



REQUEST FOR DECISION

Department: Legislative Services

Submitted by: Bonnie Stearns

SUBJECT: Approval of the March 23rd, 2026 Regular Council Meeting Minutes

RECOMMENDATION:

That Council approves the Mar. 23rd, 2026 Regular Council Meeting minutes as presented.

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Municipal Government Act Revised Statutes of Alberta, 2000, Chapter M-26, Division 9, Part 6, Section 208 Performance of major administrative duties. 'The chief administrative officer must ensure that the minutes of each council meeting are given to council for adoption at a subsequent council meeting.'

STRATEGIC RELEVANCE:

Following MGA requirements

DESIRED OUTCOME(S):

That the Mar. 23rd, 2026, minutes accurately reflect Council's decision and direction at its Regular Meeting.

RESPONSE OPTIONS:

The minutes presented are the unapproved record of the Mar. 23rd, 2026 Regular Council Meeting and are presented for adoption, or adoption as amended, by Council.

Minutes were emailed out to Council on Mar. 31 with no changes made at the time of this report.

PREFERRED STRATEGY:

That Council adopts the Mar. 23rd, 2026 Regular Council Meeting minutes.

IMPLICATIONS OF RECOMMENDATION:

Permanent management and storage of Minutes.

GENERAL:

Historical; permanent record for future review.

ORGANIZATIONAL:

Legislative department ensures the documents are properly handled.

FOLLOW UP ACTION:

The Minutes will be printed, signed by the Mayor and CAO, and placed in a secure location for long term storage.

CAO reviews minutes with management team to determine action items and identify follow up tasks.

Review at regular Manager's Meetings to ensure tasks are being completed.

COMMUNICATION:

The approved minutes will be posted onto the town's website for public viewing.

OTHER COMMENTS:

Minutes for the past several years are available for public viewing on the website.

Presented at the Apr. 13, 2026 Regular Council Meeting for the Town of Penhold



CAO

Town of Penhold



REGULAR MEETING MINUTES

Town Council Chambers
March 23rd, 2026

Mayor:

Mike Yargeau

Councillors:

Teresa Cunningham
Ken Denson
Cameron Galisky

Tyrone Muller
Kathy Sitter

Absent:

Councillor Shaun Kranenborg

Staff:

Rick Binnendyk, CAO
Bonnie Stearns, Executive
Assistant

Guests:

Lori & Chris Wolfe
Ann Bilyk

Mayor Yargeau called the meeting to order at 6:00p.m.

1. CALL TO ORDER - Mayor

1.1 Addition to the Agenda

1.2 Adoption of the Agenda

2026-086

Councillor Sitter moved to adopt the agenda as presented.

CARRIED UNANIMOUSLY

2. ADOPTION OF PREVIOUS MINUTES

2.1 Adoption of the Mar. 9th, 2026, Regular Council Meeting Minutes

2026-087

Councillor Muller moved to approve the Mar. 9th, 2026, Regular Council meeting minutes as provided.

CARRIED UNANIMOUSLY

3. BUSINESS ARISING OUT OF THE MINUTES

2026-088

Councillor Cunningham moved that Council accept the listed Business Arising out of the Minutes as information.

CARRIED UNANIMOUSLY

4. PUBLIC HEARING

5. PRESENTATIONS & DELEGATIONS

6. REPORTS

6.1. Financial

6.1. a. Monthly Accounts for Online Payments and Payments from Mar. 4 - 18, 2026

2026-089

Councillor Denson moved that Council receives the Monthly Accounts for Online Payments from Mar. 4 - 18, 2026, as presented.

CARRIED UNANIMOUSLY

6.1. b. Monthly Bank Reconciliation Statement for the month ending Jan. 31, 2026

2026-090

Councillor Galisky moved that Council receives the Monthly Bank Reconciliation Statement for the month ending Jan. 31, 2026, as presented.

CARRIED UNANIMOUSLY

6.1. c. Investment Statement for the month ending Feb. 28, 2026

2026-091

Councillor Denson moved that Council receives the Investment Statement for the month ending Feb. 28, 2026, as presented.

CARRIED UNANIMOUSLY

6.1.d. Year End Journal Transfers

2026-092

Councillor Cunningham moved that Council permits staff to move 2025 unspent funds into the 2026 budget process to complete the following projects:

- a. Signage from the Parks department and the RV Park minus funds already spent on design, being a total of \$ 21,200 to parks reserves (1-4-72-76000).
- b. Skid Steer exchange program funds of \$6,700 to equipment reserves (1-4-32-76000).
- c. Road construction for dog park access for \$50,000 to parks reserves (1-4-72-76000).

AND FURTHER that any surplus funds from 2025 budgets be moved into a designated reserve account (transportation reserves) (1-4-32-76000) for future project focus.

CARRIED UNANIMOUSLY

- 6.2 CAO Report – Rick Binnendyk**
- Distributed in Council Package

2026-093

Councillor Muller moved to accept the CAO's monthly report as information.
CARRIED UNANIMOUSLY

- 6.3 Community Services – Jennifer Blaylock**
- Distributed in Council Package

2026-094

Councillor Cunningham moved to accept the Community Services' monthly report as information.
CARRIED UNANIMOUSLY

- 6.4 Fire & Protective Services – Sean Pendergast**

2026-095

Councillor Denson moved to accept the Fire & Protective Services Manager's monthly report as information.
CARRIED UNANIMOUSLY

7. NEW BUSINESS

- 7.1 Grand Slam Bull Jam Sponsorship**

2026-096

Councillor Galisky moved that Council support the Grand Slam Bull Jam by approving a financial contribution of up to \$5,000;
AND FURTHER that Council direct Administration to offer in-kind staff support valued at up to \$4,100, in alignment with available resources and operational capacity.
CARRIED UNANIMOUSLY

- 7.2 Power Line Waskasoo Avenue – Fortis**

2026-097

Councillor Muller moved that Council approve Administration entering into an agreement with Fortis Alberta to relocate the existing overhead power lines running north from Highway 42 to the new Operations Building, in order to meet the Town's requirement that new power installations be provided as underground services.
CARRIED UNANIMOUSLY

7.3 Innisfail RCMP – proposed Priorities and Initiatives for the Next Fiscal Year

2026-098

Councillor Sitter moved that Council support the Innisfail RCMPs identified priorities and initiatives for the upcoming fiscal year, as outlined in the correspondence dated Feb. 26, 2026, and reviewed during the Council workshop;

AND FURTHER that RCMP hosts a program like DARE for Penhold.

CARRIED UNANIMOUSLY

8. OUTSTANDING BUSINESS

8.1 Revised Resolution: Enhancing CPA Reporting Requirements on Municipal Financial Statement Irregularities

2026-099

Councillor Cunningham moved that Council approve the revised draft resolution titled “Enhancing CPA Reporting Requirements on Municipal Financial Statement Irregularities”;

AND FURTHER that Council direct Administration to submit it for consideration at the next Alberta Municipalities resolution session.

CARRIED UNANIMOUSLY

9. REPORTS from COUNCIL BOARDS AND COMMITTEES (formal reports)

10. BYLAW(s)

10.1 Borrowing Bylaw 844/2026 – 1st, 2nd, and possibly 3rd Reading

2026-100

Councillor Galisky moved that Council move to give first reading of Bylaw 844/2026 being the Operating Borrowing Bylaw.

CARRIED UNANIMOUSLY

2026-101

Councillor Sitter moved that Council move to give second reading of Bylaw 844/2026 being the Operating Borrowing Bylaw.

CARRIED UNANIMOUSLY

2026-102

Councillor Muller moved that Council moves to proceed with the third reading of Bylaw 844/2026 being the Operating Borrowing Bylaw.

CARRIED UNANIMOUSLY

2026-103

Councillor Denson moved that Council moves to give third and final reading of Bylaw 844/2026 being the Operating Borrowing Bylaw.

CARRIED UNANIMOUSLY

11. CORRESPONDENCE and INFORMATION

11.1 General Correspondence

2026-104

Councillor Cunningham moved that Council receives the correspondence for information as presented.

CARRIED UNANIMOUSLY

12. COUNCIL ROUND TABLE – Information no action

Mayor and Councillors reported meetings they attended on behalf of the Town of Penhold.

2026-105

Councillor Galisky moved that Council accepts the verbal reports as information.

CARRIED UNANIMOUSLY

2026-106

Councillor Cunningham moved that Council directs Administration to draft a resolution where 2/3 majority of Alberta Municipalities members are required in support before a resolution is endorsed.

CARRIED UNANIMOUSLY

2026-107

Councillor Cunningham moved that Council request Administration to review its PCPS contract status to see if there are any savings on the contract as it will cost approx. \$9,100.

CARRIED UNANIMOUSLY

13. QUESTIONS from the GALLERY - NO ACTION IDENTIFIED

Q&A

14. CLOSED SESSION - NONE

15. ADJOURNMENT

2026-108

Councillor Muller moved to adjourn Council Meeting at 6:48pm.

CARRIED UNANIMOUSLY

MAYOR

CAO



REQUEST FOR DECISION

Department: Corporate Services

Submitted by: Rick Binnendyk

SUBJECT: Town of Penhold 2025 Audited Financial Statement

RECOMMENDATION:

That Council accepts the Town of Penhold 2025 Audited Financial Statement as presented; **AND FURTHER** that Pivotal LLP submit the final approved documents to Municipal Affairs.

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached X Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

The presentation provides assurance on the accuracy, completeness, and reliability of the Town's financial reporting, confirms compliance with legislative and accounting requirements, and highlights any significant findings or recommendations arising from the audit.

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Section 281(1) The auditor for the municipality must report to the council on the annual financial statements and financial information return of the municipality.

STRATEGIC RELEVANCE:

Enable Council to meet its statutory obligations, oversee the organization's financial performance, and maintain public confidence in the stewardship of public funds.

DESIRED OUTCOME(S):

Supports Council's strategic commitment to strong governance, financial accountability, and transparency

RESPONSE OPTIONS:

Council defers this item back to Administration for further information or research.

PREFERRED STRATEGY:

Good governance and financial accountability

IMPLICATIONS OF RECOMMENDATION:

Acceptance of the auditors' recommendations, if any, may result in improvements to financial controls, reporting processes, or governance practices. Management will review and address recommendations as appropriate to strengthen financial management, mitigate risk, and support continuous improvement.

GENERAL:

See package attached.

FOLLOW UP ACTION:

As per Council's direction.

FINANCIAL IMPLICATIONS:

There are no immediate financial implications associated with receiving the auditors' presentation.

COMMUNICATION:

OTHER COMMENTS:

Presented at the Apr. 13th, 2026 Regular Council Meeting for the Town of Penhold



CAO

DRAFT

February 24, 2026

MEMBERS OF COUNCIL
TOWN OF PENHOLD
PO BOX 10
PENHOLD, AB T0M 0R0

ATTENTION: MEMBERS OF COUNCIL

Dear Council Members:

RE: Executive Summary

The Town of Penhold remains in a strong and stable financial position at the end of 2025. The year reflects a planned shift toward investing in infrastructure to support the Town's growth and long-term needs.

Overall Financial Position

The Town continues to maintain a solid financial foundation, with total accumulated value of approximately \$53.0 million, largely invested in buildings, roads, and other infrastructure.

