



- ***2026 Budget Overview***
- ***2026 Provincial Parks Campground Budget***
- ***2026 Operating Budget***
- ***3 Year Financial Operating Plan***
- ***2026 Capital Budget and 5 Year Capital Plan***
- ***2025 Assessment Values for 2026***
- ***2026 Municipal Taxes***

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# Introduction

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## Why do municipalities have to develop budgets?

Under Alberta's Municipal Government Act, every municipality is required to develop a three-year operating budget and five-year capital budget to allocate revenues and expenditures for their municipality.

## What is an operating budget?

An operating budget is a financial plan that balances the expected costs Administration believes the Summer Village will incur in the general day-to-day activities which is primarily funded through taxation and grants. The operating budget makes up the day-to-day costs needed to provide the services and programs.

## What is a capital budget?

The Summer Village's capital budget is like purchasing a home or vehicle – it funds major fixed assets for the future. At home, capital costs include your home, vehicles and renovations. The capital budget also funds the repayment of debt. At the Summer Village, capital purchases include machinery, vehicles, buildings, and parks.

## How does the municipality fund budgets?

Council and Administration work hard to calculate exactly how much money is necessary to fund the programs and services in the operating and capital budgets and then generate the funds from multiple sources including taxable property assessments, net transfers from reserve, federal and provincial grants and user fees and sale of goods.

Everything the Summer Village does has an associated cost, whether it is a direct service such as snow removal and the purchasing of a vehicle to use for road maintenance or an indirect cost such as maintaining our facilities and running the municipality.

## What is a reserve?

A reserve is like a savings account. Every year, the Summer Village puts funds into reserves. Money is only taken out of a reserve when needed and used for critical capital and operational budget items. The advantage of putting money into reserves is that interest accrues on a large portion of the balance.

## How are property values assessed?

Residential property values are based on the home's market value, which is the price a property is reasonably expected to sell for if sold by a willing seller to a willing buyer. Assessors gather information on ranges of sale prices in the marketplace and use these sales to determine the assessed values. In setting the values on a property, assessors complete the valuation using mass appraisal techniques and statistical data as part of the process for calculating market value assessments.

Some types of property such as farmland, machinery & equipment, and linear are assessed using provincially regulated values and therefore have different valuation standards than market value.

## Financial Reporting Requirements

The Alberta Municipal Government Act states that each municipality must prepare annual financial statements of the municipality for the immediately preceding year in accordance with:

- Canadian generally accepted accounting principles for municipal governments, which are the standards approved by the Public Sector Accounting Board included in the CPA Canada Public Sector Accounting Handbook, and any modification of the principles or any supplementary accounting standards or principles established by the Minister by regulation.

The municipality's financial statements must include the municipality's debt limit, and the amount of the municipality's debt as defined in the regulations under section 271. Each municipality must make its financial statements, or a summary of them, and the auditor's report of the financial statements available to the public in the manner the council considers appropriate by May 1 of the year following the year for which the financial statements have been prepared.

# Budget Overview

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## Factors Affecting the 2026 Budget:

### Operating Environment

The 2026 Operating Budget reflects the full cost of delivering municipal services, maintaining infrastructure, and operating two Provincial campgrounds. Costs include staffing, equipment operations, utilities, supplies, insurance, contracted services, and inflationary increases across all service areas.

As a small municipality with limited revenue tools under provincial legislation, Rochon Sands relies primarily on property taxation, user fees, and provincial grants. With minimal commercial assessment growth, revenue increases are directly tied to residential assessment changes.

\*\*Residential assessment increased by only **0.11% in 2026**, resulting in minimal natural revenue growth to offset rising costs.

### Staffing & Service Delivery

The Municipality operates with a lean staffing model:

- One full-time Chief Administrative Officer (hired Fall 2023)
- One full-time Office/Parks Manager (hired mid-2024)
- One full-time Seasonal Public Works Supervisor (6 months annually)
- One part-time seasonal operator for winter maintenance
- Four/five summer students (approximately 4 months)

Despite its small permanent population, Rochon Sands experiences significant seasonal population increases during the summer months. Municipal infrastructure, waste services, beach maintenance, and campground operations must be maintained to support peak seasonal demand.

### Requisitions and Externally Determined Costs

Requisition payments and external charges have increased significantly in 2026. (See Requisitions Section for more details)

Notable increases include:

- Alberta Education Requisition – **8.85% increase**
- County of Stettler Housing Authority – **43.7% increase**
- County of Stettler Fire Services
- Provincial Policing
- Stettler Regional Emergency Management Authority
- Stettler Waste Management Authority
- Regional Assessment Review Board
- Subdivision and Development Appeal Board
- Parkland Regional Library Board

Due to Rochon Sands' relatively small tax base, increases in these requisitions have a proportionally greater impact on local taxation compared to larger municipalities. In 2026, approximately 53% of property tax revenue collected is remitted to external agencies and is outside of Council's control, while 47% supports municipal operations and service delivery.

## **Fire Protection Special Tax (New for 2026)**

Beginning in 2026, the cost of fire protection services will be shown as a separate Fire Protection Special Tax on property tax notices. The Summer Village receives fire protection services through an agreement with the County of Stettler. In previous years, this cost was included within the general municipal tax rate.

This change does not represent a new or increased tax. It is a reallocation of an existing cost to improve transparency and clearly show how fire protection services are funded. The total cost of fire services in 2026 is \$19,971, which is now presented separately rather than embedded within the general municipal levy.

This approach aligns with Council's commitment to:

- Transparent taxation
- Clear separation of externally driven costs
- Improved understanding of what residents are paying for

## **Infrastructure & Asset Management**

The Municipality maintains approximately:

- 10 kilometres of roadway and ditches
- Municipal signage and traffic control infrastructure
- 2 Provincial Campgrounds, Municipal Parks, and green spaces
- Beach areas
- Waste collection services
- Public facilities and equipment

Many municipal assets are aging and require ongoing maintenance or planned replacement. The 10-Year Capital Plan supports proactive asset management to reduce long-term costs and service disruptions.

Equipment repair and maintenance costs are projected to increase due to service inflation and aging fleet assets.

## **Seasonal & Environmental Factors**

Fire restrictions in 2025, along with fluctuating lake levels, drought conditions, and evolving environmental requirements, reduced Provincial Park attendance and impacted campground-related revenues. These same factors continue to influence shoreline management, infrastructure planning, and recreational operations.

## **Grants & External Funding**

The Municipality has applied for Canada Summer Jobs funding to offset approximately 25% of summer student wages. An application has also been submitted to the Celebrate Canada program (federal funding) to support Canada Day celebrations. These funding sources are not guaranteed annually.

Provincial capital funding under the Local Government Fiscal Framework (LGFF) will continue in 2026 at \$74,665, representing a modest increase from \$73,893 in 2025. Federal funding through the Canadian Community Building Fund (CCBF) is also expected to continue; while final allocations have not yet been confirmed, funding is anticipated to be comparable to the 2025 allocation of \$10,891. While these funding programs remain stable for 2026, long-term certainty of provincial and federal funding is subject to broader fiscal conditions.

## External Economic Factors

National economic conditions continue to influence municipal costs.

