TOWN OF OLDS



2027

October 2026



DRAFT BUDGET

SUMMARY

Draft 2027 Budget: What You Need to Know

> **THIS IS A DRAFT**
> Council has not made any decisions on the 2027 Budget, and the numbers in this summary are expected to change before anything is approved.

On October 26, 2026, Town Administration gave Council its first look at the draft 2027 Budget. Think of it as a starting point: it shows what it would cost to keep delivering the services Olds residents rely on today, plus a short list of new items for Council to consider. Over the coming weeks, Council will go through the budget line by line, ask questions, and decide what stays, what changes, and what waits.

We are sharing the draft now because we want residents to have the same information Council is working from, early enough to have a say.

Where we are in the process

We are at step 2 of a five-step process. Final tax rates will not be set until spring 2027.

Step	Timing	What happens
1. Budget Survey	Complete	Your feedback on priorities and taxes helped shape the draft.
2. Draft presented to Council	October 26, 2026	Information only. No decisions made. We are here.
3. Council deliberations	November 16, 17, and 18, 2026	Council reviews each department and each new request, and can add, cut, reduce, or defer items.
4. Council approves the budget	December 14, 2026	Council approves the 2027 Budget.
5. Tax rates set	Spring 2027	Once 2027 assessments and provincial requisitions (such as the education tax) are confirmed, Council passes the Tax Rate Bylaw. This is when your actual 2027 tax bill is determined.

The draft budget at a glance

Item	Draft 2027 figure
Operating budget (day-to-day services)	$40.7 million
Capital budget (infrastructure, facilities, equipment)	$5.1 million
Share of capital paid by grants and partners	56%
New borrowing in 2027	None
Starting funding gap for Council to address	$810,200

The operating budget pays for the services you use every day: snow clearing, road repairs, parks, recreation facilities, fire protection, policing, bylaw enforcement, and community supports. The capital budget pays for building and replacing the roads, pipes, buildings, and equipment those services depend on.

The $810,200 starting gap

The draft shows that costs for 2027 are $810,200 higher than the revenue the Town expects to bring in at current tax rates. Alberta law requires municipalities to pass a balanced operating budget, so Council must close this gap before the budget is approved.

> *A tax increase has not been decided. The difference between costs and revenue is the gap Council must close.*

To give residents a sense of scale: if Council closed the entire gap through property taxes alone and made no other changes, the municipal portion of taxes would rise by about 6.2%. For a home assessed at $453,700, that would be about $196 a year, or $16.30 a month. This is a worst-case reference point, not a forecast.

Tools Council can use to close the gap

- Reduce, phase in, or defer some of the new items listed in this summary
- Find savings or adjust service levels in existing programs
- Use reserve funds for one-time costs
- Adjust user fees or other non-tax revenue
- Accept some level of tax increase

Costs outside of Council's control that will impact the number:

- 2027 property assessments, including new homes and businesses added to the tax base (the draft assumes 1.3% growth)
- Provincial grant amounts (the draft assumes they stay at 2026 levels)
- RCMP contract costs, which could rise once national collective bargaining concludes
- Inflation in fuel, materials, insurance, and contracted services (the draft assumes 2.1%)

The education portion of your tax bill is set by the Province, not the Town. The Town collects it and sends it on to the province in full.

Why costs are going up

Most of the increase comes from the rising cost of doing what the Town already does. Since 2011, prices in Calgary have risen 41%, and the Town buys the same gravel, asphalt, fuel, road salt, insurance, and contracted services everyone else does. Without added funding, the same budget buys less maintenance each year, and deferred repairs tend to cost more later.

Category	Examples of Town Costs
Payroll Benefits	Premium-based benefits (health, dental, LTD, etc.), employers portion of EI & CPP
Materials and supplies	Asphalt, gravel, road salt, water treatment chemicals, repair parts
Fuel	Gasoline and diesel for fleet and equipment
Contracted services	Maintenance contracts, specialized repairs, professional services
Utilities	Electricity and natural gas for buildings and infrastructure

Did you know the cost of fire apparatus has more than doubled since 2021?

