



2026

Approved Operating & Capital Budget



Town of
THREE HILLS



Town of Three Hills

2026 Operating &
Capital Budget

Budget Overview

The 2026 budget continues to build on the ongoing work of staff and Council to provide a high-quality explanation of the Town's finances, expectations and achievements to the public, which focuses on providing services at the level expected by Council and the public while planning for the future. Inflationary pressures and the unknown consequences of the international landscape continue to impact the Town's budget as the cost of goods and services continues to increase at a greater rate than our revenues.

Overall, the budget contains operating expense increases over the prior year. Council approval of new services and initiatives will be discussed during budget deliberations; the final revenue needs of the Town will be determined based on the results of these decisions.

Within the budget, service levels are being maintained, and a few new spending initiatives and community group requests are being presented, with the difference between the changes in expenses and revenues is a budget shortfall of \$116,400. **It is important to note this shortfall includes the \$67,336 increase to the Police Funding Model recently announced by the Province** and the increased costs associated with the Town assuming the operations of the Community Drop-In Centre (\$10,150). This results in a tax revenue increase requirement of 2.79%.

Departmental budgets are prepared and justified using two components: a continuation budget (Base Budget) and a proposed change or expansion budget (Service Level Adjustments). The base budget includes inflationary increases and costs incurred by the Town beyond normal inflation, as well as expenditures where the Town has made a legal or budgetary commitment. The inclusion of these costs in the base budget will allow the Town to maintain the same high levels of service provided in the current year with similar operating funds. Other ongoing annual costs are also included in the base budget, including wage settlements, employee health insurance, and numerous operating costs needed to provide daily services.

The following guidelines were paramount in budget preparation:

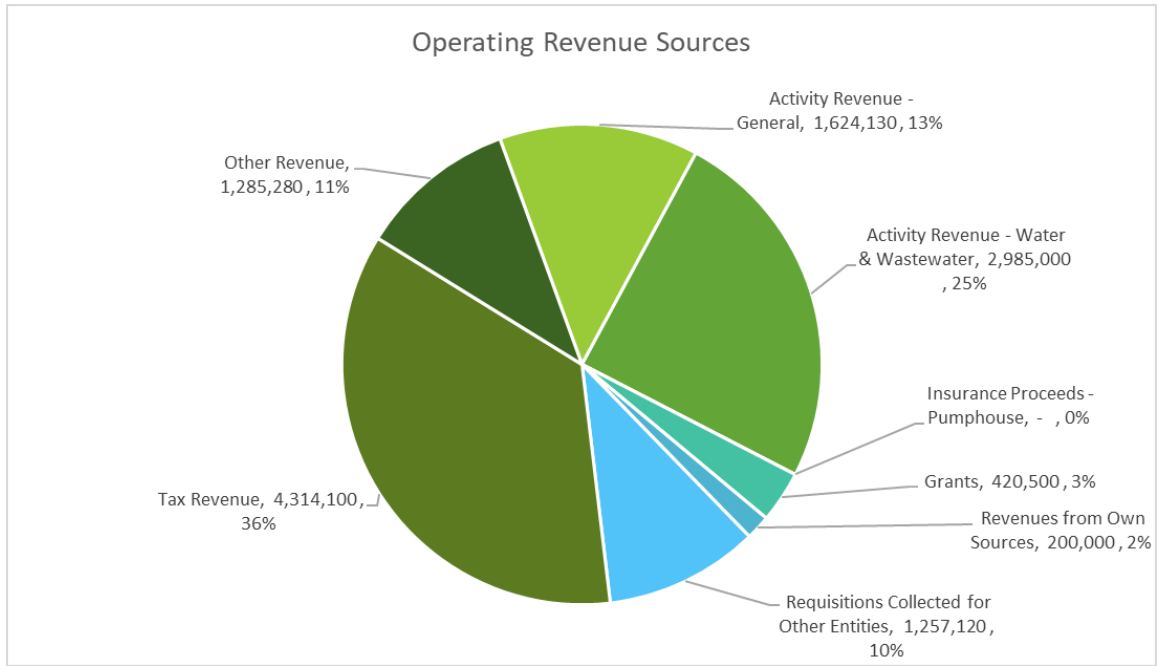
- keep tax rates competitive,
- mitigate negative future budget changes,
- maintain existing service level standards.

Generally, costs are being allocated to the proper fund. However, there are instances where operating or administrative costs have not been properly apportioned. To partially correct this in 2022, the Town incorporated administration fees as a mechanism to capture cost allocations that were not fully implemented. These fees encompass a wide range of cost centres and include items such as administrative support costs, facility and equipment allocations, public works support and other items. In 2026, these allocations will remain.

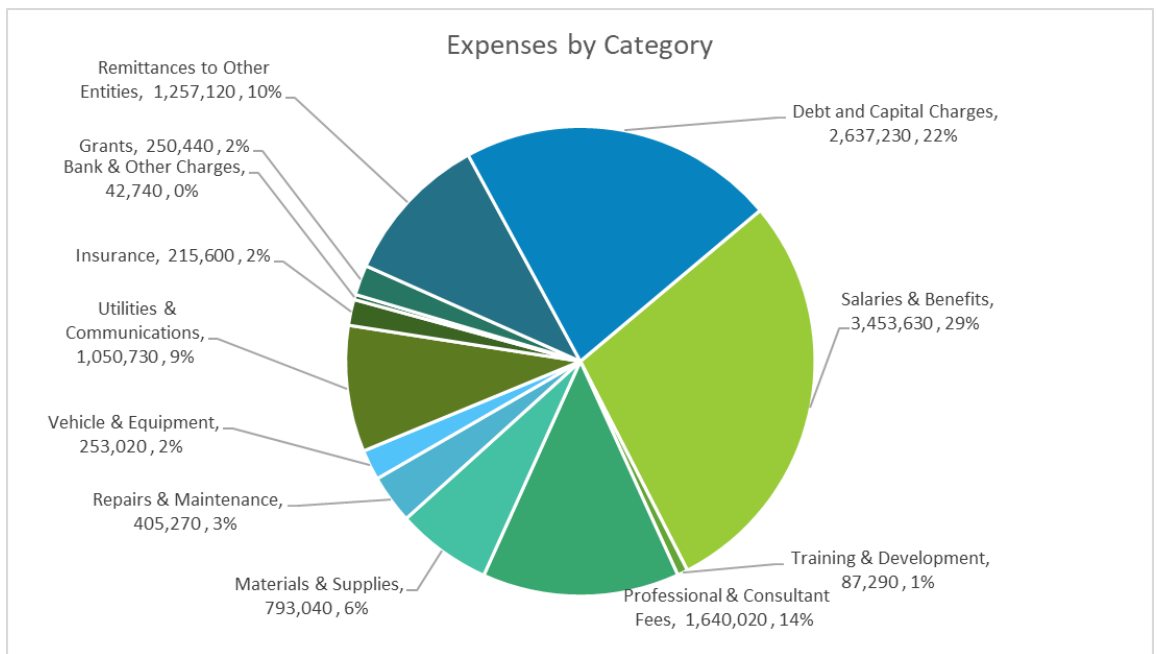
Budget Overview

Sources and Uses of Funds

The total source of funds for the 2026 Operating Budget is \$12,086,130. The chart below shows the funding sources by major category.



The total expenses for the 2026 Operating Budget is \$12,086,130. The chart below shows the sources by cost component.



Budget Overview

Consolidated Budget Summary

The Consolidated Budget Summary shows the revenues and expenditures by component type and the budget position of the operating budget. The budget includes amounts needed to maintain existing services and service level increases or enhancements.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Summary						
Salaries & Benefits	3,015,480	3,149,443	3,397,890	3,453,630	55,740	1.6
Training & Development	44,398	54,838	81,840	87,290	5,450	6.7
Professional & Consultant Fees	1,259,115	1,444,787	1,420,990	1,640,020	219,030	15.4
Materials & Supplies	746,876	629,904	827,580	793,040	(34,540)	(4.2)
Repairs & Maintenance	236,926	264,426	299,170	405,270	106,100	35.5
Vehicle & Equipment	246,949	218,678	265,050	253,020	(12,030)	(4.5)
Utilities & Communications	1,000,693	972,766	1,068,760	1,050,730	(18,030)	(1.7)
Insurance	170,630	201,430	205,740	215,600	9,860	4.8
Pumphouse Failure	-	-	-	-	-	-
Bank & Other Charges	32,982	22,028	42,740	42,740	-	-
Grants	263,747	232,314	221,910	250,440	28,530	12.9
Remittances to Other Entities	995,858	1,137,217	1,137,220	1,257,120	119,900	10.5
Operating Expenses	8,013,654	8,327,833	8,968,890	9,448,900	480,010	5.4
Debt	872,163	787,415	861,970	861,980	10	0.0
Transfers	1,855,280	1,719,520	1,719,530	1,725,250	5,720	0.3
Landfill Closure Costs	50,000	50,000	50,000	50,000	-	-
Total Expenses	10,791,097	10,884,768	11,600,390	12,086,130	485,740	4.2
Departmental Revenue						
Activity Revenue - General	(1,750,080)	(1,737,740)	(1,666,880)	(1,624,130)	42,750	(2.6)
Activity Revenue - Water & Wastewater	(2,712,226)	(2,659,572)	(2,897,500)	(2,985,000)	(87,500)	3.0
Insurance Proceeds - Pumphouse	-	-	(20,000)	-	20,000	(100.0)
Grants	(423,501)	(434,610)	(420,500)	(420,500)	-	-
Revenues from Own Sources	(396,429)	(98,405)	(65,000)	(200,000)	(135,000)	207.7
Requisitions Collected for Other Entities	(990,047)	(1,136,783)	(1,137,220)	(1,257,120)	(119,900)	10.5
Total Department Revenue	(6,272,283)	(6,067,110)	(6,207,100)	(6,486,750)	(279,650)	4.5
Net Operating Expenditures	4,518,814	4,817,658	5,393,290	5,599,380	206,090	3.8
Corporate Revenue						
Tax Revenue	(3,644,700)	(4,084,973)	(4,075,440)	(4,314,100)	(238,660)	5.9
Other Revenue	(1,471,263)	(1,261,894)	(1,317,850)	(1,285,280)	32,570	(2.5)
Total Corporate Revenue	(5,115,963)	(5,346,867)	(5,393,290)	(5,599,380)	(206,090)	3.8
General (Surplus)/Deficit	(597,149)	(529,209)	-	-	-	-

Budget Overview

Assessments

Understanding Property Assessments

Your property assessment significantly influences the amount of property taxes you pay. On or before March 1 of each year, the Town makes the assessment roll public, showing the fair market value of a property as of July 1 of the prior year. The Town contracts out assessment services to Wild Rose Assessment Services and assessment practices and methodologies are governed through the *Municipal Government Act (MGA)*.

In addition, the valuation date and condition date specified by the *MGA* are also used to determine the assessed value of your property. The valuation date is a fixed date at which time all properties are assessed, ensuring that all properties are valued as of the same date. For example, the valuation date for the 2026 tax year is July 1, 2025. The condition date is defined as the characteristics and physical condition of the property on December 31 of the year before the year in which a tax is imposed.

Once assessments for all Town properties are known, the tax rate is calculated by dividing tax revenue requirements across property classifications and properties. Its important to remember comparing property taxes to other communities is difficult due to variables such as levels of service or industry and the number/type of commercial businesses within the comparative tax base.

Taxable Assessment History

	2021	2022	2023	2024	2025
Residential	256,056,730	261,876,920	278,361,500	293,850,750	320,168,700
Farmland	210,560	210,560	211,000	211,000	411,000
Non-Residential (Commercial)	59,012,050	56,365,990	58,896,200	64,855,820	67,057,900
Machinery & Equipment	1,329,330	1,360,280	1,656,090	1,981,690	2,038,780
Linear and DIP		4,918,150	5,524,170	5,673,520	5,869,090
Total Assessed Value	316,608,670	324,731,900	344,648,960	366,572,780	395,545,470

*based on the respective Tax Rate Bylaws

Grants and Funding to Other Organizations

The Town provides grants or funding for various reasons:

- to assist community groups in providing programming,
- towards youth or family programs,
- to organizations providing municipal services in lieu of the Town,
- for promotional or other purposes.

The Municipal Grants to Community Groups provides financial support to not-for-profit organizations and volunteer groups within Town which render a service to the residents. This support is provided in recognition of the value these organizations and groups provide to the well-being and growth of the community and in helping the Town retain a strong community focus. Grant requests are assessed in terms of the need for the project; cost-effectiveness, financial viability, contribution to the quality of life in the community and community involvement/response.

Budget Overview

	2024	2025	2026
Community Grants Program			
Three Hills Minor Ball Association			1,000
Three Hills Minor Volleyball Association			1,100
Three Hills Good Health Club		600	5,000
Hillside Lanes Bowling	3,420		630
Three Hills Curling Club	6,500		3,000
Lunch With Friends Society		5,532	
Kneehill Adult Learning	10,000		
Kneehill Historical Society	5,080		
Municipal Programming			
Kneehill Regional FCSS (includes Grant Writer starting 2026 - \$9,361)	44,652	52,154	62,510
Marigold Library System	20,485	20,897	21,681
Three Hills Library	108,000	109,000	111,500
Shared Service Agreements			
Kneehill County - Fire Apparatus	245,890	9,000	
To other Organizations			
Kneehill Historical Society	2,750	2,750	2,750
Three Hills Arts Academy	5,000	5,000	5,000
Three Hills and District Chamber of Commerce	6,000	6,000	6,000
Three Hills Chamber of Commerce - Water Tower Lighting	40,000		
Kneehill Medical Clinic Rent Stabilization Pilot Program	9,413	22,589	22,589
STARS Air Ambulance		3,300	5,000
Heartland Training and Support (Farm Safety Centre)			500
Citizens on Patrol			3,000
Three Hills Auxiliary			5,000
Senior's Outreach (Bus)	7,500	7,500	7,500
Senior's Outreach - Community Centre (Utilities Assistance)		5,000	
Three Hills Beautification	3,000	5,000	5,000
Total	517,690	254,322	268,760

Service Level Initiatives

Specific new initiatives, requests from groups or service level adjustments have been included in the budget. Each of these potential new items will be reviewed in the context of the overall financial viability and Council direction.

	Service Level Adjustment	New Program or Service	Service Level Change
STARS Air Ambulance Request		5,000	5,000
Heartland Training and Support (Farm Safety Centre) Request		500	500
Citizens on Patrol		3,000	3,000
Parade Float		2,000	2,000
Three Hills Auxiliary		5,000	5,000
		15,500	15,500

STARS Air Ambulance Funding Request - \$5,000 for 4 years

At the January 12, 2026, Council meetings, STARS Air Ambulance presented to Council and requested a contribution towards their operations for \$5,000/year for 4 years. At the January 26, 2026, Council meeting, Council directed Administration to bring this request forward to the 2026 Operating Budget deliberations. In 2025, we donated \$3,212 to STARS, representing a \$1/capita donation.

Budget Overview

Heartland Training and Support (Farm Safety Centre) Funding Request - \$500

At the November 24, 2025, Council meeting, Council received correspondence from Heartland Training and Support requesting \$500 to assist with their farm safety offering. Council directed Administration to bring this request forward to the Operating budget deliberations.

Citizens on Patrol - \$3,000

At the March 23, 2026, Council directed Administration to bring a funding request from Citizens on Patrol to the 2026 Operating Budget deliberations for consideration.

Parade Float - \$2,000

Councillor Sept requested that additional money be added for enhancements to the parade float.

Three Hills Auxiliary - \$5,000

At the April 7, 2026, Special Council Meeting – Operating Budget Deliberations, Councillor Koch requested to provide yearly funding to the Three Hills Auxiliary to assist in funding various health care programs in Three Hills.

Large Operational Projects

This is a new section for the 2026 Operating Budget, highlighting major operational projects for the year. Previously, this information was included in a briefing note. If a large operational is expected to cost over \$10,000, it has been highlighted in this section. These projects are included within the specific departmental budgets.

	Project Value
Water Meter Replacements	10,000
Water Treatment Plant - Under Drain Filter Cleansing (2)	95,000
Water Treatment Plant - Pond Aeration	12,500
Water Reservoir - Exterior Coating	95,000
Pump Maintenance Program	16,200
Pumphouse - Concrete Epoxy	10,000
Airport - Runway Lighting (2025 Carryover)	27,600
Landfill Environmental Level 2 Assessment	51,000
Council Strategic Planning Assistance	10,000
Finance Department Assistance	50,000
Arena Grease Trap Replacement	15,000
	392,300

Water Meter Replacements - \$10,000

This will allow the Town to acquire 14 residential water meters to continue replacing meters as they reach the end of their useful life.