- Canada's economic growth is projected to remain modest in 2026.
- Inflation has moderated but continues to affect contracted services, insurance, utilities, materials, and labour costs.
- Interest rates remain higher than pre-pandemic levels, impacting borrowing costs and household finances.
- **Fuel price volatility** remains an ongoing risk, influencing transportation, equipment operation, and material delivery costs.
- **Ongoing global trade** uncertainty and provincial fiscal pressures affect grant funding and cost structures for municipalities.

## What This Means for Your Taxes

- Residential assessment growth in 2026 was minimal (0.11%), resulting in very limited natural revenue growth.
- Mandatory requisitions from other agencies increased significantly, including:
  - Alberta Education (+8.85%)
  - County of Stettler Housing Authority (+43.7%)
- These requisitions are legislated and outside of municipal control, but must be collected from property owners and remitted by the Municipality.
- In 2026, approximately 53% of property tax revenue collected is remitted to external agencies and is outside of Council's control, while 47% supports municipal operations and service delivery.
- Operating costs also continue to rise due to inflation affecting utilities, insurance, fuel, equipment, and contracted services.
- As a result, additional revenue must be generated through property taxation to maintain current service levels.
- A Fire Protection Special Tax has been introduced as a separate line item for transparency. This is not a new expense, but a reallocation of an existing cost.
- As a small municipality with limited revenue tools, even modest cost increases can have a noticeable impact on local taxation.
- Council continues to prioritize:
  - Maintaining essential services
  - Responsible long-term infrastructure planning
  - Minimizing debt
  - Seeking external grant funding wherever possible

The 2026 Budget reflects the need to balance rising external costs and limited revenue growth while maintaining municipal services. As a result, property taxes are adjusted to ensure continued service delivery and long-term financial sustainability for the community.

## Requisitions

**Requisitions** are legislated payments that the Summer Village must collect and remit to other government bodies and regional service organizations. Council does **not** control these amounts. Increases in requisitions have a significant impact on the overall tax rate.

### Requisitions Increased Significantly in 2026

The 2026 increase in requisitions is primarily driven by funding decisions made at the provincial and regional levels. Education property tax rates were increased under the Alberta Government's 2026 Budget, resulting in an 8.85% increase locally. The County of Stettler Housing Authority requisition rose significantly (**43%**) due to regional housing funding requirements. In addition, regional service organizations adjust their annual requisitions to reflect rising operating and capital costs. These amounts are legislated and outside of municipal control; however, the Summer Village is required to collect and remit them to maintain essential regional services.

### Alberta School Foundation Fund (Education Requisition)

Each year, the Province of Alberta determines the education property tax required to fund the public education system. Municipalities are required to collect this amount from property owners and remit it to the Province on a quarterly basis.

**There is a substantial 8.85% increase from 2025 as announced in the Alberta Government 2026 Budget.** The municipality must collect these taxes from their ratepayers and forward the requisitioned amount to the province on a quarterly basis.

Year	Residential Requisition	Non-Residential Requisition	Total Requisition	\$ Change from Previous Year	% Change from Previous Year
2022	\$161,168	\$1,574	\$162,742	+\$2,501	+1.56%
2023	\$162,500	\$1,500	\$164,000	+\$1,258	+0.77%
2024	\$162,436	\$1,677	\$164,113	+\$113	+0.07%
2025	\$176,078	\$1,847	\$177,925	+\$13,812	+8.42%
2026	<b>\$191,641</b>	<b>\$2,037</b>	<b>\$193,678</b>	<b>+\$15,753</b>	<b>+8.85%</b>

### County of Stettler Housing Authority Requisition

This requisition is set by the County of Stettler Housing Authority and must be collected and remitted by the Municipality to support regional seniors' and affordable housing programs.

**The 2026 requisition represents a significant 43.7% increase (\$12,383) over 2025** and is fully outside municipal control.

Year	Senior Requisition	\$ Change from Previous Year	% Change from Previous Year
2022	\$28,886	+\$9	+0.03%
2023	\$28,861	-\$25	-0.09%
2024	\$29,373	+\$693	2.42%
2025	\$28,339	-\$1,034	-3.52%
2026	<b>\$40,722</b>	<b>+\$12,383</b>	<b>+43.70%</b>

### Other Requisitions, External Agencies, and Regional Service Contributions

In addition to the education and housing requisitions (which appear separately on tax notices), the Municipality contributes to several regional service bodies through its general operating budget.

The amounts below represent external agencies and regional service contributions that are established by the respective organizations. Many of these services are required under the *Municipal Government Act (MGA)* or support essential regional partnerships.

#### Regional Service Contributions

For 2026, these contributions total: **\$55,974**

Capital Regional Assessment Review Board Agency	\$	960.00
County of Stettler Recreation Board	\$	3,664.00
Municipal Property Consultants – Assessment Services	\$	9,000.00
Parkland Regional Library Board	\$	970.00
Parkland Regional Subdivision Development Appeal Board	\$	1,900.00
Provincial Policing	\$	12,530.00
Shirley McClellan Regional Water Service Commission	\$	6,800.00
Stettler Regional Emergency Management Authority	\$	8,230.00
Stettler Regional Waste Management Authority	\$	11,920.00
<b>TOTAL</b>	<b>\$</b>	<b>55,974.00</b>

#### Fire Protection Services

Fire protection services are provided through an agreement with the County of Stettler. While this service is regional in nature, it is presented separately due to its significance and its alignment with the Fire Protection Special Tax. **The 2026 contribution to County of Stettler Regional Fire Services is \$19,971.**

#### What Council Controls vs. What It Does Not Control

##### Council Does Not Control:

- Education Requisition
- Housing Authority Requisition
- Provincial Policing Model
- Regional Fire & Emergency Contributions
- Other legislated regional bodies

##### Council Does Control:

- Municipal operating budget
- Local tax rate decisions
- Service levels
- Capital planning
- Infrastructure priorities

## Rochon Sands Provincial Park Budget Summary

The Summer Village of Rochon Sands holds the Operating Leases for:

- Rochon Sands Provincial Park (RSPP)
- Narrows Provincial Recreation Area (NPRA)

All campground revenues and expenses are incorporated into the Summer Village's Operating Budget.

#### Financial Impact of Provincial Park Operations

Operating the campgrounds is a significant responsibility for municipal staff. Council continues this work because it delivers measurable financial and operational benefits to ratepayers.

The campgrounds consistently generate positive net revenue, which:

- Offsets municipal operating costs
- Reduces pressure on property taxes
- Supports long-term financial sustainability

## Historical Financial Performance

Over the past five years, the campgrounds have generated an average net revenue of \$48,500 annually.

Based on the three-year average, without park operations the Municipality would have faced an annual operating deficit of approximately \$25,000—equivalent to an estimated 16% increase in property taxes annually.

## 2025 Financial Results

Periods of fire restrictions and unfavorable weather during the 2025 camping season reduced overall campground activity and related revenues during parts of the season. However, weddings at the Community Hall helped increase group camping revenues.

Even with reduced revenues:

- Total Revenue: **\$176,407**
- Total Expenses: **\$155,206**
- Net Surplus: **\$21,201**

As per Council Resolution RES 25-04-14, the 2025 surplus was allocated as follows:

- **25% (\$5,300)** to Provincial Park Reserve
- **75% (\$15,901)** to Summer Village General Revenue

This allocation supports both long-term capital needs and current municipal operations.

