

WAIVER OF NOTICE

In accordance with Section 194 (4) of the *Municipal Government Act*, R.S.A. 2000, c.M-26 as amended, or repealed and replaced from time to time, notice of a Special Council Meeting is hereby waived as follows:

DATE: April 17, 2026

TIME: 9:30 AM

PLACE: White Sands Municipal Office, 8 Front Street

NATURE OF BUSINESS:

1. Delegation: Justin Tanner, Gitzel & Company – 2025 Financial Audit
2. 2026 Municipal Operating & Capital Proposed Budgets
3. CNL 2.2 Reserve & Surplus Allocation Policy
4. Closed Session:
 - a. CAO Review – Alberta Information & Transparency Act (AITA), s. 22
Confidential Evaluations

No matter other than that stated in this notice calling the special council meeting may be transacted at the meeting unless the whole council present at the meeting and the council agrees to deal with the matter in question (MGA 194)

Mayor Zembal

Original Signed

Councillor Thorogood

Original Signed

Councillor Ashford

Original Signed



The Summer Village of White Sands
2026 Draft Municipal Operating & Capital Budget
April 20, 2026

Introduction to the Municipal Budget

Municipal budgets are Council's primary planning tool for delivering services and managing infrastructure.

Under the Municipal Government Act, municipalities must adopt a balanced operating budget and a multi-year capital plan to support both current operations and long-term infrastructure needs.

Budget decisions are influenced by service levels, infrastructure requirements, legislative obligations, economic conditions, and Council priorities.

What is an Operating Budget?

The operating budget funds day-to-day municipal services, including:

- Road maintenance and snow removal
- Waste services
- Municipal administration and governance
- Utilities and facility maintenance
- Service contracts such as grading or IT support
- Intermunicipal agreements such as fire protection or regional water services

What is a Capital Budget?

The capital budget funds long-term infrastructure investments, including:

- Roads and drainage infrastructure
- Municipal buildings and facilities
- Machinery and equipment
- Parks and recreation assets

Capital budgeting allows municipalities to plan for the replacement, upgrade, or construction of infrastructure needed to support the community over time

How Municipal Budgets are Funded:

Municipal budgets are funded through several primary revenue sources.

Property Taxes

Property taxation is the primary source of revenue supporting services.

Government Transfers and Grants

Provincial and federal funding (e.g., LGFF) supporting infrastructure.

User Fees and Permits

Revenue from permits, applications, and service fees.

Investment Income

Interest earned on reserves.

Transfers from Reserves

Use of previously saved funds for approved projects.

What are Municipal Reserves:

Municipal reserves function as savings set aside for future infrastructure, major projects, or unexpected costs.

They help reduce borrowing and stabilize future tax impacts.

Financial reporting Requirements:

Financial reporting follows the Municipal Government Act and Public Sector Accounting Board (PSAB) standards. Annual audited financial statements are completed and publicly available each year to ensure transparency and accountability

Factors Affecting a Summer Village Operating Budget:

Operating budgets are influenced by a number of factors that affect municipal revenues and expenditures.

Revenue Factors

- Property assessment values
- Permit activity and service fees
- Investment income
- Provincial and federal funding programs

Service Delivery Costs

- Staff wages and benefits
- Contracted municipal services such as waste collection or road maintenance
- Utilities and facility operations
- Intermunicipal service agreements

Economic Conditions

- Inflation affecting goods and services
- Rising infrastructure and maintenance costs
- Limited commercial or industrial tax base typical of summer village communities

Legislative and Regulatory Requirements

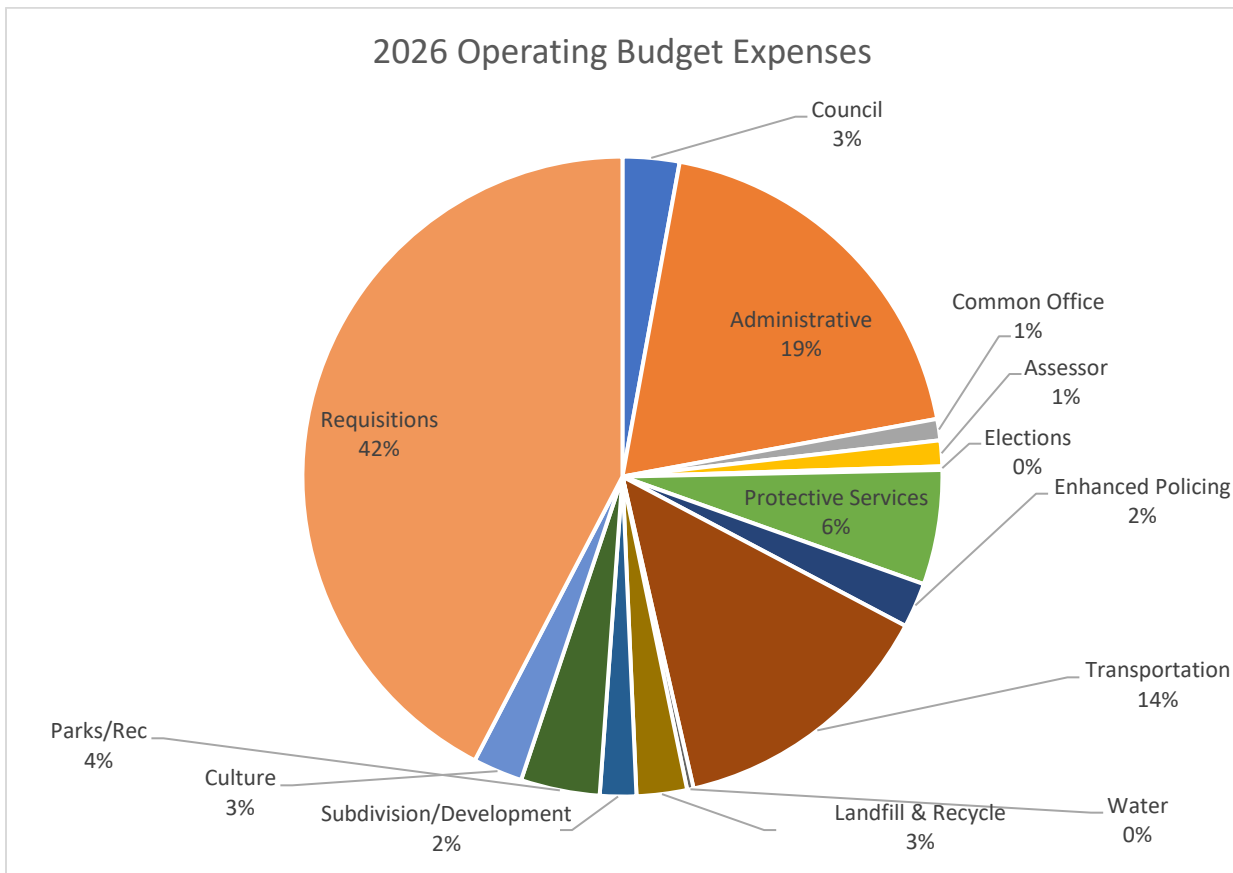
- Provincial education property tax requisitions
- Provincial policing requisitions
- Mandatory reporting, auditing, and regulatory compliance requirements (SDAB, ARB, Auditor)