Water Treatment Plant - Filter - Under Drain Cleansing (2) - \$95,000

2 of the 3 underdrains at the water treatment plant are operating at 40%. This maintenance would bring the 2 filters back up to 100%.

Budget Overview

Water Treatment Plant – Pond Aeration Repairs - \$12,500

The current aerating system at the water treatment plant is not functioning properly. This system plays a role in the pre-treatment of water coming into the plant and lowers the amount of chemicals used in the treatment process.

Water Reservoir (Pumphouse) – Exterior Coating - \$95,000

The exterior of the reservoir is beginning to deteriorate with age. The coating will help slow the deterioration and extend the life of the reservoir.

Pump Maintenance Program - \$16,200

Annual maintenance of pumps at various facilities is completed by staff; however, more thorough rebuilds are required to be completed every so often to ensure the longevity and operating efficiency of the pumps.

Pumphouse Concrete Epoxy - \$10,000

At the new Pumphouse, the contractor will be applying an epoxy coating to the concrete pad at the bulk fill station due to warranty issues with the concrete pad. This portion is funded through the original project insurance proceeds. The additional money is for applying the same coating to the concrete sidewalks around the facility to ensure the long-term integrity of the concrete. This has already been agreed upon with the contractor.

Airport Runway Lights (2025 Carry Over) - \$27,600

Several runway lights are no longer working, and further maintenance is required to ensure the ones that are working continue to. The intent was to complete the project last year; however, the pricing came in significantly higher than budgeted.

Landfill Environmental Assessment – Level II Assessment - \$51,000

This assessment is required by Alberta Environment and is related to increased chlorides found in the ground surrounding the landfill.

Council Strategic Planning Support - \$10,000

To support the execution of strategic planning with Council, ensuring adequate resources for facilitation, coordination, and implementation.

Finance Department Support - \$50,000

To stabilize and strengthen the finance department, address capacity gaps, process inefficiencies, and overdue system improvements. This investment is intended to restore accuracy, timeliness, and internal controls, ensuring the department can effectively support organizational decision-making.

Arena Grease Trap Replacement - \$15,000

The existing grease trap in the arena's commercial kitchen is deteriorating significantly, with the sides and bottom actively rusting and metal flaking away. This structural failure presents an imminent risk of leakage, which could lead to plumbing issues, contamination concerns, and potential regulatory non-compliance.

Budget Overview

Expenditures by Department

Total Expenditures by Department show the total departmental costs without any revenue offsets.

Expenditures by Department

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Legislative	256,286	240,173	273,570	287,440	13,870	5.1
Administrative	878,627	1,115,390	1,052,620	1,127,750	75,130	7.1
Police Protection	(6,482)	167,420	166,220	234,760	68,540	41.2
Fire Protection	212,309	183,614	211,040	217,570	6,530	3.1
Disaster Services	58,114	32,609	34,830	35,580	750	2.2
Bylaw Enforcement	27,395	34,871	46,560	47,140	580	1.2
Operations	1,271,476	1,324,239	1,392,670	1,382,000	(10,670)	(0.8)
Airport	256,294	184,446	247,890	226,100	(21,790)	(8.8)
Storm Water	19,920	17,173	27,470	23,200	(4,270)	(15.5)
Cemetery	10,934	12,643	14,510	10,950	(3,560)	(24.5)
Water Treatment	2,026,352	1,912,233	2,149,020	2,346,820	197,800	9.2
Water Distribution	449,862	378,874	423,600	547,530	123,930	29.3
Sewer	646,739	541,814	611,120	601,110	(10,010)	(1.6)
Solid Waste	168,327	175,178	174,670	178,000	3,330	1.9
Recycling	77,424	46,663	48,760	39,710	(9,050)	(18.6)
Landfill	414,951	471,098	500,060	446,880	(53,180)	(10.6)
Planning	76,040	145,358	81,880	81,010	(870)	(1.1)
Subdivision	-	-	1,500	1,500	-	-
Economic Development	19,146	16,519	15,760	16,350	590	3.7
Recreation Administration	95,018	97,514	102,280	105,210	2,930	2.9
FCSS	44,652	52,154	52,150	62,510	10,360	19.9
Library Services	158,868	157,272	158,930	165,680	6,750	4.2
Aquatic Centre	720,533	693,187	758,400	770,200	11,800	1.6
Centennial Arena	689,255	700,162	728,390	744,490	16,100	2.2
Parks & Playgrounds	364,951	355,387	431,250	428,470	(2,780)	(0.6)
Splash Park	34,528	11,343	22,190	19,660	(2,530)	(11.4)
Campground	125,878	99,648	137,670	126,770	(10,900)	(7.9)
Community Centre	55,400	68,107	65,210	79,060	13,850	21.2
General Government	581,096	512,468	532,950	475,560	(57,390)	(10.8)
Remittances to Other Entities	995,858	1,137,217	1,137,217	1,257,120	119,903	10.5
Total	10,729,751	10,884,774	11,600,390	12,086,130	485,740	4.2

Budget Overview

Description of Revenue and Expenditure Types

These descriptions explain the categories shown in the departmental and summary tables.

Departmental Revenue

Includes revenues that can be directly attributable to the activities of a department or program. These revenues are broken down into three categories:

- revenue that is generated due to the actions of the department. Examples of activity revenue are water & wastewater connection charges and fees, planning fees and recreation revenues for day camps or programs,
- revenues that include grants from third parties that are allocated to specific programs or activities; examples of grants are funding for protective services or recreation programs, and
- revenue that cannot be generally categorized within other revenues but is attributable to a specific department. This includes the water & wastewater rate or internal allocations.

Tax Revenue

Taxation is the major source of revenue for the Town. Tax rates applied to the various property classes are determined by the total tax levy requirement and the allocation by class of the assessed current market values of real property within the Town. This category includes general levies, payments in lieu of taxes and local improvement rates.

Other Corporate Revenue

Includes revenues that cannot be generally attributable to any one department or activity. Examples include interest revenue, equalization grants, and other general grants or miscellaneous income.

Requisitions Collected for Other Entities

Funds collected for third-party organizations that can requisition property taxes on our residents, in this case for the Kneehill Housing Corporation (seniors' housing) and for educational purposes.

Expenditures

Salaries & Benefits

Remuneration for salary, benefit and honorarium expenses.

Training & Development

Expenses consist of mileage claims, meeting costs, training, conferences and memberships.

Professional and Consultant Fees

Includes services such as legal and audit charges, along with engineering and consultant fees.

Materials & Supplies

Includes most general purchases, including office supplies and equipment, hardware & software, tools and equipment, along with other miscellaneous items.

Repairs & Maintenance

Refers to repairs and maintenance costs associated with buildings or larger pieces of equipment, such as pumps or building components.

Budget Overview

Vehicle & Equipment

Fuel, repairs, maintenance and insurance costs relating to vehicles and smaller or mobile pieces of equipment.

Utilities & Communications

Telephone, internet and building utility costs (gas, electricity, water and sewer).

Insurance

Insurance costs incurred by the Town.

Bank & Other Charges

Banking and interest charges, along with other items such as easement fees and miscellaneous items.

Grants

Amounts budgeted to support other agencies or services, or grants provided to the community.

Remittances to Other Entities

Amounts remitted to other organizations that were collected via Town property tax bills.

Debt & Capital Charges

Includes principal and interest charges for long-term debt, contributions to reserves or contributions to the capital program.

Budget Overview



Legislative Services

Council is the legislative and policy-making body of the Town and represents the residents of Three Hills. Council is the governing body of the municipal corporation and the custodian of its powers, both legislative and administrative. The MGA provides that Council can only exercise the powers of the municipal corporation in the proper form, either by bylaw or resolution.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	117,547	113,554	128,980	125,340	(3,640)	(2.8)
Training & Development	12,858	14,809	22,380	26,300	3,920	17.5
Materials & Supplies	34,896	66,253	72,640	61,070	(11,570)	(15.9)
Utilities & Communications	-	1,200	3,600	3,600	-	-
Insurance	375	375	380	380	-	-
Grants	90,610	41,263	40,590	54,750	14,160	34.9
Total	256,286	240,173	273,570	287,440	13,870	5.1
Departmental Revenues	-	-	-	-	-	-
Net Operating Expenses	256,286	240,173	273,570	287,440	13,870	5.1
Debt and Capital Charges	-	-	-	-	-	-
Tax Levy Requirement	256,286	240,173	273,570	287,440	13,870	5.1

Administrative Services



The Chief Administrative Officer (CAO), appointed by Council, is the head of the organization and is responsible for leading, planning, organizing and directing the administration of the Town toward the fulfillment of the goals, objectives and policies as determined by the Council. The CAO coordinates the day-to-day activities of the Town, introduces new methods and procedures among Town departments and appries Council of operational results. The department also provides support services to the Town's departments in the form of:

- personnel management,
- records management,
- ensure legal compliance of the organization,
- maintenance of Bylaws and Policies,
- agenda preparation for Council meetings,
- apply for grants to fund Town projects, and
- facilitate annual review of the strategic work plan.

For budgeting and reporting purposes, Administrative Services includes the Office of the CAO, support staff and the Finance Department. The Finance Department is responsible for the management of the fiscal affairs of the Town and supporting the financial-related operations of other Town departments. It collects, records, deposits and disburses all funds for the Town. The department is also responsible for the development of the annual budget, long-range financial plans, assisting Town leadership with policy decisions that may impact Town finances and developing and implementing policies and procedures that serve to protect all Town assets.

Administrative Services

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	517,743	681,643	717,270	746,770	29,500	4.1
Training & Development	15,441	21,163	25,950	24,300	(1,650)	(6.4)
Professional & Consultant Fees	156,095	234,482	110,080	147,480	37,400	34.0
Materials & Supplies	95,824	87,257	93,040	99,810	6,770	7.3
Repairs & Maintenance	6,780	1,682	5,000	5,000	-	-
Vehicle & Equipment	4,044	1,032	4,950	4,950	-	-
Utilities & Communications	37,362	38,015	44,990	44,010	(980)	(2.2)
Insurance	14,723	17,443	15,710	16,110	400	2.5
Bank & Other Charges	1,505	1,363	4,320	4,320	-	-
Total	849,517	1,084,080	1,021,310	1,092,750	71,440	7.0
Departmental Revenues	(50,452)	(39,620)	(42,940)	(42,940)	-	-
Net Operating Expenses	799,065	1,044,460	978,370	1,049,810	71,440	7.3
Debt and Capital Charges	29,110	31,310	31,310	35,000	3,690	11.8
Tax Levy Requirement	828,175	1,075,770	1,009,680	1,084,810	75,130	7.4

Protective Services



Protective Services

Three Hills remains a vibrant and safe community and is honoured to have several volunteers and professionals that constitute the Protective Services sector of our Town. Protective Services is made up of Police, Fire, Disaster Services (Emergency Management) and Bylaw Enforcement.

Police Protection

The Town is required to contribute towards a portion of RCMP detachment costs based on calculations provided by the Provincial government. It's anticipated that the costs will increase by 40.22% in 2026, following a 39% increase in 2025.

Fire Protection

The department moved into its new building in the Spring of 2012. The department helps to protect residents and minimize the risk of fires in the community. The fire department works with local groups and agencies to provide education and to assist in planning and prepping for emergency situations.

Disaster Services

As a member of a partnership with surrounding municipalities, known as the Kneehill Regional Emergency Management Agency (KREMA). This partnership consists of Kneehill County, the Village of Carbon, Acme, Linden

Protective Services

and the Town of Trochu. All Town staff have the Basic Emergency Management Course as well as the ICS 100 course.

Bylaw Enforcement

Responsible for the enforcement of bylaws passed by Council and is committed to providing a desired quality of life for citizens and visitors through education to raise awareness of community standards and enforcement of Town Bylaws. They ensure timely compliance with a professional, unbiased approach. Kneehill County Peace Officers provide municipal enforcement for the Town, working to ensure compliance with bylaws and investigate incoming complaints. Spot enforcement operations are also conducted in high-traffic or problem areas in the Town.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Police						
Professional & Consultant Fees	(6,482)	167,420	166,220	234,760	68,540	41.2
Total Police	(6,482)	167,420	166,220	234,760	68,540	41.2
Fire						
Salaries & Benefits	82,251	76,474	86,650	89,530	2,880	3.3
Training & Development	907	387	6,200	5,300	(900)	(14.5)
Professional & Consultant Fees	14,492	16,381	21,580	24,040	2,460	11.4
Materials & Supplies	18,504	18,533	21,090	22,890	1,800	8.5
Repairs & Maintenance	4,942	1,980	7,000	7,000	-	-
Vehicle & Equipment	6,415	6,248	10,130	10,130	-	-
Utilities & Communications	27,043	26,257	28,950	28,200	(750)	(2.6)
Insurance	11,685	9,424	10,510	10,480	(30)	(0.3)
Grants	-	9,000	-	-	-	-
Total Fire	166,239	164,684	192,110	197,570	5,460	2.8
Emergency Mgt						
Salaries & Benefits	32,275	31,862	31,890	32,640	750	2.4
Training & Development	-	-	2,100	2,100	-	-
Utilities & Communications	747	747	840	840	-	-
Total Emergency Mgt	33,114	32,609	34,830	35,580	750	2.2
Bylaw						
Salaries & Benefits	18,205	22,792	23,160	23,740	580	2.5
Professional & Consultant Fees	6,100	12,079	23,300	23,300	-	-
Materials & Supplies	55	-	100	100	-	-
Insurance	865	-	-	-	-	-
Total Bylaw	25,225	34,871	46,560	47,140	580	1.2
Total	218,096	399,584	439,720	515,050	75,330	17.1
Departmental Revenues	(369,490)	(104,736)	(109,100)	(109,100)	-	-
Net Operating Expenses	(151,394)	294,848	330,620	405,950	75,330	22.8
Debt and Capital Charges	73,240	18,930	18,930	20,000	1,070	5.7
Tax Levy Requirement	(78,154)	313,778	349,550	425,950	76,400	21.9

Works and Infrastructure



Works and Infrastructure

The Public Works (or Operations) Department is responsible for maintaining the integrity and safety of Three Hill's transportation infrastructure and is a major contributor to the community's public safety with snow removal and sanding of roads, clearing sidewalks, pathways and street sweeping in the spring. Staff also complete the road line painting and repair street signage and potholes throughout the year. The department works alongside the Utility Department running equipment during infrastructure repairs and assisting all other departments as required in the maintenance of all Town facilities. The department is also responsible for stormwater management and maintenance of the related public storm sewers, and retention/detention ponds that are under the Town's authority.

The Three Hills Airport is located 4 kilometers east of Three Hills. Staff are responsible for the maintenance of the airport, including snow and ice control operations.

The Cemetery is located on the outskirts of Town. Over the last ten years, we have expanded the cemetery to allow for future development. The Town Cemetery consists of four main sections and the Catholic Church has a private area located to the east of the Town Cemetery.

Works and Infrastructure

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Operations						
Salaries & Benefits	498,826	449,787	484,460	490,470	6,010	1.2
Training & Development	1,696	55	1,940	4,190	2,250	116.0
Professional & Consultant Fees	24,674	6,939	30,110	30,110	-	-
Materials & Supplies	34,175	34,355	40,410	41,560	1,150	2.8
Repairs & Maintenance	66,778	66,795	74,000	74,000	-	-
Vehicle & Equipment	138,098	124,848	122,730	102,200	(20,530)	(16.7)
Utilities & Communications	218,114	220,044	220,680	221,160	480	0.2
Insurance	17,400	25,371	22,240	22,910	670	3.0
Bank & Other Charges	1,705	345	400	400	-	-
Total Operations	1,001,466	928,539	996,970	987,000	(9,970)	(1.0)
Airport						
Professional & Consultant Fees	35,682	16,051	35,560	37,060	1,500	4.2
Materials & Supplies	196,923	125,043	175,250	175,250	-	-
Repairs & Maintenance	2,381	19,847	16,770	1,520	(15,250)	(90.9)
Vehicle & Equipment	675	2,051	-	-	-	-
Utilities & Communications	9,129	9,185	9,540	9,750	210	2.2
Insurance	670	2,515	2,520	2,520	-	-
Bank & Other Charges	2,584	1,504	-	-	-	-
Total Airport	248,044	176,196	239,640	226,100	(13,540)	(5.7)
Storm Water						
Professional & Consultant Fees	3,860	9,171	15,000	10,000	(5,000)	(33.3)
Repairs & Maintenance	-	-	5,000	5,000	-	-
Utilities & Communications	1,970	2,002	1,470	2,200	730	49.7
Bank & Other Charges	-	6,000	6,000	6,000	-	-
Total Storm Water	5,830	17,173	27,470	23,200	(4,270)	(15.5)
Cemetery						
Professional & Consultant Fees	2,565	466	500	500	-	-
Materials & Supplies	2,127	6,663	7,600	4,700	(2,900)	(38.2)
Repairs & Maintenance	67	354	500	500	-	-
Vehicle & Equipment	235	-	750	750	-	-
Total Cemetery	4,994	7,483	9,350	6,450	(2,900)	(31.0)
Total	1,260,334	1,129,391	1,273,430	1,242,750	(30,680)	(2.4)
Departmental Revenues	(236,658)	(248,144)	(267,030)	(244,080)	22,950	(8.6)
Net Operating Expenses	1,023,676	881,247	1,006,400	998,670	(7,730)	(0.8)
Debt and Capital Charges	298,290	409,110	409,110	399,500	(9,610)	(2.3)
Tax Levy Requirement	1,321,966	1,290,357	1,415,510	1,398,170	(17,340)	(1.2)

Water and Wastewater



The Water and Wastewater (or Utility) Department has the responsibility for the repair and continued maintenance of the Water Treatment Plant (WTP), Water Distribution, Wastewater Treatment, Wastewater Collection and Stormwater Management systems. In addition, the Utility Department is responsible for meter reading and continued maintenance of the water meter program. Utility operators work closely with Alberta Environment to meet the required Approvals and staying on top of their education and training for CEU's to meet their requirements as a Utility Operator for the Town. The Town owns and operates a regional water treatment system that provides water to Three Hills, Trochu, and portions of Kneehill County. The water that enters the WTP is drawn from the Red Deer River east of Town. Staff work hard to protect health by delivering clean, reliable drinking water to the community.