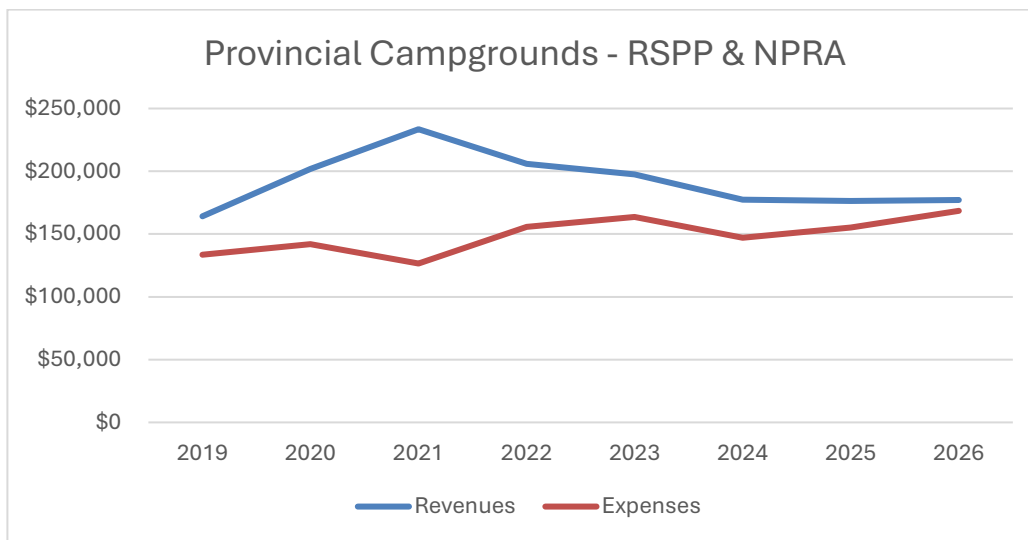
## 2026 Budget Projections

For 2026:

- Camping rates will remain unchanged from 2024 and 2025.
- Online reservation fees will continue to be borne by campers at the time of booking.
- Revenue and expense projections reflect actual operating experience.
- Fewer weddings are currently scheduled at the Hall, which may influence group camping activity.
- Revenue projections have been prepared using moderate estimates based on trends observed over the past few seasons and anticipated increases in operating costs for 2026.
- Projected 2026 surplus: **\$8,554**

As required under the Provincial Park agreement, any replacement of signage, benches, picnic tables, or other infrastructure must be approved by Council resolution, with costs allocated through the Provincial Park Capital Reserve. While the projected surplus is lower than in recent years, it reflects a conservative approach that accounts for revenue variability and rising costs. Campground operations are still expected to generate a positive return, and based on historical performance, actual results may exceed projections while continuing to provide strong long-term value for the Summer Village and its ratepayers.

Year	Revenue	Expenses	Surplus
2019	\$164,151	\$133,514	\$30,637
2020	\$201,857	\$141,969	\$59,888
2021	\$233,492	\$126,547	\$106,945
2022	\$205,824	\$155,604	\$50,220
2023	\$197,621	\$163,666	\$33,955
2024	\$177,303	\$147,105	\$30,198
2025	\$176,407	\$155,206	\$21,201
2026	\$177,050	\$168,496	\$8,554



*Note: 2020–2022 experienced higher-than-normal occupancy due to COVID-19 foreign travel restrictions.*

## Additional Tangible & Operational Benefits

### 1. Investment Income

The Provincial Park Reserve currently totals \$103,423 and is invested in secure, interest-bearing accounts in accordance with the Summer Village’s investment strategy. Since 2021, this has generated approximately \$12,500 in investment income, with an additional \$3,000 projected for 2026.

### 2. Cash Flow Advantage

Campground reservation revenue is received early in the calendar year, prior to property tax collection. This improves municipal cash flow and allows funds to remain invested longer, generating additional interest income.

### 3. Storage & Infrastructure Savings

The Municipality’s main Public Works Shop and equipment storage are located within the Provincial Park. If park operations ceased, alternative storage buildings would need to be secured at significant cost to the ratepayer.

### 4. Shared Equipment Efficiencies

Municipal and park operations share equipment such as:

- Tractor
- Dump trailers
- Ride-on lawn mowers
- Fire trailer

This shared use reduces duplication and lowers overall equipment costs. Without the parks, the full cost of ownership would rest solely with municipal operations.

## Conclusion

Operating Rochon Sands Provincial Park and the Narrows Provincial Recreation Area strengthens the Municipality’s financial position. In addition to generating positive net revenue, park operations:

- Improve cash flow stability
- Generate investment income
- Reduce infrastructure and equipment costs
- Support responsible long-term reserve planning

As long as operations remain financially positive and continue to provide both direct and indirect benefits to ratepayers, the campgrounds remain an important component of the Summer Village’s long-term financial plan.

## GICs & Investment Strategy

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The Summer Village manages its investments in accordance with three core principles:

### Capital Preservation – Liquidity – Reasonable Return

In December 2025, Council approved a revised investment structure for 2026 to improve liquidity while maintaining strong, low-risk returns. Investment earnings help offset operating costs and reduce reliance on taxation.

### 2026 Investment Allocation

Total Invested: **\$650,000**

- **\$350,000** – 1-Year Non-Redeemable RBC GIC  
(Long-term reserve funds not expected to be accessed in 2026)
- **\$300,000** – ABMunis High-Interest Savings Account (HISA)  
(Grant-dependent capital funding requiring flexibility)

### Why This Approach Was Adopted

#### Reserve Funds – Stability

The \$350,000 placed in a 1-year non-redeemable GIC represents long-term reserve funding.

As these funds are not expected to be required during 2026, they are invested in a fixed-term product that offers a guaranteed municipal rate and predictable annual earnings.

#### Capital Project Funds – Liquidity

The \$300,000 allocated to capital projects may be required at various times throughout the year. Rather than using traditional cashable GICs (which reduce or eliminate interest if redeemed early), Council approved investing these funds in the ABMunis High-Interest Savings Account, which:

- Earns interest daily
- Pays interest monthly
- Allows full access at any time without penalties
- Currently yields approximately **Prime minus 1.55% (~2.9%)**

This structure improves earnings while maintaining full liquidity for capital projects.

#### Investment Performance

In 2024–2025, the Municipality earned **over \$21,000 in interest income** under its disciplined investment framework. The revised 2026 structure continues this conservative, low-risk strategy while improving flexibility for grant-dependent capital projects.

#### Cash Flow Management

The Municipality requires approximately **\$300,000 in operating expenditures** between January and July each year, prior to property tax collection.