During the year, cash balances decreased from \$6.4 million to \$2.5 million. This was expected, as funds were used to support major capital projects. While this reduced short-term cash, it reflects reinvestment into long-term assets that will benefit the community for years to come.

Operations

The Town generated approximately \$10.2 million in revenue, consistent with the prior year. Expenses were higher in 2025, resulting in a modest deficit of \$163,000.

Overall expenses increased during the year. The Town conducts a comprehensive review of its compensation structure every four years to ensure wages remain competitive, and 2025 was the year of this review. As a result, wages increased by approximately 4% on average.

In addition, labour costs were higher due to increased activity related to capital projects. Excluding amortization, total expenses increased by approximately 5%, which is considered reasonable given these factors.

Capital Investment and Infrastructure

A key highlight of 2025 is the Town's investment of approximately \$6.6 million into capital projects, significantly higher than the prior year.

The most significant project during the year was the construction of the Public Services Building and Shop, which represents an important investment in the Town's operational capacity and ability to deliver services efficiently.

As a result of this continued investment, the Town's infrastructure remains in good condition. On average, the Town's assets are relatively new (approximately 12 years old), and approximately 64% of the Town's asset value remains unamortized.

This indicates that a significant portion of the Town's infrastructure is still within its expected service life and supports the Town's long-term sustainability.

Reserves and Flexibility

The Town continues to maintain reserves and financial flexibility to respond to future needs. While some reserves were used to support capital spending, the Town still retains both designated and unrestricted funds.

In addition, the Town has access to a \$5.1 million line of credit, which was not used during the year, providing further financial flexibility if needed.

Debt Position

The Town's debt remains low and manageable. Total debt decreased during the year and remains well below provincial limits.

The Town is currently using only a small portion of its allowable borrowing capacity, indicating strong capacity to take on additional debt if required for future projects.

Fraud and Compliance

As part of our audit, we considered the risk of fraud and performed procedures designed to identify material misstatements in the financial statements. Based on our work, we did not identify any instances of fraud or illegal activity, and no material misstatements arising from fraud were noted.

Risk Considerations

Our audit was conducted using a risk-based approach, focusing on areas where there is a higher likelihood of material misstatement. These areas typically include significant estimates, capital activity, and revenue recognition.

No significant weaknesses in internal controls were identified during the audit. We continue to work with management to ensure processes remain appropriate and support accurate financial reporting.

DRAFT

Overall Assessment

Overall, the Town of Penhold is in a healthy financial position. The decrease in cash and small operating deficit reflect a year of significant investment rather than financial strain.

Compared to similar municipalities, the Town benefits from:

- Low debt levels
- A relatively modern infrastructure base
- Continued investment in key assets such as the Public Services facility

These factors support the Town's ability to provide services, manage future costs, and plan for long-term sustainability.

Yours truly,

Pivotal LLP

Chartered Professional Accountants

DRAFT

TOWN OF PENHOLD
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

DRAFT

Management's Responsibility for Financial Reporting

Management of the Town of Penhold is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained in this Financial Report. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS) and applicable legislation, and management believes they present fairly, in all material respects, the Town's financial position as at December 31, 2025 and the results of its operations for the year then ended.

The consolidated financial statements include amounts based on estimates and judgments. These estimates are based on management's best information and have been determined on a reasonable basis.

Management is responsible for establishing and maintaining systems of internal control designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded, and reliable financial information is available on a timely basis for the preparation of the consolidated financial statements.

Council is composed entirely of individuals who are neither management nor employees of the Town. Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the consolidated financial statements. Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. Council is also responsible for the appointment of the Town's external auditors.

The external auditors have full access to Council, with and without the presence of management. The consolidated financial statements have been approved by Council.

The consolidated financial statements have been audited by Pivotal LLP, Chartered Professional Accountants, independent external auditors appointed by the Town. Their report outlines the scope of their examination and their opinion on the consolidated financial statements.

Chief Administrative Officer

April 13, 2026

**TOWN OF PENHOLD
TABLE OF CONTENTS
DECEMBER 31, 2025**

	<u>Page</u>
Independent Auditor's Report	2 - 3
Consolidated Financial Statements	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Schedule 1 - Schedule of Changes in Accumulated Surplus	8
Schedule 2 - Schedule of Tangible Capital Assets	9
Schedule 3 - Schedule of Property and Other Taxes	10
Schedule 4 - Schedule of Government Transfers	11
Schedule 5 - Schedule of Consolidated Expenses by Object	12
Schedule 6 - Schedule of Segmented Disclosure	13
Notes to Consolidated Financial Statements	14 - 25

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council of:
Town of Penhold

Opinion

We have audited the consolidated financial statements of the Town of Penhold (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended, notes to the consolidated financial statements, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Penhold as at December 31, 2025, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

TOWN OF PENHOLD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 2,463,973	\$ 6,426,479
Accounts receivable:		
Taxes receivable (Note 3)	230,081	203,692
Trade and other receivables (Note 4)	<u>945,829</u>	<u>1,473,710</u>
	<u>3,639,883</u>	<u>8,103,881</u>
LIABILITIES		
Accounts payable and accrued liabilities	829,676	795,489
Employee benefit obligation (Note 6).....	244,609	203,686
Deferred revenue (Note 7).....	792,387	861,358
Long term debt (Note 8).....	<u>1,878,163</u>	<u>2,148,905</u>
	<u>3,744,835</u>	<u>4,009,438</u>
NET FINANCIAL ASSETS (DEBT)	<u>(104,952)</u>	<u>4,094,443</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	53,120,711	49,072,535
Prepaid expenses	<u>19,241</u>	<u>31,350</u>
	<u>53,139,952</u>	<u>49,103,885</u>
ACCUMULATED SURPLUS (Schedule 1, Note 11).....	<u>\$ 53,035,000</u>	<u>\$ 53,198,328</u>

CONTINGENCIES (Note 14)

On Behalf of the Council:

_____ Deputy Mayor

_____ Town Chief Administrative Officer

See accompanying notes to consolidated financial statements

TOWN OF PENHOLD
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2025

	Budget (Unaudited) (Note 17)	2025	2024
REVENUE			
Net municipal taxes (Schedule 3).....	\$ 4,249,399	\$ 4,242,675	\$ 4,015,107
User fees and sales of goods	4,195,653	4,195,479	4,136,420
Government transfers for operating (Schedule 4)	808,228	727,730	1,029,425
Investment income	200,000	363,107	342,834
Penalties and costs of taxes	60,000	49,815	55,589
Penalties and fines	105,000	46,652	75,194
Franchise fees	600,000	611,871	612,560
	<u>10,218,280</u>	<u>10,237,329</u>	<u>10,267,129</u>
EXPENSES			
Legislative	539,597	549,193	496,009
Administration	869,548	771,934	748,837
Family and community services	815,790	913,920	827,104
Fire department and bylaw enforcement	778,730	782,344	823,317
Land use planning, zoning and development	268,856	208,784	199,018
Parks and recreation	2,594,755	2,691,121	2,519,784
Roads, streets, walks, lighting	869,644	906,763	893,148
Waste management	328,969	230,263	250,505
Wastewater treatment and disposal	1,625,343	1,319,525	1,292,958
Water supply and distribution	524,105	473,473	405,242
Amortization of tangible assets	-	2,573,424	2,442,437
	<u>9,215,337</u>	<u>11,420,744</u>	<u>10,898,359</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE CAPITAL REVENUE ...	1,002,943	(1,183,415)	(631,230)
CAPITAL REVENUE			
Government transfers for tangible capital assets (Schedule 4)	998,405	1,020,087	1,254,669
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 2,001,348</u>	<u>(163,328)</u>	<u>623,439</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>53,198,328</u>	<u>52,574,889</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 53,035,000</u>	<u>\$ 53,198,328</u>

See accompanying notes to consolidated financial statements

TOWN OF PENHOLD
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31, 2025

	Budget (Unaudited) (Note 17)	2025	2024
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 2,001,348	\$ (163,328)	\$ 623,439
Acquisition of tangible capital assets	(10,613,899)	(6,621,600)	(2,547,099)
Proceeds on sale of tangible capital assets	-	-	60,000
Gain on disposal of tangible capital assets	-	-	(34,642)
Amortization of tangible capital assets	-	2,573,424	2,442,437
	(10,613,899)	(4,048,176)	(79,304)
Acquisition of prepaid expenses	-	12,109	(9,693)
	(10,613,899)	(4,036,067)	(88,997)
Increase (decrease) in net financial assets	(8,612,551)	(4,199,395)	534,442
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>3,560,001</u>	<u>4,094,443</u>	<u>3,560,001</u>
NET FINANCIAL ASSETS (DEBT), END OF YEAR	<u>\$ (5,052,550)</u>	<u>\$ (104,952)</u>	<u>\$ 4,094,443</u>

TOWN OF PENHOLD
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

	2025	2024
NET INFLOW (OUTFLOW) OF CASH AND CASH EQUIVALENTS RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Surplus (deficit) from operations	\$ (163,328)	\$ 623,439
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	2,573,424	2,442,437
Gain on disposal of tangible capital assets	<u>-</u>	<u>(34,642)</u>
	2,410,096	3,031,234
Non-cash charges to operations (net change):		
Taxes and grants in place of taxes receivable	(26,389)	45,641
Trade and other receivables	527,881	(377,327)
Accounts payable and accrued liabilities	34,187	(308,549)
Employee benefit obligation	40,923	11,669
Deferred revenue	(68,971)	(403,327)
Increase in prepaid expenses	<u>12,109</u>	<u>(9,693)</u>
Cash provided by operating transactions	<u>2,929,836</u>	<u>1,989,648</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(6,621,600)	(2,547,099)
Proceeds on sale of tangible capital assets	<u>-</u>	<u>60,000</u>
Cash applied to capital transactions	<u>(6,621,600)</u>	<u>(2,487,099)</u>
FINANCING ACTIVITIES		
Repayment of long term debt	<u>(270,742)</u>	<u>(263,242)</u>
Cash applied to financing transactions	<u>(270,742)</u>	<u>(263,242)</u>
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(3,962,506)	(760,693)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>6,426,479</u>	<u>7,187,172</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,463,973</u>	<u>\$ 6,426,479</u>

See accompanying notes to consolidated financial statements



TOWN OF PENHOLD

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
YEAR ENDED DECEMBER 31, 2025**

	Unrestricted Surplus	Designated Surplus	Equity in Tangible Capital Assets	2025	2024
BALANCE, BEGINNING OF YEAR	\$ 498,724	\$ 5,775,974	\$ 46,923,630	\$ 53,198,328	\$ 52,574,889
Surplus (deficit) from operations	(163,328)	-	-	(163,328)	623,439
Net unrestricted funds designated for future use	(910,739)	910,739	-	-	-
Restricted funds used for tangible capital assets	5,381,923	(5,381,923)	-	-	-
Acquisition of tangible capital assets	(6,621,600)	-	6,621,600	-	-
Amortization of tangible capital assets	2,573,424	-	(2,573,424)	-	-
Repayment of long term debt	(270,742)	-	270,742	-	-
Change in accumulated surplus	(11,062)	(4,471,184)	4,318,918	(163,328)	623,439
BALANCE, END OF YEAR	\$ 487,662	\$ 1,304,790	\$ 51,242,548	\$ 53,035,000	\$ 53,198,328