Infrastructure and Asset Management

Municipal infrastructure must be maintained and eventually replaced. Aging infrastructure, equipment replacement, and long-term asset management planning all influence operating and capital budget decisions.

Municipal Budget Expense Overview by Departments:

The 2026 Draft Operating Budget anticipates total **EXPENSES** of **\$1,102,386** to support the delivery of municipal services and operations within the Summer Village of White Sands.



Council & Legislative Services:

The 2026 Council and Legislative Services budget is \$31,605, compared to \$26,983 in 2025 actual costs. The increase reflects updates to Council’s Remuneration Policy, including revised meeting rates, honoraria, mileage, and electronic device use for Council business. The budget also supports Council training, travel, and other expenses related to fulfilling governance responsibilities.

Administrative Services:

The Administrative Services budget for 2026 is \$212,151, compared to \$207,023 in 2025 actual costs, representing a moderate increase of approximately \$5,100 primarily related to inflationary pressures and adjustments to contracted services.

The majority of this budget supports staff wages and employer costs (benefits, WCB, retirement), enabling day-to-day administration, financial management, legislative compliance, and resident services.

Operational costs within this department include accounting and audit services, IT support, insurance, training, and travel related to municipal meetings and governance activities. The budget also includes expenses associated with maintaining the Municipal Office building, including utilities, pump-out services, and routine technology support.

Common Office Expenses

Common Office Expenses for 2026 are budgeted at \$11,870, which is consistent with 2025 actual costs of \$11,867, reflecting stable operational expenses.

These costs include telephone, internet, postage, office supplies, advertising, and general goods and services required to support municipal administration and communication with residents.

Utilities for the municipal office site are also recorded in this section. Utility services are shared across multiple municipal buildings and billed through a shared metering system, meaning the costs represent the combined use of the municipal facilities located on the site.

Municipal Election Costs

The 2025 municipal election was completed under budget by administering the process internally and following the requirements of the Alberta Election Act.

The 2026 budget includes a contingency amount for potential election expenses, should the municipality need to conduct a by-election to fill a Council vacancy. Including this amount in the budget helps ensure the municipality is prepared for unexpected election requirements and reduces the need to draw funds from reserves if an election becomes necessary.

Municipal Protected Services

The 2026 Municipal Protective Services budget is \$88,843, reflecting overall stable service costs.

The RCMP Enhanced Policing Requisition has increased to \$25,043 due to provincial adjustments and is expected to continue rising in future years.

Under the new Heartland Region Fire Agreement, fire service costs have decreased slightly to \$50,500, resulting in modest savings. This agreement will be reviewed at year-end.

The 2026 budget also includes modest provisions for bylaw enforcement (\$1,650) and legal services (\$750) to address potential compliance or enforcement matters. Disaster Services remains consistent at \$10,000, supporting regional emergency management coordination.

Overall, the budget reflects stable protective service costs, with increases in policing offset by slight savings in fire services.

Transportation Services

The 2026 Transportation Services budget maintains current service levels for road maintenance and access, including the municipality's contribution toward regional roads that provide primary access to the community.

The 2026 budget is \$151,035, supporting road maintenance, equipment, and municipal infrastructure.

Operations include year-round maintenance, supported by one permanent public works staff member and two summer students during peak season.

A significant portion of the budget is the \$43,075 annual road cost-sharing contribution to the County of Stettler for the maintenance of Township Road 40-4 and Range Road 20-2, which serve as the primary access routes into the Summer Village.

Overall, the budget reflects moderate inflationary adjustments while maintaining safe and reliable road access for residents, visitors, and emergency services.

Landfill and Recycling

The 2026 Landfill & Recycling budget is \$28,050, an increase from the 2025 approved budget of \$25,412, reflecting operational adjustments and regional service changes.

For 2026, \$1,750 has been allocated to wages to better reflect the time Public Works staff spend monitoring, maintaining, and cleaning the waste compound area. Historically, these wages were not specifically allocated to this service area, and Administration is working to more accurately reflect operational costs.

The Stettler Regional Waste Management requisition has increased slightly to \$22,800.

Contracted services have increased to \$3,500 to support additional waste management initiatives. Beginning in Spring 2026, Stettler County Waste will introduce a rotational tree branch bin program for Buffalo Lake communities, with the municipality providing a designated location and covering associated transportation and disposal costs. In addition, cardboard recycling is anticipated to transition to Alberta's Extended Producer Responsibility (EPR) program in late 2026, where recycling costs will gradually shift to producers under a "producer pays" model, which may influence how recycling services are funded in future years.

Overall, the 2026 budget reflects more accurate allocation of operational costs and preparation for upcoming regional waste service changes.

Planning and Development

The 2026 Subdivision & Development budget is \$20,240, which is slightly lower than the 2025 approved budget of \$21,484, reflecting continued efficiencies in how development services are delivered.

Through the transition of certain administrative functions in-house, such as RV permitting and routine planning administration, the municipality has been able to better manage development-related costs while still maintaining professional planning support when required.

The Development Officer contract with Gra-Core is budgeted at \$12,500 for 2026, which reflects reduced reliance on contracted services compared to previous years, with Gra-Core primarily utilized for development permit review, Land Use Bylaw interpretation, and planning guidance when needed.

The Safety Codes inspection services are budgeted at \$5,550, which reflects the ongoing requirement for building and safety code compliance reviews. Additional minor allocations include Development Appeal Board fees (\$504), planning advertising (\$300), and miscellaneous engineering support (\$1,000) should specialized technical review be required.

Overall, the 2026 budget reflects stable planning and development costs while continuing to bring appropriate administrative functions in-house to improve efficiency.