Short-term investment horizons ensure:

- Sufficient liquidity for seasonal cash-flow needs
- Alignment with annual audit and budget cycles
- Protection of principal
- Competitive municipal returns

**Summary**

The 2026 GIC strategy balances:

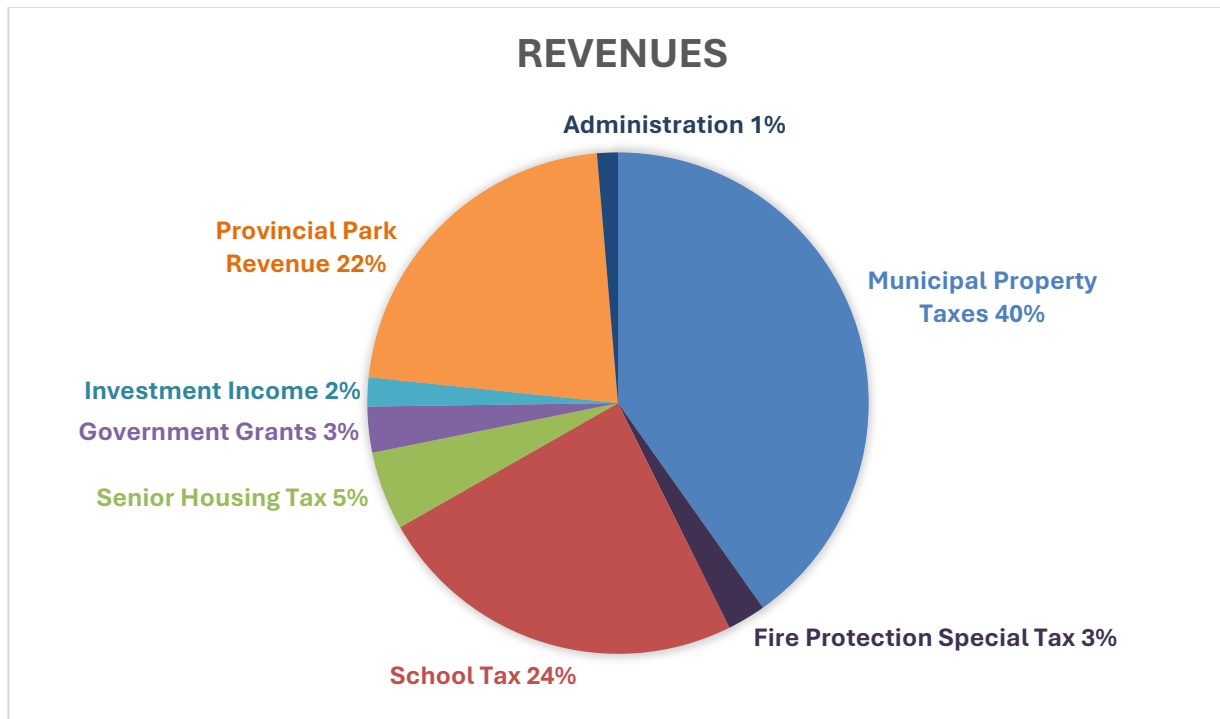
- Financial stability for long-term reserves
- Full flexibility for capital project funding
- Competitive returns within a low-risk framework
- Administrative efficiency and audit consistency

***Council continues to prioritize responsible stewardship of municipal reserves while maximizing reasonable investment earnings for the benefit of residents.***

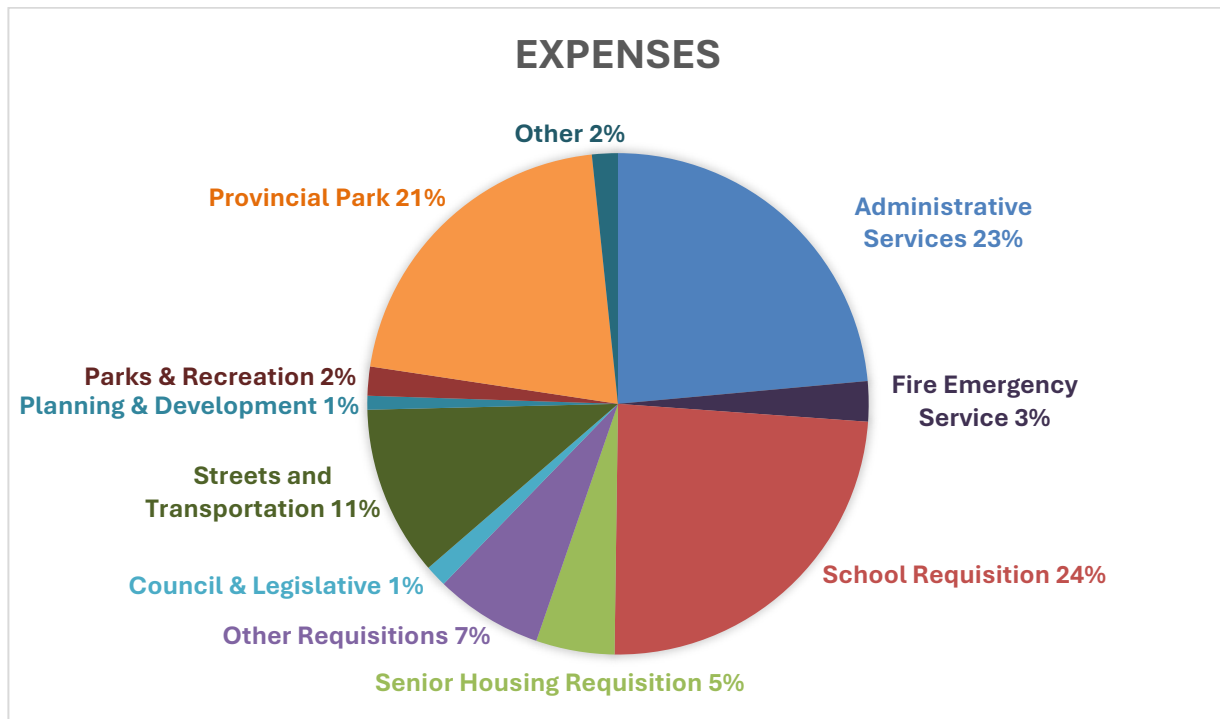
**2026 Operating Budget**

General Ledger	2025 Budget	2025 Actual	2026 Budget
<b><u>REVENUES</u></b>			
Administration	\$ 19,992	\$ 19,120	\$ 19,292
Protective Services	\$ 3,273	\$ 6,269	\$ 476
Common Services	\$ 9,200	\$ 11,819	\$ 5,700
Planning & Development	\$ 6,700	\$ 12,003	\$ 4,600
Parks & Recreation	\$ 936	\$ 5,403	\$ 1,050
Provincial Parks	\$ 188,950	\$ 176,407	\$ 177,050
Culture	\$ 5,360	\$ 2,000	\$ 2,000
Excess Collection of Requisitions	-\$ 65	-\$ 4	-\$ 65
Municipal Taxes	\$ 317,015	\$ 316,922	\$ 323,247
Fire Protection Special Tax	\$ -	\$ -	\$ 19,971
Non-Municipal Tax	\$ 206,355	\$ 206,297	\$ 234,496
Other	\$ 12,000	\$ 17,128	\$ 16,500
<b>TOTAL REVENUE</b>	<b>\$ 769,716</b>	<b>\$ 773,364</b>	<b>\$ 804,317</b>
<b><u>EXPENSES</u></b>			
Council & Legislative	\$ 10,700	\$ 12,338	\$ 11,350
Administrative Services	\$ 185,320	\$ 184,356	\$ 189,400
Common Office	\$ 12,500	\$ 12,336	\$ 12,950
Assessor	\$ 9,960	\$ 9,147	\$ 9,960
Municipal Election	\$ 5,000	\$ 2,292	\$ -
Fire Protection Service	\$ 21,000	\$ 20,482	\$ 19,971
Municipal Emergency Service	\$ 19,950	\$ 20,851	\$ 21,260
Transportation	\$ 81,050	\$ 75,867	\$ 88,240
Water Supply	\$ 6,800	\$ 1,776	\$ 6,800
Landfill & Recycling	\$ 14,822	\$ 14,982	\$ 15,320
Subdivision & Development	\$ 10,850	\$ 10,073	\$ 7,175
Parks & Rec	\$ 18,650	\$ 20,088	\$ 15,024
Prov Parks	\$ 159,736	\$ 155,206	\$ 168,496
Culture Expense	\$ 7,112	\$ 5,710	\$ 3,970
Contingency	\$ -	\$ -	\$ -
Non-Municipal Requisition	\$ 206,265	\$ 206,265	\$ 234,401
<b>TOTAL EXPENDITURES</b>	<b>\$ 769,715</b>	<b>\$ 751,771</b>	<b>\$ 804,317</b>
<b>SURPLUS/DEFICIT</b>	<b>\$ 1</b>	<b>\$ 21,593</b>	<b>\$ -</b>