See accompanying notes to consolidated financial statements

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9.
Schedule 2

TOWN OF PENHOLD

**SCHEDULE OF TANGIBLE CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2025**

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2025	2024
COST								
Balance, beginning of year	\$ 2,525,141	\$ 8,571,402	\$ 18,799,565	\$ 37,837,897	\$ 5,234,470	\$ 3,591,647	\$ 76,560,122	\$ 74,102,524
Acquisition of tangible capital assets	-	224,263	5,406,840	387,114	420,549	182,834	6,621,600	2,547,099
Disposal of tangible capital assets	-	-	-	-	-	-	-	(89,500)
Balance, end of year	<u>2,525,141</u>	<u>8,795,665</u>	<u>24,206,405</u>	<u>38,225,011</u>	<u>5,655,019</u>	<u>3,774,481</u>	<u>83,181,722</u>	<u>76,560,123</u>
ACCUMULATED AMORTIZATION								
Balance, beginning of year	-	2,374,056	5,895,669	13,917,563	3,460,226	1,840,073	27,487,587	25,109,293
Amortization of tangible capital assets	-	365,170	485,192	981,883	401,540	339,639	2,573,424	2,442,437
Accumulated amortization on disposals	-	-	-	-	-	-	-	(64,142)
Balance, end of year	<u>-</u>	<u>2,739,226</u>	<u>6,380,861</u>	<u>14,899,446</u>	<u>3,861,766</u>	<u>2,179,712</u>	<u>30,061,011</u>	<u>27,487,588</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 2,525,141</u>	<u>\$ 6,056,439</u>	<u>\$ 17,825,544</u>	<u>\$ 23,325,565</u>	<u>\$ 1,793,253</u>	<u>\$ 1,594,769</u>	<u>\$ 53,120,711</u>	<u>\$ 49,072,535</u>
2024 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 2,525,141</u>	<u>\$ 6,197,346</u>	<u>\$ 12,903,896</u>	<u>\$ 23,920,334</u>	<u>\$ 1,774,244</u>	<u>\$ 1,751,574</u>	<u>\$ 49,072,535</u>	

See accompanying notes to consolidated financial statements



TOWN OF PENHOLD
SCHEDULE OF PROPERTY AND OTHER TAXES
YEAR ENDED DECEMBER 31, 2025

	Budget (Unaudited)	2025	2024
TAXATION			
Real property taxes	\$ 5,677,101	\$ 5,678,271	\$ 5,281,086
Linear property taxes	<u>93,693</u>	<u>97,105</u>	<u>94,432</u>
	<u>5,770,794</u>	<u>5,775,376</u>	<u>5,375,518</u>
REQUISITIONS			
Alberta School Foundation Fund	1,507,115	1,278,476	1,120,648
Police	-	239,945	226,963
Autumn Glen Seniors Lodge.....	<u>14,280</u>	<u>14,280</u>	<u>12,800</u>
	<u>1,521,395</u>	<u>1,532,701</u>	<u>1,360,411</u>
NET MUNICIPAL TAXES	<u>\$ 4,249,399</u>	<u>\$ 4,242,675</u>	<u>\$ 4,015,107</u>

TOWN OF PENHOLD
SCHEDULE OF GOVERNMENT TRANSFERS
YEAR ENDED DECEMBER 31, 2025

	Budget (Unaudited)	2025	2024
TRANSFERS FOR OPERATING			
Provincial government.....	242,062	242,062	839,276
Other local governments.....	<u>566,166</u>	<u>485,668</u>	<u>190,149</u>
	<u>808,228</u>	<u>727,730</u>	<u>1,029,425</u>
TRANSFERS FOR CAPITAL			
Federal government.....	307,220	338,679	-
Provincial government.....	<u>691,185</u>	<u>681,408</u>	<u>1,254,669</u>
	<u>998,405</u>	<u>1,020,087</u>	<u>1,254,669</u>
TOTAL GOVERNMENT TRANSFERS.....	\$ <u>1,806,633</u>	\$ <u>1,747,817</u>	\$ <u>2,284,094</u>

See accompanying notes to consolidated financial statements

TOWN OF PENHOLD
SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT
YEAR ENDED DECEMBER 31, 2025

CONSOLIDATED EXPENSES BY OBJECT	Budget (Unaudited)	2025	2024
Salaries, wages and benefits	\$ 4,405,234	\$ 4,472,254	\$ 3,944,885
Contracted and general services	2,471,593	2,237,127	2,592,608
Materials, goods and utilities	850,743	993,562	809,699
Purchases from other governments	227,315	853,260	839,550
Transfers to local boards and agencies	227,315	212,315	214,196
Bank charges and short-term interest	23,821	6,919	15,229
Interest on long-term debt	64,604	71,883	74,398
Other expenditures	944,712	-	-
Amortization of tangible capital assets	-	2,573,424	2,442,436
Gain on disposal of tangible capital assets	-	-	(34,642)
	\$ 9,215,337	\$ 11,420,744	\$ 10,898,359

See accompanying notes to consolidated financial statements



TOWN OF PENHOLD

**SCHEDULE OF SEGMENTED DISCLOSURE
YEAR ENDED DECEMBER 31, 2025**

	General Government	Protective Services	Transportation Services	Planning and Development	Recreation & Culture	Environmental Services	Public Health & Welfare	Total
REVENUE								
Net municipal taxes	\$ 4,242,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,242,675
Government transfers for operating	242,062	60,248	-	-	425,420	-	-	727,730
User fees and sales of goods	41,668	227,750	4,474	117,106	991,099	2,751,895	61,487	4,195,479
Investment income	363,107	-	-	-	-	-	-	363,107
Other revenues	661,686	46,652	-	-	-	-	-	708,338
	<u>5,551,198</u>	<u>334,650</u>	<u>4,474</u>	<u>117,106</u>	<u>1,416,519</u>	<u>2,751,895</u>	<u>61,487</u>	<u>10,237,329</u>
EXPENSES								
Salaries, wages and benefits	600,304	519,822	413,900	111,492	1,577,091	603,710	645,935	4,472,254
Contracted and general services	647,657	161,044	242,347	81,770	549,820	470,061	84,428	2,237,127
Materials, goods and utilities	66,214	101,478	250,516	15,523	269,564	144,314	145,953	993,562
Purchases from other governments	-	-	-	-	-	817,909	35,351	853,260
Transfers to local boards and agencies	-	-	-	-	212,315	-	-	212,315
Bank charges and short-term interest	6,919	-	-	-	-	-	-	6,919
Interest on long term debt	4,222	-	-	-	53,450	14,211	-	71,883
Gain on disposition of tangible capital assets	-	-	-	-	-	-	-	-
	<u>1,325,316</u>	<u>782,344</u>	<u>906,763</u>	<u>208,785</u>	<u>2,662,240</u>	<u>2,050,205</u>	<u>911,667</u>	<u>8,847,320</u>
ANNUAL SURPLUS (DEFICIT), BEFORE AMORTIZATION AND OTHER	<u>4,225,882</u>	<u>(447,694)</u>	<u>(902,289)</u>	<u>(91,679)</u>	<u>(1,245,721)</u>	<u>701,690</u>	<u>(850,180)</u>	<u>1,390,009</u>
Amortization on tangible capital assets	(32,399)	(245,666)	(1,036,728)	-	(922,740)	(332,943)	(2,948)	(2,573,424)
Government transfers for tangible capital assets	-	-	681,408	-	218,041	120,638	-	1,020,087
ANNUAL SURPLUS (DEFICIT)	<u>\$ 4,193,483</u>	<u>\$ (693,360)</u>	<u>\$ (1,257,609)</u>	<u>\$ (91,679)</u>	<u>\$ (1,950,420)</u>	<u>\$ 489,385</u>	<u>\$ (853,128)</u>	<u>\$ (163,328)</u>

See accompanying notes to consolidated financial statements

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Penhold (the "Town") are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS") established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in reserve balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the town and are, therefore, accountable to the town council for the administration of their financial affairs and resources.

Included with the municipality are the following:

- Penhold & District Public Library

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The consolidated financial statements exclude trust assets that are administered for the benefit for external parties. Interdepartmental and organizational transactions and balances are eliminated.

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. Revenues are accounted for in the period in which they are earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed.

Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian Public Sector Accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

For each reported segment, the revenues and expenses represent both amounts that are directly attributable to the segment and the amounts considered allocated on a reasonable basis.

Tax Revenue

The Town recognizes tax revenues when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

Government Transfers

Government transfers and the associated externally restricted investment income are recorded as deferred revenues if the terms for use of the transfer, or the terms along with the Town's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the Town complies with its communicated use of the transfer. Government transfers without terms for the use of the transfer are recorded as revenue when the Town is eligible to receive the funds.

Requisition Over-Levy and Under-Levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and the property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

External Contributions

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

**TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Developer contributions received from third parties are recognized as revenue when the related expenditures have been incurred. Developer and customer contribution revenue from external developers is deferred in the appropriate offsite deferred revenue account and recognized as revenue as the Town constructs the related offsite projects.

Financial Instruments

Financial assets measured at amortized cost consists of cash and cash equivalents and accounts receivable.

Financial liabilities reported at amortized cost include accounts payable and accrued liabilities and long term debt.

The Town does not hold financial instruments measured at fair value and therefore no remeasurement gains or losses have been recognized.

Financial assets are tested annually for impairment. Impairment losses are recorded in statement of operations. Any write-downs resulting from impairment are not reversed for subsequent increases in value.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets, together with the annual surplus or deficit, provides the consolidated change in net financial assets for the year.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Land improvements	- 10 to 25 years
Buildings	- 20 to 50 years
Engineered structures:	
Roadway system	- 30 years
Water distribution system	- 10 to 75 years
Wastewater treatment system	- 45 to 75 years
Other engineered structures	- 45 to 75 years
Machinery and equipment	- 5 to 40 years
Vehicles	- 10 to 20 years

Assets under construction are not amortized until the assets are available for productive use.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Cultural and Historical Tangible Assets

Works of art for display are not recorded as tangible capital assets but are disclosed.

Intangibles

All intangibles of the Town, including items inherited by right of the Crown, such as Crown lands, forests, water and mineral resources, are not recognized in the financial statements because the costs, benefits and economic value of such items cannot be reasonably and verifiably quantified using existing methods. Purchased natural resources and Crown lands would be recognized in the financial statements where applicable.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reserves

Certain amounts, as approved by the Town Council, are set aside in accumulated surplus for future operating and capital purposes. Transfers to or from reserves are adjustments to the respective fund when approved.

Deferred Revenue

Deferred revenue represent government transfers, donations and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves and offsite levies are calculated using an average investment earnings monthly.

**TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Asset Retirement Obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Town to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the Town reviews the carrying amount of the liability. The Town recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. No asset retirement obligations were identified by the Town as at year-end.

2. CASH AND CASH EQUIVALENTS

	2025	2024
Cash	\$ 2,463,973	\$ 2,815,773
Temporary investments	<u>-</u>	<u>3,610,706</u>
	<u>\$ 2,463,973</u>	<u>\$ 6,426,479</u>

Temporary investments are short-term deposits with maturities of one year or less. The temporary investments were utilized during the year to fund capital expenditures.

Management has designated funds of \$676,890 (2024 - \$5,775,974) included in the above amounts for future expenditures and \$792,387 (2024 - \$861,358) are amounts at year end that will fund expenditures in relation to the revenue deferred.

**TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025**

3. TAXES RECEIVABLE

	2025	2024
Current taxes	\$ 195,720	\$ 170,365
Arrears taxes	<u>34,361</u>	<u>33,327</u>
	<u>\$ 230,081</u>	<u>\$ 203,692</u>

4. TRADE AND OTHER RECEIVABLES

	2025	2024
Utility accounts receivable	\$ 197,383	\$ 175,606
Goods and services tax recoverable	3,678	17,230
Trade and other receivables	<u>744,768</u>	<u>1,280,874</u>
	<u>\$ 945,829</u>	<u>\$ 1,473,710</u>

5. LINE OF CREDIT

The Town has a line of credit of \$5,120,000 to assist with cash flow requirements. The line of credit requires monthly interest payments at ATB Financial's prime lending rate plus 0.30% per annum. The effective interest rate at December 31, 2025, is 4.75% (2024 - 5.75%). The line of credit is issued on the credit and security of the Town at large and is reviewed annually. There was no balance drawn on as of December 31, 2025 (2024 - \$nil).

6. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations represent vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

7. DEFERRED REVENUE

	Balance, beginning of year	Received	Recognized	Balance, end of year
Requisition over-levy	\$ 76,176	\$ -	\$ 76,176	\$ -
Municipal Sustainability Initiative – Capital	8,836	-	8,836	-
Community Building Fund	317,109	140,968	45,527	412,550
Developer and customer contributions	206,232	8,164	-	214,396
Other	<u>253,005</u>	<u>-</u>	<u>87,564</u>	<u>165,441</u>
	<u>\$ 861,358</u>	<u>\$ 149,132</u>	<u>\$ 218,103</u>	<u>\$ 792,387</u>

Under certain grant agreements with the Government of Canada and the Government of Alberta, the Town is required to account for grants provided and to complete the projects or program in accordance with standards detailed in said agreements. If these requirements are not adhered to, grants provided will become repayable to the source government. Unexpended funds are repayable to the source government upon final accounting. Funds are deferred until related expenditures under the specific grant agreement have been incurred.

8. LONG TERM DEBT

	2025	2024
Debentures, as described below	\$ 1,611,257	\$ 1,856,545
Enmax loan repayable in monthly instalments of \$2,823 bearing 3.00% fixed interest, due 2034	<u>266,906</u>	<u>292,360</u>
	<u>\$ 1,878,163</u>	<u>\$ 2,148,905</u>

Principal and interest repayments are as follows:

	Principal	Interest	Total
2026	\$ 280,626	\$ 63,144	\$ 343,770
2027	290,878	52,892	343,770
2028	301,513	42,257	343,770
2029	312,547	31,223	343,770
2030	323,993	19,777	343,770
Thereafter	<u>368,606</u>	<u>17,143</u>	<u>385,749</u>
	<u>\$ 1,878,163</u>	<u>\$ 226,436</u>	<u>\$ 2,104,599</u>

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

8. LONG TERM DEBT (Continued)

Debentures consists of amounts payable to the Alberta Capital Finance Authority. There are currently three debentures outstanding. One debenture bears interest fixed at 4.124% per annum and matures in 2030. Two debentures each bear interest fixed at 3.023% per annum and matures in 2032.

Debenture debt is issued on the credit and security of the Town at large.

Interest on long term debt amounted to \$71,883 (2024 - \$74,398).

9. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt servicing limits as defined by Alberta Regulation 255/2000 for the Town be disclosed as follows:

	2025	2024
Total debt limit	\$ 15,355,994	\$ 15,400,694
Total debt (Note 8)	<u>1,878,163</u>	<u>2,148,905</u>
Amount of debt limit unused	\$ <u>13,477,831</u>	\$ <u>13,251,789</u>
Percentage used	12%	14%
Debt servicing limit	\$ 2,559,332	\$ 2,566,782
Debt servicing (Note 8)	<u>343,770</u>	<u>343,770</u>
Amount of debt servicing limit unused	\$ <u>2,215,562</u>	\$ <u>2,223,012</u>

The debt limit is calculated at 1.50 times the revenue of the Town (as defined in Alberta Regulations 255/2000) and the debt service limit 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 that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the consolidated financial statements must be interpreted as a whole.

Total debt includes long-term debt less debt charges recoverable. Debt servicing includes principal and interest payments due on long-term debt in the 12 months subsequent to year end less amounts that are recoverable

10. EQUITY IN TANGIBLE CAPITAL ASSETS

	2025	2024
Tangible capital assets (Schedule 2)	\$ 83,181,722	\$ 76,560,123
Accumulated amortization (Schedule 2)	(30,061,011)	(27,487,588)
Long term debt (Note 8)	<u>(1,878,163)</u>	<u>(2,148,905)</u>
Equity in tangible capital assets (Schedule 1)	\$ <u>51,242,548</u>	\$ <u>46,923,630</u>

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

11. ACCUMULATED SURPLUS

Accumulated surplus consists of designated and unrestricted amounts and equity in tangible capital assets as follows:

	2025	2024
Unrestricted surplus	\$ 487,662	\$ 498,724
Designated surplus		
Fire, ambulance and bylaw	-	176,709
Multiplex	389,637	389,637
Recreation	71,200	135,729
Transportation	556,700	5,069,486
Water and sewer	287,253	4,413
Equity in tangible capital assets (Note 10)	<u>51,242,548</u>	<u>46,923,630</u>
Accumulated surplus (Schedule 1)	<u>\$ 53,035,000</u>	<u>\$ 53,198,328</u>

12. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials and the Chief Administrative Officer as required by Alberta Regulation 313/2000 is as follows:

	Salary ¹	Benefits ²	2025 Total	2024 Total
Mayor Yargeau	\$ 41,252	\$ 1,200	\$ 42,452	\$ 39,461
Councillor Cunningham	26,756	1,200	27,956	25,634
Councillor Denson	20,909	1,200	22,109	23,399
Councillor Galisky	21,403	1,200	22,603	16,823
Councillor Kranenborg	24,403	1,200	25,603	22,278
Councillor Muller	22,561	1,200	23,761	18,221
Councillor Sitter	6,484	1,200	7,684	20,031
Chief Administrative Officer	<u>272,316</u>	<u>6,234</u>	<u>278,550</u>	<u>261,102</u>
	<u>\$ 436,084</u>	<u>\$ 14,634</u>	<u>\$ 450,718</u>	<u>\$ 426,949</u>

- Salary includes regular base pay, overtime, lump sum payments, gross honoraria, and any other direct cash remuneration.
- Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

13. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town participate in the Local Authorities Pension Plan ("LAPP"), which is one of the plans covered by the Public Sector Pension Plans Act. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Town is required to make current service contributions to the LAPP of 8.45% (2024 - 8.45%) of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.65% (2024 - 11.65%) for the excess.

Total current and past service contributions by the Town to the LAPP in 2025 were \$235,660 (2024 - \$206,456). Total current and past service contributions by the employees of the Town to the LAPP in 2025 were \$209,959 (2024 - \$183,995).

At December 31, 2024, the Local Authorities Pension Plan disclosed an actuarial surplus of \$19.60 billion (2023 - \$15.10 billion). The 2025 LAPP annual report has not yet been issued.

14. CONTINGENCIES

The Town is a stakeholder in the Central Alberta Regional Waste Management Commission. The Commission's ability to continue as a going concern is dependent on securing sufficient funding to meet its future liabilities and other financial obligations related to the Riverview solid waste management site. To address these obligations, including long-term liabilities and debenture payments, the Commission expects to rely on requisitions from its member municipalities.

The Town is also one of six municipal stakeholders in the South Red Deer Regional Waste Water Commission. The Commission's ability to continue as a going concern is dependent on securing sufficient funding to meet its future liabilities and financial obligations related to the regional wastewater pipeline. To fund these liabilities and related debt servicing costs, the Commission expects to rely on requisitions from its member municipalities.

The Town has not accrued any liability for its stake in either Commission. If a liability is created, it will be recorded in the year the liability is confirmed.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

15. SEGMENTED DISCLOSURE

The Town provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

Refer to the Schedule of Segmented Disclosure (Schedule 6).

General government includes council and other legislative, and general administration. Protective services include bylaw enforcement, police, and fire. Transportation services includes roads, streets, walks and lighting. Planning and development includes land use planning, zoning and subdivision land and development. Public health and welfare includes family and community support. Recreation and culture include parks and recreation, libraries, museums and halls. Environmental services includes water supply and distribution, wastewater treatment and disposal, and waste management.

16. FINANCIAL INSTRUMENTS***Credit Risk***

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Liquidity Risk

Liquidity risk is the risk that the Town will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Town manages its liquidity risk by monitoring its operating requirements and using various funding sources to ensure its financial flexibility. The Town prepares budget and cash forecasts to ensure that it has sufficient funds to fulfill its obligations. In recent years, the Town financed the growth of its capacity and sales primarily through cash flows from operations and used its revolving credit on a regular basis.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town is exposed to interest rate risk through its long-term debt.

The Municipality manages interest rate risk on its long-term debt by holding all debt through the Government of Alberta and Enmax at a fixed rate. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Note 8 for interest rates and maturity dates for long term debt.

TOWN OF PENHOLD
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

17. BUDGETED FIGURES AND COMPARATIVE INFORMATION

The unaudited budget figures are provided to present a comparison of the results for the accounting period with those originally planned. The Town did not budget for amortization. The reconciliation below is provided for information purposes to provide users with supplementary comparative information. It should not be used as a replacement for the consolidated statement of operations and change in net financial assets and users should note that this information may not be appropriate for their purposes.

	Budget (Unaudited)	2025	2024
Approved budget surplus	845	-	-
Transfers to reserves	(8,858,685)	-	-
Acquisition of tangible capital assets	10,613,899	-	-
Debt principal payments	<u>245,289</u>	<u>-</u>	<u>-</u>
Annual surplus (deficit) per consolidated financial statements	\$ 2,001,348	\$ (163,328)	\$ 623,439
Add amortization of tangible capital assets	-	2,573,424	2,442,437
Gain on disposal of tangible capital assets	-	-	(34,642)
Results of operations, adjusted for non-budgeted items	<u>\$ 2,001,348</u>	<u>\$ 2,410,096</u>	<u>\$ 3,031,234</u>

18. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements on April 13, 2026.



REQUEST FOR DECISION

DEPARTMENT: Administration

SUBMITTED BY: Rick Binnendyk

REPORT: April 13th, 2026

RECOMMENDATION:

That Council receives the CAO's update report as information.

COUNCIL FOLLOW-UP/UPCOMING:

- Penholds resolutions:

Auditors reporting to community on financial irregularities.

Threshold for voting at ABMunis Convention being raised from 50% plus 1 to 60%.

Penhold was approached at the leaders' caucus session to support offsite levy resolution we are awaiting to see this proposal. the resolution is from Cochrane.

- Check the Council Calendar for upcoming events

UPDATES:

Projects:

School:

- **Chinooks Edge:** A portable wall is installed and appears to be incomplete. There is some minor finishing to be done on a wall in the library, and this project will be completed.
- No news on the fate of the old school building.

Offsite Levies: Pending; there appears to be changes coming down from the province that may affect offsite fees. We will hold until this has been clarified prior to proceeding.

Memorial Hall: surveys have been compiled.

- Poster boards were placed in the Library for March and will be in the Lobby for the month of April.
- An Open House has been planned, at Memorial Hall, on Monday, April 20th from 5 to 6:30 pm.
- After the Open House information will be compiled into a report for Council to be presented in May.