Parks and Recreation

The 2026 Parks & Recreation operating budget is proposed at \$44,035, compared to \$51,866 in the 2025 approved budget and approximately \$32,471 in 2025 actual expenditures. This service area supports the maintenance and operation of municipal parks, beach areas, trails, Jack's Pond, and other community recreational amenities.

A portion of the budget reflects staff wages and summer student support. The 2025 budget was originally prepared based on previous operational levels of three summer students working from May through August, consistent with prior years. During the 2025 season, Administration adjusted operations and reduced the program to two summer students with staggered start dates, which resulted in lower actual expenditures.

The municipality applied for the Canada Summer Jobs (CSJ) Grant in 2025; however, funding was not received. Despite this, two summer students were hired and the program remained within the approved budget. For 2026, the operating budget reflects the revised operational model of two summer students, and the municipality has again applied for the CSJ grant. Should the grant not be awarded, the municipality can continue to support two summer students within the approved budget.

Operational allocations remain in place for routine maintenance activities such as outhouse servicing, planting materials, general supplies, equipment repairs, and minor improvements to recreational areas, as well as small community initiatives including trail maintenance, Jack's Pond supplies, and Canada Day activities.

Overall, the 2026 budget reflects a balanced approach to maintaining municipal recreational spaces while aligning staffing levels with current operational needs.

Culture

The 2026 Culture operating budget is proposed at \$27,619, compared to \$26,395 in the 2025 approved budget and approximately \$13,876 in expenditures to date. This service area supports the operation and maintenance of the Community Hall (Multipurpose Facility) and the municipality's membership with the Parkland Regional Library system.

The 2026 budget reflects Council-approved direction for the municipality to assume responsibility for hall bookings and rentals effective June 1, 2026, along with internet upgrades and security camera maintenance for the facility. As part of this transition, janitorial duties will no longer be managed as part of hall operations and will instead be provided through a contracted cleaning service beginning June 1, 2026, which accounts for the slight increase in the budget.

Operating costs include staff wages, summer student support, utilities, building maintenance, pump-outs, Wi-Fi, and general supplies, ensuring the facility remains functional and available for community use.

The Parkland Regional Library membership remains a consistent annual expense, providing residents with access to regional library services and resources. Through this partnership, the municipality will continue working with the Stettler Public Library to bring programming to the community, including the Summer Reading Program for youth and educational sessions such as "Come for a Byte."

Overall, the Culture budget reflects the ongoing operational costs of maintaining the Community Hall while supporting library services and implementing Council's direction to transition hall operations to the municipality.

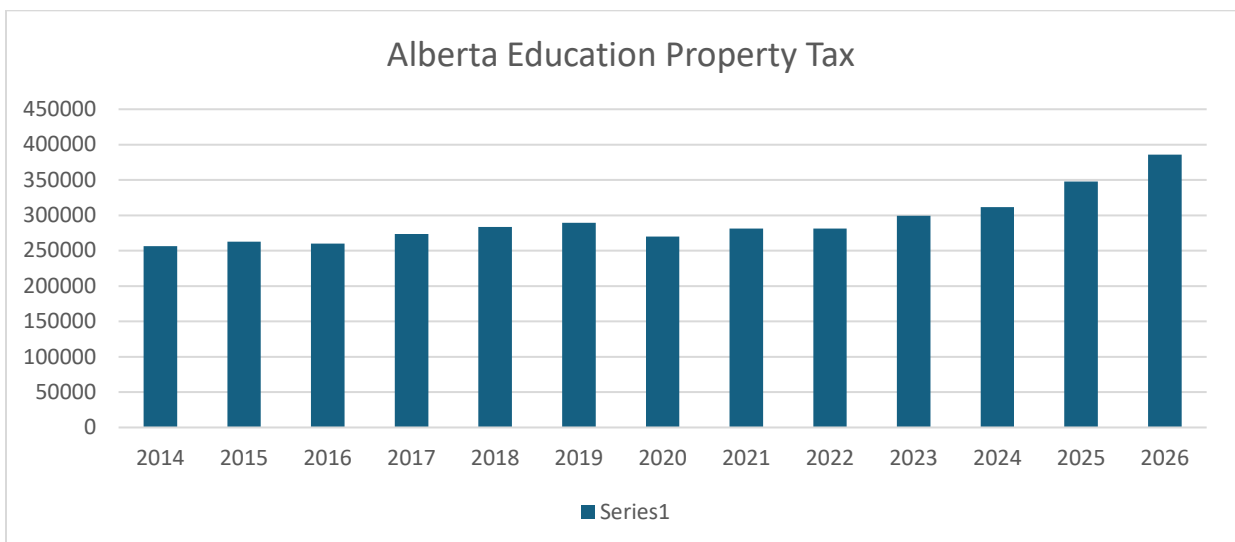
2026 Operating Budget Revenue Overview

The 2026 Draft Operating Budget anticipates the total REVENUES to support the delivery of municipal services and operations within the Summer Village of White Sands.

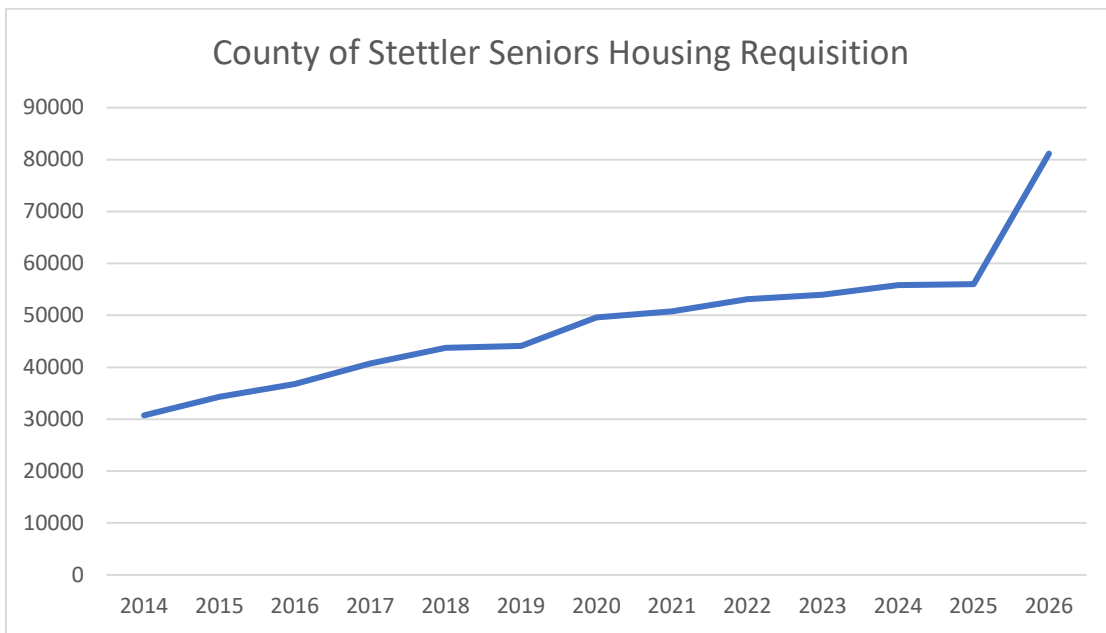
The largest portion of municipal revenue is generated through property taxation, which accounts for the majority of funds collected each year. Of the total revenue projected for 2026, approximately \$555,057 (about 50%) represents the municipal portion of property taxes, which is used to fund local services such as administration, infrastructure maintenance, parks and recreation, planning and development, and protective services.