## Revenues



## Expenses



### 3 Year Financial Operating Plan

General Ledger	2026 Budget	2027 Plan	2028 Plan	2029 Plan
<b><u>REVENUES</u></b>				
Administration	\$ 19,292	\$ 22,150	\$ 23,350	\$ 24,550
Protective Services	\$ 476	\$ 480	\$ 480	\$ 480
Common Services	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700
Planning & Development	\$ 4,600	\$ 7,500	\$ 8,000	\$ 8,500
Parks & Recreation	\$ 1,050	\$ 1,100	\$ 1,150	\$ 1,200
Provincial Parks	\$ 177,050	\$ 182,000	\$ 185,000	\$ 188,000
Culture	\$ 2,000	\$ 5,360	\$ 5,360	\$ 5,360
Excess Collection of Requisitions	-\$ 65	\$ -	\$ -	\$ -
Taxes	\$ 577,714	\$ 597,934	\$ 615,872	\$ 636,196
Other	\$ 16,500	\$ 15,000	\$ 15,000	\$ 15,000
<b>TOTAL REVENUE</b>	<b>\$ 804,317</b>	<b>\$ 837,224</b>	<b>\$ 859,912</b>	<b>\$ 884,986</b>
<b><u>EXPENSES</u></b>				
Council & Legislative	\$ 11,350	\$ 11,350	\$ 11,350	\$ 11,350
Administrative Services	\$ 189,400	\$ 196,976	\$ 202,885	\$ 208,972
Common Office	\$ 12,950	\$ 12,300	\$ 13,000	\$ 13,500
Assessor	\$ 9,960	\$ 10,259	\$ 10,567	\$ 10,884
Municipal Election	\$ -	\$ -	\$ -	\$ 3,000
Municipal Protective Service	\$ 41,231	\$ 44,942	\$ 46,290	\$ 47,679
Transportation	\$ 88,240	\$ 91,811	\$ 94,203	\$ 95,634
Water Supply	\$ 6,800	\$ 6,800	\$ 6,800	\$ 6,800
Landfill & Recycling	\$ 15,320	\$ 15,780	\$ 16,253	\$ 16,741
Subdivision & Development	\$ 7,175	\$ 10,800	\$ 11,000	\$ 11,200
Parks & Rec	\$ 15,024	\$ 15,475	\$ 15,939	\$ 16,417
Prov Parks	\$ 168,496	\$ 172,866	\$ 176,323	\$ 179,850
Culture Expense	\$ 3,970	\$ 4,089	\$ 4,212	\$ 4,338
Contingency	\$ -	\$ -	\$ -	\$ -
Non-Municipal Requisition	\$ 234,401	\$ 243,777	\$ 251,090	\$ 258,623
<b>TOTAL EXPENDITURES</b>	<b>\$ 804,317</b>	<b>\$ 837,224</b>	<b>\$ 859,912</b>	<b>\$ 884,986</b>
<b>SURPLUS/DEFICIT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Capital Budget Summary

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The Summer Village is required by legislation to prepare a 5-Year Capital Budget for submission to Alberta Municipal Affairs for 2026 and subsequent calendar years.

The Summer Village of Rochon Sands has three revenue sources for Capital Spending:

1. Local Government Fiscal Framework (LGFF)/Municipal Sustainability Initiative (MSI) Capital Fund
2. Canada Community Building Fund (CCBF)
3. Municipal Reserves (including dedicated reserves such as the Provincial Park Reserve)

The following capital projects were completed or nearing completion in 2025:

- Hall Street Paving Project (100% complete)
- Rochon Sands Provincial Park Pump House Water System (100% complete)
- Village Square Washroom (95% complete)

The following capital projects have been approved by Council and are scheduled or underway for 2026:

- Boat Launch Improvements, Marina Parking Lot Expansion, and dock replacement
- Side by Side Maintenance Vehicle
- Shoreline Management Plan
- Recreation Development Plan and Trail System
- Public Works Shop Renovation
- Provincial Park Improvements and Replacements
  - Shop Building Roof Replacement
  - Boat Dock Replacement

Note: The Shoreline Management Plan and Recreation Development Plan will generate future capital project opportunities for 2027 and beyond.

# 2026 Capital Budget and 5 Year Capital Plan

Planned Capital Additions		2026	2027	2028	2029	2030
<b>Equipment &amp; Vehicles</b>						
FORD F150 (Narrows - 1997)						
2006 FORD F250 4X4 (snow plow) 211,000 kms						
2011 DODGE RAM 1500 SLT 216,750 kms					40,000	
210 FORD F-150 222,097 kms						
2026 Kubota RTV-X with snow blower		60,000				
DAIHATSU HIJET (move to the Narrows)		R2F	R2F	R2F	R2F	R2F
2011 KUBOTA MX 5100 HSD TRACTOR						
JOHN DEERE Z530R MOWER W/54" DECK						
JOHN DEERE Z445 MOWER (Narrows)						
KUBOTA F2690 MOWER & SIDE DISCHARGE DECK						
WATER/FIRE TRAILER W/ Attachments						
NORSTAR DUMP TRAILER						
HYDRAULIC BURN PILE TRAILER		R2F	R2F	R2F	R2F	R2F
TRACTOR HARROWS		2,000				
LOG SPLITTER KC-KCG20LS						2,000
<b>Recreation/Culture</b>						
Village Square - WASHROOM		5,000				
Shoreline Management Plan		32,000				
<b>Public Works</b>						
SHOP RENOVATION	77,000					
WATER LINE		25,000				
HEAT		25,000				
ROOF		15,000				
FOUNDATION		12,000				
<b>Boat Launch</b>						
Boat Launch	134,300					
BL excavation		25,000	40,500			
WSP		4,300				
Boat Launch pads replacement		35,000				
Spring - Point		30,000				
boat launch docks		40,000				
<b>Trail System</b>						
Trail System	30,000					
Mobi-Mat		23,000				
Trail Map & Signage		7,000				
<b>Provincial Park (Park Reserves)</b>						
Boat Dock Replacement		10,000				
washroom for Group site H		50,000				
Shower house				100,000		
<b>Water/Wastewater/Drainage</b>						
Water Debenture (Phase 6 & 7)		25,000				
<b>Total Planned Capital Expenditures</b>		<b>425,300</b>	<b>40,500</b>	<b>100,000</b>	<b>40,000</b>	<b>2,000</b>
<b>Funding Sources</b>						
	<b>2025 YE</b>					
Opening Provincial Park Reserve Balance	103,423	103,423	46,423	51,423	56,423	61,423
Revenues		3,000	5,000	5,000	5,000	5,000
Expenses		(60,000)	-	-	-	-
Closing		46,423	51,423	56,423	61,423	66,423
MSI/LGFF Grant Funds (Including Eligible)	365,913	365,913	141,578	216,578	191,578	226,578
Revenues		74,665	75,000	75,000	75,000	75,000
Expenses		(299,000)	-	(100,000)	(40,000)	(2,000)
Closing		141,578	216,578	191,578	226,578	299,578
CCBF Grant Funds (Including Eligible)	62,532	62,532	9,232	(20,268)	(9,268)	1,732
Revenues		11,000	11,000	11,000	11,000	11,000
Expenses		(64,300)	(40,500)	-	-	-
Closing		9,232	(20,268)	(9,268)	1,732	12,732
Beginning Accumulated Operating Surplus	370,466	370,466	370,466	370,466	370,466	370,466
Beginning Roads Reserve Balance	30,802	30,802	30,802	30,802	30,802	30,802
Beginning Sewer Reserve Balance	21,016	21,016	21,016	21,016	21,016	21,016
Beginning Recreation Reserve Balance	15,665	15,665	15,665	15,665	15,665	15,665
Beginning General Reserve Balance	39,066	39,066	39,066	39,066	39,066	39,066
<b>Ending Reserve/Grant Eligibility Balance</b>	<b>1,008,883</b>	<b>674,248</b>	<b>724,748</b>	<b>715,748</b>	<b>766,748</b>	<b>855,748</b>

