updated as required to ensure the utilities remain self-sustaining. The average residential user will experience a \$5.68 increase in their 2027 monthly utility charges as a result of an increase in the water, sanitary sewer, and stormwater rates.



WATER (based on consumption)	SANITARY SEWER* (based on consumption)	SOLID WASTE	STORMWATER** (flat rate)
INCREASE \$0.11 M ³	INCREASE \$0.25 M ³	NO CHANGE IN RATES	INCREASE \$0.64/MONTH Based on a one-inch water meter typically found on residential properties
2027 UTILITY OPERATING BUDGET \$17.6M	2027 UTILITY OPERATING BUDGET \$13.3M	2027 UTILITY OPERATING BUDGET \$4.7M	2027 UTILITY OPERATING BUDGET \$4.2M
2027 UTILITY CAPITAL BUDGET \$5.1M	2027 UTILITY CAPITAL BUDGET \$0.4M	2027 UTILITY CAPITAL BUDGET \$0.0M	2027 UTILITY CAPITAL BUDGET \$1.7M
TOTAL UTILITY BUDGET			
2027 UTILITY OPERATING BUDGET \$39.8M			
2027 UTILITY CAPITAL BUDGET \$7.2M			

Total Average Monthly Impact on a Residential Rate Payer

Below is an example based on an average residential property with an assessed value of \$468,400, consuming 14 cubic meters of water per month with a one-inch water meter.

TAX INCREASE							\$9.77
UTILITY FEE INCREASE							+
WATER \$1.54	+	SANITARY SEWER* ARROW UTILITIES: \$1.40 CITY OF SPRUCE GROVE: \$2.10	+	SOLID WASTE \$0	+	STORMWATER** \$0.64	= \$5.68
							=
*Sanitary sewer rates are based on household water use, measured per cubic metre (m³). Once water leaves your home through sinks, showers, drains, and toilets, it is treated and safely returned to the environment. Sanitary sewer water transmission and treatment are managed by Arrow Utilities, and the rate is blended to account for local City operations and maintenance. In 2027, Arrow Utilities will increase its rate by \$0.10 per m³, and the City will increase its rate by \$0.15 per m³, for a combined increase of \$0.25 per m³ of water used. These adjustments will support infrastructure enhancements to ensure wastewater continues to be treated safely and responsibly. **Stormwater rates are charged as a flat rate and are used to maintain the City's stormwater management facilities that collect and filter rain and snowmelt, helping prevent flooding and protecting local rivers and streams.							\$15.45 PER MONTH





sprucegrove.org/Budget