Wastewater is water that has been used in homes and businesses in ways that negatively impact its quality. It is largely made up of human waste, oils, grease, chemicals, dirt and soaps from sinks, showers and washing machines and effluent from industries, commercial businesses and institutions. This water is removed from homes and businesses by over 26km of sewer pipes and ends up at the sewage lagoons located south of Three Hills. Once treated, a portion of this water is recycled and used to water the Three Hills Golf Course.

Water and Wastewater

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Water Treatment						
Salaries & Benefits	217,178	327,937	379,990	384,150	4,160	1.1
Training & Development	5,295	7,245	7,360	7,760	400	5.4
Professional & Consultant Fees	275,774	194,476	209,930	308,360	98,430	46.9
Materials & Supplies	173,328	127,352	208,110	207,510	(600)	(0.3)
Repairs & Maintenance	1,439	1,487	-	-	-	-
Vehicle & Equipment	8,687	11,506	4,660	4,940	280	6.0
Utilities & Communications	217,199	209,395	231,380	227,570	(3,810)	(1.6)
Insurance	31,581	53,880	55,290	56,770	1,480	2.7
Bank & Other Charges	778	-	2,500	2,500	-	-
Total Water Treatment	931,259	933,278	1,099,220	1,199,560	100,340	9.1
Water Distribution						
Salaries & Benefits	243,296	152,666	178,730	181,030	2,300	1.3
Training & Development	856	1,562	2,000	2,000	-	-
Professional & Consultant Fees	59,358	59,071	64,230	81,070	16,840	26.2
Materials & Supplies	24,972	33,870	33,890	33,890	-	-
Repairs & Maintenance	50,290	68,977	41,800	152,400	110,600	264.6
Vehicle & Equipment	14,406	12,456	30,780	27,500	(3,280)	(10.7)
Utilities & Communications	41,593	30,286	48,020	41,540	(6,480)	(13.5)
Insurance	15,091	19,986	24,150	28,100	3,950	16.4
Bank & Other Charges	-	-	-	-	-	-
Total Water Distribution	449,862	378,874	423,600	547,530	123,930	29.3
Wastewater						
Salaries & Benefits	122,622	100,232	115,580	117,150	1,570	1.4
Training & Development	-	231	500	500	-	-
Professional & Consultant Fees	83,577	93,084	89,080	96,920	7,840	8.8
Materials & Supplies	26,685	24,419	41,470	20,870	(20,600)	(49.7)
Repairs & Maintenance	42,807	23,697	65,000	58,000	(7,000)	(10.8)
Vehicle & Equipment	9,288	63	120	120	-	-
Utilities & Communications	9,429	9,606	9,130	10,160	1,030	11.3
Insurance	3,281	2,504	2,270	2,310	40	1.8
Bank & Other Charges	5,600	5,600	5,600	5,600	-	-
Total Wastewater	303,289	259,436	328,750	311,630	(17,120)	(5.2)
Total Water and Wastewater	1,684,410	1,571,588	1,851,570	2,058,720	207,150	11.2
Departmental Revenues	(2,712,226)	(2,659,624)	(2,917,500)	(2,985,000)	(67,500)	2.3
Net Operating Expenses	(1,027,816)	(1,088,036)	(1,065,930)	(926,280)	139,650	(13.1)
Debt and Capital Charges	1,438,543	1,261,333	1,332,170	1,436,740	104,570	7.8
Tax Levy Requirement	410,727	173,297	266,240	510,460	244,220	91.7

Waste Management



Waste Management

Residential and commercial waste and recycling pickup and disposal services are contracted to E360 Environmental Solutions. Residential properties have curbside waste pickup weekly and recycling pickup every second week. Commercial properties utilize bins and carts for their pickups. The Town also operates the Three Hills Landfill, located south of Town. The landfill accepts most types of common refuse, and the Town accepts some recyclables at the site.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Solid Waste						
Professional & Consultant Fees	158,817	172,599	172,010	175,340	3,330	1.9
Materials & Supplies	8,135	2,412	2,250	2,250	-	-
Vehicle & Equipment	1,375	-	-	-	-	-
Insurance	-	167	410	410	-	-
Total Solid Waste	168,327	175,178	174,670	178,000	3,330	1.9
Recycling						
Professional & Consultant Fees	63,887	38,612	37,360	29,090	(8,270)	(22.1)
Materials & Supplies	1,980	750	2,590	2,590	-	-
Repairs & Maintenance	3,117	-	1,000	500	(500)	(50.0)
Utilities & Communications	7,552	7,270	7,780	7,500	(280)	(3.6)
Insurance	888	31	30	30	-	-
Bank & Other Charges	-	-	-	-	-	-
Total Recycling	77,424	46,663	48,760	39,710	(9,050)	(18.6)
Landfill						
Salaries & Benefits	186,256	203,484	209,010	214,170	5,160	2.5
Training & Development	544	872	1,100	1,100	-	-
Professional & Consultant Fees	60,193	105,916	116,290	105,190	(11,100)	(9.5)
Materials & Supplies	20,894	9,359	12,450	8,450	(4,000)	(32.1)
Repairs & Maintenance	1,235	6,850	9,500	8,500	(1,000)	(10.5)
Vehicle & Equipment	15,769	15,769	23,980	25,670	1,690	7.0
Utilities & Communications	5,465	7,451	5,460	7,220	1,760	32.2
Insurance	3,944	553	950	980	30	3.2
Bank & Other Charges	841	124	600	600	-	-
Total Landfill	295,141	350,378	379,340	371,880	(7,460)	(2.0)
Total Waste Management	540,892	572,219	602,770	589,590	(13,180)	(2.2)
Departmental Revenues	(812,295)	(767,031)	(757,720)	(766,930)	(9,210)	1.2
Net Operating Expenses	(271,403)	(194,812)	(154,950)	(177,340)	(22,390)	14.4
Debt and Capital Charges	119,810	120,720	120,720	75,000	(45,720)	(37.9)
Tax Levy Requirement	(151,593)	(74,092)	(34,230)	(102,340)	(68,110)	199.0

Planning and Development



Planning and Development manages land use planning processes within the Town to ensure that the environmental, social, and fiscal effects of development are considered in decision-making. The department advises Council, the Municipal Planning Commission, and other Town Departments on issues related to the development within the community.

Planning and Development works to ensure that change and development take place in an organized, well-planned way, and in compliance with provincial legislation and municipal regulations and bylaws, while also maintaining and enhancing the natural and man-made environments that contribute to a high quality of life.

Economic Development is also part of the Planning and Development department, serving the community to enhance our quality of life by working with existing and prospective businesses and community partners to create a diverse economy that is resilient to change.

Planning and Development

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Planning						
Salaries & Benefits	43,986	49,013	49,930	51,180	1,250	2.5
Training & Development	490	699	1,000	1,880	880	88.0
Professional & Consultant Fees	20,313	92,553	23,780	20,780	(3,000)	(12.6)
Materials & Supplies	10,823	3,093	6,760	6,760	-	-
Insurance	428	-	410	410	-	-
Bank & Other Charges	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Remittances to Other Entities	-	-	-	-	-	-
Total Planning	76,040	145,358	81,880	81,010	(870)	(1.1)
Subdivision						
Professional & Consultant Fees	-	-	1,500	1,500	-	-
Total Subdivision	-	-	1,500	1,500	-	-
Economic Development						
Professional & Consultant Fees	5,520	5,520	5,520	5,520	-	-
Materials & Supplies	11,426	9,400	9,000	8,900	(100)	(1.1)
Vehicle & Equipment	239	-	180	180	-	-
Utilities & Communications	1,485	1,599	1,060	1,750	690	65.1
Insurance	476	-	-	-	-	-
Total Economic Development	19,146	16,519	15,760	16,350	590	3.7
Total Planning and Development	95,186	161,877	99,140	98,860	(280)	(0.3)
Departmental Revenues	(47,805)	(151,342)	(26,500)	(26,000)	500	(1.9)
Net Operating Expenses	47,381	10,535	72,640	72,860	220	0.3
Debt and Capital Charges	-	-	-	-	-	-
Tax Levy Requirement	47,381	10,535	72,640	72,860	220	0.3

Recreation and Cultural Programs



Recreation and Cultural Programs

The Recreation and Cultural Programs department is comprised of three areas: Recreation Administration, Family and Community Support Services (FCSS), and the Public Library. The department is responsible for the oversight, operations and scheduling of all outdoor recreational areas, parks, and indoor recreational buildings such as the arena and community centre.

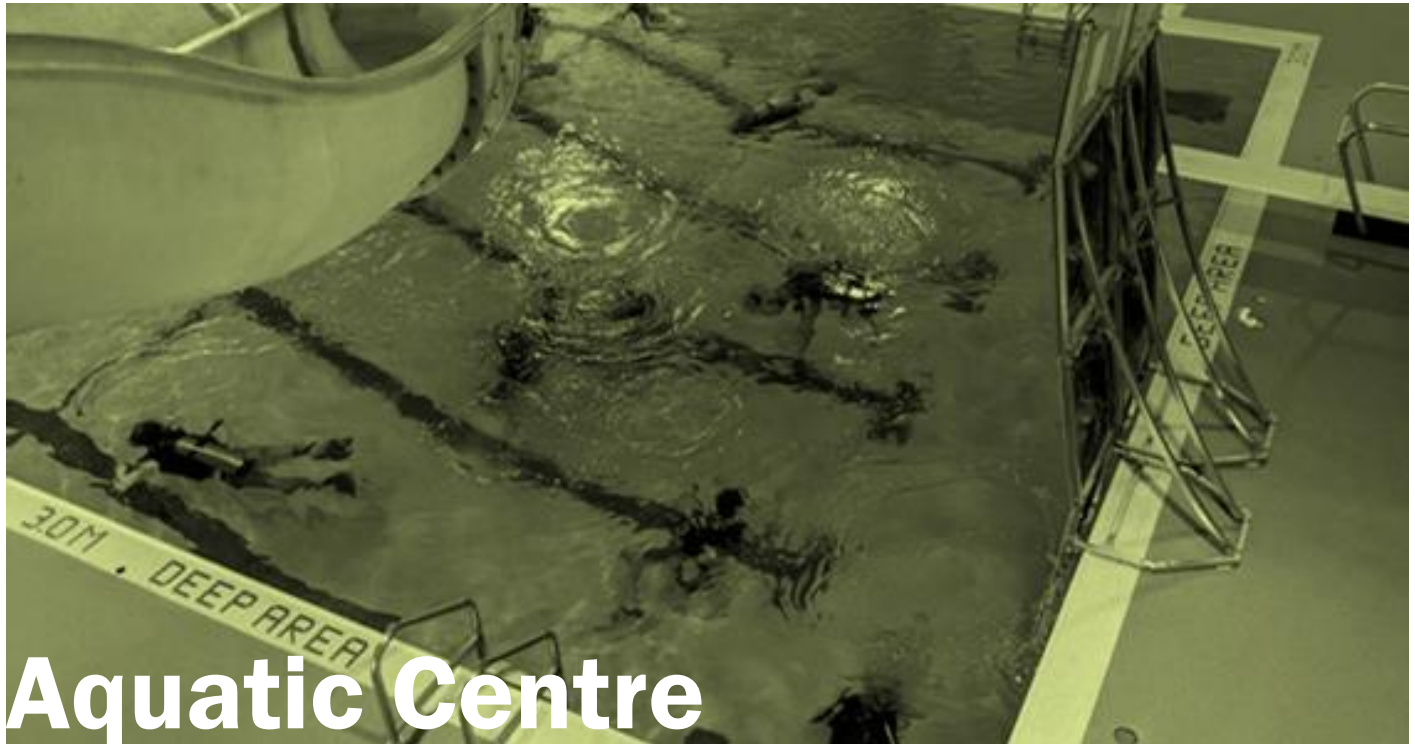
Family and Community Support Services (FCSS) is a partnership between the municipal and provincial governments established to develop, support and fund preventive social programming to enhance the well-being of individuals, families, and communities. The program is municipally driven and governed by the Family and Community Support Services Act which emphasizes prevention, volunteerism, and local autonomy.

The Three Hills Library opened in August 1949 and its mission is to create connections that inspire discovery, growth, and imagination by sharing ideas, resources, and experiences with the community it serves.

Recreation and Cultural Programs

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Recreation Administration						
Salaries & Benefits	90,462	92,644	95,330	97,750	2,420	2.5
Training & Development	1,658	3,494	2,450	2,960	510	20.8
Materials & Supplies	1,869	993	3,420	3,420	-	-
Utilities & Communications	1,029	383	1,080	1,080	-	-
Total Recreation Administration	95,018	97,514	102,280	105,210	2,930	2.9
FCSS						
Grants	44,652	52,154	52,150	62,510	10,360	19.9
Total FCSS	44,652	52,154	52,150	62,510	10,360	19.9
Library						
Professional & Consultant Fees	718	2,948	3,530	4,930	1,400	39.7
Repairs & Maintenance	785	11	2,000	3,000	1,000	50.0
Utilities & Communications	13,558	13,418	13,230	13,500	270	2.0
Insurance	8,072	3,748	3,750	3,820	70	1.9
Grants	128,485	129,897	129,170	133,180	4,010	3.1
Total Library	151,618	150,022	151,680	158,430	6,750	4.5
Total Rec & Cultural Prog	291,288	299,690	306,110	326,150	20,040	6.5
Departmental Revenues	-	-	-	-	-	-
Net Operating Expenses	291,288	299,690	306,110	326,150	20,040	6.5
Debt and Capital Charges	7,250	7,250	7,250	7,250	-	-
Tax Levy Requirement	298,538	306,940	313,360	333,400	20,040	6.4

Aquatic Centre



The Aquatic Centre is one of the most popular facilities in Three Hills. Over 50,000 visitors come to the pool annually. This fabulous facility was built and opened to the public in June 1987. The pool has many attractions from a waterslide to a steam room and hot tub. In addition to its physical features, the pool hosts a full range of programming options, from Aqua Aerobics to Senior/Adult classes.