Not all taxes collected remain with the municipality. In 2026, approximately:

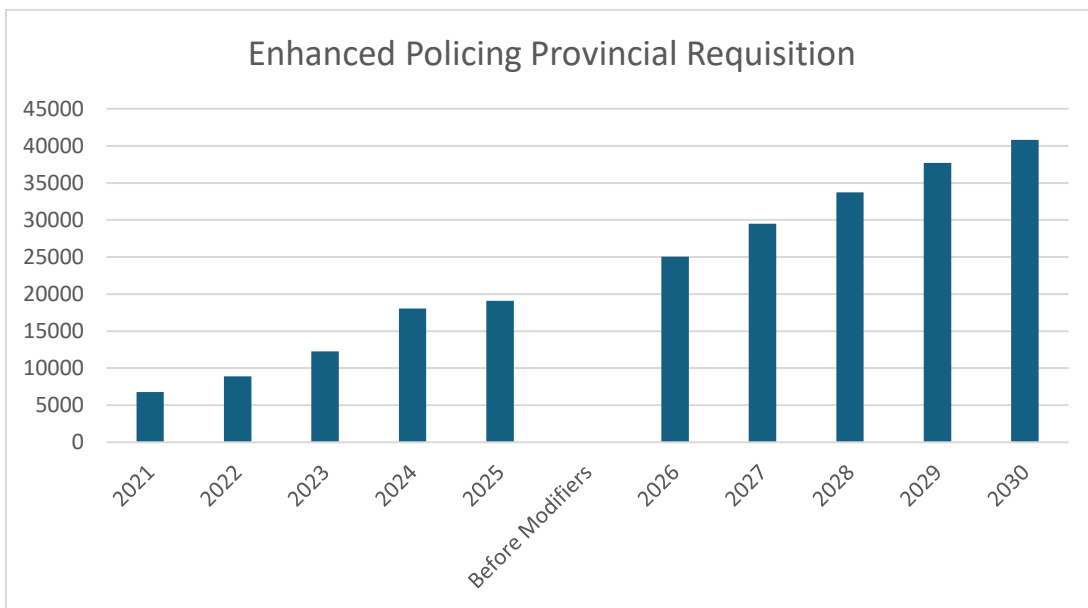
- \$385,848 - Provincial Education Tax Requisition



- \$81,157 - Seniors Housing Requisition



- \$23,043 - Policing Requisition, see chart.

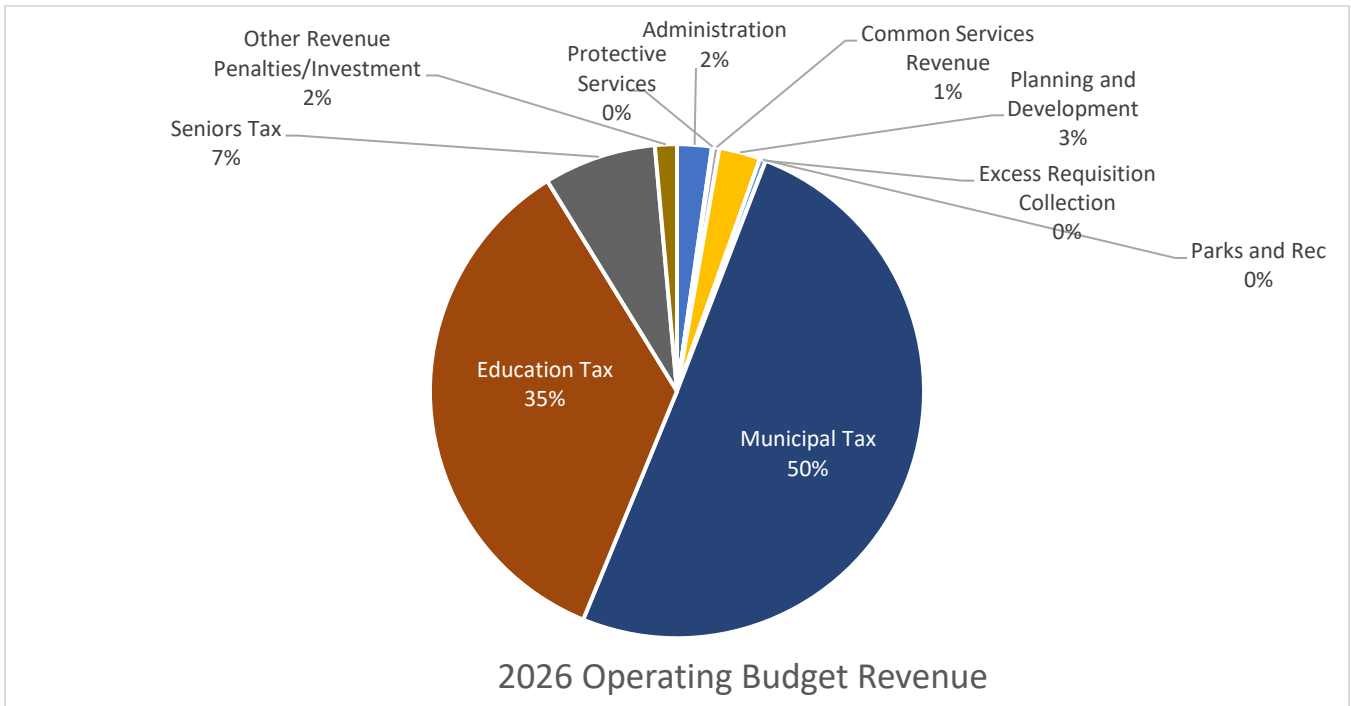


These are mandatory requisitions collected on behalf of the Province and regional authorities.