A fire apparatus is a purpose-built emergency vehicle that supports firefighting, rescue, and incident management, forming the backbone of modern fire service operations.

New or expanded items for Council to decide on

These are separate choices. Council can approve, reduce, phase in, or decline each one.

Item	Draft 2027 cost	Why it was proposed
More road, sidewalk, and curb repair	$220,000 a year	Roads ranked as residents' top priority; inspections are finding necessary repairs faster than current funding can address
Staffing adjustments	$133,000	We are trying to slowly build staffing capacity to meet our needs; Olds' staffing costs are among the lowest in its peer group
Expanded Sunshine Bus service	$24,000 in 2027 (starts September), about $58,000 a year after	Longer weekday hours, Saturday service, and online booking for seniors and residents with mobility challenges
Social Needs Gap Analysis	$25,000, one time	Identify community needs and service gaps; may be partly funded by redirecting FCSS grant dollars
Urban Forest Inventory and Strategy	$20,000 net, one time	$195,000 study, with $175,000 covered by a federal grant

What we heard from you

Residents told us to look after what we already have before taking on new things, and the draft reflects that.

- Roads (41.9%) and water and wastewater (40.3%) were the top-ranked priorities.
- Residential snow removal was the most requested improvement (48.7%), but most respondents (52.9%) were not willing to pay more for it.
- 45.2% supported keeping current services with moderate tax increases when needed; 43.2% preferred keeping increases low, even if some services or projects are reduced or delayed; 11.6% supported more investment with higher taxes.

That split is exactly the balance Council will be weighing over the coming weeks. The draft does not expand snow removal, focuses new road dollars on repairs, and limits new services to a short list Council can accept or decline.

Infrastructure, savings, and debt

The draft capital budget invests $5.1 million in 2027, with no new borrowing. Projects are ranked so that legislated, safety-related, and service-critical work comes first.

How the 2027 capital budget is paid for

Source	Share
Grants	51%
Town reserves (savings set aside for this purpose)	43%
Cost sharing with partners	5%
Current-year operating funds	1%

Largest proposed 2027 projects

Project	Draft cost
Underground Replacement: 45 Ave/Highway 27 to 45 Street	$1,433,761
Financial software replacement	$500,000
Water meter replacement program	$400,000
RCMP building roof replacement	$300,000
North reservoir flow meters	$250,000
Public Works backhoe replacement	$200,000
Sunshine Bus replacement	$170,000
Playgrounds	$145,000

Reserves. The draft uses $2.2 million from reserves for 2027 capital projects. Projects shown for 2028 to 2031 are a planning outlook only; they will be reviewed each year and adjusted to the funding available.

Debt. No new debt is planned for 2027. The Town's annual debt payments are about 21% of the provincial limit, and existing debt continues to be paid down each year.

Utilities. Water, wastewater, storm, and garbage services are funded by utility rates, not property taxes. A utility rate review is proposed to make sure rates are fair and cover the cost of maintaining the system.

Common questions

Are my taxes going up 6.2%?

Not necessarily. 6.2% is what it would take to cover the full gap with property taxes alone, with no other changes. Council has not decided how to close the gap, and final rates will not be set until spring 2027.

Why not just cut costs instead?

Council will be looking for savings. Most of the increase, though, is the higher price of delivering the same services, such as fuel, materials, insurance, and contracts. Cutting further generally means reducing a service or delaying maintenance, which residents can weigh in on.

Why not use reserves to cover the gap?

Reserves are best used for one-time costs and major repairs. Using savings to pay ongoing yearly costs only delays the increase to a future year, usually a larger one.

Why is the Town adding anything new?

Each new item is listed separately so Council and residents can see it clearly. Council may approve, reduce, delay, or decline any of them.

Will the full budget document be available?

Yes. The full draft budget will be presented to Council on November 16th and will be available in that meeting's agenda package on the Town's website.

> This summary will be updated as Council makes decisions.