The pool provides courses and classes to the community focused on water safety education, fitness and enjoyment in the water for all ages. Other programs include lessons for all ages from 6 months old to 99+. Summer and after school lessons are offered to the Town residents and surrounding community. The pool has a significant and successful partnership with the local schools (in and out of Town) offering Red Cross School Swimming Lessons to help improve skills, fitness and prevent injury.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Aquatic Centre						
Salaries & Benefits	462,118	424,099	453,490	445,870	(7,620)	(1.7)
Training & Development	1,756	2,630	4,780	4,430	(350)	(7.3)
Professional & Consultant Fees	16,132	9,508	15,840	14,800	(1,040)	(6.6)
Materials & Supplies	40,766	29,937	34,750	35,650	900	2.6
Repairs & Maintenance	7,300	20,875	13,950	24,950	11,000	78.9
Vehicle & Equipment	15,836	10,814	16,500	26,500	10,000	60.6
Utilities & Communications	136,169	132,664	153,090	146,060	(7,030)	(4.6)
Insurance	12,756	17,231	17,550	17,960	410	2.3
Bank & Other Charges	2,580	959	3,980	3,980	-	-
Grants	-	-	-	-	-	-
Remittances to Other Entities	-	-	-	-	-	-
Total Aquatic Centre	695,413	648,717	713,930	720,200	6,270	0.9
Departmental Revenues	(281,097)	(262,771)	(275,300)	(268,300)	7,000	(2.5)
Net Operating Expenses	414,316	385,946	438,630	451,900	13,270	3.0
Debt and Capital Charges	25,120	44,470	44,470	50,000	5,530	12.4
Tax Levy Requirement	439,436	430,416	483,100	501,900	18,800	3.9

Centennial Arena



Centennial Arena

The Three Hills Centennial Arena is a state-of-the-art recreational facility containing the following features:

- 200' x 85' ice surface
- multiple large meeting rooms for events
- seating for over 660 spectators
- heated 1st and 2nd floor viewing mezzanines

	Projected 2024	Projected 2025	2025 Budget	2026 Budget	Change (\$)	Change (%)
Arena						
Salaries & Benefits	178,519	192,112	194,140	199,500	5,360	2.8
Training & Development	-	295	400	500	100	25.0
Professional & Consultant Fees	29,108	31,456	31,980	50,250	18,270	57.1
Materials & Supplies	15,037	17,604	25,570	22,540	(3,030)	(11.8)
Repairs & Maintenance	38,912	36,891	35,250	27,700	(7,550)	(21.4)
Vehicle & Equipment	7,801	11,372	17,760	21,710	3,950	22.2
Utilities & Communications	190,863	183,359	191,370	189,210	(2,160)	(1.1)
Insurance	31,007	30,440	30,630	31,300	670	2.2
Bank & Other Charges	1,358	602	1,540	1,540	-	-
Total Arena	492,605	504,131	528,640	544,250	15,610	3.0
Departmental Revenues	(185,323)	(169,493)	(171,360)	(165,050)	6,310	(3.7)
Net Operating Expenses	307,282	334,638	357,280	379,200	21,920	6.1
Debt and Capital Charges	196,650	196,031	199,750	200,240	490	0.2
Tax Levy Requirement	503,932	530,669	557,030	579,440	22,410	4.0

Parks and Recreation Facilities



The Recreation and Community Facilities department is comprised of all municipal Parks and Playgrounds, the Rob Naylor Splash Park, Three Hills Campground, and the Community Memorial Centre. The Parks and Recreation Department along with the Recreation Administration department are responsible for the operations, scheduling and upkeep of 5 municipal playgrounds and over 30 acres of public green space and responsible for the maintenance, janitorial and scheduling of the Community Memorial Centre.

The Community Memorial Centre features a large kitchen with commercial appliances, a main auditorium with sound system and stage, 2 large auxiliary rooms and 4 bathrooms. The Community Centre is heavily utilized for local sports organizations, wedding receptions, family gatherings and corporate events.

The Community Drop-In Centre features a kitchen, multiple pool tables and space available for rent. Various community groups also utilize the space for their needs. The Town assumed operating responsibilities for this space in 2026.

The Rob Naylor Splash Park opened in 2011 and consists of a heated wading pool and numerous water features. The park was named after a beloved teacher and Councillor. His dream was to offer this type of facility to the residents of Three Hills. The Splash Park offers free family fun to the residents of the Town.

Parks and Recreation Facilities

The Three Hills Campground currently has 47 sites, a camp concession which is available for rent, shower facilities, three ball diamonds and a playground.

	2024 Projected Actual	2025 Projected Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Parks						
Salaries & Benefits	204,197	231,145	249,280	254,340	5,060	2.0
Training & Development	2,897	1,397	3,680	3,970	290	7.9
Professional & Consultant Fees	39,142	27,360	64,190	49,190	(15,000)	(23.4)
Materials & Supplies	14,059	13,297	21,300	17,900	(3,400)	(16.0)
Repairs & Maintenance	3,245	6,835	9,400	18,700	9,300	98.9
Vehicle & Equipment	18,093	21,841	28,310	25,470	(2,840)	(10.0)
Utilities & Communications	13,392	13,032	12,820	13,400	580	4.5
Insurance	6,601	6,577	7,760	8,000	240	3.1
Bank & Other Charges	1,955	1,893	2,500	2,500	-	-
Grants	-	-	-	-	-	-
Remittances to Other Entities	-	-	-	-	-	-
Total Parks	303,581	323,377	399,240	393,470	(5,770)	(1.4)
Splash Park						
Professional & Consultant Fees	4,720	3,000	5,400	5,400	-	-
Materials & Supplies	3,024	1,400	2,800	2,300	(500)	(17.9)
Repairs & Maintenance	-	366	3,800	2,800	(1,000)	(26.3)
Vehicle & Equipment	5,639	215	3,300	2,000	(1,300)	(39.4)
Utilities & Communications	5,606	5,471	6,000	6,250	250	4.2
Insurance	1,769	891	890	910	20	2.2
Total Splash Park	20,758	11,343	22,190	19,660	(2,530)	(11.4)
Campground						
Professional & Consultant Fees	75,378	59,344	75,180	67,680	(7,500)	(10.0)
Materials & Supplies	2,253	1,708	3,350	3,000	(350)	(10.4)
Repairs & Maintenance	3,163	1,431	5,200	9,200	4,000	76.9
Utilities & Communications	34,799	34,613	48,930	40,640	(8,290)	(16.9)
Insurance	2,052	1,150	1,150	1,170	20	1.7
Bank & Other Charges	2,653	122	2,580	2,580	-	-
Total Campground	120,298	98,368	136,390	124,270	(12,120)	(8.9)
Community Centre						
Professional & Consultant Fees	2,870	4,597	2,200	4,900	2,700	122.7
Materials & Supplies	4,184	6,244	4,710	5,260	550	11.7
Repairs & Maintenance	3,686	6,348	4,000	6,500	2,500	62.5
Vehicle & Equipment	350	463	900	900	-	-
Utilities & Communications	28,191	26,771	29,340	35,090	5,750	19.6
Insurance	6,971	9,144	9,140	11,030	1,890	20.7
Bank & Other Charges	688	-	380	380	-	-
Total Community Centre	46,940	53,567	50,670	64,060	13,390	26.4
Total Parks and Facilities	491,577	486,655	608,490	601,460	(7,030)	(1.2)
Departmental Revenues	(215,351)	(208,213)	(216,430)	(201,230)	15,200	(7.0)
Net Operating Expenses	276,226	278,442	392,060	400,230	8,170	2.1
Debt and Capital Charges	89,180	47,830	47,830	52,500	4,670	9.8
Tax Levy Requirement	365,406	326,272	439,890	452,730	12,840	2.9

*the Community Drop-In Centre expenses have been included within the Community Centre expenses for the 2026 budget.

General Government



The General Government section is comprised of several elements which have not been identified within specific departments. Expenditures and revenues in this classification generally pertain to Town operations as a whole or the benefits are shared across the entire Town including bank charges or legal fees.

General Government are financial items that support the general operations of the Town, with the focus being on revenue collection, accounting for requisitions collected for other entities and internal fund transfers. In addition to taxation revenue, revenues consist of interest charged on outstanding accounts, investment income, transfers from reserves or general contributions from other municipalities.

	2024 Projected Actual	2025 Projected Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Professional & Consultant Fees	65,961	79,037	95,620	95,850	230	0.2
Materials & Supplies	4,843	9,963	5,030	6,370	1,340	26.6
Bank & Other Charges	10,792	3,518	12,340	12,340	-	-
Remittances to Other Entities	995,858	1,137,217	1,137,217	1,257,120	119,903	10.5
Total	1,077,454	1,229,735	1,250,207	1,371,680	121,473	9.7
Departmental Revenues	(6,477,549)	(6,803,055)	(6,816,510)	(7,277,500)	(460,990)	6.8
Net Operating Expenses	(5,400,095)	(5,573,320)	(5,566,303)	(5,905,820)	(339,517)	6.1
Debt and Capital Charges	499,500	419,950	419,960	361,000	(58,960)	(14.0)
Tax Levy Requirement	(4,900,595)	(5,153,370)	(5,146,343)	(5,544,820)	(398,477)	7.7

Revenues

Revenues have been broken down into three categories: departmental revenues that can be allocated towards a specific department or activity (which reduces that department's Tax Levy Requirement), requisitions collected for other entities, and corporate revenues that are considered general in nature. The tables below show a breakdown of the different revenue types.

Departmental Revenues

Activity Revenues

Activity revenues are revenues that are a direct result of the operations of individual departments. Recreation programs and planning fees are examples of activity revenues. Most activity revenues are budgeted using trend analysis mixed with anticipated usage or uptake and may be variable from year to year. Others, such as utility rates, are based on base and consumption fees set by the Town.

Grants

Grants are transfers from other levels of government or agencies, normally to cover shared or purchased services. Employment grants from federal and provincial agencies are also shown here. Grant amounts are generally known during budgeting as they are negotiated amounts or based on prior year actuals.

Revenues from Own Sources

Includes revenues or transfers controlled by the Town and approved during the budget process.

Requisitions Collected for Other Entities

Funds collected for third-party organizations that can requisition property taxes on our residents, in this case for Kneehill Housing Corporation and for educational purposes.

Corporate Revenues

Taxation

Taxation represents the largest source of revenue for the operating revenue. Allowances and contingencies for appeals and other changes to property values are estimated within the budget.

Other Revenues

Includes revenues generated by the Town through general operations and cannot be allocated to any one department or activity, such as interest on outstanding taxes. These revenues are estimated using historical data with future projections and tend to be conservative in nature.

	Projected 2024 Actual	Projected 2025 Actual	2025 Budget	2026 Budget	Change (\$)	Change (%)
Activity Revenues						
Administration & Finance	(4,940)	(4,750)	(4,900)	(4,900)	-	-
Business Licences	(24,013)	(25,019)	(22,960)	(22,960)	-	-
Police Protection	(3,779)	(3,136)	(4,320)	(4,320)	-	-
Fire Protection	(56,909)	(30,535)	(45,000)	(45,000)	-	-
Bylaw Enforcement	(5,411)	(10,855)	(7,780)	(7,780)	-	-
Municipal Airport	(188,715)	(196,817)	(215,000)	(192,050)	22,950	(10.7)
Water Revenues	(2,036,826)	(1,944,843)	(2,202,750)	(2,119,530)	83,220	(3.8)
Insurance Proceeds - Water	-	-	(20,000)	-	20,000	(100.0)
Wastewater Services	(675,400)	(714,729)	(694,750)	(865,470)	(170,720)	24.6
Garbage Collection	(507,730)	(508,821)	(498,380)	(507,160)	(8,780)	1.8
Recycling Charges	(140,388)	(108,568)	(107,840)	(108,270)	(430)	0.4
Municipal Landfill	(164,177)	(149,642)	(151,500)	(151,500)	-	-
Cemetery Revenues	(18,875)	(20,400)	(19,980)	(19,980)	-	-
Planning Fees	(47,805)	(151,342)	(26,500)	(26,000)	500	(1.9)
Aquatic Centre	(239,097)	(220,771)	(233,300)	(226,300)	7,000	(3.0)
Centennial Arena	(143,323)	(127,493)	(129,360)	(123,050)	6,310	(4.9)
Campground Revenues	(148,320)	(128,184)	(151,000)	(135,800)	15,200	(10.1)
Recreation Revenues	(6,246)	(8,240)	(6,430)	(6,430)	-	-
Community Hall Rentals	(24,785)	(27,389)	(23,000)	(23,000)	-	-
Miscellaneous	(25,567)	(15,778)	(19,630)	(19,630)	-	-
Total Activity Revenues	(4,462,306)	(4,397,312)	(4,584,380)	(4,609,130)	(24,750)	0.5
Grants						
Federal Grants						
Employment	-	(8,400)	(2,500)	(2,500)	-	-
Provincial Grants						
MSI Operating	(221,000)	(221,000)	(221,000)	(221,000)	-	-
Program Related	(5,501)	(8,210)	-	-	-	-
Municipal Contributions						
Fire Protection	(52,000)	(52,000)	(52,000)	(52,000)	-	-
Municipal Airport	(25,000)	(25,000)	(25,000)	(25,000)	-	-
Recreation Programs	(120,000)	(120,000)	(120,000)	(120,000)	-	-
Total Grants	(423,501)	(434,610)	(420,500)	(420,500)	-	-
Revenues from Own Sources						
Sale of Assets	(110,539)	(98,405)	(65,000)	(130,000)	(65,000)	100.0
Transfer from Operating Reserve	(40,000)	-	-	(70,000)	(70,000)	-
Transfer from Capital Reserve	(245,890)	-	-	-	-	-
Total Revenues from Own Sources	(396,429)	(98,405)	(65,000)	(200,000)	(135,000)	207.7
Total Departmental Revenues	(5,282,236)	(4,930,327)	(5,069,880)	(5,229,630)	(159,750)	3.2
Taxation						
Residential Taxes	(2,752,048)	(3,134,678)	(3,109,490)	(3,341,940)	(232,450)	7.5
Commercial Taxes	(776,159)	(823,486)	(845,560)	(842,230)	3,330	(0.4)
Machinery & Equipment Taxes	(25,007)	(26,163)	(26,090)	(26,900)	(810)	3.1
Farmland Taxes	(4,725)	(5,932)	(4,040)	(6,070)	(2,030)	50.2
Taxes - Utilities	(71,613)	(74,676)	(70,960)	(74,060)	(3,100)	4.4
Grants in Lieu of Taxes	(15,148)	(20,038)	(19,300)	(22,900)	(3,600)	18.7
Total Taxation	(3,644,700)	(4,084,973)	(4,075,440)	(4,314,100)	(238,660)	5.9
Other Revenue						
Power & Gas Franchises	(510,316)	(505,537)	(511,630)	(542,550)	(30,920)	6.0
Rentals & Leases	(17,326)	(17,340)	(11,940)	(12,200)	(260)	2.2
Administration Fees	(315,704)	(315,704)	(315,700)	(315,700)	-	-
Interest on Overdue Accounts	(74,526)	(60,965)	(74,830)	(74,830)	-	-
Interest on Investments	(553,391)	(362,348)	(403,750)	(340,000)	63,750	(15.8)
Total Other Revenue	(1,471,263)	(1,261,894)	(1,317,850)	(1,285,280)	32,570	(2.5)
Total Revenues	(11,388,246)	(11,413,977)	(11,600,390)	(12,086,130)	(485,740)	4.2

Requisitions Collected for Other Entities

	2024 Actual	2025 Actual	2026 Budget	Change (\$)	Change (%)
Requisitons Collected					
Educational Purposes	946,680	1,086,252	1,207,414	121,162	11.15%
Seniors Housing	49,176	51,084	49,647	-1,437	-2.81%
Policing	178,939	167,420	234,756	67,336	40.22%
Total Requisitions Collected	1,174,795	1,304,756	1,491,817	187,061	

*Policing is collected on behalf of the Province

Proposed Staffing

Proposed staffing is expressed in terms of full-time equivalents (FTE's). One FTE is equal to 1,950 or 2,080 hours per year, depending on position. FTE's may consist of full-time, part-time, temporary, seasonal and casual positions.

There are no proposed changes to staffing levels for 2026.

Staffing Complement

	Proposed FTE 2026	Approved FTE 2025	Approved FTE 2024
Administration	6.9	6.9	6.9
Fire Protection	0.5	0.5	0.5
Bylaw and Disaster Services	0.5	0.5	0.5
Public Works	5.8	5.8	5.8
Water and Sewer	6.5	6.5	6.5
Waste Management	1.2	1.2	1.2
Planning	0.7	0.7	0.7
Recreation Administration	1.0	1.0	1.0
Pool	8.4	8.4	8.4
Arena	2.0	2.0	2.0
Parks	3.1	3.1	3.1
Total	36.6	36.6	36.6

Three-Year Operating Budget

In addition to the 2026 budget, the Town forecasts a full three-year operating budget. The three-year budget forecast is for presentation and planning purposes and includes known or reasonably anticipated revenue and expenditure items – for example, costs for major or scheduled repairs on infrastructure are included in the forecast. By preparing a three-year budget forecast, Council and staff can plan and prepare for upcoming expenditures, identify revenue gaps and fully comprehend the impacts of current decisions on future years. Generally, revenue and expenditure types are projected into future years by increasing by a fixed percent. Examples of these amounts are:

Revenues

- Sale of Town services – 0.0% to 3.0%
- Facility revenues (pool, arena, museum) – 0.5% to 2.5%

Expenses

- Salaries – 2.5% to 3.5% – this includes potential future wage settlements and increases in actual staffing levels. Benefits are also pressuring increases here.
- Contracted or consulting services – 4.0% to 7.0%
- Training and development – 0.0% to 5.0%
- Vehicle costs – 2.0% to 5.0%

Basis of Forecasting

The three-year budget forecast is prepared by projecting all accounts based on reasonably assumed percentage increases. Staff then review and make adjustments for known costs or other changes to these percentage increases. It is important to note that these are forecasts only and are used for planning purposes. Council approves its single-year budget, including gross expenditures and tax requisition amounts, annually and is not bound by these projections.