Together, these requisitions account for approximately 42% of total revenue and are remitted directly to the Province and regional authorities.

In addition to taxation, the municipality generates non-tax revenue through service-related sources such as planning and development permits, administrative fees, recreation-related revenues, and penalties or investment income. These revenues represent a smaller portion of the overall budget but help offset operating costs associated with municipal services.

Overall, the 2026 revenue structure reflects the typical municipal funding model, where property taxes are the primary source, supplemented by fees, permits, and other revenues, while also collecting and remitting provincial and regional requisitions. (See Chart)

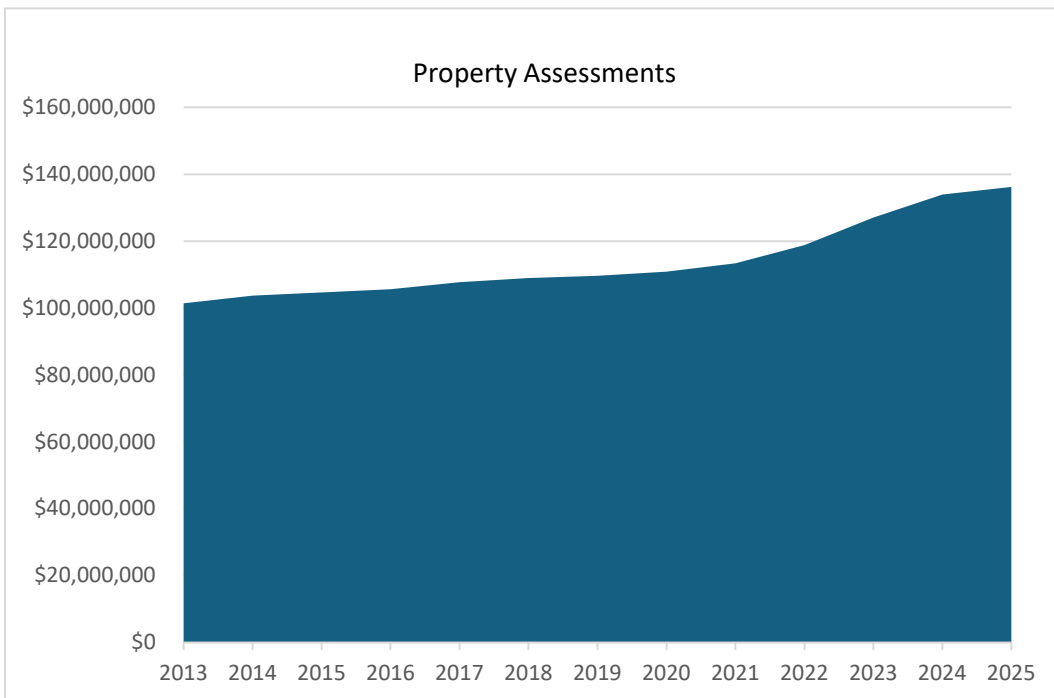


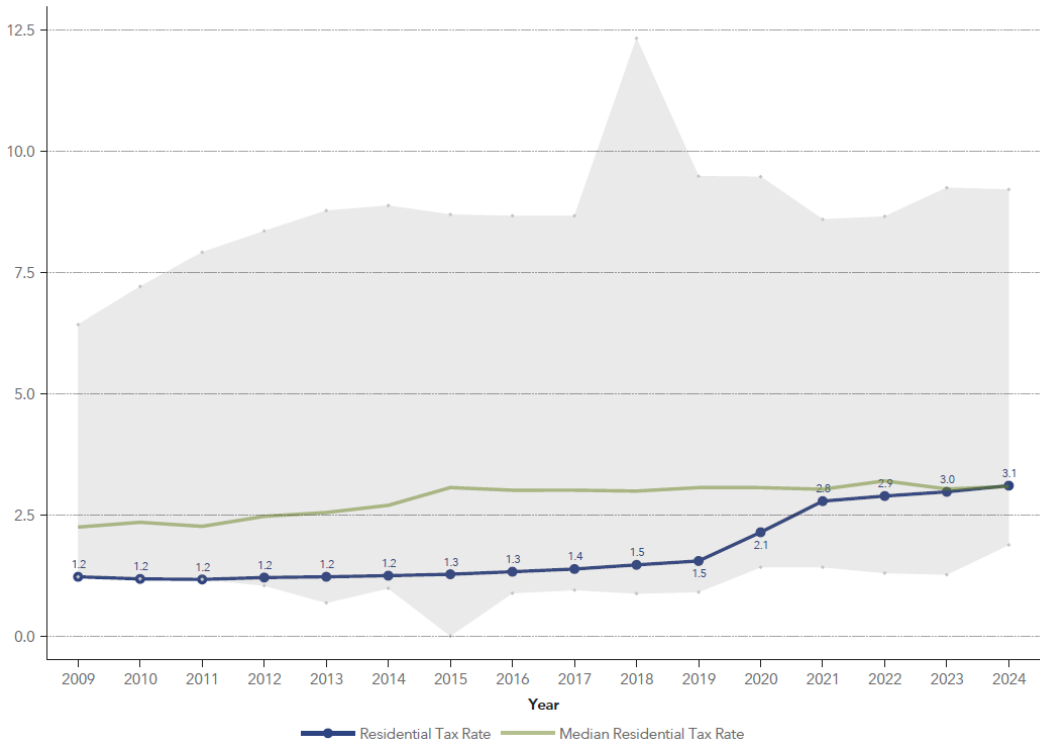
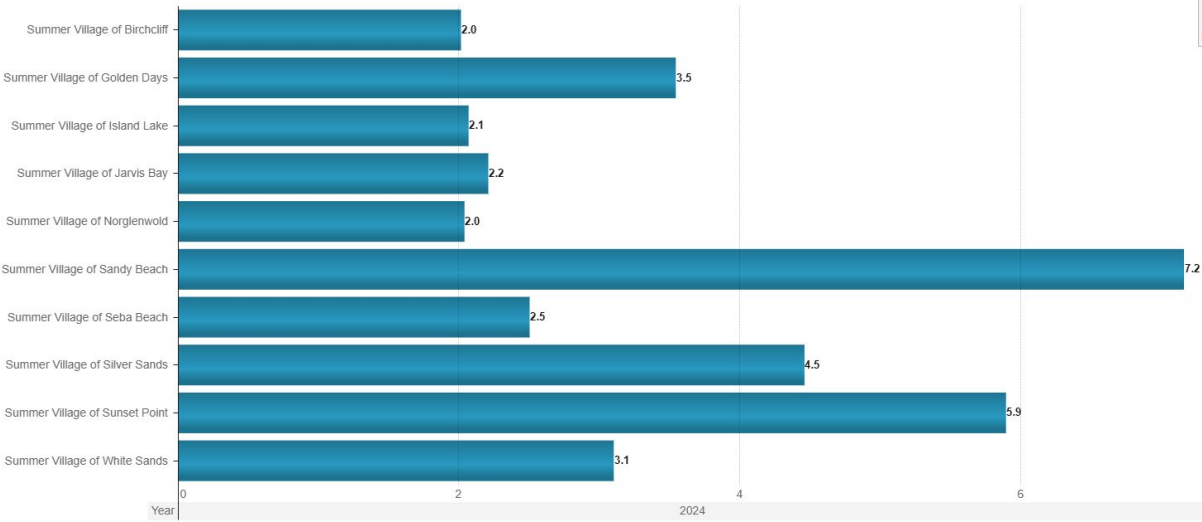
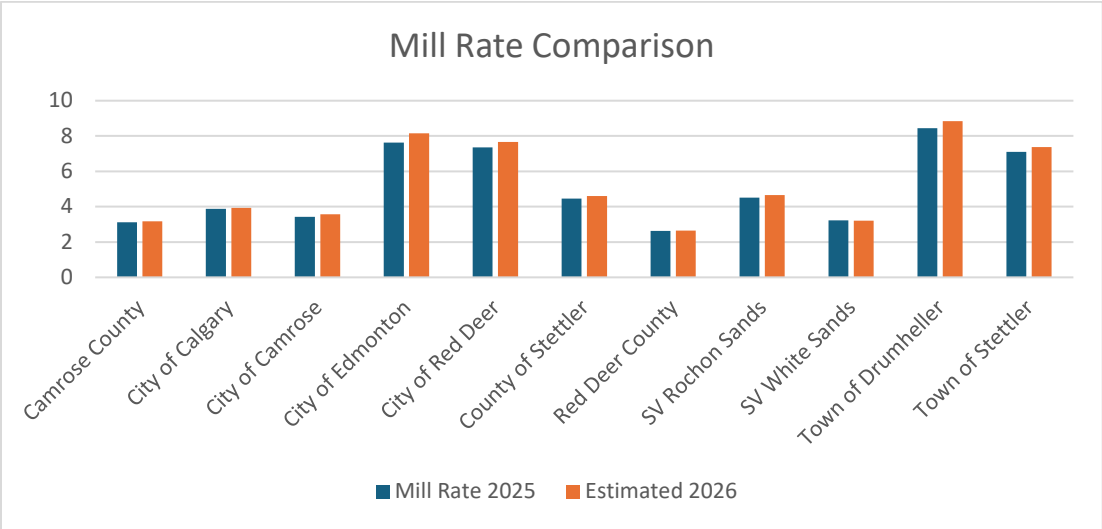
Assessment Growth Tax Rate Tables:

For the 2026 tax year, the Summer Village’s total property assessment increased by approximately 2%, rising from \$136,193,120 in 2025 to \$138,437,480 in 2026, an increase of about \$2.24 million.

Property assessments are updated each year to reflect changes in property values and property information. The chart shows that the municipality’s overall assessment base has gradually increased over time, which helps support the municipal tax base.

An increase in property assessment does not automatically increase municipal revenue, as Council sets the tax rate each year based on the funding required to operate the municipality.





				* Revised 2026 Budget with 2% COLA & 2% Mill Rate Increase
REVENUES	2025 Budget	2025 Actuals	2026 Budget	
<i>Administration</i>	(\$22,340.00)	(\$25,284.16)	(\$25,030.00)	(\$25,030.00)
<i>Protective Services</i>	(\$825.00)	(\$16,382.20)	(\$824.00)	(\$824.00)