## Assessment Values

The total assessment value of property in the Summer Village of Rochon Sands has minimally increased by 0.11% from the previous year. Assessment values used for the current tax year are based on the previous year.

The change in assessment value is affected by:

- Changes in market value based on Real Estate Listings and Sales
- Improvements to properties due to development permits
- Improvements to properties due to safety code permits

Year	Residential Assessment	Non-Residential Assessment	Total Assessment	\$ Change from Previous Year	% Change from Previous Year
2020	\$60,879,050	\$403,540	\$61,282,590	-\$461,830	-0.75%
2021	\$61,450,870	\$408,470	\$61,859,340	+\$576,750	+0.93%
2022	\$64,213,160	\$445,950	\$64,659,110	+\$2,799,770	+4.53%
2023	\$66,871,630	\$461,860	\$67,333,490	+\$2,674,380	+4.14%
2024	\$68,693,780	\$488,580	\$69,182,360	+\$1,848,870	+2.75%
2025	\$68,745,660	\$510,810	\$69,256,470	+\$74,110	+0.11%

The Council directs the amount of tax collected in the tax year to address current and anticipated expenses. The Summer Village of Rochon Sands has limited non-residential assessment to realize tax revenues, so most taxes collected are residential. Approximately 0.7% of the total tax revenues come from non-residential taxes.

- **Properties considered Residential are:**
  - Residential (detached house or similar building)
  - Vacant Residential (bare lot)
  - Farmland (undeveloped land that is capable of being used for agriculture)
- **Properties considered Non-Residential are:**
  - Commercial (property/building from which a company can operate a business)
  - Linear (gas and oil wells, pipelines, telecommunications and cable property, and electric power property - ex. APEX, ATCO, TELUS)

### Summer Village of Rochon Sands

## Assessment Summary

Assessment Year: 2025

#### Municipal Assessment

Code	Description	Records	Status	Land	Impr.	Other	Total
1	RESIDENTIAL	157	T	38,194,840	29,140,240	0	67,335,080
2	VAC RESIDENTIAL	7	T	1,407,540	0	0	1,407,540
3	COMMERCIAL	1	T	59,350	28,280	0	87,630
4	FARMLAND	1	T	3,040	0	0	3,040
<b>Taxable Total:</b>		<b>166</b>		<b>39,664,770</b>	<b>29,168,520</b>	<b>0</b>	<b>68,833,290</b>
<b>Sub Total:</b>		<b>166</b>		<b>39,664,770</b>	<b>29,168,520</b>	<b>0</b>	<b>68,833,290</b>
Code	Description	Records	Status	Land	Impr.	Other	Total
10	EXEMPT RESIDENTIAL	2	E	421,940	17,860	0	439,800
11	EXEMPT PUBLIC VAC	8	E	1,656,440	0	0	1,656,440
12	EXEMPT VAC RES	1	E	4,200	0	0	4,200
13	EXEMPT PUBLIC	2	E	696,320	235,780	0	932,100
<b>Exempt Total:</b>		<b>13</b>		<b>2,778,900</b>	<b>253,640</b>	<b>0</b>	<b>3,032,540</b>
<b>For Municipal Assessment:</b>		<b>179</b>		<b>42,443,670</b>	<b>29,422,160</b>	<b>0</b>	<b>71,865,830</b>
Grand Totals							
<b>Taxable Total:</b>		<b>166</b>		<b>39,664,770</b>	<b>29,168,520</b>	<b>0</b>	<b>68,833,290</b>
<b>Exempt Total:</b>		<b>13</b>		<b>2,778,900</b>	<b>253,640</b>	<b>0</b>	<b>3,032,540</b>
<b>Parcels: 178</b>		<b>179</b>		<b>42,443,670</b>	<b>29,422,160</b>	<b>0</b>	<b>71,865,830</b>

\*Does Not Include Linear Assessments

## Franchise Fees

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Rochon Sands Council has historically decided **not to implement franchise fees** for APEX Utilities or ATCO Electric as additional revenues for the Summer Village. Both remain at 0%. Implementing Franchise Fees would increase costs to the Summer Village of Rochon Sands ratepayer.

### Understanding Franchise Fees – And Why Rochon Sands Doesn't Charge Them

As part of Council's commitment to transparent governance and fiscal responsibility, the Summer Village of Rochon Sands would like to explain a little-known cost that affects many municipalities in Alberta—**franchise fees**—and why the Summer Village of Rochon Sands Council has made a conscious decision **not to collect them**.

#### What Is a Franchise Fee?

A **franchise fee**, sometimes called a *local access fee*, is a charge that a municipality can apply to utility companies (like ATCO or Apex) in exchange for allowing those companies to operate within municipal boundaries and use public land (e.g., for poles, lines, or pipes).

Although the fee is technically charged to the utility company, **it is passed directly to the resident — on their monthly utility bill**, usually under a line titled "Municipal Franchise Fee" or "Local Access Fee."

#### How Much Are Franchise Fees?

Municipalities in Alberta can charge up to:

- **20%** of electricity distribution costs
- **35%** of natural gas distribution costs

In real terms, this can add **hundreds of dollars per year** to a household's utility bills. Many municipalities see this as an easy way to raise revenue **without directly increasing property taxes**. Thus, the fees can add up to tens of thousands of dollars for small municipalities and hundreds of millions of dollars for large municipalities.

#### A "Hidden" Tax

While technically not a tax, franchise fees **function like one**. They are not tied to a resident's property value, their income, or their service usage—they're just added on top of a resident's regular utility charges. And because they appear on utility bills rather than property tax notices, **many residents don't even realize their municipality is collecting this money**.

This **lack of transparency** is one of the reasons the Summer Village of Rochon Sands **chooses not to impose franchise fees**.

#### Why Rochon Sands Council Says No

Council has taken a firm position against implementing franchise fees for several reasons:

- **Transparency** – Council believes in clear, visible taxation where residents know exactly how much they're contributing to the municipality.
- **Fairness** – Franchise fees disproportionately impact residents based on energy usage rather than property value or ability to pay.
- **Affordability** – With rising costs of living, Council strives to keep utility bills as low as possible for residents.