The tables in this section are grouped by functions – i.e. Protective Services includes police, fire and bylaw enforcement while Recreation and Cultural Programs includes recreation administration, FCSS and library services.

Summary by Component – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	3,453,630	3,628,100	174,470	5.1	3,754,970	126,870	3.5
Training & Development	87,290	95,940	8,650	9.9	103,360	7,420	7.7
Professional & Consultant Fees	1,640,020	1,776,930	136,910	8.3	1,862,720	85,790	4.8
Materials & Supplies	793,040	839,650	46,610	5.9	896,530	56,880	6.8
Repairs & Maintenance	405,270	401,380	(3,890)	(1.0)	430,260	28,880	7.2
Vehicle & Equipment	253,020	237,190	(15,830)	(6.3)	237,550	360	0.2
Utilities & Communications	1,050,730	954,170	(96,560)	(9.2)	966,550	12,380	1.3
Insurance	215,600	239,850	24,250	11.2	259,060	19,210	8.0
Bank & Other Charges	42,740	43,630	890	2.1	45,340	1,710	3.9
Grants	250,440	257,680	7,240	2.9	266,810	9,130	3.5
Remittances to Other Entities	1,257,120	1,292,320	35,200	2.8	1,337,550	45,230	3.5
	9,448,900	9,766,840	317,940	3.4	10,160,700	393,860	4.0
Debt and Capital Charges	2,637,230	2,744,540	107,310	4.1	2,889,700	145,160	5.3
Total	12,086,130	12,511,380	317,940	2.6	13,050,400	539,020	4.3
Departmental Revenues	(10,829,010)	(11,523,530)	(694,520)	6.4	(11,682,360)	(158,830)	1.4
Remittances	(1,257,120)	(1,292,320)	(35,200)	2.8	(1,337,550)	(45,230)	3.5
Net Operating Expenses	-	(304,470)	(411,780)	-	30,490	334,960	(110.0)
Debt and Capital Charges	2,637,230	2,744,540	107,310	4.1	2,889,700	145,160	5.3
Tax Levy Requirement	2,637,230	2,440,070	(304,470)	(11.5)	2,920,190	480,120	19.7

Summary by Department – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Legislative Services	287,440	289,010	1,570	0.5	296,530	7,520	2.6
Administrative Services	1,092,750	1,131,530	38,780	3.5	1,172,430	40,900	3.6
Protective Services	515,050	595,990	80,940	15.7	610,470	14,480	2.4
Public Works	1,242,750	1,266,260	23,510	1.9	1,318,800	52,540	4.1
Water and Wastewater	2,058,720	2,100,530	41,810	2.0	2,227,190	126,660	6.0
Waste Management	589,590	620,050	30,460	5.2	646,110	26,060	4.2
Planning & Development	98,860	106,160	7,300	7.4	113,030	6,870	6.5
Recreation & Cultural Programs	326,150	343,200	17,050	5.2	360,720	17,520	5.1
Parks & Facilities	1,865,910	1,906,560	40,650	2.2	1,951,100	44,540	2.3
General Government	1,371,680	1,407,550	35,870	2.6	1,464,320	56,770	4.0
Operating Expenses	9,448,900	9,766,840	317,940	3.4	10,160,700	393,860	4.0
Debt and Capital Charges	2,637,230	2,597,500	(39,730)	(1.5)	2,869,700	272,200	10.5
Total Expenditures	12,086,130	12,364,340	278,210	2.3	13,030,400	666,060	5.4
Departmental Revenues	(11,157,680)	(11,861,400)	(703,720)	6.3	(12,032,050)	(170,650)	1.4
Requisitions	(928,450)	(954,450)	(26,000)	2.8	(987,860)	(33,410)	3.5
Net Operating Expenses	-	(451,510)	(451,510)	-	10,490	462,000	(102.3)
Tax Revenue	(4,314,100)	(4,602,970)	(288,870)	6.7	(4,839,600)	(236,630)	5.1

Legislative Services – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	125,340	125,970	630	0.5	127,610	1,640	1.3
Training & Development	26,300	29,980	3,680	14.0	33,400	3,420	11.4
Materials & Supplies	61,070	58,080	(2,990)	(4.9)	60,290	2,210	3.8
Utilities & Communications	3,600	3,600	-	-	3,600	-	-
Grants	54,750	54,750	-	-	54,750	-	-
Total	287,440	289,010	1,570	0.5	296,530	7,520	2.6
Departmental Revenues	-	-	-	-	-	-	-
Net Operating Expenses	287,440	289,010	1,570	0.5	296,530	7,520	2.6
Debt and Capital Charges	-	-	-	-	-	-	-
Tax Levy Requirement	287,440	289,010	1,570	0.5	296,530	7,520	2.6

Administrative Services – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	746,770	772,160	25,390	3.4	789,150	16,990	2.2
Training & Development	24,300	24,060	(240)	(1.0)	25,210	1,150	4.8
Professional & Consultant Fees	147,480	157,360	9,880	6.7	164,280	6,920	4.4
Materials & Supplies	99,810	105,300	5,490	5.5	118,360	13,060	12.4
Repairs & Maintenance	5,000	5,600	600	12.0	6,330	730	13.0
Vehicle & Equipment	4,950	4,600	(350)	(7.1)	4,710	110	2.4
Utilities & Communications	44,010	39,170	(4,840)	(11.0)	39,990	820	2.1
Insurance	16,110	18,860	2,750	17.1	19,780	920	4.9
Bank & Other Charges	4,320	4,420	100	2.3	4,620	200	4.5
Grants	-	-	-	-	-	-	-
Total	1,092,750	1,131,530	38,780	3.5	1,172,430	40,900	3.6
Departmental Revenues	(42,940)	(43,670)	(730)	1.7	(45,590)	(1,920)	4.4
Net Operating Expenses	1,049,810	1,087,860	38,050	3.6	1,126,840	38,980	3.6
Debt and Capital Charges	35,000	37,490	2,490	7.1	39,780	2,290	6.1
Tax Levy Requirement	1,084,810	1,125,350	40,540	3.7	1,166,620	41,270	3.7

Protective Services – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	145,910	150,870	4,960	3.4	153,740	2,870	1.9
Training & Development	7,400	9,110	1,710	23.1	9,830	720	7.9
Professional & Consultant Fees	282,100	352,060	69,960	24.8	361,570	9,510	2.7
Materials & Supplies	22,990	25,680	2,690	11.7	24,810	(870)	(3.4)
Repairs & Maintenance	7,000	7,620	620	8.9	7,760	140	1.8
Vehicle & Equipment	10,130	11,580	1,450	14.3	12,050	470	4.1
Utilities & Communications	29,040	28,400	(640)	(2.2)	29,710	1,310	4.6
Insurance	10,480	10,670	190	1.8	11,000	330	3.1
Bank & Other Charges	-	-	-	-	-	-	-
Total	515,050	595,990	80,940	15.7	610,470	14,480	2.4
Departmental Revenues	(109,100)	(493,350)	(384,250)	352.2	(113,960)	379,390	(76.9)
Net Operating Expenses	405,950	102,640	(303,310)	(74.7)	496,510	393,870	383.7
Debt and Capital Charges	20,000	20,300	300	1.5	20,600	300	1.5
Tax Levy Requirement	425,950	122,940	(303,010)	(71.1)	517,110	394,170	320.6

Works and Infrastructure - Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	490,470	513,030	22,560	4.6	529,960	16,930	3.3
Training & Development	4,190	4,520	330	7.9	5,130	610	13.5
Professional & Consultant Fees	77,670	88,080	10,410	13.4	97,940	9,860	11.2
Materials & Supplies	221,510	227,930	6,420	2.9	243,200	15,270	6.7
Repairs & Maintenance	81,020	86,690	5,670	7.0	93,800	7,110	8.2
Vehicle & Equipment	102,950	94,300	(8,650)	(8.4)	92,410	(1,890)	(2.0)
Utilities & Communications	233,110	217,490	(15,620)	(6.7)	220,320	2,830	1.3
Insurance	25,430	27,820	2,390	9.4	29,320	1,500	5.4
Bank & Other Charges	6,400	6,400	-	-	6,720	320	5.0
Grants	-	-	-	-	-	-	-
Total	1,242,750	1,266,260	23,510	1.9	1,318,800	52,540	4.1
Departmental Revenues	(244,080)	(257,260)	(13,180)	5.4	(280,160)	(22,900)	8.9
Net Operating Expenses	998,670	1,009,000	10,330	1.0	1,038,640	29,640	2.9
Debt and Capital Charges	399,500	407,490	7,990	2.0	413,600	6,110	1.5
Tax Levy Requirement	1,398,170	1,416,490	18,320	1.3	1,452,240	35,750	2.5

Water and Wastewater - Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	682,330	723,950	41,620	6.1	758,700	34,750	4.8
Training & Development	10,260	10,550	290	2.8	10,940	390	3.7
Professional & Consultant Fees	486,350	495,100	8,750	1.8	534,710	39,610	8.0
Materials & Supplies	262,270	286,140	23,870	9.1	308,460	22,320	7.8
Repairs & Maintenance	210,400	191,750	(18,650)	(8.9)	205,170	13,420	7.0
Vehicle & Equipment	32,560	31,000	(1,560)	(4.8)	30,690	(310)	(1.0)
Utilities & Communications	279,270	253,860	(25,410)	(9.1)	259,190	5,330	2.1
Insurance	87,180	100,080	12,900	14.8	111,090	11,010	11.0
Bank & Other Charges	8,100	8,100	-	-	8,240	140	1.7
Grants	-	-	-	-	-	-	-
Total	2,058,720	2,100,530	41,810	2.0	2,227,190	126,660	6.0
Departmental Revenues	(2,985,000)	(3,080,160)	(95,160)	3.2	(3,283,030)	(202,870)	6.6
Net Operating Expenses	(926,280)	(979,630)	(53,350)	5.8	(1,055,840)	(76,210)	7.8
Debt and Capital Charges	1,436,740	1,511,740	75,000	5.2	1,618,730	106,990	7.1
Tax Levy Requirement	510,460	532,110	21,650	4.2	562,890	30,780	5.8

Waste Management - Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	214,170	224,240	10,070	4.7	235,000	10,760	4.8
Training & Development	1,100	1,560	460	41.8	1,560	-	-
Professional & Consultant Fees	309,620	330,360	20,740	6.7	343,570	13,210	4.0
Materials & Supplies	13,290	12,250	(1,040)	(7.8)	12,540	290	2.4
Repairs & Maintenance	9,000	10,220	1,220	13.6	11,050	830	8.1
Vehicle & Equipment	25,670	24,720	(950)	(3.7)	25,210	490	2.0
Utilities & Communications	14,720	14,560	(160)	(1.1)	14,980	420	2.9
Insurance	1,420	1,540	120	8.5	1,600	60	3.9
Bank & Other Charges	600	600	-	-	600	-	-
Grants	-	-	-	-	-	-	-
Total	589,590	620,050	30,460	5.2	646,110	26,060	4.2
Departmental Revenues	(766,930)	(793,010)	(26,080)	3.4	(822,350)	(29,340)	3.7
Net Operating Expenses	(177,340)	(172,960)	4,380	(2.5)	(176,240)	(3,280)	1.9
Debt and Capital Charges	75,000	85,000	10,000	13.3	95,000	10,000	11.8
Tax Levy Requirement	(102,340)	(87,960)	14,380	(14.1)	(81,240)	6,720	(7.6)

Planning and Development – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	51,180	53,590	2,410	4.7	55,890	2,300	4.3
Training & Development	1,880	2,820	940	50.0	3,300	480	17.0
Professional & Consultant Fees	27,800	29,660	1,860	6.7	34,490	4,830	16.3
Materials & Supplies	15,660	17,450	1,790	11.4	16,630	(820)	(4.7)
Vehicle & Equipment	180	230	50	27.8	230	-	-
Utilities & Communications	1,750	1,970	220	12.6	2,030	60	3.0
Insurance	410	440	30	7.3	460	20	4.5
Grants	-	-	-	-	-	-	-
Total	98,860	106,160	7,300	7.4	113,030	6,870	6.5
Departmental Revenues	(26,000)	(27,770)	(1,770)	6.8	(30,300)	(2,530)	9.1
Net Operating Expenses	72,860	78,390	5,530	7.6	82,730	4,340	5.5
Debt and Capital Charges	-	-	-	-	-	-	-
Tax Levy Requirement	72,860	78,390	5,530	7.6	82,730	4,340	5.5

Recreation and Cultural Programs – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	97,750	104,300	6,550	6.7	109,410	5,110	4.9
Training & Development	2,960	3,830	870	29.4	4,100	270	7.0
Professional & Consultant Fees	4,930	4,930	-	-	5,620	690	14.0
Materials & Supplies	3,420	5,230	1,810	52.9	6,120	890	17.0
Repairs & Maintenance	3,000	3,000	-	-	3,380	380	12.7
Utilities & Communications	14,580	14,860	280	1.9	15,710	850	5.7
Insurance	3,820	4,120	300	7.9	4,320	200	4.9
Grants	195,690	202,930	7,240	3.7	212,060	9,130	4.5
Total	326,150	343,200	17,050	5.2	360,720	17,520	5.1
Departmental Revenues							
Net Operating Expenses	326,150	343,200	17,050	5.2	360,720	17,520	5.1
Debt and Capital Charges	7,250	-	(7,250)	(100.0)	-	-	-
Tax Levy Requirement	333,400	343,200	9,800	2.9	360,720	17,520	5.1

Parks and Facilities – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Salaries & Benefits	899,710	959,990	60,280	6.7	995,510	35,520	3.7
Training & Development	8,900	9,510	610	6.9	9,890	380	4.0
Professional & Consultant Fees	192,220	202,790	10,570	5.5	195,080	(7,710)	(3.8)
Materials & Supplies	86,650	99,470	12,820	14.8	101,460	1,990	2.0
Repairs & Maintenance	89,850	96,500	6,650	7.4	102,770	6,270	6.5
Vehicle & Equipment	76,580	70,760	(5,820)	(7.6)	72,250	1,490	2.1
Utilities & Communications	430,650	380,260	(50,390)	(11.7)	381,020	760	0.2
Insurance	70,370	75,930	5,560	7.9	81,090	5,160	6.8
Bank & Other Charges	10,980	11,350	370	3.4	12,030	680	6.0
Grants	-	-	-	-	-	-	-
Total	1,865,910	1,906,560	40,650	2.2	1,951,100	44,540	2.3
Departmental Revenues	(634,580)	(646,640)	(12,060)	1.9	(664,100)	(17,460)	2.7
Net Operating Expenses	1,231,330	1,259,920	28,590	2.3	1,287,000	27,080	2.1
Debt and Capital Charges	302,740	307,280	4,540	1.5	311,890	4,610	1.5
Tax Levy Requirement	1,534,070	1,567,200	33,130	2.2	1,598,890	31,690	2.0

Corporate Expenses – Three-Year Operating Budget Forecast

	2026 Budget	2027 Forecast	Budget Change (\$)	Budget Change (%)	2028 Forecast	Budget Change (\$)	Budget Change (%)
Professional & Consultant Fees	95,850	100,350	4,500	4.7	108,980	8,630	8.6
Materials & Supplies	6,370	2,120	(4,250)	(66.7)	4,660	2,540	119.8
Bank & Other Charges	12,340	12,760	420	3.4	13,130	370	2.9
Remittances to Other Entities	1,257,120	1,292,320	35,200	2.8	1,337,550	45,230	3.5
Total	1,371,680	1,407,550	35,870	2.6	1,464,320	56,770	4.0
Departmental Revenues	(7,277,500)	(7,473,990)	(196,490)	2.7	(7,780,420)	(306,430)	4.1
Net Operating Expenses	(5,905,820)	(6,066,440)	(160,620)	2.7	(6,316,100)	(249,660)	4.1
Debt and Capital Charges	361,000	366,420	5,420	1.5	371,920	5,500	1.5
Tax Levy Requirement	(5,544,820)	(5,700,020)	(155,200)	2.8	(5,944,180)	(244,160)	4.3

Capital Budget

The 2026 Capital Budget outlines a series of strategic investments focused on enhancing municipal infrastructure, supporting community services, and ensuring long-term asset sustainability. This budget includes a total of sixteen (16) new capital projects, collectively amounting to \$2,013,500. These projects address needs across various departments, including transportation, water infrastructure, and facility upgrades, aiming to maintain service delivery and community well-being.