<i>Common Services</i>	(\$2,000.00)	(\$4,560.00)	(\$4,500.00)	(\$4,500.00)
<i>Planning & Development</i>	(\$29,700.00)	(\$31,638.41)	(\$29,790.00)	(\$29,790.00)
<i>Parks & Recreation</i>	(\$7,560.00)	(\$3,637.67)	(\$4,380.00)	\$0.00
<i>Excess Collection of Req</i>	\$0.00	(\$0.48)	\$0.00	\$0.00
<i>Taxes (incl prov req & mun tax)</i>	(\$948,841.04)	(\$948,837.56)	(\$1,022,062.85)	(\$1,022,062.85)
<i>Other</i>	(\$23,600.00)	(\$16,052.85)	(\$15,800.00)	(\$15,800.00)
TOTAL REVENUES	(\$1,034,866.04)	(\$1,046,393.33)	(\$1,102,386.85)	(\$1,098,006.85)
EXPENSES				
<i>Council & Legislative</i>	\$18,040.00	\$26,983.49	\$31,605.00	\$31,605.00
<i>Administrative Services</i>	\$206,136.08	\$207,023.64	\$212,151.00	\$212,351.00
<i>Common Office</i>	\$10,245.00	\$11,867.50	\$11,870.00	\$11,870.00
<i>Assessor</i>	\$14,440.00	\$14,559.05	\$14,333.05	\$14,337.00
<i>Municipal Election</i>	\$5,000.00	\$1,922.33	\$2,000.00	\$2,000.00
<i>Municipal Protective Service</i>	\$89,466.00	\$103,875.93	\$88,843.00	\$90,843.00
<i>Transportation</i>	\$157,130.00	\$143,167.59	\$151,035.00	\$151,245.00
<i>Water Supply</i>	\$5,991.91	\$3,581.56	\$3,600.00	\$3,600.00
<i>Landfill & Recycling</i>	\$25,412.00	\$26,829.91	\$28,050.00	\$27,750.00
<i>Subdivision & Development</i>	\$21,484.00	\$16,069.64	\$20,240.00	\$20,240.00
<i>Parks & Recreation</i>	\$51,866.07	\$32,471.47	\$44,035.00	\$45,125.00
<i>Culture</i>	\$26,395.00	\$13,875.73	\$27,619.00	\$27,219.00
<i>Contingency</i>	\$0.00	\$0.00	\$0.00	\$0.00
<i>Non-Municipal Requisition</i>	\$403,187.00	\$403,186.95	\$467,005.17	\$467,005.17
TOTAL EXPENSES	\$1,034,793.06	\$1,004,183.43	\$1,102,386.22	\$1,105,190.17
(Surplus)/Deficit	(\$72.97)	(\$42,209.90)	(\$0.63)	\$7,183.32
General Reserve	\$515,832.97	\$558,042.87	\$558,043.50	\$550,860.18
Public Lands Reserve	\$150,750.00	\$150,750.00	\$150,750.00	\$150,750.00