#### What This Means for Residents

When residents look at their utility bills in Rochon Sands, they will **not** see an added franchise fee line—and that's intentional. It's part of Council's commitment to transparent and fair municipal funding.

## Municipal Taxes

The following table illustrates the changes in tax rate (mill rate) in relation to the percentage increases in taxes from 0 to 5% in 0.5% increments for both Residential/Farmland and Non-Residential/Linear ratepayers.

2026		
Categories	Mill Rate	% Change
Residential/Farmland	0.004521088	0.0%
Residential/Farmland	0.004543693	0.5%
Residential/Farmland	0.004566299	1.0%
Residential/Farmland	0.004588904	1.5%
Residential/Farmland	0.00461151	2.0%
Residential/Farmland	0.004634115	2.5%
Residential/Farmland	0.004656721	3.0%
Residential/Farmland	0.004679326	3.5%
Residential/Farmland	0.004701932	4.0%
Residential/Farmland	0.004724537	4.5%
Residential/Farmland	0.004747142	5.0%
Non-Residential/Linear	0.008275247	0.0%
Non-Residential/Linear	0.008316623	0.5%
Non-Residential/Linear	0.008357999	1.0%
Non-Residential/Linear	0.008399376	1.5%
Non-Residential/Linear	0.008440752	2.0%
Non-Residential/Linear	0.008440752	2.0%
Non-Residential/Linear	0.008523504	3.0%
Non-Residential/Linear	0.008564881	3.5%
Non-Residential/Linear	0.008606257	4.0%
Non-Residential/Linear	0.008647633	4.5%
Non-Residential/Linear	0.008689009	5.0%

The table below illustrates the total amount to be paid in taxes for both Residential/Farmland and Non-Residential/Linear ratepayers at each .5% increment from 0% to 5% increase in taxes.

Calculated Levy		0%			
Residential/Farmland	\$310,805.18				
Non-Residential	\$ 725.16				
Linear	\$ 3,588.48				
<b>Total</b>	<b>\$315,118.82</b>				
Calculated Levy		0.5%		Calculated Levy 1.0%	
Residential/Farmland	\$312,359.20	Residential/Farmland	\$313,913.23		
Non-Residential	\$ 728.79	Non-Residential	\$ 732.41		
Linear	\$ 3,606.42	Linear	\$ 3,624.36		
<b>Total</b>	<b>\$316,694.41</b>	<b>Total</b>	<b>\$318,270.00</b>		
Calculated Levy		1.5%		Calculated Levy 2.0%	
Residential/Farmland	\$315,467.26	Residential/Farmland	\$317,021.28		
Non-Residential	\$ 736.04	Non-Residential	\$ 739.66		
Linear	\$ 3,642.31	Linear	\$ 3,660.25		
<b>Total</b>	<b>\$319,845.60</b>	<b>Total</b>	<b>\$321,421.19</b>		
Calculated Levy		2.5%		Calculated Levy 3.0%	
Residential/Farmland	\$318,575.31	Residential/Farmland	\$320,129.33		
Non-Residential	\$ 743.29	Non-Residential	\$ 746.91		
Linear	\$ 3,678.19	Linear	\$ 3,696.13		
<b>Total</b>	<b>\$322,996.79</b>	<b>Total</b>	<b>\$324,572.38</b>		
Calculated Levy		3.5%		Calculated Levy 4.0%	
Residential/Farmland	\$321,683.36	Residential/Farmland	\$323,237.39		
Non-Residential	\$ 750.54	Non-Residential	\$ 754.17		
Linear	\$ 3,714.07	Linear	\$ 3,732.02		
<b>Total</b>	<b>\$326,147.98</b>	<b>Total</b>	<b>\$327,723.57</b>		
Calculated Levy		4.5%		Calculated Levy 5.0%	
Residential/Farmland	\$324,791.41	Residential/Farmland	\$326,345.44		
Non-Residential	\$ 757.79	Non-Residential	\$ 761.42		
Linear	\$ 3,749.96	Linear	\$ 3,767.90		
<b>Total</b>	<b>\$329,299.16</b>	<b>Total</b>	<b>\$330,874.76</b>		

The table below illustrates the taxes paid by high, low, and mid-range ratepayers in 2025.

Residential Examples	2025	
Roll #	Assessment	Taxation
Roll 53 (High Assessment)	\$ 1,081,620.00	\$4,890.10
Roll 100 (Mid- Range Assessment)	\$ 433,000.00	\$1,957.63
Roll 201 (Low Assessment)	\$ 163,550.00	\$ 800.00

The table below illustrates how the municipal tax rate increase will affect the above properties in 2026, both annually and monthly.

Residential Examples	Roll #	Assessment	2026						
			0%	2.00%	3.00%	3.50%	4.00%	4.50%	5.00%
	Roll 53	\$ 1,096,480.00	\$4,957.28	\$5,056.43	\$5,106.00	\$5,130.79	\$5,155.57	\$5,180.36	\$5,205.15
<b>Increase from 2025 to 2026</b>		per year	\$ 67.18	\$ 99.15	\$ 148.72	\$ 173.50	\$ 198.29	\$ 223.08	\$ 247.86
		per month	\$ 5.60	\$ 8.26	\$ 12.39	\$ 14.46	\$ 16.52	\$ 18.59	\$ 20.66
	Roll 100	\$ 433,380.00	\$1,959.35	\$1,998.54	\$2,018.13	\$2,027.93	\$2,037.72	\$2,047.52	\$2,057.32
<b>Increase from 2025 to 2026</b>		per year	\$ 1.72	\$ 39.19	\$ 58.78	\$ 68.58	\$ 78.37	\$ 88.17	\$ 97.97
		per month	\$ 0.14	\$ 3.27	\$ 4.90	\$ 5.71	\$ 6.53	\$ 7.35	\$ 8.16
	Roll 201	\$ 166,660.00	\$ 753.48	\$ 768.55	\$ 776.09	\$ 779.86	\$ 783.62	\$ 787.39	\$ 791.16
<b>Increase from 2025 to 2026</b>		per year	\$ 14.06	\$ 15.07	\$ 22.60	\$ 26.37	\$ 30.14	\$ 33.91	\$ 37.67
		per month	\$ 1.17	\$ 1.26	\$ 1.88	\$ 2.20	\$ 2.51	\$ 2.83	\$ 3.14

\*Municipal taxes that fall below the threshold of \$800 are raised to meet the minimum tax requirement of \$800.

**2026 Municipal Tax Rate**

Based on the **2026 Operating Budget**, the total amount of municipal taxation required is **\$343,218**, including the cost of fire protection services provided through the County of Stettler.

