



2026 BUDGET HIGHLIGHTS AND PROPOSED 2026-2028 BUDGET AND FISCAL PLAN

INTRODUCTION FROM CITY MANAGER



I am pleased to introduce the highlights from the City of Spruce Grove's Proposed 2026–2028 Budget and Fiscal Plan. This overview captures what City Administration is proposing to Council in terms of programs, services, fees, and property taxes.

The plan reflects a balanced approach to growth, service delivery, and long-term sustainability. We maintain one of the lowest residential tax rates among all municipalities in the Edmonton region, making Spruce Grove an increasingly desirable place to call home and one of Alberta's fastest-growing municipalities. That growth comes with increased demand for infrastructure, public safety, and community services. To meet the demands of the expanding community, Administration is proposing to implement a tax increase of 4.57 per cent as part of its tax strategy.

The Proposed 2026–2028 Budget and Fiscal Plan includes dedicated funding for infrastructure renewal and lifecycle

replacement, along with investments in roads, parks, utilities, and civic facilities. Public safety remains a priority, with increased funding for enforcement and fire services, including new RCMP officers and continued support for the Community Outreach Program. The plan also supports future capital projects such as the development of an Aquatic Centre, which will enhance recreation and quality of life for residents.

As Spruce Grove grows, so does the complexity of delivering responsive services. The organization continues to build strategic policies and plans that will support this growth. Strategic staffing investments will help maintain service levels and advance Council's priorities. The Proposed 2026-2028 Budget and Fiscal Plan ensures we remain competitive and resilient while preparing responsibly for the future.

I invite you to review this highlights document as well as the full Proposed 2026–2028 Budget and Fiscal Plan, available online at sprucegrove.org/Budget, for more details.

Dean Screpnek, CPA, CMA, CLGM
City Manager

WHAT IS A BUDGET AND FISCAL PLAN?

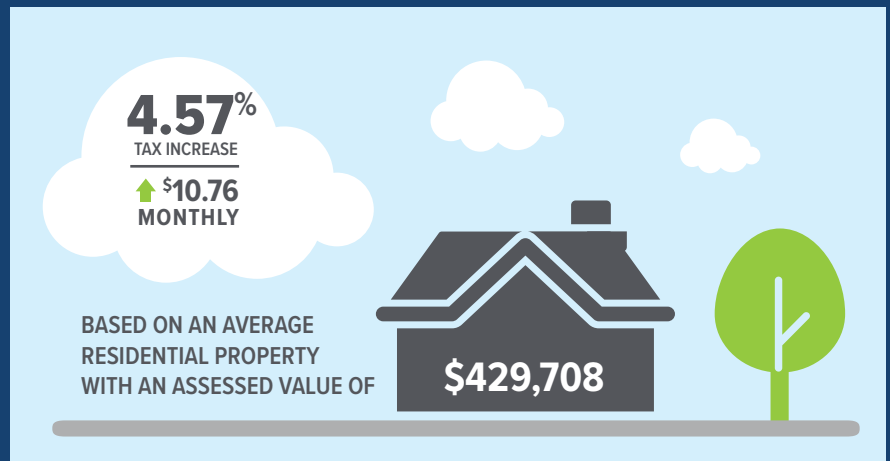
As a municipal government, the City of Spruce Grove is responsible for infrastructure, programs and services that directly impact the day-to-day lives of city residents.

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, and implement Council's vision for the City of Spruce Grove as described in the Strategic Plan.



2026 MUNICIPAL OPERATING BUDGET

Your tax dollars in Spruce Grove go a long way! 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 Proposed 2026 Municipal Operating Budget of \$101.383 million includes a 4.57 per cent tax increase.

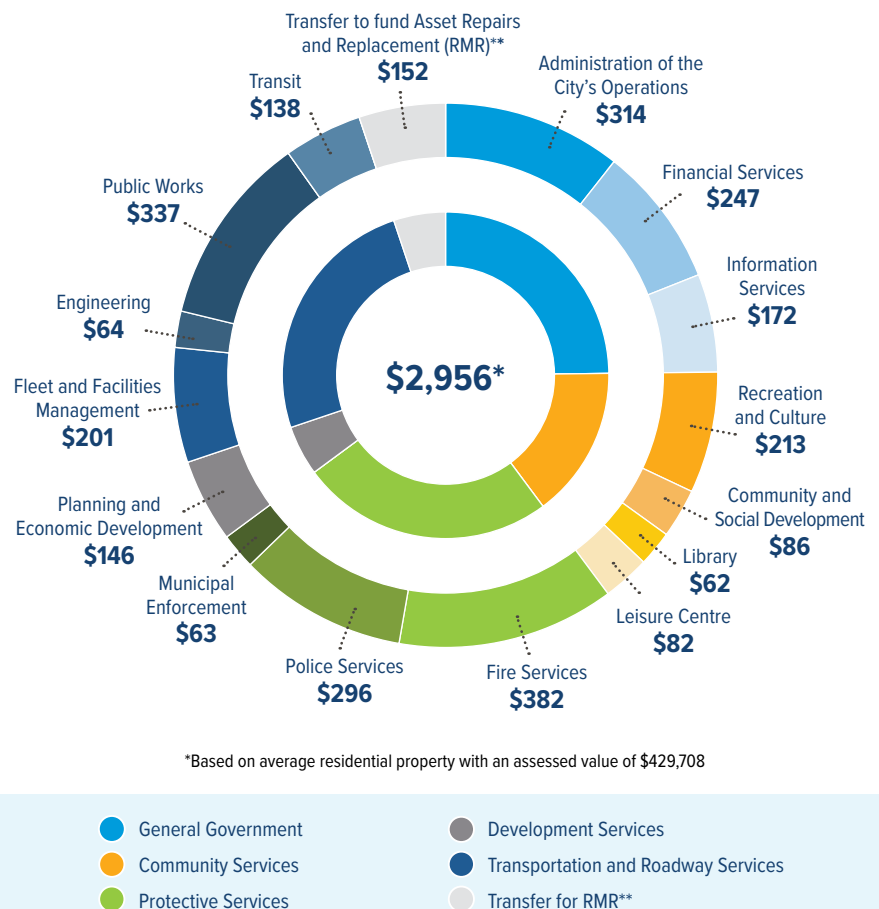
- A 2.9 per cent general tax increase supports the maintenance and expansion of City services;
- A 0.67 per cent increase dedicated to support the hiring of additional RCMP officers; and
- Continuation of the 1.0 per cent tax increase to fund the repair, maintenance, and replacement of existing City capital assets, which is part of a funding strategy that was approved by Council in 2021.