In addition to the new initiatives, the budget also incorporates two (2) previously approved capital projects that are currently underway. These projects total \$46,688. and reflect the Town's ongoing commitment to infrastructure development and maintenance.

Together, the combined investment of \$2,060,188 represents a balanced approach to advancing municipal priorities, focusing on projects that deliver maximum value for residents and support long-term growth and stability. Rising inflationary pressures continue to affect the municipality's overall ability to fund capital expenditures. Increased costs for materials, labour, and equipment could impact the scope and timing of some projects, requiring close financial monitoring and potential adjustments to maintain fiscal responsibility. This capital plan is designed to align with our strategic objectives, ensuring that resources are allocated efficiently while addressing both the current and future needs of the community.

Unrestricted and Restricted Reserves

A reserve is an appropriation from net revenue at the discretion of Council. The town does not apply interest earned to the specific reserves; interest is reported as general revenue. A reserve is an allocation of accumulated net surplus. There are two types of reserves: restricted and unrestricted. Restricted reserve funds are created whenever statute requires. Unrestricted reserves are established by Council to finance future expenditures.

Reserves may receive annual contributions from the operating budget and external sources to assist with the creation of a solid financial position to support the Town's future cash requirements. Maintaining sufficient balances in reserves is a critical component of a municipality's long-term financial plan as it strengthens its long-term financial sustainability, helping minimize fluctuations in the tax rate and providing funding to sustain infrastructure.

Operating Reserves - Unrestricted

Operating Reserves are used to offset extraordinary and unforeseen expenditure requirements, one-time expenditures, revenue shortfalls, to minimize fluctuations on the general tax rate, and to manage cash flows.

	December 31, 2025 Projected Balance	Contributions From Operating Fund 2026	Transfer to Operating Fund	December 31, 2026 Projected Balance
Operating Reserves				
General Operating	1,512,920	41,000		1,553,920
Tax Rate Stabilization	1,000,000	35,000	-70,000	965,000
Cemetery Perpetual Care	35,000	2,000		37,000
Water/Wastewater Operating	375,001	75,000		450,001
Total Operating Reserves	2,922,921	153,000	-70,000	3,005,921

General Operating

The General Operating Reserve shall be used to:

- provide funding for unanticipated operating general expenses/emergency expenses
- to balance the current year deficit; and/or
- for non-budgeted items that require funding and Council approval during the year.

Tax Rate Stabilization

The Tax Rate Stabilization Reserve shall be used to establish dedicated funds that can be used to stabilize the level of municipal property tax increases over future years.

Cemetery Perpetual Care

The Cemetery Perpetual Care Reserve shall be used to provide funds for the improvement, maintenance, management, control, and operation of Town cemeteries once closed for future internments.

Water/Wastewater Operating

The Water/Wastewater Operating Reserve shall be used to provide funding for water/wastewater expenses of an operating nature.

Capital Reserves – Unrestricted Reserves

Capital reserves are used to fund specific replacements or renewals of capital assets. As the asset ages increase, so should the contribution from the operating budget to these reserves for the replacement and refurbishment needs of the underlying capital asset, based on lifecycle costing.

	December 31, 2025 Estimated Balance	Contributions From Operating Fund-2026	Transfer for Capital Projects	December 31, 2026 Estimated Balance
General Capital	1,920,142	100,000	-175,000	1,845,142
Emergency Services	347,840	20,000	-219,000	148,840
Administration Building	105,438	35,000	-42,500	97,938
Transportation	796,826	395,000	-107,404	1,084,422
Solid Waste	607,000	25,000		632,000
Land Development	815,003	150,000		965,003
Municipal Reserves	122,974			122,974
Cemetery	35,000	2,500		37,500
Aquatic Centre	470,000	50,000	-49,500	470,500
Arena	430,749	100,000	-126,500	404,249
Campground	100,001	2,500		102,501
Parks & Playgrounds	456,904	35,000	-6,000	485,904
Community Centre	153,000	15,000	-10,000	158,000
Library	47,000	7,250		54,250
Wastewater	279,499	145,000	-35,000	389,499
Water	2,166,792	455,000	-402,000	2,219,792
Total Capital Reserves	8,854,168	1,537,250	-1,172,904	9,218,514

*At the April 13, 2026, Council meeting, Council approved increasing the WTP – Internal Piping Upgrade budget by \$277,000 for a new total project budget of \$1,013,000. Funding for this increase is from the Water Supply Capital Reserve. This is not represented in this table.

Administration Building Capital

The Administration Building Capital Reserve shall be used to provide funds for the capital improvement or replacement of the Town Administration building (i.e. structural improvements, roof replacement, floor coverings, etc.) and major equipment (i.e. electronic data processing hardware, software, printers/scanners, etc.).

Aquatic Centre Reserve

The Aquatic Centre Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Aquatic Centre. This reserve does not include repairs, renovations, renewal or replacement of the Splash Park.

Arena Reserve

The Centennial Arena Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Centennial Arena.

Campground Reserve

The Campground Reserve shall be used to fund capital projects for repair, renovation, renewal, replacement, and/or expansion of the Campground.

Cemetery Reserve

The Cemetery Reserve shall be used to fund capital projects relating to the cemetery. Such projects may include expansion of a cemetery and repairs, replacements or upgrades to the columbaria.

Community Centre Reserve

The Community Centre Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Community Memorial Centre.

Emergency Services Capital

The Emergency Services Reserve shall be used to provide funds for the replacement of the Town Fire Hall and other fire infrastructure and equipment. This reserve fund may also be used for the purchase of fire apparatus. Such infrastructure and equipment may include Engine 51, Engine 52, Command 50, Rescue 54, Tanker 55, and Squad 56.

General Capital

The General Capital Reserve shall be used to provide funding to accommodate current year capital funding requirements that have not been previously established from existing reserves. This reserve is intended for use to, at least partially, fund one-time emergent capital projects that require additional funds that exceed the approved annual budget. This may be due to scope changes in work, natural disasters, unique requirements based on ratepayers' requests, reduced funding from other sources (i.e. Government grants) or a dramatic increase in costs due to a one-time special circumstance.

Land Development Reserve

The Land Development Reserve shall be used to purchase and develop lands for the economic development of the Town. Proceeds from the sale of Town-owned lands shall go back into this reserve.

Library Capital Reserve

The Library Capital Reserve shall only be used to provide funds for the capital improvement or replacement of the Library building (i.e. structural improvements, roof replacement, floor coverings, etc.). This reserve shall not be used for cosmetic capital improvements or replacements.

Municipal Reserve

The Municipal Reserve shall be used to fund capital projects for the repair, renovation, renewal, replacement, of lands designated as Municipal Reserves (MR).

Parks & Playgrounds Reserve

The Parks & Playgrounds Reserve shall be used to fund the development and/or upgrades of Town parks and playgrounds, including the Splash Park.

Solid Waste Capital Reserve

The Solid Waste Capital Reserve shall be used to:

- fund the lifecycle replacement of capital infrastructure or future capital acquisitions relating to solid waste collection services
- fund the lifecycle replacement of capital infrastructure or future capital acquisitions relating to solid waste recycling services; and/or
- fund the replacement of capital infrastructure or future capital acquisitions relating to the landfill.

Transportation Capital

The Transportation Reserve shall be used to provide funds for capital transportation infrastructure needs within the Town. Such needs may include construction, repair, or replacement of arterial roadways including all related appurtenances (i.e. including, but not limited to, sidewalks, asphalt pathways, street lighting, storm sewers, traffic control devices, etc.).

Wastewater Capital Reserve

The Wastewater Capital Reserve shall be used to provide funds for the replacement or construction of wastewater collection systems and networks and storm drainage systems.

Water Capital Reserve

The Water Capital Reserve shall be used to provide funds for the replacement of construction of water supply and distribution systems and networks. This reserve may include replacement of equipment for the Water Treatment Plant, replacement of equipment for the Water Distribution network (i.e. pumphouse, lift stations, etc.), repairs or replacement of water lines, repairs, replacement, or construction of other water infrastructure.

Government Funded Reserves – Restricted Reserves

These reserves are established to track the revenues received (or receivable) from Provincial or Federal governments for eligible infrastructure programs. Funding received from other levels of government will be used in the current budget as per the guidelines of each program.

	2025 Grant Revenue	Dec 31, 2025 Estimated Balance	2026 Grant Revenue	Transfer for Capital Projects	Dec 31, 2026 Estimated Balance
Government Funded Reserves					
Municipal Sustainability Initiative-Capital		-	-	-	-
Local Government Fiscal Framework	722,761	158,567	697,569	398,000	458,136
Canada Community Building Fund	234,733	-	240,777	240,777	-
Total Government Funded Reserves	957,494	-	938,346	638,777	458,136

Local Government Fiscal Framework Grant

Formally known as the Municipal Sustainability Initiative (MSI) fund. Communities have been able to build and rehabilitate:

- roadways and bridges
- water and wastewater systems
- public transit facilities
- recreation and sport facilities
- other key local priorities

The Town’s allocation has increased from \$656,823 in 2024 to \$722,761 in 2025 and will **decrease** to **\$697,569** in 2026. Subject to changes from the Province, we are expected to receive \$778,731 in 2027.

Canada Community Building Fund (CCBF) Grant

Formerly known as the Federal Gas Tax Fund (FGTF), the CCBF provides all municipalities across the country with a permanent, stable and indexed source of infrastructure funding. The Town received \$242,596 in 2025 and is expected to receive \$240,777 in 2026.

Communities select how best to direct the funds with the flexibility to make strategic investments across the various project categories, including but not limited to:

- public transit, highways, local roads and bridges
- drinking water and wastewater infrastructure
- solid waste management
- broadband and connectivity
- culture and tourism, sport and recreation
- fire halls

It is intended to cover capital costs only and may not be used for maintenance or operating costs, debt reduction, or replacement of existing municipal infrastructure expenditure.

Dedicated Reserves

The Town also maintains dedicated reserves for landfill closure and post-closure costs and for developer contributions received in the past.

	December 31, 2025 Estimated Balance	Contributions From Operating Fund-2006	December 31, 2026 Estimated Balance
Dedicated Reserves			
Landfill Environmental/Closure	509,467	50,000	559,467
Developer Cont – Water	31,437		31,437
Developer Cont - Wastewater	14,787		14,787
Total Dedicated Reserves	555,691	50,000	605,691

Summary of Restricted and Unrestricted Reserves

	December 31, 2025 Projected Balance	Contributions From Operating Fund 2026	Other Revenue	Transfer for Capital Projects	Transfer to Operating Fund	December 31, 2026 Projected Balance
Operating Reserves						
General Operating	1,512,920	41,000				1,553,920
Tax Rate Stabilization	1,000,000	35,000			-70,000	965,000
Cemetery Perpetual Care	35,000	2,000				37,000
Water/Wastewater Operating	375,001	75,000				450,001
Total Operating Reserves	2,922,921	153,000			-70,000	3,005,921
Government Funded Reserves						
Municipal Sustainability Initiative-Capital	-					-
Local Government Fiscal Framework	158,567		697,569	- 398,000		458,136
Canada Community Building Fund	-		240,777	- 240,777		-
Total Government Funded Reserves	158,567	-	938,346	- 638,777	-	458,136
Capital Reserves						
General Capital	1,920,142	100,000		-175,000		1,845,142
Emergency Services	347,840	20,000		-219,000		148,840
Administration Building	105,438	35,000		-42,500		97,938
Transportation	796,826	395,000		-107,404		1,084,422
Solid Waste	607,000	25,000				632,000
Land Development	815,003	150,000				965,003
Municipal Reserves	122,974					122,974
Cemetery	35,000	2,500				37,500
Aquatic Centre	470,000	50,000		-49,500		470,500
Arena	430,749	100,000		-126,500		404,249
Campground	100,001	2,500				102,501
Parks & Playgrounds	456,904	35,000		-6,000		485,904
Community Centre	153,000	15,000		-10,000		158,000
Library	47,000	7,250				54,250
Wastewater	279,499	145,000		-35,000		389,499
Water	2,166,792	455,000		-402,000		2,219,792
Total Capital Reserves	8,854,168	1,537,250		-1,172,904		9,218,514
Dedicated Reserves						
Landfill Environmental/Closure	509,467	50,000				559,467
Developer Cont – Water	31,437					31,437
Developer Cont - Wastewater	14,787					14,787
Total Dedicated Reserves	555,691	50,000				605,691
Total Reserves	12,491,347	1,740,250	938,346	- 1,172,904	- 70,000	13,288,262

Capital Improvement Plan (CIP)

The purpose of the CIP is to forecast and match projected revenues and major capital needs over a five-year period. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the Town. The Town faces the challenge of meeting the needs of its residents for public services and facilities with increasing costs and relatively fixed revenues. To be able to effectively set project priorities, the town prepares a CIP. A CIP is the preparation and updating of a schedule of public works projects and related equipment to be built or purchased by the Town within a period of five years. It covers the entire range of public facility and service requirements. The CIP lists all future projects along with cost estimates and the anticipated means of financing each project. Capital improvements are public improvements involving the expenditure of public funds, over and above normal annual operating expenses, for the purchase, construction or replacement of specific physical facilities or assets of the community.

Examples include, but are not limited to:

- the construction of bicycle & pedestrian pathways, parks improvements,
- the renovation of community-owned buildings, the purchase of land,
- vehicle or equipment purchases,
- construction of water and sewage treatment facilities,
- extension of water and sanitary sewer lines,
- and others.

The Town defines capital expenditures as any expenditure of major value that recurs irregularly, results in the acquisition of a fixed asset, and has a useful life greater than one (1) year.

The first year in the plan is referred to as the “capital budget” and includes those projects scheduled to be funded in the upcoming fiscal year. The succeeding years’ schedule of projects makes up the Capital Improvements Plan and serves as a mechanism for tracking and planning for future needs.

The CIP achieves four major objectives as a component of the Town’s budget and financial planning process:

- Helps the Town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high-quality services to the citizens.
- Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures (as part of the financial plan).
- Ensures better coordination, evaluation, and planning of projects to serve the community and its needs.
- The CIP, together with the Financial Plan, serves as a guide to decision-making for Council, the CAO, and employees.



The systematic and comprehensive analysis of capital needs increases the probability of making rational (and correct) budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the town.

Capital Improvement Plan Funding

The CIP has been prioritized and projected based on need and the expected levels of funding available to fund the plan. The town’s contributions to the CIP can be defined within two categories:

- Funded from reserves – projects are partially or fully funded through capital reserves. Capital reserves balances can be funded through contributions from the operating budget, contributions from developers or the sale of capital assets.
- Debt – projects are partially or fully funded through the use of long-term debt.

Contributions from other governments or organizations can also fund the capital program and include the following categories:

- Canada Community Building Fund (formerly the Federal Gas Tax fund) - currently provides \$240,777 in federal funding to invest in eligible municipal infrastructure, such as water, wastewater and transportation projects.
- Local Government Fiscal Framework - helps support local infrastructure priorities and build strong, safe and resilient communities. Three Hills will receive \$697,569 in 2026 (\$722,621 in 2025) with \$778,731 expected in 2027.
- Other Provincial Funding – includes conditional funding from programs offered through provincial departments; examples would be the Watershed Resiliency and Restoration Program (WRRP) or the Alberta Municipal Water/Wastewater Partnership (AMWWP)/ Water for Life program.
- Other Revenue – includes funding from other municipalities, third parties or development charges.

Other funding indicates future year projects where the funding has not yet been identified, either internally or externally. Funding for these projects will be identified as they become current, or they will be dropped from the capital improvement plan.

Interest Rate Impacts

In light of rising interest rates in 2022 and 2023, the Town modified capital funding strategies to minimize its utilization of long-term debt in 2024 and beyond. This was done by increasing capital funding via our own reserves rather than incurring debt. Council may decide to utilize debt for future expenditures.

Debt Limits

The debt limit (maximum allowable debt) is calculated at 1.5 times the revenue of the Town (as defined in Alberta Regulation 255/00) and the debt service limit (annual debt payments) is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired.

Long Term Debt

The Town currently has 5 loans or debentures for capital projects completed in prior years.

