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## STAFF REPORT

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**TO:** Chief Administrative Officer  
**FROM:** Ronnie Gill, Director of Finance  
**SUBJECT:** 2026 Budget  
**MEETING DATE:** October 14, 2025

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### PURPOSE

Annually, a local government must adopt a financial plan including the current fiscal year and the next four years (a five-year plan) by May 15<sup>th</sup> of each year.

### BACKGROUND

The management team prepares the draft five-year financial plan, which includes the operational budgets and capital expenditures and projects that should be aligned with the Town's strategic plan.

### IMPLICATIONS

- **Financial:**  
The five-year plan determines the tax rate used to set the mill rates for 2026. Taxation revenue is collected to provide continued essential services, maintenance of infrastructure and to fund capital projects. The cost for providing these services will determine the tax rate increase.
- **Legislation:**  
5 Year Financial Plan Bylaw must be passed annually in accordance with both the *Local Government Act* and the *Community Charter*.

- **Process**

The budget process has started with the Fire Department working on the 2026 budget to present to Council for input and review before it is finalized and approved by Council to be forwarded to the CVRD. Typically, there is a time crunch, as the CVRD is requesting this budget in September or October each year.

Proposed process and meeting dates for remaining Town budgets:

1. Strategic Plan Update – update the strategic plan and set Council priorities for 2026 to 2030.  
[Meeting to be for scheduled October.](#)
2. Determine operational requirements – determine service level changes, areas for improvement; determine if additional staffing is required and the calculate the associated costs.  
[Staff meetings to be held November 6 & 13](#)
3. Capital requirements – determine critical, ongoing capital projects and new capital projects and the estimated costs.  
[Staff meetings to be held November 20 & 27](#)
4. Revenue and expense modelling.
5. Presentation to Council of options (same levels of service, increased or decreased level of service) - revenue and expense modelling based on the assumption. [December 9 & 16](#)
6. Public Engagement – open house and possibly a survey. [Schedule an open house for January 2026 – Before or after January Committee of Whole meeting.](#)
7. Refine the budget, with consideration given to public input and any other information coming forth.
8. Adopt the budget. Goal is to have the budget process completed early; target date is February for the presentation of the 5-year capital plan. [February Regular Council meeting for first, second and third reading with adoption of the bylaw at March Regular Council meeting.](#)

Signed:

***Ronnie Gill***

Ronnie Gill, CPA, CGA

Director of Finance

Concurrence:

***John Thomas***

John Thomas

Chief Administrative Officer