For an average residential property with an assessed value of \$429,708, a 4.57 per cent tax increase represents a monthly increase of \$10.76 in 2026 and translates to an annual property tax bill of \$2,956.

**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





FUNDING OUR COMMUNITY

In 2026, \$5.05 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.



PROPOSED 2026 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.

A significant municipal capital investment for the City in the 2026 budget includes replacement of the City's Finance Enterprise Resource Planning (ERP) software. The new ERP software is expected to replace fragmented legacy systems and provide a unified platform to streamline operations and support decision-making. The project is expected to take three years to fully implement and has a total project budget of \$6.0 million*.

PROPOSED 2026 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.

A significant developer capital investment for the City in the 2026 budget includes the construction of Boundary Road. This project will connect Highway 16A to Grove Drive to improve traffic congestion on the west side of the city. The total developer portion of the project budget is \$11.4 million*.

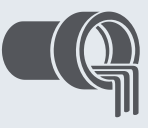
*Entire project costs included for the multi-year durations of the projects

 CIVIC INFRASTRUCTURE \$4.6M	 COMMUNITY FACILITIES \$1.6M	 PARKS AND OPEN SPACES \$0.8M	TOTAL MUNICIPAL CAPITAL BUDGET \$12.7M
 PUBLIC TRANSIT \$0.1M	 PUBLIC SAFETY \$0.5M	 TRANSPORTATION AND ROADWAYS \$5.1M	
 WATER \$0.4M	 STORM WATER \$0.4M	TOTAL DEVELOPER CAPITAL BUDGET \$7.1M	
 PARKS AND OPEN SPACES \$0.2M	 TRANSPORTATION AND ROADWAYS \$6.1M		



UTILITY BUDGET AND DISTRIBUTION FOR 2026

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 2025, 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 \$19.67 increase in their 2026 monthly utility charges as a result of an increase in the sanitary sewer and stormwater rates.

 WATER	 SANITARY SEWER* (based on consumption)	 SOLID WASTE	 STORMWATER** (flat rate)
NO CHANGE IN RATES	INCREASE \$1.27/M³	NO CHANGE IN RATES	INCREASE \$1.89/MONTH Based on a one-inch water meter typically found on residential properties
2026 UTILITY OPERATING BUDGET \$16.6M	2026 UTILITY OPERATING BUDGET \$12.2M	2026 UTILITY OPERATING BUDGET \$4.4M	2026 UTILITY OPERATING BUDGET \$4.1M
2026 UTILITY CAPITAL BUDGET \$5.4M	2026 UTILITY CAPITAL BUDGET \$1.6M	2026 UTILITY CAPITAL BUDGET \$0.0M	2026 UTILITY CAPITAL BUDGET \$1.7M

TOTAL UTILITY BUDGET

2026 UTILITY OPERATING BUDGET **\$37.2M**
2026 UTILITY CAPITAL BUDGET **\$8.7M**

TOTAL AVERAGE MONTHLY IMPACT ON A RESIDENTIAL RATE PAYER

Below is an example based on an average residential property with an assessed value of \$429,708, consuming 14 cubic meters of water per month with a one-inch water meter.

TAX INCREASE

\$10.76

UTILITY FEE INCREASE

+**WATER****+****SANITARY SEWER*****+****SOLID WASTE****+****STORMWATER******=****\$0**Arrow Utilities: **\$9.80****\$0****\$1.89****\$19.67****=**City Of Spruce Grove: **\$7.98**

***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 2026, Arrow Utilities will increase its rate by \$0.70 per m³, and the City will increase its

rate by \$0.57 per m³, for a combined increase of \$1.27 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.

\$30.43
PER MONTH



sprucegrove.org/Budget