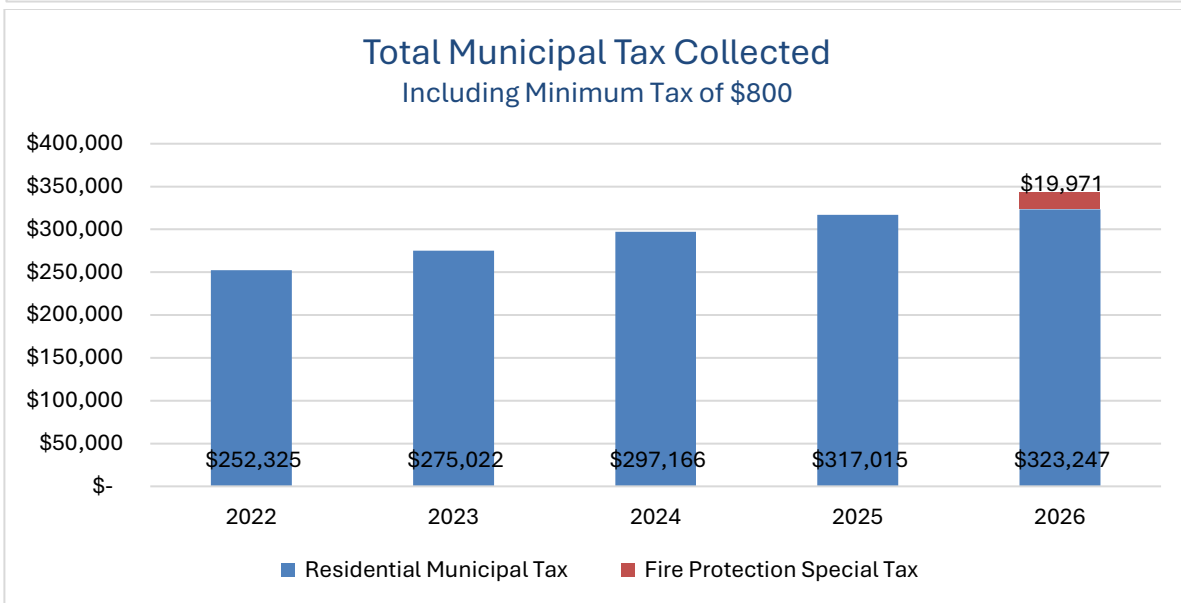
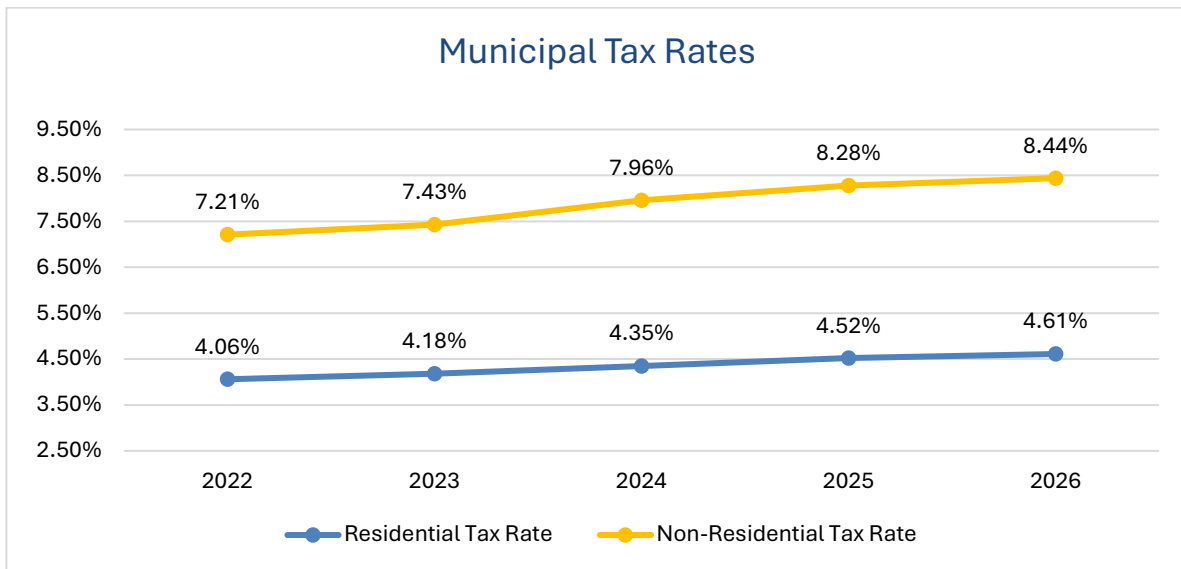
As illustrated in the charts below, while municipal tax rate increases have varied from year to year, the combination of tax rate changes and assessment growth has resulted in consistent annual increases in municipal tax revenue. When assessment values increase, less adjustment to the tax rate is needed to achieve the same level of revenue growth, while minimal assessment growth requires a greater tax rate adjustment to maintain that trend. Overall, this has resulted in an average annual increase in municipal tax revenue of approximately 8% over the past five years.

The **2026 Budget** includes a **2% increase to the municipal tax rate** and introduces a **\*Fire Protection Special Tax** as a separate line item on property tax notices.

*\*The Fire Protection Special Tax change does not represent a new or increased tax.*

*It is a reallocation of an existing cost to clearly show how fire protection services are funded.*

This approach improves **transparency**, while maintaining Council’s consistent approach to municipal taxation.



Property Tax Comparisons

**High Assessed Property – Roll 53**

	2025	2026	\$ Change	% Change
Assessment	\$ 1,081,620.00	\$ 1,096,480.00	\$ 14,860.00	1.37%
Municipal	\$ 4,890.10	\$ 5,056.43	\$ 166.33	3.40%
School	\$ 2,772.64	\$ 3,057.03	\$ 284.39	10.26%
Seniors Housing	\$ 442.93	\$ 645.35	\$ 202.42	45.70%
Special Fire Tax	\$ -	\$ 120.00	\$ 120.00	N/A
<b>TOTAL TAXES</b>	<b>\$ 8,105.67</b>	<b>\$ 8,878.81</b>	<b>\$ 773.14</b>	<b>9.54%</b>
Monthly Tax Rate	\$ 675.47	\$ 739.90	\$ 64.43	9.54%

**Average Assessed Property – Roll 100**

	2025	2026	\$ Change	% Change
Assessment	\$ 433,000.00	\$ 433,380.00	\$ 380.00	0.09%
Municipal	\$ 1,957.63	\$ 1,998.54	\$ 40.90	2.09%
School	\$ 1,295.73	\$ 1,354.04	\$ 58.31	4.50%
Seniors Housing	\$ 206.99	\$ 285.84	\$ 78.85	38.10%
Special Fire Tax	\$ -	\$ 120.00	\$ 120.00	N/A
<b>TOTAL TAXES</b>	<b>\$ 3,460.35</b>	<b>\$ 3,758.42</b>	<b>\$ 298.07</b>	<b>8.61%</b>
Monthly Tax Rate	\$ 288.36	\$ 313.20	\$ 24.84	8.61%

**Low Assessed Property – Roll 201 (affected by minimum tax)**

	2025	2026	\$ Change	% Change
Assessment	\$ 163,550.00	\$ 166,660.00	\$ 3,110.00	1.90%
Municipal	\$ 800.00	\$ 800.00	\$ -	0.00%
School	\$ 419.25	\$ 464.66	\$ 45.41	10.83%
Seniors Housing	\$ 66.97	\$ 98.09	\$ 31.12	46.47%
Special Fire Tax	\$ -	\$ 120.00	\$ 120.00	N/A
<b>TOTAL TAXES</b>	<b>\$ 1,286.22</b>	<b>\$ 1,482.75</b>	<b>\$ 196.53</b>	<b>15.28%</b>
Monthly Tax Rate	\$ 107.19	\$ 123.56	\$ 16.38	15.28%