Development items:

- Our staff have been working with Melcor, Stantec, Tagish and the PCPS subdivision report to get documents ready for this next development phase.
 - Since the last council meeting our office has received seven single family home applications. 3 within the Laebon development and 4 within Melcor. We are at 10 single family homes compared to 14 at this time last year.

- PCPS: Our staff have gone over to their business and picked up the hardcopy files for Penhold. We are waiting to receive the digital files.
- We have sent out requests for proposals for a growth strategy for Penhold, Bentley and Clive. This proposal will focus on the following key areas:
 - Data Collection and assimilating
 - Updated Community Profiles
 - Regional growth tied to local community growth
 - Housing Needs Assessment

This funding was secured through the Alberta Community Partnership program providing a great opportunity to update our community profiles.

Deadline for request for proposals is April 16th.

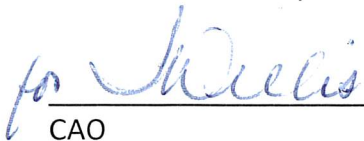
Administration:

- Municipal Leaders Caucus sessions were well attended and gave opportunity to hear the Premier, Ministers and opposition.
 - Liability discussion touched on Conflict of Interest in Person-to-Person matters.
 - Peculiarly Interest is Money: one needs to declare/disclose/ and depart.
 - Friday morning's topic was the evolution of enforcement; so interesting with how technology is revamping everything so quickly.
- Auditors have finished the financial review and are getting ready to do the final reporting.
- We have conducted our yearly internal review of all Alberta Safety Codes over the past several weeks.
- Continue working with the Local Government Administration Association (LGAA) conference committee for the upcoming June conference.
- Local Municipal Initiatives Program: funding for our storm water culvert repairs. Should hopefully hear something by the end of April.

UPCOMING ITEMS OF INTEREST:

- Follow up with the zoning and subdivision for Melcor
- Prepare a Development agreement for Melcor
- Review and recommend a proposal for economic growth strategy
- Finalize 2026 Staff focuses and expectations
- Participate with the legislation updates April 14th.
- Work on Resolutions coming forward for AB Munis
- Mayor Prayer Breakfast April 16th.

Presented at the April 13th, 2026, Regular Council Meeting for the Town of Penhold



 CAO



REQUEST FOR DECISION

DEPARTMENT: Multiplex

SUBMITTED BY: Michael Szewczuk

REPORT: Month of March

RECOMMENDATION:

That Council accepts the Multiplex Manager's report as information.

COUNCIL FOLLOW-UP:

I was able to receive a 2027 IIHF Pre-Competition Request for Proposal Guide from Hockey Canada. In the guide, it outlines the minimum requirements needed to host either practices or Pre-Competition Games. Unfortunately, we are unable to meet a few of these requirements with our facility. The main requirement we can't pull off for practices is:

- Dedicated Dressing room space with a minimum of 2 dressing rooms and 2-3 additional smaller spaces to serve as a Coaches room, Trainers room and a medical room.

Then, to host a Pre-Competition game, they require:

- A venue with a minimum of 2000 seats

If we were to dedicate 2 of our 5 dressing rooms for practice, we would only be left with 3 dressing rooms to try to provide a space for our regular teams to play. We also only have approximately 325 seats in our arena; this is a far cry from the minimum 2000 needed to host a Pre-Competition game. Due to these items, we are unable to meet the minimum requirements to host anything for the World Juniors coming up this winter.

In addition, we have been advised that a pregame tournament fee is \$25,000 per game pre tournament.

MONTHLY UPDATE:

Arena –

The belt tensioner on the Olympia was starting to make some noises, so the dealer came out, the day we called him, and replaced it for us. While he was here, he noticed we had a bearing going on our vertical auger and said it would be fine for now but would need to get changed when we send it away for our yearly maintenance in June.

Gymnasium – The Gymnasium held a community dance as well as an Easter event in March and both were well attended. As for April and May, there are no major events happening in the gymnasium, but it is regularly booked for Volleyball, Pickleball and a host of other programs.

Facility Stats – In March, roughly 24,174 kWh of power was produced with our solar panels reducing our carbon footprint by roughly 17,522 kg and saving us roughly \$2,175.66 in power.

In March we had roughly 22,756 people pass through the front doors of the building.

Fitness -

	March 2025	March 2026
MEMBERSHIP SALES	\$11,032.25	\$11,790.75
DROP-INS	\$372.99	\$578.00
TRAINING	\$1,933.50	\$2,355.50
DROP IN GYM	\$1,504.00	\$1,168.00
TOTAL REVENUE	\$14,880.25	\$15,892.25

A total of **31** fobs were issued for 24-hour members in the month of March.

The Fitness Centre had **46** new members for the month of March.

The Fitness Centre is doing well and keeping busy coming into spring. A 3-month membership sale will run through the month of April. Alyssa is doing very well with Personal Training and is consistently training new clients. There are 2 new instructors teaching fitness classes. The new classes are Fit Fusion Bootcamp and Pure Strength. Regular fitness classes running in March are In the Zone, Pilates Fusion, Burn & Turn Spin, Recovery & Mobility, Power & Conditioning, Zumba, Booty Barre, Early Burn, Pump It Up, Step, Butts & Gutt's HIIT Mix, Fierce Fitness, Peaceful Yoga, Stretch & Release, and Cardio Kick.

Learn 2 Skate revenue for March was \$480.00. This was the last session until the fall.

	March 2026	Totals 2026
Penhold Sr Track Users	37	137
Kids Gym	135	345
Staff Fitness Usage	28	108
Penhold Fire Dept	17	63
Pickle Ball	188	435

The above chart will now be used for tracking information for 2026 year.

UPCOMING ITEMS OF INTEREST:

CAO COMMENTS:

Presented at the April 13, 2026 Regular Council Meeting for the Town of Penhold



CAO



REQUEST FOR DECISION

DEPARTMENT: Operations

SUBMITTED BY: Brandon Kowalchuk

REPORT: Month of March 2026

RECOMMENDATION: That Council accepts the Operations report as information.

COUNCIL FOLLOW-UP:

MONTHLY UPDATE:

WATER:

- Water consumption as of March 31st is 23,497 M³; up 1% in comparison to March last year.
- Monthly Water Meter Reads were completed on March 13th.
- 47% of Utility accounts are signed up to receive E-Bills.
- There were 2 new water meters installed for March.
- Two water quality complaints were received in March. Operators investigated both on site, flushed the service lines, and conducted grab sample testing. In both cases, in-home filtration systems requiring maintenance were identified as the cause.
- Quarterly THM sample was completed and delivered to the Lab
- Clearwater Controls replaced a scale for the Chlorine Gas bottles at Reservoir #1.
- Annual reservoir tank cleaning and inspection was completed at both Reservoir #1 & Oxford Reservoir by Aquatec Diving.

SEWER:

- As of February 28th, sewer flows were 26,065 M³ for the month. This is up 19% in comparison to February last year. The increase is suspected to be due to early warm weather causing snowmelt infiltration at some manholes and sump pumps discharging into the sanitary system. Operations is working on updating messaging to share with the public.

SRDRWC:

- Operators performed 173 hours of work in March on the Regional System, with no after-hour call outs on the system.
- SRD Operations Meeting was held on Mar 3rd in Penhold.

TRANSPORTATION:

- Intersections were scraped on Mar 12th, 13th, & 26th.
- Sanding Truck was out on Mar 4th, 9th, & 25th.
- Alleyways were plowed for drainage on Mar 17th, 18th, & 19th.
- A 40km sign was repaired on Veterans Ave. A temp Stop sign was placed at Veterans & 2A till Main Roads could replace the Stop sign.
- An On-call operator was called out to a fallen streetlamp head on Waskasoo & Minto on Mar 8th. Fortis took the head back to their shop for repair.
- Operators filled in some potholes on roadways around town with cold mix asphalt we have left over on Mar 19th.
- Operators filled in the gravel dig sites on Mar 19th & 23rd.
- For Lease signs were installed on the existing Operations Shop on Mar 25th. To date no inquiries have been submitted regarding the property.
- **Maintenance of Equipment:**
 - Oil changes were completed on various units
 - Mowers started to get prepped for the upcoming season. Issues with rough cut pto shaft, gear box, and mower blades were discovered damaged and repaired or replaced as needed.
 - A front deck mower was also found to have a worn-out gear box and sent to Brandt to assess if a rebuild or replacement is recommended.
 - Asphalt Trailer was picked up from its inspection at IMI in Acheson.

STORM:

- Staff steamed catch basins and drainage areas on Mar 5th - 7th, 10th, 11th, 17th - 19th.
- Mar 23 staff put both Pumps at Lincoln Lift Station into full operation.

PARKS & RECREATION:

- **Sports Fields**
 - Staff worked on cleaning and flooding the Outdoor Rink when Mother Nature allowed on Mar 2nd - 4th and closed the rink for the season on the 13th due to unsafe ice conditions.
 - Lincoln Rec Centre was booked for a private party on Mar 4th.
- **Parks**
 - Pathways & sidewalks were cleared on Mar 2nd - 6th, 12th, 13th, 16th - 19th, 25th, 26th & 30th.
 - Snow piles hauled from park spaces on Mar 5th & 6th.
 - Garbages were changed on Mar 18th, 19th, & 27th.
 - Pruning was done on Mar 17th, 19th, 20th, 23rd - 27th.

MEMORIAL HALL:

- For the month of March there were 7 bookings in the Hall. In April there are 8 additional bookings and 3 lease agreement groups.
- Staff repaired the chair cart and some floor vents

GARBAGE:

- Repairs for bins were completed when reported

RV Park:

- General bookings opened on Campspot, Monday March 2nd.
- For the month of March, 63 bookings have been made for the season, compared to 47 during the same period last year.
- RV Park opens for use on May 1st.

ORGANIZATIONAL:

- Seasonal staff interviews were completed, and hiring was completed.
- Annual staff evaluations were completed.
- Three operators attended the Alberta Water & Wastewater Operators Association Conference in Banff, which included multiple days of seminars and a trade show.
- One Parks staff member attended the Federation of Canadian Municipalities (FCM) event in Smoky Lake.

UPCOMING ITEMS OF INTEREST:

- Installation of Grain Elevator signage along Fleming Avenue (Spring 2026).
- A section of storm line to be re-lined on Minto Street in 2026.
- Spring street sweeping to commence.
- Seasonal staff to begin work.
- Sports fields preparation for the upcoming season.
- Compost bins to return in May once the site is available.
- Sani Dump to open for season end of April (Weather Dependent)
- RV Park open from May 1 to October 13.
- Spring Cleanup is scheduled for May 22 to June 1.
- Splash Park operation scheduled for May 29 to September 7.

CAO COMMENTS:

Presented at the April 13th, 2026 Regular Council Meeting for the Town of Penhold



CAO



REQUEST FOR DECISION

Department: Operations

Submitted by: Lynnette Nisbet

SUBJECT: Penhold Urban Forest Management Plan (UFMP) FCM Proposal

RECOMMENDATION:

That Council approves Administration submit an application for funding through the Federation of Canadian Municipalities' Growing Canada's Community Canopies (GCCC) initiative for the project entitled Planting for Growth: Penhold Urban Forest Management Plan and Tree Planting Strategy;

AND FURTHER that Council approves a contribution of up to \$5,000 towards the project.

