

Appendix 5 - ES-035-24 2026-27 Operating Forecast

Component	2026			2027			Comments
	Net Levy Impact \$ (000's)	Residential Tax		Net Levy Impact \$ (000's)	Residential Tax		
		per \$100K of Assessment*	% Change		per \$100K of Assessment*	% Change	
Prior Year Tax Levy	\$110,949	\$354.63		\$131,583	\$400.85		
Inflation and Base Adjustments:							
Inflation (MPI)	\$3,606	\$10.98	3.10%	\$4,276	\$12.39	3.09%	Inflation based on Municipal Price Index (MPI) and other miscellaneous adjustments.
Non-recurring & Reversal of One-Time Transfers	\$1,635	\$4.98	1.40%	\$0	\$0.00	0.00%	Primarily relates to the planned elimination of funding from Tax Rate Stabilization Reserve.
Service Enhancements	\$134	\$0.41	0.11%	\$202	\$0.59	0.15%	Transit improved weekday and weekend frequency, as well as extending Saturday Service to 10:30pm.
Infrastructure Deficit	\$1,500	\$4.57	1.29%	\$1,500	\$4.35	1.08%	Funding to gradually reduce the infrastructure deficit outlined in existing asset management plan.
Other Base Adjustments	\$771	\$2.35	0.66%	\$962	\$2.79	0.70%	Continued impact of 2023 compensation review (\$0.33M in 2026 and 2027), progression of fire staff through ranks (\$0.36M in 2026 and \$0.54M in 2027), increased costs due to backfilling staff on leave (\$0.09M in 2026 and 2027).
Total Inflation and Base Adjustments	\$7,646	\$23.29	6.57%	\$6,940	\$20.11	5.02%	
Growth Related:							
State of Good Repair for Constructed & Assumed Assets	\$5,967	\$18.18	5.13%	\$5,276	\$15.28	3.81%	Lifecycle contributions to reserves based on budgeted and assumed assets in order to prevent a further increase in the infrastructure funding deficit.
Expanded Service Delivery to Growth Areas	\$3,946	\$12.02	3.39%	\$3,983	\$11.54	2.88%	Costs (staffing, materials, contracts etc.) of expanding service to growth areas (\$2.8M in 2025 and \$2.4M in 2026) in addition to expansion of Transit service based on Transit Master Plan recommendations (\$1.1M in 2026 and \$1.5M in 2027).
Other Growth-Related Impacts	\$3,075	\$9.37	2.64%	\$2,941	\$8.52	2.13%	Funding for legislated development charge exemptions (\$0.5M in each of 2026/2027), growth related increase to reserves (\$1.6M in 2026, \$2.1M in 2027), annualization of operating impacts from 2024 approved capital projects (\$0.4M in 2026), operating impacts from 2025 forecasted projects (\$0.26M in 2026), operating impacts for Transit facility (\$0.4M in 2027), changes in subdivision revenue (\$0.17M in 2026, \$(0.3M) in 2027), increase in tax write-offs (\$0.1M in each of 2026/2027).
Total Growth Related	\$12,988	\$39.57	11.16%	\$12,200	\$35.34	8.82%	
Total Increase in Levy	\$20,634	\$62.86	17.72%	\$19,140	\$55.45	13.83%	
Total Tax Levy	\$131,583	\$417.49		\$150,723	\$456.30		
Estimated Assessment Growth (net of reductions)**	(\$5,459)	(\$16.63)	-4.69%	(\$6,789)	(\$19.67)	-4.91%	Forecast assessment growth based on updated residential growth forecast and expected industrial/commercial development.
Forecasted Net Tax Levy Increase	\$15,175	\$400.85	13.04%	\$12,351	\$436.63	8.93%	

* Based on 2024 CVA values per 2024 Final Tax Levy By-law, CORS-014-24. Through the annual tax setting bylaw tax rates are re-calculated each year using current year assessment values.

** This is the amount net of anticipated losses from Assessment Review Board appeals, Request for Reconsiderations, and Section 357 Applications (tax class changes, properties razed by fire, etc.).