	Issued By	Interest Rate (%)	Original Amount	Balance Dec 31, 2025	2026 Principal Payments	2026 Interest Payments	Estimated Balance Dec 31, 2026
Water Treatment							
WTP Upgrades	ACFA 4002668	2.683	\$ 5,871,767	\$ 4,425,603	\$ 264,314	\$ 116,956	\$ 4,161,289
WTP Upgrades	ACFA 4003084	4.63	\$ 1,050,000	\$ 339,098	\$ 223,619	\$ 12,374	\$ 115,479
Wastewater							
Sewer Lagoons	RBC-022	2.56	\$ 1,660,057	\$ 224,213	\$ 140,378	\$ 4,100	\$ 83,835
Arena							
Lobby	ACFA 4000660	4.915	\$ 800,000	\$ 201,228	\$ 54,048	\$ 9,234	\$ 147,180
Lobby	ACFA 4001068	4.124	\$ 500,000	\$ 165,436	\$ 30,442	\$ 6,512	\$ 134,993
			\$ 9,881,824	\$ 5,355,579	\$ 712,802	\$ 149,176	\$ 4,642,776

2026 Capital Projects and Funding Sources

	2026	Funding Source		Notes
		Reserves	Grants	
Administration				
Hardware Replenishment	\$15,000	\$15,000		Administration Capital Reserve
Town Hall Phone System Replacement	\$27,500	\$27,500		Administration Capital Reserve
Total	\$42,500	\$42,500		
Transportation & Infrastructure				
Asphalt Maint. & Resurfacing Program	\$350,000	\$107,404	\$242,596	CCBF & Transportation Capital Reserve
10th St SE Extension	\$100,000	\$100,000		General Capital Reserve
Total	\$450,000	\$207,404	\$242,596	
Community Services				
Arena - Warm Side Boilers	\$90,000	\$90,000		Arena Capital Reserve
Arena - Brine Pumps & Filters	\$36,500	\$36,500		Arena Capital Reserve
Pool - Dry Sauna Renovation	\$49,500	\$49,500		Pool Capital Reserve
Comm Centre - Kitchen Fire Suppression	\$10,000	\$10,000		Community Centre Capital Reserve
Fire Dept - SCBA Compressor Replacement	\$219,000	\$219,000		Fire Capital Reserve
Parks Fleet Vehicles	\$75,000	\$75,000		General Capital Reserve
Parks - Gopher Control System	\$6,000	\$6,000		Parks and Playground Capital Reserve
Total Community Services	\$486,000	\$486,000		
Water & Sewer				
WTP - Internal Piping Upgrade	\$736,000	\$338,000	\$398,000	LGFF & Water Supply Capital Reserve
WTP - Pro Talk Call Out*	\$9,000	\$9,000		Water Supply Capital Reserve
Water Transmission Line Study	\$200,000		\$200,000	ACP Grant
Sewer Lagoon - Manhole Replacement	\$35,000	\$35,000		Wastewater Capital Reserve
Utility Line Replacement Project Design	\$55,000	\$55,000		Water Supply Capital Reserve
Total	\$1,035,000	\$437,000	\$598,000	
	\$2,013,500	\$1,172,904	\$840,596	

*At the April 13, 2026, Council meeting, Council approved increasing the WTP – Internal Piping Upgrade budget by \$277,000 for a new total project budget of \$1,013,000.

Capital Project Information Sheets

PROJECT Hardware Replenishment	
DEPARTMENT Administration	EXPECTED LIFESPAN 5 – 10 years
DESCRIPTION • NEED FOR PROJECT Replacement of town hardware and network infrastructure – town systems need to be replenished on a regular schedule to ensure adequate performance. Work for 2026 includes computer, system and printer replacements. Future years include system, printer, copier and network upgrades.	
LOCATION Throughout the organization.	
TIMELINE Throughout 2026, as needs arise.	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	15,000	15,000	15,000	20,000	15,000	80,000
	15,000	15,000	15,000	20,000	15,000	80,000

Funding	2026	2027	2028	2029	2030	Total
Capital Reserve - Administration	15,000	15,000	15,000	20,000	15,000	80,000
	15,000	15,000	15,000	20,000	15,000	80,000

PROJECT Town Hall Phone System Replacement	
DEPARTMENT Administration	EXPECTED LIFESPAN 10 years
<p>DESCRIPTION • NEED FOR PROJECT</p> <p>The Town’s current phone system was installed in 2014, with components coming from the old Town Office and some components were left by Kneehill County when they moved to their new building. Over the past year, significant issues have developed, including poor call quality, system errors, and situations where residents are unable to hear staff during calls. Due to the age of the system we are unable to purchase new components. Reliable communication between residents and municipal staff is essential for effective service delivery. The current system no longer meets operational needs and requires replacement. Two options are being presented for Council’s consideration:</p> <p>On-Premise Replacement: On-premise (20 physical phones): \$26,000 Up front \$3,000 Annual Would maintain a locally hosted system similar to the existing configuration.</p> <p>Pros Lower Annual Operating Cost: Estimated \$3,000 per year for software updates and support. No Dependency on Internet: Internal calls continue even if internet goes down.</p> <p>Cons Higher Upfront Cost: \$28,000 compared to VOIP’s \$21,000. Limited Flexibility: Remote sites cannot be connected; requires separate lines for other locations. Hardware Lifecycle: Will require another major hardware replacement in 8–10 years. Scalability Challenges: Adding new users or locations requires additional hardware. No Modern Features: No integration with Microsoft 365, No remote work capabilities, and advanced collaboration tools. Risk of Downtime: Hardware failures mean costly repairs and potential service interruptions.</p> <p>Hosted Microsoft Teams VOIP Solution: Teams VOIP (10 physical phones): \$19,000 Up front \$6,000 Annual Leverages the Town’s existing Microsoft 365 licensing and reduces the number of required desk phones. Provides modern features such as enhanced reliability, remote and hybrid work capabilities, and integration with existing IT systems. The recommended option is the hosted Microsoft Teams VOIP solution, which aligns with modern communication practices, improves reliability, and offers flexibility for future organizational needs.</p> <p>Pros Lower Upfront Cost: \$21,000, saving \$7,000 compared to on-premise. Unified System Across All Sites: Remote offices join the same phone system—no separate lines or extra costs. Modern Features: Voicemail-to-email, call routing, auto-attendant, presence, and integration with Microsoft 365.</p> <p>Flexibility: Staff can use desk phones, computers, or mobile devices for calls.</p>	

Future-Proof: Cloud-based system with automatic updates—no major hardware refresh needed.
 Scalable: Adding users or locations is simple and cost-effective.
 Disaster Recovery: If the main office loses power or internet, staff can still make calls from mobile devices.
 Supports Remote & Hybrid Work: Ideal for emergencies and modern work environments.

Cons

Higher Annual Operating Cost: \$6,000 per year for Microsoft licensing.
 Internet Dependency: Requires reliable internet for calls (though mobile fallback mitigates this).
 User Training: Staff will need orientation on Teams calling features.

LOCATION

Town Office

TIMELINE

Summer 2026

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	25,000					25,000
Contingency	2,500					2,500
	27,500					27,500

Funding	2026	2027	2028	2029	2030	Total
Capital Reserve - Administration	27,500					27,500
	27,500					27,500

PROJECT Asphalt & Sidewalk Maintenance and Resurfacing	
DEPARTMENT Transportation & Equipment	EXPECTED LIFESPAN 20-30 years
<p>Roadway and sidewalk surface failure is normally caused by a lack of sub-grade/base preparation or negative storm water flows and ponding. The budget funds are allocated for surface repair and maintenance. In the spring, Administration assesses these areas and determines the locations for repairs. Generally, Administration repairs smaller sections of roadway that need repairs to make this section safe for the community. The amount of capital funds spent on one section of roadway should be assessed against the condition of the deep infrastructure i.e. water and sewer. If the deep infrastructure is in need of future replacement, then the road repair will be kept to a minimum.</p> <p>The funds are also allocated for sidewalk repair and maintenance on concrete sidewalks which deteriorate over time or see settlement of the base material beneath the sidewalk. Sidewalks are sloped to shed water towards the curb & gutter next to the asphalt roadway. When water finds its way under the sidewalk, water saturates and weakens the sub-grade causing asphalt roadway deficiencies. Sidewalk settlements that are cracked should be replaced to support the longevity of the roadway and create a safer sidewalk for the community. In the spring administration also assesses these areas and determines the locations to replace in conjunction with possible road repairs.</p>	
LOCATION Throughout Town - locations to be determined	
TIMELINE Summer 2026	

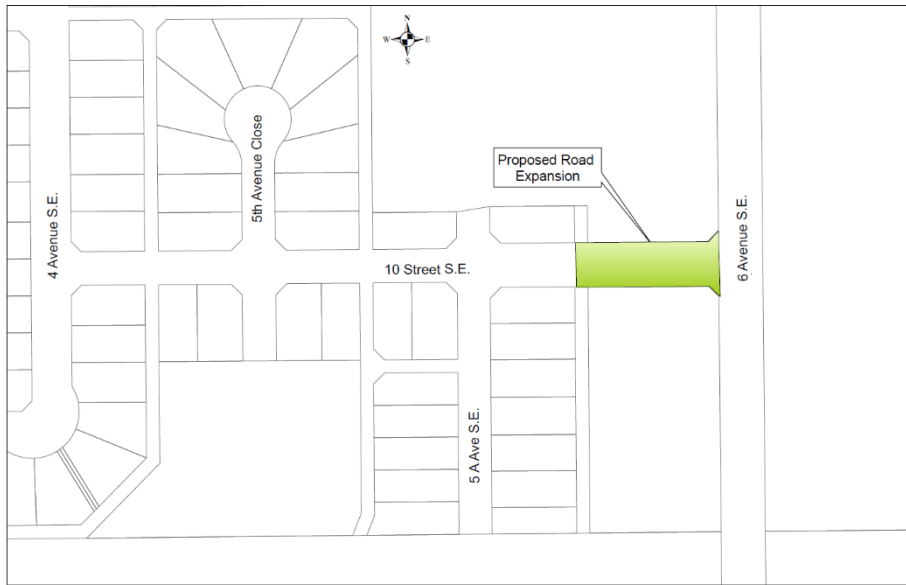
Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Construction	350,000	350,000	375,000	375,000	375,000	1,825,000
	350,000	350,000	375,000	375,000	375,000	1,825,000

Funding	2026	2027	2028	2029	2030	Total
Capital Reserve – Transportation	107,404	225,000	150,000	125,000	125,000	732,404
Canada Community-Building Fund	242,596					242,596
Local Government Fiscal Framework		125,000	125,000	125,000	125,000	500,000
Long Term Debt			100,000	125,000	125,000	350,000
	350,000	350,000	375,000	375,000	375,000	1,825,000

PROJECT 10th Street SE Road Extension	
DEPARTMENT Transportation & Equipment	EXPECTED LIFESPAN 30 years
<p>Construct 70 meters of gravel road on an undeveloped road allowance, east of 10th Street SE to 6th Avenue SE. Currently, this undeveloped road allowance is being used as a shortcut by vehicles during rain events and deposits mud and debris onto the existing asphalt on 10th Street. By leaving the road surface gravel, it allows for any possible installation of any future underground servicing without the additional cost of asphalt now and/or replacement later. Currently, there is a 250mm watermain and one fire hydrant with no sanitary sewer or other utilities.</p> <p>The project will include: a road allowance survey - remove and stockpile topsoil, elevate subgrade as needed and regrade, and build 300mm road structure with a raised gravel pedestrian walkway and traffic signage). This work will be project-managed by Administration.</p> <p>Periodic gravel surface grading and a yearly application of dust suppressant.</p>	
LOCATION 10 th Street SE	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Construction	61,500					61,500
Materials & equipment	16,000					16,000
Land purchase/site work	7,500					7,500
Contingency	15,000					15,000
	100,000					100,000

Funding	2026	2027	2028	2029	2030	Total
General Capital Reserve	100,000					100,000
	100,000					100,000



Note: 20 meter right-of-way with a 250mm water line

PROJECT Boiler Warmside Arena Replacement	
DEPARTMENT Arena	EXPECTED LIFESPAN 10-15 years
<p>The arena's warm side boilers are reaching the end of their service life and will require replacement in the near future. Recently, the first heat exchanger in Boiler 1 failed. Fortunately, we had a spare exchanger available, allowing us to complete the repair at a relatively low cost of \$2,000.</p> <p>However, replacing a single heat exchanger going forward would cost approximately \$13,800—not including labour. This cost applies to just one of the four boilers, and given their age, it is likely that the other units will begin to fail similarly. The software programming between old and new boilers is incompatible, so we are not able to directly replace just one of the boilers and have it function correctly. Rather than continuing with costly individual repairs, it would be more economical and operationally efficient to replace all four boilers at an estimated total cost of \$90,000. This proactive approach would reduce long-term maintenance costs, increase system reliability, and help avoid unexpected downtime during critical usage periods. The warm-side boilers control all heating for the arena's warm-side areas, including both the downstairs and upstairs spaces. Site work encompasses all required piping and electrical work.</p>	
LOCATION Three Hills Arena	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	80,000					80,000
Land purchase/site work	10,000					10,000
	90,000					90,000

Funding	2026	2027	2028	2029	2030	Total
Arena Capital Reserve	90,000					90,000
	90,000					90,000



PROJECT

Brine Pump Replacement + Filters

DEPARTMENT

Arena

EXPECTED LIFESPAN

10 years

Since the town connected its brine system to the curling club, we have experienced ongoing operational issues. The curling rink’s brine lines and headers were contaminated with debris and iron deposits originating from an old header that was not replaced when the new plant was installed. Although this header was replaced in late 2023, particulate contamination continues to occur each time the curling rink side of the system is brought online.

The original curling rink header was constructed of cast iron, which introduced significant iron deposits into the brine as circulation occurred. In addition, the curling rink’s brine lines contained other particulates that have since mixed into our system. These contaminants damage pump impellers and mechanical seals, resulting in frequent pump leaks. This is particularly concerning due to the limited volume of brine available in the system.

Leak detection on the curling rink side is also challenging because of limited access to the building. When brine levels drop, additional brine must be mixed and added to the system before air is introduced, as air introduced in the system can cause severe damage to pump impellers quickly. Water cannot simply be added, as it alters the brine concentration.

After multiple new batches of brine are mixed, samples must be sent for analysis to verify pH and salinity levels. This testing ensures the brine will not freeze and that it remains within acceptable acidity and alkalinity limits. If imbalances are identified, a specialized contractor must be engaged to rebalance the brine. Improperly balanced brine can further damage pumps and the chiller.

Operations staff currently clean the brine filters daily in an effort to manage particulate contamination. Mechanical seals on two pumps were replaced last year and are already showing signs of failure again, indicating they will likely require replacement this year. The current plan is to continue filtering the brine until particulate levels decrease. Once this occurs, Operations will gradually reduce the filter bag micron size to capture finer particles. At present, filter bags are consistently found to be heavily loaded with debris. When the curling rink side is offline, the brine clarity improves over several months as ongoing filtration takes place.

Additionally, the motor bearings on both the curling rink and hockey brine pumps are beginning to fail, and the mechanical seals have likely been compromised due to ongoing leakage. The pump impellers may also require replacement, which represents a significant cost. Given these risks, it would be prudent to have backup brine pumps available in the event of a pump failure. We have also had multiple issues with the warm brine pump. It has been rebuilt multiple times and leaks intermittently.

Additionally, the current brine filter housings are beginning to leak again, despite recent replacement of the seals and filter bags. Compounding the issue, the filter housing model we use has been discontinued, so replacement parts are no longer available. For long-term reliability and maintenance, we should also consider replacing these housings with a current model that offers parts support and improved sealing capabilities.