CAO COMMENTS:

SUPPORTING DOCUMENTS Report/Document: Attached Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Section 153 (a) states in part that Councillors have the duty “..... to bring to council’s attention anything that would promote the welfare or interests of the municipality”.

STRATEGIC RELEVANCE:

This project will support improved asset management, guide future tree planting initiatives, and enhance environmental resilience. while

DESIRED OUTCOME(S):

That Council recommend Administration move ahead with the FCM GCCC initiative application.

RESPONSE OPTIONS:

Council defers to Administration for more information.

PREFERRED STRATEGY:

Project will contribute to overall community well-being.

IMPLICATIONS OF RECOMMENDATION:

Create a comprehensive tree inventory, an UFMP and Tree Planting Strategy

Background:

The Operations team has identified this project as a priority to address the absence of a comprehensive tree inventory and an UFMP, which currently limits informed and strategic decision-making. As the community continues to grow and existing trees age and decline, proactive planning is required to manage and expand Penhold’s urban forest. This project will

proactive planning is required to manage and expand Penhold's urban forest. This project will support improved asset management, guide future tree planting initiatives, and enhance environmental resilience while contributing to overall community well-being.

ORGANIZATIONAL:

Operations department.

FOLLOW-UP ACTION:

Proceed with application process.

COMMUNICATION:

OTHER COMMENTS:

Presented at the Apr. 13, 2026 Regular Council Meeting for the Town of Penhold

A handwritten signature in black ink, appearing to be the initials 'RAB', is written above a horizontal line.

CAO



UFMP FCM Proposal
Penhold, AB

PREPARED BY:

Mike Leung

DATE PREPARED:

Mar 18, 2026

20 Second Street, West Saint Paul, MB R2P 1L4
1-833-928-8733





Table of Contents

***Introduction*.....3**

***UFMP Components*3**

***Cost* 10**



Introduction

Further to meeting with Ms. Lynnette Nisbet of the Town of Penhold on Mar 18, 2026, we have prepared this proposal to highlight the potential components of an UFMP and the related cost.

UFMP Components

Tree Inventory and analysis, Canopy Analysis, growth modeling

ISA-certified arborists will transfer the existing tree inventory to our Green Drop Trees' proprietary GIS-enabled data acquisition platform, *Treesian*. Attribute-level data capture will include, but not be limited to, taxonomic identification, diameter at breast height (DBH), total height, crown spread, structural condition, physiological condition, and preliminary tree risk classification.

Upon completion of data acquisition, ecosystem service valuation outputs—including carbon sequestration, air pollutant interception, and avoided runoff—will be generated using i-tree-aligned computational models.

The resulting dataset will be subjected to spatial and statistical analyses to characterize species composition, spatial heterogeneity, age-class distribution, condition trends, and risk stratification. These analyses will constitute the technical baseline upon which all subsequent UFMP components are developed.

Public tree canopy coverage will be quantified directly from the inventory dataset, while private tree canopy coverage will be delineated through high-resolution aerial imagery classification. Canopy growth and loss trajectories will be modelled over a 10-year projection horizon, providing quantitative inputs for canopy target setting, planting intensity calibration, and long-range urban forest performance forecasting.

Public and Stakeholder Engagement



A structured, web-based engagement protocol will be implemented to capture community-level perceptions, values, and expectations related to urban forest management. While primarily consultative in nature, this process is intended to inform vision-setting and strategic prioritization rather than operational decision-making.

Where identified, targeted stakeholder interviews will be conducted with representative groups (e.g., seniors' organizations, environmental NGOs, and tree advocacy groups, indigenous group) to ensure that sector-specific considerations and non-generalizable perspectives are adequately captured within the planning framework.

Urban Forestry Vision

A formalized urban forestry vision statement will be developed through the synthesis of engagement outputs, internal municipal input, and technical findings. The vision will articulate desired future conditions for the urban forest and serve as the conceptual anchor for policy development, management strategies, and capital programming within the UFMP.

Equity Assessment

A spatial equity analysis will be conducted to evaluate the distribution of tree canopy cover, planting density, and maintenance inputs across socio-demographic gradients. The assessment will examine correlations between canopy metrics and proxy indicators such as neighbourhood income levels, land use typologies, and built-form intensity.

The analysis will further evaluate the relationship between canopy distribution and localized urban heat island intensity, recognizing canopy-mediated microclimatic regulation as a critical public health and climate adaptation function. Identified inequities will be explicitly integrated into planting prioritization and resource allocation frameworks.



Tree Planting Strategy

The Tree Planting Strategy will be developed in accordance with ANSI A300 (Part 6) – Planting and Transplanting, and structured as a spatially explicit, standards-based implementation framework. The strategy will operationalize inventory, canopy modelling, equity analysis, and climate projections into a defensible planting decision system suitable for long-term municipal deployment.

Planting prioritization will be derived through multi-criteria spatial analysis integrating existing canopy metrics, projected canopy attrition, land-use classification, urban heat exposure, infrastructure conflict layers, and socio-demographic indicators. These variables will be normalized and combined into a composite planting suitability index, allowing objective ranking of planting zones based on quantified need and feasibility.

Species selection will follow ANSI A300 principles emphasizing site-species compatibility, structural integrity, and long-term performance. A species suitability matrix will be developed incorporating climate tolerance thresholds, projected climate envelopes, pest and pathogen susceptibility, mature size characteristics, crown architecture, rooting behavior, and maintenance demand. Species, genus, and functional diversity targets will be explicitly defined to reduce population-level vulnerability and enhance adaptive capacity under changing climatic conditions.

Site-level planting prescriptions will address minimum soil volume requirements, rooting space continuity, drainage conditions, above- and below-ground utility conflicts, and anticipated lifecycle maintenance inputs. Planting specifications—including stock type, planting depth, staking, mulching, and establishment care—will conform to ANSI A300 (Part 6) requirements to ensure establishment success while minimizing long-term structural and physiological defects.

The strategy will be structured to support phased implementation aligned with municipal capital planning cycles, operational capacity, and budget forecasts. Explicit linkages will be established between planting intensity, projected canopy gain, and



future pruning and risk management obligations, ensuring that planting initiatives do not exceed sustainable maintenance capacity.

Tree Pruning Strategy and Risk Management Strategy

The Tree Pruning and Risk Management Strategy will be developed as a risk-based asset management framework consistent with ANSI A300 (Part 1) – Pruning and ANSI Z133 – Safety Requirements for Arboricultural Operations. The strategy will integrate tree condition and risk attributes with operational, safety, and liability considerations to support defensible decision-making.

Trees will be stratified into risk categories using inventory-derived attributes, including structural condition, defect type and severity, target presence, likelihood of failure, and consequence of failure. Risk prioritization will be applied at both individual-tree and population scales to identify spatial clustering of elevated risk, systemic maintenance backlogs, and correlations with species, age class, and site conditions.

Pruning prescriptions will be explicitly aligned with ANSI A300 pruning objectives (e.g., risk reduction, clearance, structural improvement, crown restoration). The strategy will define intervention thresholds, pruning cycles, and acceptable condition limits, distinguishing between reactive, proactive, and cyclical maintenance regimes. This ensures consistency of pruning outcomes across contractors and internal crews and reduces variability in risk exposure.

All recommended pruning and mitigation activities will be evaluated through the lens of ANSI Z133 safety requirements. This includes consideration of access constraints, work positioning, proximity to energized conductors, traffic control requirements, equipment limitations, and crew competency. Risk mitigation recommendations will explicitly avoid prescribing actions that would necessitate unsafe work practices or exceed reasonable operational controls.

Operational constraints—such as staffing levels, equipment availability, contractor capacity, budget limitations, and service-level expectations—will be embedded within the strategy to ensure that risk mitigation recommendations are achievable and



scalable. This approach aligns arboricultural best practices with real-world municipal delivery models.

The strategy will further establish a pathway for transitioning from reactive risk response toward a proactive, lifecycle-based maintenance program. Integration with planting strategy outputs, species selection criteria, and age-class management will reduce long-term risk accumulation, improve predictability of maintenance demand, and enhance overall urban forest resilience.

Climate Change Analysis and Resilience Planning

The Climate Change Analysis will be undertaken as a forward-looking vulnerability and resilience assessment, integrating downscaled regional and national climate projection datasets with urban forest structural and compositional data. The analysis will focus on anticipated changes in temperature regimes, precipitation patterns, drought frequency, extreme weather events, and secondary stressors relevant to tree performance and survivability.

Climate projections will be evaluated against existing species composition, age-class structure, and site conditions to identify exposure, sensitivity, and adaptive capacity of the urban forest at both population and site-specific scales. Particular attention will be given to thresholds beyond which species performance is expected to decline, including heat tolerance limits, moisture stress susceptibility, and increased pest and disease pressure under projected climate scenarios.

Findings will be translated into adaptive management guidance, including species selection constraints, diversification targets, and planting design considerations that enhance functional redundancy and resilience. Maintenance implications—such as altered pruning cycles, irrigation requirements during establishment, and increased monitoring for climate-amplified stress responses—will be explicitly identified.

This analysis will be embedded within both the Tree Planting Strategy and Tree Pruning and Risk Management Strategy to ensure climate considerations are not



treated as a standalone exercise but as an integrated driver of long-term urban forest performance and risk mitigation.

SWOT Analysis

The SWOT Analysis will be conducted as a structured diagnostic assessment of the municipality's current urban forest governance, operational capacity, and external operating environment. This process will synthesize qualitative inputs from municipal staff interviews with a review of existing policies, plans, bylaws, operational procedures, and service delivery models.

Strengths and weaknesses will focus on internal factors, including staffing capacity, technical expertise, data availability, operational workflows, contractor management, and institutional knowledge retention. Opportunities and threats will assess external drivers such as regulatory changes, climate pressures, development trends, funding availability, and public expectations.

Rather than serving as a purely descriptive exercise, the SWOT Analysis will be explicitly linked to subsequent strategy development and action prioritization. Identified constraints and enabling factors will directly inform the feasibility, sequencing, and resourcing of recommended actions within the UFMP.

Actions and KPIs

An implementation-oriented Action Plan will be developed to translate strategic recommendations into discrete, measurable, and time-bound actions. Actions will be categorized across short-term (0–5 years), medium-term (5–10 years), and long-term (10–20 years) planning horizons to align with municipal budgeting cycles, staffing capacity, and asset management planning frameworks.

Each action will be accompanied by clearly defined Key Performance Indicators (KPIs) designed to support performance measurement, accountability, and adaptive management. KPIs will include both output-based indicators (e.g., number of trees



planted, percentage of inventory updated) and outcome-based indicators (e.g., canopy cover change, risk reduction, diversity metrics).

Performance indicators will be structured to allow longitudinal tracking and periodic reassessment, enabling the municipality to evaluate progress, adjust implementation strategies, and respond to changing conditions over time. Where feasible, KPIs will be designed to integrate with existing municipal reporting systems and decision-support tools.

Training and Capacity Building

Training and Capacity Building will be delivered as a targeted knowledge transfer initiative aligned with the technical and operational requirements identified in the UFMP. Upon Council approval, Green Drop Trees will provide one to two days of focused training designed to enhance municipal staff competency in priority areas such as planting specifications, pruning standards, risk management principles, and GIS-based data utilization.