***Based on Regular Council Meeting of March 16, 2026 council discussion of the following: Removal of Student grant in Parks and Rec Revenue, ADM Policy 1.11 Funding Allocation, Fire Fighting Expense if on MR, Increase expenses for parks and rec on Jack's Pond, Canada Day and revise culture expenses.**

2026 Capital Budget Overview

The 2026 Capital Budget focuses on advancing priority infrastructure projects while aligning expenditures with available grant funding, as identified through Council’s Strategic Plan and prior resolutions

Grant Funding Overview

The municipality will receive capital funding in 2026 through the Local Government Fiscal Framework (LGFF) and the Canada Community Building Fund (CCBF). The following balances are carried forward into 2026:

Confirmed grant balances available entering 2026		
MSI carry forward	\$140,892	Remaining MSI (program discontinued; must be used)
CCBF carry forward	\$91,322	Unused funds carried forward
LGFF available balance	\$88,925	Available prior to new allocations
LGFF Pre-2026 Committed	\$63,000	Committed previously approved projects

The following projects were completed or funded in 2025:

Municipal Office Final Completion	MSI	\$56,767
Mini Truck Vehicle	LGFF	\$12,500
Dust Control	MSI	\$16,833
Truck Sander	LGFF	\$10,612
Shoreline Management Plan (Ongoing into 2026)	LGFF	\$18,830

The municipality has used prior MSI funding on completed projects, including the Municipal Office, Front Street Road widening, and a Kubota commercial mower.

MSI and LGFF Requirements

The MSI program ended in 2023 and was replaced by LGFF. The municipality has used prior MSI funding on completed projects. Remaining MSI funds (\$140,892) must be spent on eligible 2026 projects before accessing LGFF funding. LGFF also requires a minimum annual allocation of 10% to remain compliant.

2026 Grant Funding Summary

Grant Program	Total Approved (\$)	Pre-2026 Commitments (\$)	Available 2026 (\$)	2026 New Allocation (\$)
MSI	\$140,892	-	\$140,892	-
CCBF	\$91,322	-	\$91,322	\$15,468
LGFF	\$151,925	*\$63,000	\$88,925	\$82,650

5-Year Capital Plan Summary (2026–2030)

The 2026 capital program (\$461,838) prioritizes grant-aligned infrastructure projects, including the boat launch, water debenture, and shoreline management, while ensuring remaining MSI funding is utilized and maintaining eligibility for LGFF funding.

Future years focus on drainage, parks, and infrastructure, with flexibility based on grant availability and Council priorities.

Lower priority projects in 2026, such as shop upgrades, hall improvements, and signage, are primarily proposed to be funded from reserves and may proceed based on Council direction and financial capacity.

From **2027 to 2030**, the plan shifts toward staged investments in:

- Stormwater and drainage infrastructure (ponds, outlets, and flood mitigation)
- Parks, trails, and community amenities
- Equipment and operational needs
- Ongoing dust control as an annual program

Many of the future-year projects are dependent on external grant funding (e.g., LGFF, CCBF, GMF, DFPP) and are intended to remain flexible, allowing Council to adjust priorities based on funding availability, emerging needs, and strategic direction.

Overall, the plan balances immediate funding requirements, regulatory compliance, and long-term infrastructure planning, while maintaining flexibility for Council decision-making.

Council Summary - 5-Year Capital Plan Overview

This sheet provides a high-level annual summary of the 5-year capital plan for review and approval based on Council's discussions.

Year	Total Capital (\$)	From Reserves (\$)	From Grants (\$)	From Taxation (\$)	From Debenture / Other (\$)	Notes
2026	\$491,838	\$175,000	\$316,838	\$0	\$0	Confirmed capital grant availability is \$321,139
2027	\$183,200	\$38,200	\$145,000	\$0	\$0	LGFF & CCBF Grant amount \$101,483 expected
2028	\$230,000	\$0	\$230,000	\$0	\$0	Seeking an application process for GMF & DFPP
2029	\$345,000	\$0	\$345,000	\$0	\$0	Seeking an application process for GMF & DFPP
2030	\$395,000	\$0	\$395,000	\$0	\$0	Seeking an application process for GMF & DFPP

Project	Category	Priority	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Grant Notes & Allocations
Boat Launch Engineering Review Plan Reconstruction (Phase 1)	Infrastructure	High	\$16,838		-	-	-	Through resolution 26:01:07, will be applying to MSI/LGFF
Boat Launch Reconstruction Phase 2	Infrastructure	High	\$200,000	-	-	-	-	Divided among MSI and CCBF.
Water Debenture Phase 6/7	Infrastructure	High	\$13,000	-	-	-	-	Approved to use under MSI
Shoreline Management Plan	Environmental	High	\$21,000	-	-	-	-	Approved to use under LGFF
Old Shop Conversion to Public Use	Infrastructure	Low	\$50,000	-	-	-	-	Proposed to spend from reserves
New Shop 3 bay Completion & Gravel Storage	Public Works	Low	\$100,000	-	-	-	-	Proposed to spend from reserves
Coming Event Signage	Culture	Low	\$6,000	-	-	-	-	Will apply to CCBF
Community Hall Extension	Culture	Low	\$25,000	-	-	-	-	Proposed to spend from reserves
Jacks Pond Picnic Cook shack	Parks & Rec	Low		\$30,000	-	-	-	Proposed to spend from reserves
Boat Outboard Motor	Public Works	Low	-	\$8,200	-	-	-	Proposed to spend from reserves
Parks & Trail Plan	Parks & Rec	Low		\$10,000				Will apply to LGFF
Storm Water Outlet 1B (Earls Way)	Infrastructure	Low	-		\$60,000	-	-	Will apply to GMF
Storm Water Outlet 1A (Front St / Lakeside Court)	Infrastructure	Low	-	-	\$140,000	-	-	Will apply to DFPP
Pond 4 Inlet (3rd Street)	Infrastructure	Low	-	\$105,000	-	-	-	Will apply to GMF
Pond 2 Outlet (Front Street / Earls Way)	Infrastructure	Low	-	-	-	\$315,000	-	Will apply to DFPP
Pond 3 Storm Pond (Municipal Reserve 3rd/4th Street)	Infrastructure	Low	-	-	-	-	\$365,000	Will apply to DFPP
Dust Control	Transportation	Med	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	Will apply to LGFF
TOTAL 5-YEAR PLAN			\$461,838	\$183,200	\$230,000	\$345,000	\$395,000	