The existing pumps can be rebuilt and retained as backups. This would provide operational flexibility and serve as a contingency in case of unexpected failures with the new units—a valuable safeguard for system reliability. (Not included in price)

LOCATION

Three Hills Arena

TIMELINE

Summer 2026

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	33,000					33,000
Contingency	3,500					3,500
	36,500					36,500

Funding	2026	2027	2028	2029	2030	Total
Arena Capital Reserve	36,500					36,500
	36,500					36,500



PROJECT Three Hills Aquatic Centre Sauna Renovation	
DEPARTMENT Aquatic Centre	EXPECTED LIFESPAN 20-25 years
Due to the high moisture environment of the aquatic centre, the existing dry sauna has experienced significant deterioration. The cedar wood throughout the sauna is showing extensive warping and damage that can no longer be repaired. I am unaware of the date the last time, if any renovation was made to the Sauna. To restore the sauna to a safe and functional condition, a complete removal and replacement of all cedar components, including the benches, walls, ceiling, window sill and door is needed. Installation of a new vapour barrier behind the walls and ceiling will also be needed. Additionally, I have obtained a quote for the replacement of the dry sauna heater, lights and updated electrical work.	
LOCATION Three Hills Aquatic Centre	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Construction	45,000					45,000
Contingency	4,500					4,500
	49,500					49,500

Funding	2026	2027	2028	2029	2030	Total
Pool Capital Reserve	49,500					49,500
	49,500					49,500



PROJECT Community Centre Kitchen Fire Suppression System Installation	
DEPARTMENT Other Town Facilities	EXPECTED LIFESPAN 15-20 years
<p>As identified in the Insurance Loss Control Services Risk Assessment, the Community Centre commercial kitchen does not currently have a fire suppression system installed. This condition represents a fire safety risk. The National Fire Protection Act (NFPA) 96 requires that all grease removal devices, hood exhaust plenums, exhaust duct systems, and cooking equipment that produce grease-laden vapors be protected by an automated fire suppression system. This poses a safety concern for facility users and staff, and could result in liability exposure for the Town in the event of a fire.</p> <p>Installation of an automated fire suppression system will:</p> <ul style="list-style-type: none"> • Ensure compliance with NFPA 96 and the Alberta Fire Code. • Improve life safety and property protection within the facility. • Reduce insurance and operational risk exposure. • Enable the Town to enter into a service and inspection contract with a qualified contractor to maintain system certification and compliance on an ongoing basis. <p>This project is therefore recommended as a priority fire safety upgrade to meet current code requirements and protect Town assets.</p>	
LOCATION Three Hills Community Centre	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Construction	9,000					9,000
Contingency	1,000					1,000
	10,000					10,000

Funding	2026	2027	2028	2029	2030	Total
Community Centre Capital Reserve	10,000					10,000
	10,000					10,000

PROJECT Fire Department SCBA and Compressor Replacement	
DEPARTMENT Fire Protection	EXPECTED LIFESPAN 15 years
<p>By the end of 2026, the existing SCBA units will no longer meet the National Fire Protection Association (NFPA) 1852 standard, which mandates that all composite air bottles be removed from service 15 years after their manufacturing date. The current bottles were purchased at the beginning of 2012 and have an expiry date of Dec 31, 2026. Instruments on the packs are not working as they should be and the department obtained prices to get the packs repaired and the expenses per pack were above \$5,000. The department has the option of just replacing the bottles and continuing using the same packs, however, we would have to reduce the bottle capacity as they no longer make the same bottle capacity. Occupational Health and Safety (OH&S) regulations also adopt NFPA 1852 as the guiding standard, meaning the Town must replace the current equipment to remain in compliance with applicable safety codes and firefighter respiratory protection requirements.</p> <p>The proposed project includes replacing the existing SCBA packs and bottles with MSA G1 4500 psi SCBA units, which provide a higher-capacity air bottle and improved performance. These units are also the standard model used by the five other fire departments in Kneehill County, promoting interoperability and consistency during mutual aid operations. Having the same bottles as other departments would allow for the bottles to be refilled at any Kneehill County Fire Station.</p> <p>In conjunction with the SCBA replacement, the project will also include the replacement of the air compressor, cascade bottles, and fill station. The current compressor system will not support the higher-pressure (4500 psi) bottles required for the new SCBA units. Quotes have been received for both the SCBA units and the compressor system. The company has also offered to purchase the Town’s existing compressor, cascade cylinders, and fill station, which would help offset part of the project cost (amount to be determined). This project is essential to maintain firefighter safety, ensure compliance with NFPA and OH&S standards, and support regional consistency in emergency response equipment.</p>	
LOCATION Three Hills Fire Department	
TIMELINE Spring – Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	214,000					214,000
Land purchase/site work	5,000					5,000
	219,000					219,000

Funding	2026	2027	2028	2029	2030	Total
Fire Capital Reserve	219,000					219,000
	219,000					219,000

PROJECT Parks Fleet Truck	
DEPARTMENT Parks & Playgrounds	EXPECTED LIFESPAN 8 years
<p>The Parks department needs a new truck to replace Unit #114(2006 GMC Sierra 1500). This vehicle has recently experienced significant failures and the cost of repairs is not a viable investment. Many of our current vehicles are older hand-me-downs, and continued maintenance on these aging units is becoming increasingly inefficient and costly.</p> <p>Investing in a new vehicle will improve operational reliability, reduce downtime, and support the department’s ability to provide consistent service year-round.</p>	
LOCATION Parks	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	75,000					75,000
	75,000					75,000

Funding	2026	2027	2028	2029	2030	Total
General Capital Reserve	75,000					75,000
	75,000					75,000



PROJECT Gopher Controller Carbon Monoxide Sprayer	
DEPARTMENT Parks & Playgrounds	EXPECTED LIFESPAN 15 years
<p>Living in a community that backs onto numerous agricultural fields results in the migration of gophers into the Community. The cemetery and soccer fields are particularly affected during the summer and fall seasons. Manual trapping is highly labour-intensive, as staff cannot leave traps unattended for extended periods due to the presence of dogs and young children in these public areas. During peak gopher activity, an estimated five staff hours per day, four days per week, are required to keep gopher activity under control in these locations. Over the summer, balancing gopher migration from neighbouring properties with other work priorities has made effective control increasingly challenging. Numerous new burrows have appeared on the soccer fields, and further management has become difficult.</p> <p>A carbon monoxide burrow treatment machine would greatly support ongoing gopher management efforts. This equipment delivers carbon monoxide directly into burrow systems and can be connected to multiple openings at once. It provides an effective control method while reducing risks to pets and children in public spaces. Unlike poison-based approaches, it does not pose a risk of secondary exposure to other animals. Studies indicate that carbon monoxide generators can achieve approximately 90% effectiveness when operated at full capacity for three minutes per burrow, with smoke oil used to confirm proper gas containment.</p>	
LOCATION Gopher control all throughout Town (only publicly owned spaces).	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	5,500					5,500
Contingency	500					500
	6,000					6,000
Funding	2026	2027	2028	2029	2030	Total
Parks & Playground Capital Reserve	6,000					6,000
	6,000					6,000

PROJECT Water Treatment Plant Internal Pipe Upgrade	
DEPARTMENT Water Supply	EXPECTED LIFESPAN 50 years
<p>During the water treatment plant (WTP) upgrade, there was a section of steel piping inside the building on the discharge line that was not upgraded to stainless steel. This section of piping is under high pressure (300 psi) and has shown signs of failure. In 2024, it was discovered the piping had started leaking and staff installed a regular repair clamp to stop the leak. Since then, the regular repair clamp was replaced with a high-pressure repair clamp. The replacement of this internal piping is not a simple fix, as there is no isolation valve to stop the water from back-siphoning down the hill towards the WTP once the piping inside the building is replaced.</p> <p>If this pipe were to fail, we would not be able to supply the Town with water. Detailed design, engineering and a request for pre-qualifications have been completed. The tender has been released for the project. Due to the vital importance of this project, if the tender closes before the 2026 Capital Budget is completed and approved by Council, a Request for Decision to move forward with the project will be brought to a Council meeting.</p>	
LOCATION Water Treatment Plant	
TIMELINE Late Spring – Summer 2026	

Estimated Capital Costs	2025	2026	2027	2028	2029	Total
Design & engineering	25,000	36,000				61,000
Construction		700,000				700,000
	25,000	736,000				761,000

Funding	2025	2026	2027	2028	2029	Total
Water Supply Capital Reserve	25,000	338,000				363,000
Local Government Fiscal Framework		398,000				398,000
	25,000	736,000				761,000



PROJECT ProTalk Callout Unit at WTP	
DEPARTMENT Water Supply	EXPECTED LIFESPAN 2-3 years
<p>The call-out unit at the Water Treatment Plant is obsolete and doesn't meet our demands. This unit is what calls our operators when there are critical alarms or issues at the plant.</p> <p>There is planning for a complete SCADA upgrade in future years, and a new call-out unit will help us bridge the gap between, keeping us effectively connected until the upgrade is in place. This would not be needed if the SCADA upgrade were moved forward into 2026.</p>	
LOCATION Water Treatment Plant	
TIMELINE Spring 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	9,000					9,000
	9,000					9,000
Funding	2026	2027	2028	2029	2030	Total
Water Supply Capital Reserve	9,000					9,000
	9,000					9,000

PROJECT Regional Transmission Main Study	
DEPARTMENT Water Supply	EXPECTED LIFESPAN 0 years
<p>Within the recently completed Water System Assessment (completed in 2024), the report highlighted the need to complete an inspection to determine the condition of the transmission line from the Water Treatment Plant to the pumphouse in Town. The proposed project would undertake to complete the following:</p> <ul style="list-style-type: none"> • data collection, review and analysis of background information including flow and required flow rates, pressures, pipe material and remaining expected life span, pipeline routes, redundancy options, plans, and drawings; • condition assessment of the transmission line from the Water Treatment Plant to the pumphouse in Three Hills; • technical engineering modelling, testing and statistical analysis; • development of functional schematic designs and cost models; and • recommendations to ensure safe, adequate, and sustainable water supply and management for residents and municipal operations. <p>Once completed, this study would be used to formulate the ideal approach to ensuring the long-term sustainability of our water supply from the water treatment plant to the Town pumphouse for the regional system and to assist with requesting grant funding to implement the recommendations within the report once it is completed.</p>	
LOCATION Transmission Line from Water Treatment Plant to Town	
TIMELINE Completion by mid 2027.	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Design & engineering	200,000					200,000
	200,000					200,000
Funding	2026	2027	2028	2029	2030	Total
Alberta Community Partnership	200,000					200,000
	200,000					200,000

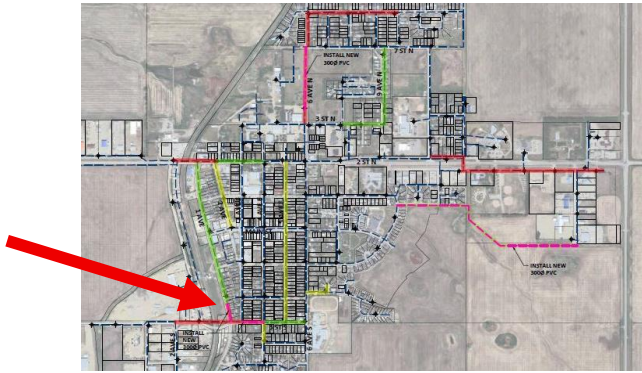
PROJECT Anaerobic Bypass Manholes	
DEPARTMENT Municipal Sewer	EXPECTED LIFESPAN 20-25 years
<p>There are four anaerobic cells located at the sewer lagoon. The cells hold the sanitary liquid when it first enters the lagoon and filter out the solids, and are connected to each other through a series of manholes and pipes. This infrastructure allows the flows to be diverted from one cell to another. The anaerobic liquid produces highly concentrated H2S gas that deteriorates the internal concrete walls inside the manholes over time. The structural integrity of these six (6) manholes are crumbling from within due to the extreme toxic environment and needs to be replaced. Municipal staff will complete the work for the project.</p>	
LOCATION Sanitary Lagoon	
TIMELINE Summer 2026	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Materials & equipment	35,000					35,000
	35,000					35,000
Funding	2026	2027	2028	2029	2030	Total
Wastewater Capital Reserve	35,000					35,000
	35,000					35,000

PROJECT Utility Line Replacement Program	
DEPARTMENT Water Distribution	EXPECTED LIFESPAN 50 years
<p>A Water System Assessment was completed in 2024 and identified a high-priority project on 3rd St SE & 1st Ave SE. The report identified that the watermain in this area needs to be increased to 300mm in size and linked with other lines to improve hydrant pressures in the industrial area and areas to the north. The project starts on the east side of the 4th Ave intersection on 3rd St and heads west for approximately 190 meters to the 1st Ave SE intersection, continuing north on 1st Ave for approximately 150 meters, completing a new connection to the existing 100mm waterline. During the design phase, the sewer lines would be inspected to determine if the sewer lines need replacing.</p> <p>With the 2025 Capital Budget, Council approved \$55,000 for the Design work with the intention of designing the project in 2025 and construction in 2026. With some staff changes and other operational impacts, the design work on this project was deferred for completion in 2026. Thus, the construction will be delayed for a year.</p>	
LOCATION 3rd Street SE from 4th Ave SE west to 1st Ave SE	
TIMELINE Design in 2026, Construction in 2027	

Estimated Capital Costs	2026	2027	2028	2029	2030	Total
Design & engineering	55,000					55,000
Construction		1,240,000				1,240,000
	55,000	1,240,000				1,295,000

Funding	2026	2027	2028	2029	2030	Total
Water Supply Capital Reserve	55,000					55,000
	55,000					55,000



Capital Improvement Plan (2027 – 2030)
Administration

		2026	2027	2028	2029	2030
Administration						
Hardware Replenishment	80,000	15,000	15,000	20,000	15,000	15,000
Town hall Phone Replacement System	27,500	27,500				
Town Hall Lift Replacement	36,750			36,750		
Accounting System	300,000		150,000	150,000		
Total Administration	444,250	42,500	165,000	206,750	15,000	15,000

Transportation & Infrastructure

		2026	2027	2028	2029	2030
Transportation & Infrastructure						
Asphalt Maint. & Resurfacing Program	1,825,000	350,000	350,000	375,000	375,000	375,000
10th St SE Extension	100,000	100,000				
Infrastructure Master Plan	150,000		150,000			
Fleet Vehicles	150,000		75,000		75,000	
Loader	320,000		320,000			
Road Resurfacing (Utilities Projects)	580,000		280,000		300,000	
Beautification Lighting	20,000		20,000			
Grader	450,000			450,000		
Iron Shield Drainage	1,000,000					1,000,000
Total Transportation & Infrastructure	4,595,000	450,000	1,195,000	825,000	750,000	1,375,000

Community Services

		2026	2027	2028	2029	2030
Community Services						
Arena - Olympia Replacement	210,000		210,000			
Arena - Ice Edger	6,200		6,200			
Arena-Olympia Driveway Repair	40,000		20,000	20,000		
Arena-Parking Lot Repair	110,000		60,000	50,000		
Arena-Warm Side Boilers	90,000	90,000				
Arena-Floor Machine	12,000		12,000			
Arena - Brine Headers	36,500			36,500		
Arena - Puckboard Replacement	45,000		35,000	10,000		
Arena - Brine Pumps & Filters	36,500	36,500				
Arena - Life Breath Unit (air exchange)	30,000			30,000		
Arena-New sound System	75,000					75,000
Arena - Shower Retiling	40,000				40,000	
Pool - Changeroom Floors	30,000		30,000			
Pool-Dry Sauna Renovation	49,500	49,500				
Pool-Main Pool Recirculating Pump	25,000		25,000			
Comm Centre - Hot Water Tank Replacement	15,000		15,000			
Comm Centre - Kitchen Fire Supression	10,000	10,000				
Comm Centre - LED Lighting	30,000		30,000			
Comm Centre - Main Auditorium Walls	160,000			100,000	60,000	
Comm Centre - Furnace and AC	100,000				100,000	
Fire Department SCBA Compressor Replacement	219,000	219,000				
Library Roof Coating	40,000				40,000	
Ball Diamond Fence #2 Replacement	30,000					30,000
Campground Bathroom/Concession Renovation	100,000					100,000
Ball Diamond Dugout Replacement	28,000		28,000			
Parks Fleet Vehicles	150,000	75,000		75,000		
Mower Replacement Program	156,275		106,275	25,000		25,000
Parks Gopher control System	6,000	6,000				
Grantville Park Rehabilitation	15,000		15,000			
Total Community Services	1,894,975	486,000	592,475	346,500	240,000	230,000

Planning and Development

		2026	2027	2028	2029	2030
Planning and Development						
Residential Development (7th St NE)	2,000,000		1,000,000	1,000,000		
Commercial Development			1,000,000	1,000,000		
Total Planning and Development	4,000,000	0	2,000,000	2,000,000	0	0

Water and Sewer

		2026	2027	2028	2029	2030
Water and Sewer						
WTP - Old Piping Upgrade	736,000	736,000				
WTP - SCADA Upgrades	75,000			75,000		
Water Transmission Line Study (Only if grant funded)	200,000	200,000				
WTP-Pro Talk Call Out	9,000	9,000				
WTP-Raw Water Pond Bypass Valve	50,000		50,000			
Utility Line Replacement Project Design	110,000	55,000		55,000		
Equity Pump Station Facility	250,000		250,000			
Water Line Replacement Program	1,600,000		800,000		800,000	
Sewer Line Replacement Program	460,000		160,000		300,000	
Sewer Lagoon Manhole Replacement	35,000	35,000				
Fleet Vehicles	140,000		70,000			70,000
Total Water and Sewer	3,665,000	1,035,000	1,330,000	130,000	1,100,000	70,000

		2026	2027	2028	2029	2030
Total General Fund	10,934,225	978,500	3,952,475	3,378,250	1,005,000	1,620,000
Total Water Fund	3,665,000	1,035,000	1,330,000	130,000	1,100,000	70,000
Total Capital Program	14,599,225	2,013,500	5,282,475	3,508,250	2,105,000	1,690,000



Town of Three Hills
232 Main Street
PO Box 610
Three Hills, AB
T0M 2A0

Phone: (403) 443-5822

www.threehills.ca
Email: info@threehills.ca