Training modules will emphasize consistent application of arboricultural standards, interpretation of UFMP recommendations, and integration of planning outputs into day-to-day operations. Where applicable, training will also address contractor oversight, quality assurance, and documentation practices to support defensible and repeatable implementation.

This component is intended to reduce institutional reliance on external consultants over time, improve internal consistency of urban forest management practices, and ensure that the UFMP functions as a living operational framework rather than a static policy document.



Cost

Item	Cost
Consultant fee	\$ 5,000.00
Tree Inventory analysis, Canopy Analysis, growth modeling	\$ 6,000.00
Public Consultation	\$ 2,000.00
Urban Forestry Vision	\$ 4,000.00
Tree Planting Strategy	\$ 9,000.00
Climate Change Analysis	\$ 6,000.00
Equity Assessment	\$ 6,000.00
SWOT Analysis	\$ 6,000.00
Actions and KPI	\$ 6,000.00
Total	\$ 50,000.00
Grant covers 90%	\$ 45,000.00
Municipal pays 10%	\$ 5,000.00

Essential
Highly Recommended
Recommended

Notes:

- Cost of the tree inventory and analysis including recording the tree dimension, health, preliminary tree risk assessment
- Consultant fees include the preparation of pre-application proposal, full application proposal and response to comments raised by FCM. This fee is fully covered by the grant, and the municipal do not need to pay even if the application is not successful.

REQUEST FOR DECISION



Department: Multiplex

Submitted by: Michael Szewczuk

SUBJECT: Ice Plant Service Plan (3 Year)

RECOMMENDATION:

That the Town enters into a three-year agreement with Ice Tech Refrigeration Inc. to provide mechanical services on the Arena Ice Plant.

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached X Available ___ Nil ___

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Section 153 (a) states in part that Councillors have the duty “..... to bring to council’s attention anything that would promote the welfare or interests of the municipality”.

STRATEGIC RELEVANCE:

Entering into a three-year refrigeration service agreement supports the Town’s strategic objectives related to asset management, fiscal sustainability, and service continuity.

DESIRED OUTCOME(S):

To ensure the arena refrigeration system remains reliable, safe, and operates efficiently through proactive, scheduled maintenance.

RESPONSE OPTIONS:

To continue to search for another candidate to service the Ice Plant.

GENERAL:

Service Plan:

The comprehensive service plan for our arena refrigeration system is a typical ongoing service that we require for the maintenance and service of the complex and expensive equipment we have in the plant room. The service plan presents all the actions needed to maintain and operate the arena mechanical system. It includes inspections of equipment as well as brine, glycol and oil testing to see if there are things such as metal shavings in the oil indicating a part wearing or ammonia in the brine indicating an ammonia leak in the chiller.

Each year, we have a company come in and service our system at a minimum three times: a startup service, a mid-season service and a shutdown service. In this service package, the rates for these required maintenance intervals are agreed upon for the next three years,

indicating an increase of 3% each year. Then, with us entering into the agreement with Ice Tech, we will receive preferred rates for any other time when we call them out to service our equipment. These other service calls are when something breaks, or we are having issues outside of the three maintenance calls.

We posted this Service opportunity on the Town website from February 28 - March 23, 2026.

Unfortunately, there were no responses from other companies. We are aware of two other possible service companies that may be able to do this work. In evaluating the other parties, one is considerably more expensive, and the other, we have not heard of them working on municipal facilities for quite some time.

Ice Tech Refrigeration Inc. has served our facilities over the past four seasons. The mechanics know our system, and they know how we use our equipment; and have a quick response time when needed.

FINANCIAL

The term of this agreement is 36 months, commencing in March of 2026. The yearly rates for the three visits will be:

Year	Cost per Year	Cost per Visit (3 per year)
2026-2027	\$5,356.00	\$1,785.33
2027-2028	\$5,516.68	\$1,838.89
2028-2029	\$5,682.18	\$1,894.06

Rates as laid out in the agreement:

Labour Category	In-Contract Regular Rate	In-Contract Overtime Rate	Non-Contract Regular Rate	Non-Contract Overtime Rate	Stat Holidays
HVAC/R	\$120/Hr	\$180/Hr	\$135/Hr	\$202.50/Hr	\$240/Hr

COMMUNICATION:

Communicate with Event Organizers about the Town’s involvement.

Presented at the April 13th, 2026, Regular Council Meeting for the Town of Penhold



 CAO



COMPREHENSIVE SERVICE PLAN

PENHOLD REGIONAL MULTIPLEX

#1 Waskasoo Ave, Penhold, AB T4E 1X4

DESCRIPTION OF COMPREHENSIVE SERVICE PLAN

Extended equipment life and efficient operation are both direct benefits of selecting Icetech to service and maintain your equipment. By following a preventative maintenance schedule, machine downtime will be significantly reduced, improving the reliability & integrity of your equipment. Our service plans are customized for your equipment and operating parameters to help you get the most value from your investment.

Services "INCLUDED" below will be performed on the equipment and systems listed below on this agreement. Items and activities marked as "EXCLUDED" can be performed and charged in addition to this agreement as requested.		
	INCLUDED	EXCLUDED
On Site "Kick-off" Meeting with Technician(s)	X	
Digital Service Records	X	
Digital Media Backed Repairs	X	
Visual Inspection of Listed Equipment (Below)	X	
Repair & Replacement Labour		X
Parts & Materials		X
Preferred Charge-out Rates	X	
After-Hours Service Calls		X
Twenty-Four Hour Emergency Service	X	
Emergency Service Charges		X
Filters		X
Belts		X
Evaporator and/ or Condenser Cleaning		X
Glycol Samples & Reporting	X	
Brine Samples & Reporting (Start-up & Shutdown)	X	
Condenser Water Samples, Reporting & Treatments		X
Compressor Oil Samples & Reporting	X	
Refrigerant Leak Detection (Yearly)		X
External and/or Internal Heat Exchanger Inspection		X
Vibration Analysis		X

REFRIGERATION EQUIPMENT LIST

Unless otherwise specified, this Comprehensive Service Plan covers only the equipment listed and identified herein. Air conditioning ductwork; electrical switches, circuitry, or feeders, recording or portable instruments; gauges, thermometers, safety devices; water, drain or waste lines and any other appendage or feeder to or from the equipment, oil storage tanks, oil or gas lines, all non-moving parts such as boiler shell and tubes, heat exchangers, coil and fin tubes, cabinets, furnace refractory, etc., are excluded.

EQUIPMENT	LOCATION	MANUFACTURER	MODEL	SERIAL NUMBER
Comp #1	Comp Room	Mycom	N4M	
Comp #2	Comp Room	Mycom	N4M	
Cold Floor Pump	Comp Room	Armstrong		
Heat Floor Pump	Comp Room	Armstrong		
Head Cooling Pump	Comp Room	Armstrong		
Adiabatic Condenser	Outside	Guntner		
De-Superheater	Comp Room	Doucette		

MAINTENANCE TASKS

START-UP SERVICE

CHILLER

- Ensure proper brine and refrigerant levels
- Close chiller feed bypass line
- Drain oil pot
- Check brine PH & Freeze point
- Check level in balance/ makeup tank

COMPRESSORS

- Turn Main power back on
- Inspect belts & pulleys
- Check oil level (add if required)
- Re-energize and verify crankcase heater operation
- Re-tension belts
- Re-energize compressors and turn switches back to auto
- Open Discharge Valve
- Throttle suction to 30psi until valve is fully opened
- Open oil return valve once separator is hot
- Check suction pressure and temperature
- Check discharge pressure and temperature
- Check oil pressure and temperature
- Check seal (>5 drips/min)
- Drain oil catch
- Check motor amps
- Grease motors
- Inspect for leaks
- Check for abnormal noise or wear

SYSTEM PUMPS

Includes Head Cooling, Brine & Snowmelt Pumps

- Re-energize pumps & turn switches back to auto
- Check for abnormal noise or vibration
- Inspect system for leaks
- Verify pump making pressure
- Check amps
- Check coupling condition (if equipped)
- Check shaft seal for leaks
- Grease motors/ pumps

ADIABATIC CONDENSER

- Check water feed soaker hose
- Check cell deck media
- Ensure fan blades are in good condition
- Check motor amps
- Check electrical connections and contactors
- Verify all fan motors working
- Check external condition
- Check for noise and vibration
- Perform Visual inspection for scale and algae

GENERAL

- Check for active alarms on PLC and compressors
- Check system piping and inspect for ammonia leaks
- Verify ammonia operating levels
- Visual inspection of vessels and heat exchangers
- Visual inspection of pressure relief valves (expiry date)
- Visually inspect piping, gauges and valves for leaks or signs of leaks
- Inspect rotating equipment
- Change Brine filters
- Blow out VFD cabinets
- Inspect emergency exhaust fan & inlet dampers and filters
- Check pressure on glycol systems & expansion tank bladders
- Test electric room heaters
- Calibrate compressor safeties

MID-SEASON SERVICE

CHILLER

- Ensure proper brine and refrigerant levels
- Drain oil pot
- Check brine PH & Freeze point
- Check level in balance/ makeup tank

COMPRESSORS

- Check suction pressure and temperature
- Check discharge pressure and temperature
- Check oil pressure and temperature
- Inspect belt tension
- Check seal (>5 drips/min)
- Drain oil catch
- Check motor amps
- Grease motors
- Verify crankcase heater operation
- Inspect for leaks
- Check for abnormal noise or wear
- Check oil level (add if required)
- Check & Record compressor hours (runtimes)

SYSTEM PUMPS

Includes Head Cooling, Brine & Snowmelt Pumps

- Check for abnormal noise or vibration
- Inspect systems for leaks
- Verify pump making pressure
- Check amps
- Check coupling condition (if equipped)
- Check shaft seal for leaks
- Grease motors/ pumps

ADIABATIC CONDENSER

- Check water feed soaker hose
- Check cell deck media
- Ensure fan blades are in good condition
- Check motor amps
- Check electrical connections and contactors
- Verify all fan motors working
- Check external condition
- Check for noise and vibration
- Perform Visual inspection for scale and algae

GENERAL

- Check for active alarms on PLC and compressors
- Check system piping and inspect for ammonia leaks
- Verify ammonia operating levels
- Visual inspection of vessels and heat exchangers
- Visual inspection of pressure relief valves (expiry date)
- Visually inspect piping, gauges and valves for leaks or signs of leaks
- Inspect rotating equipment
- Take Brine and glycol samples
- Drain oil pot

SHUTDOWN SERVICE

CHILLER

- Ensure proper brine and refrigerant levels
- Open chiller feed bypass line
- Drain oil pot
- Check brine PH & Freeze point
- Check level in balance/ makeup tank

COMPRESSORS

- Check suction pressure and temperature
- Check discharge pressure and temperature
- Block in machines and relieve pressure
- Check oil pressure and temperature
- Check seal (>5 drips/min)
- De-energize Compressor control power
- Loosen belts and inspect pulleys & belts
- Turn off main disconnect
- Drain oil catch
- De-energize crankcase heaters
- Inspect for leaks
- Check & Record compressor hours (runtimes)

SYSTEM PUMPS

Includes Head Cooling, Fluid Cooler, Brine & Snowmelt Pumps

- Check for abnormal noise or vibration
- Inspect systems for leaks
- Verify pump making pressure
- Check coupling condition (if equipped)
- Check shaft seal for leaks

ADIABATIC CONDENSER

- Check water feed soaker hose
- Check cell deck media
- Ensure fan blades are in good condition
- Check motor amps
- Check electrical connections and contactors
- Verify all fan motors working
- Check external condition
- Check for noise and vibration
- Perform Visual inspection for scale and algae

GENERAL

- Check for active alarms on PLC and compressors
- Check system piping and inspect for ammonia leaks
- Verify ammonia operating levels
- Visual inspection of vessels and heat exchangers
- Visual inspection of pressure relief valves (expiry date)
- Visually inspect piping, gauges and valves for leaks or signs of leaks
- Inspect rotating equipment
- Change Brine filters
- Blow out VFD cabinets
- Take Brine and glycol samples
- Take oil samples
- Inspect emergency exhaust fan & inlet dampers and filters
- Check pressure on glycol systems & expansion tank bladders

To help keep your equipment in optimum condition, and to extend its life, Icetech Refrigeration will provide service as described in the maintenance tasks section above, to the applicable items of equipment attached to this agreement. All excluded items are invoiced at prevailing rates after completion of work.