*CCBF grants must be use for when projects are in construction phases, not for planning

Council Additional Information Requested March 16, 2026:

2026 Staffing Budget

The staffing budget reflects Council-approved compensation, operational requirements, and current service levels. Detailed cost components are provided in the table below:

Position	Base Payroll Cost (Wages + CPP + EI)	Council-Approved Compensation (COLA / Salary Setting)	Operational Provision (OT / Call-Out / Seasonal)	Policy-Based Performance Allocation (CAO)	Total 2026 Budget	Grant Revenue (If Approved)	Net Municipal Cost
Administration 1 (CAO)	\$96,218.75	\$1,800.00	\$0.00	— (Council Authority Only)	\$97,000.00	—	\$98,018.75
Administration 2 (28 hrs/week)	\$42,072.02	\$845.60	\$1,200.00	\$2,032.38	\$46,150.00	—	\$46,150.00
Parks/Trans/Rec/Culture/ Waste (37.5 hrs/week)*	\$63,107.47	\$1,266.31	\$2,906.00	\$2,076.22	\$68,450.00	—	\$68,450.00
Students (2 seasonal)	\$18,498.12	—	\$3,101.88	\$0.00	\$21,600.00	-\$7,031.25	\$14,568.75

Tax Rate Scenarios – 2026 Operating Budget

To address 2026 operating funding requirements, Administration has modeled municipal tax rate increases ranging from **2% to 8%**. These scenarios illustrate the direct relationship between mill rate adjustments and total municipal tax revenue.

- **2025 Baseline (No Increase):**
Total municipal tax revenue: **\$511,934.56**
- **2% Increase:**
+\$7,186 → **\$519,120.89**
- **3% Increase:**
+\$10,842 → **\$522,776.98**
- **4% Increase:**
+\$14,498 → **\$526,433.09**
- **7% Increase:**
+\$25,517 → **\$537,451.75**
- **8% Increase:**
+\$29,137 → **\$541,071.80**

Summary for Council Consideration:

Each 1% increase generates approximately \$3,600–\$3,700 in additional revenue.

Closing Context for Budget Deliberation

As required under the Municipal Government Act, Council must adopt a balanced operating budget for 2026.

The decision is to determine the appropriate balance between taxation and reserve use while maintaining service levels.



Request For Decision (RFD)

Meeting Date: April 17, 2026

Presented By: Melissa Beebe, Administration

Item: 2

Title: CNL 2.2 Reserves & Surplus Allocation Policy

Purpose:

To present a Reserves & Surplus Allocation Policy for Council's consideration to provide clear direction on reserve management and annual surplus allocation.

Background

The Summer Village of White Sands maintains reserve funds to support operations, asset replacement, and long-term capital planning. Historically, reserve allocations and surplus distribution have been addressed on a case-by-case basis.

Administration has developed a simplified policy to:

- Establish a consistent reserve structure
 - Maintain a minimum General Operating Reserve balance
 - Provide a clear and repeatable method for allocating annual surplus
 - Support long-term financial planning while maintaining flexibility
-

Analysis

The proposed policy introduces:

- A defined reserve structure aligned with municipal priorities
- A minimum General Operating Reserve of \$200,000 to support cashflow and emergencies
- A standardized surplus allocation model (25% General / 75% distributed across reserves)
- Flexibility for Council to adjust allocations by resolution

The policy is designed to be:

- Simple and practical for a small municipality
 - Easy for Administration to implement annually
 - Consistent with best practices for financial management
-

Financial Implications

No immediate financial impact.

The policy provides a structured approach to managing existing and future reserve funds.

Options

Option 1 – Approve the Policy (Recommended)

Adopt the Reserves & Surplus Allocation Policy as presented.

Option 2 – Approve with Amendments

Adopt the policy with revisions as directed by Council.

Option 3 – Do Not Approve

Continue with current practice of allocating reserves and surplus on a case-by-case basis.

Administrative Recommendation

That Council adopt the Reserves & Surplus Allocation Policy as presented.

Attachments

- CNL 2.2 Reserves & Surplus Allocation Policy

- 6. Annual Review:** Reserves shall be reviewed annually as part of the budget process and Council may adjust reserve allocations based on:
- Infrastructure and asset needs
 - Equipment replacement requirements
 - Facility lifecycle planning
 - Grant opportunities
 - Overall financial position
- 7. Year-End Surplus Allocation:** At the completion of each fiscal year, the following process shall be applied:
- 7.1 Determination of Surplus**
Administration shall calculate the annual operating surplus.
- 7.2 General Reserve Requirement**
Funds shall first be allocated to ensure the General Operating Reserve maintains a minimum balance of \$200,000.
- 7.3 Allocation of Remaining Surplus**
Any remaining surplus shall be allocated as follows:
- 25% → General Operating Reserve
 - 75% → Other Reserves, distributed as:
- | Reserve | Allocation (%) |
|------------------------|---------------------------------------|
| Infrastructure & Roads | 40% |
| Equipment | 15% |
| Buildings & Facilities | 15% |
| Parks & Open Spaces | 15% |
| Grant Readiness | 15% <i>(or reallocated as needed)</i> |
- 8. Flexibility** Council may, by resolution, adjust reserve allocations or surplus distributions in any given year to reflect current priorities, projects, or funding opportunities.
- 9. Administrative Application:** This policy is intended to guide internal financial planning and reserve management. Reserve allocations and surplus distributions do not limit Council’s authority to allocate funds by resolution.
- 10. Reserve Accounting:** Reserves established under this policy are accounting allocations only and do not require separate bank accounts. All reserve funds are held within the municipality’s general bank account and tracked through financial records.
- 11. Effective Date:** This policy comes into effect upon adoption by Council and shall be reviewed periodically as required.