INCLUDED IN SERVICE PACKAGE

Labour plus the following:

- Brine analysis – 2 Sample – twice a year. (as per ABSA Bulletin AB-538)
- Glycol analysis – 1 Sample – twice a year. (as per ABSA Bulletin AB-538)
- Oil analysis – 2 Samples – once a year.
- Annual Compressor safety calibrations (as per B52 13-8.4.2.C)

EXCLUDED FROM SERVICE PACKAGE

All materials, labour, and parts for the following:

- Emergency calls
- Annual Ammonia Detector calibrations (as per B52 13-8.4.2.C)
- All repairs (minor & major)
- All parts for servicing equipment
- Condenser water treatment
- Compressor oil
- Oil and vibration analysis
- Condenser cleaning
- Scissor lifts

RATE INFO

Service Rates as of January 1st, 2026

Subject to annual rate updates — new rate sheet to be sent at the beginning of each year

Labour Category	In-Contract Regular Rate	In-Contract Overtime Rate	Non-Contract Regular Rate	Non-Contract Overtime Rate	Stat Holidays
HVAC/R	\$120/hr	\$180/hr	\$135/hr	\$202.50/hr	\$240/hr

Truck Charge: Per Truck Per Invoice	\$150
Environmental & Safety Per Invoice	\$25

- I) Regular Hours are Monday to Friday, 8am to 4pm; Excluding Holidays
- II) Minimum Callouts:
 - a. **2 hours** for Regular hours of service
 - b. **3 hours** for After-hours (outside of regular hours of service)
- III) Contact Info 24/365 – (368) 997-9771
- IV) Subject to annual rate updates — New rate sheet to be sent at the beginning of each year.

Note: GST not included.

ANNUAL INVESTMENT

This agreement will commence on the effective date of **March 1st, 2026**, or approximately, one (1) Calander month after receipt of acceptance. It shall remain in force through the renewal date of **March 1st, 2029**, or as prorated from the date of signature receipt. It is subject to all "Terms and Conditions" below.

Town of Penhold agrees to pay Icetech Refrigeration Inc. upon receipt of invoice the amount listed below under the "Cost Per Visit"

The term of this agreement is for 36 months and includes an inflationary increase of **3%** per year applied on the anniversary of this agreement.

Year One – March 2026 – March 2027 (3%)

Year Two – March 2027 – March 2028 (3%)

Year Three – March 2028 – March 2029 (3%)

Comprehensive Service Package Cost Year 1 (Annually): \$5,356.00

Comprehensive Service Package Cost Year 2 (Annually): \$5,516.68

Comprehensive Service Package Cost Year 3 (Annually): \$5,682.18

COST PER VISIT

Purchaser agrees to pay Icetech Refrigeration Inc. upon receipt of the invoice; the sum listed below per month for 12 months at which a 3% increase will occur and repeat for remaining terms of agreement (PLUS ALL APPLICABLE TAXES)

Comprehensive Service Package Cost - Year 1 (Per Visit): \$1,785.33

Comprehensive Service Package Cost - Year 2 (Per Visit): \$1,838.89

Comprehensive Service Package Cost - Year 3 (Per Visit): \$1,894.06

Accepted By: Braden Kurtz

Title: Managing Partner

Accepted By:

Title:

Icetech Refrigeration Inc.
212 Mahogany Parade SE
Calgary, AB T3M 2J9

Date:

Penhold Regional Multiplex
#1, Waskasoo Ave Penhold,
AB T4E 1X4

Date:

TERMS & CONDITIONS

1. These terms and conditions, constitute the entire agreement between the Customer and Ictech Refrigeration.
2. The term of this Agreement, and any work schedule, shall be as set forth in the terms.
3. Customer shall permit Ictech Refrigeration safe, unimpeded, and timely access to all required equipment and areas of the Customer's site to enable it to provide the work under this Agreement (the "Work"). Ictech Refrigeration shall not be required to move, replace, or alter any part of a building or other structure to provide the Work except as expressly provided for in this Agreement. Customer shall permit Ictech Refrigeration technicians to start and stop its equipment as necessary to perform the Work. The Customer shall provide Ictech Refrigeration with all pertinent Material Safety Data Sheets (MSDS) in the format required by applicable occupational health and safety legislation and workplace hazardous materials information systems.
4. All Work will be performed during the Ictech Refrigeration's normal working hours except as expressly agreed in this Agreement.
5. Ictech Refrigeration shall not be responsible for performing any work or supplying any parts, materials, or equipment not specifically included in the Work or this Agreement. When services, parts, materials, or equipment are required beyond those included in this Agreement, Ictech Refrigeration will provide the Customer with a detailed quotation. No such work will be completed without the Customer's prior written approval. The cost of any services, parts, materials, or equipment not included in the Work or this Agreement will be charged to the Customer on a time and material basis at Ictech Refrigeration's then current rates, or as otherwise agreed in writing by Ictech Refrigeration and the Customer. Notwithstanding the foregoing, Ictech Refrigeration shall have no obligation to complete any work without the Customer's prior written consent and no liability with respect thereto.
6. Ictech Refrigeration 's Work under this Agreement does not include the following:
 - a. the remediation of any conditions or defects that were hidden defects or not reasonably discoverable on a non-invasive visual inspection of the equipment or system by Ictech Refrigeration or that were not reasonably discoverable on a visual inspection due to weather conditions, inaccessibility of the equipment, or systems or other reasons beyond the control of Ictech Refrigeration;
 - b. the cost of, or completion of, any work or repairs/replacements related to the main power to the system or equipment (including any equipment disconnection costs), equipment structural supports, piping, duct work, oil storage tanks, and other similar items except as expressly forming part of the Work under this Agreement;
 - c. testing, or work related to, the indoor air quality of the Customer's facility, except expressly forming part of the Work under this Agreement, including without limitation injury or illness to occupants of the facility or third parties, arising with respect thereto;
 - d. except as expressly forming part of the Work under this Agreement, any responsibility or liability with respect to the existing design of the system or equipment; obsolescence; safety testing; inspection, removal, and/or reinstallation of valve bodies and dampers other than those associated with Work; repair or replacement necessitated by weather conditions (including freezing); electrical power failure; low voltage; burned-out main or branch fuses; or low water pressure; or
 - e. the identification, abatement, or removal of asbestos or any other toxic or hazardous substances, hazardous wastes, or hazardous materials, or any responsibility or liability with respect thereto. In the event such substances, wastes, or materials are encountered, Ictech Refrigeration shall have the right to immediately suspend the Work until such substances, wastes, or materials and the resultant hazards are removed or to terminate this Agreement.

7. The Customer will promptly pay invoices, including applicable taxes on the amount's chargeable, within thirty (30) days of receipt.
8. In the event of default by the Customer under this Agreement, Ictech Refrigeration, may at its option, suspend all Work under this Agreement until such default is remedied and/or terminate this Agreement without notice. Upon any such termination, the fees that would have been payable by the Customer for remainder of the Term shall be immediately due and payable immediately upon demand.
9. The Customer acknowledges that the inspections by Ictech Refrigeration do not constitute a warranty or representation of any kind whatsoever from Ictech Refrigeration with respect to the Customer's equipment or systems or otherwise and Ictech Refrigeration provides no warranty with respect to the inspections. The Customer further acknowledges that Ictech Refrigeration is not the manufacturer of parts or equipment and provides no warranties as to the parts or equipment supplied to the Customer by Ictech Refrigeration beyond the available manufacturer's warranty, and the Customer shall be responsible for the cost of any labour associated with the repair or replacement of any equipment under any manufacturer's warranty on a time and material basis at Ictech Refrigeration's then current rates. Ictech Refrigeration warrants that all labour workmanship under this Agreement shall be free from defects for thirty (30) day after the performance of the Work. Ictech Refrigeration makes no representation or warranty to the Customer of any kind, express or implied, including without limitation, any warranty of merchantability or fitness for any particular purpose. Ictech Refrigeration shall not, under any circumstances, be responsible for any defects or damage caused in whole or in part by vandalism; misuse or abuse of the system(s) or equipment; negligence of others (including the Customer)' failure of the Customer to properly operate the system(s) or equipment; requirements of governmental, regulatory, or insurance agencies; or other causes beyond control of Ictech Refrigeration.
10. Ictech Refrigeration shall not be liable for any delay, loss, damage, or detention or other delay or interruption in the provision of the Work caused by unavailability of machinery, equipment, parts, or materials; delay of carriers; strikes, including those by Ictech Refrigeration 's employees; lockouts; civil or military authority; priority regulations; insurrection or riot; action of the elements; forces of nature, including pandemics; or by any cause beyond Ictech Refrigeration's control.
11. UNDER NO CIRCUMSTANCES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), EQUITY, OR OTHERWISE, WILL ICETECH REFRIGERATION BE RESPONSIBLE FOR LOSS OF USE; LOSS OF PROFIT; INCREASED OPERATING OR MAINTENANCE EXPENSES; CLAIMS OF THE CUSTOMER'S TENANTS OR CLIENTS; OR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES.
12. To the fullest extent permitted by law, the Customer shall indemnify and hold harmless Ictech Refrigeration, its officer, directors, employees, contractors, and agents from and against all claims, damages, losses, and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of Work hereunder, to the extent that such claim, damage, loss, or expense is caused in whole or in part by breach of this Agreement; negligence; or active or passive acts or omissions of the Customer, anyone directly or indirectly employed by the Customer, or anyone for whose acts the Customer is responsible at law.
13. This Agreement shall be governed by the laws of the jurisdiction in which Ictech Refrigeration is performing the work.



REQUEST FOR DECISION

Department: Legislative Services

Submitted by: Bonnie Stearns

SUBJECT: Federation of Canadian Municipalities' (FCM) Board Nominations

RECOMMENDATION:

That Council endorses Mayor Yargeau to stand for election on FCM's Board of Directors for the period starting June 2026 and ending June 2028;

AND FURTHER that the town allocates a budget in the amount of \$ 10,000 per year to cover travel costs and meeting expenses.

CAO COMMENTS:

Council, through the Town's Strategic Directives, have identified that we desire to have influence on higher levels of governance to further assist communities within central and all Alberta.

SUPPORTING DOCUMENTS: Report/Document: **Attached X** Available ___ **Nil** ___

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Section 153 (a) states in part that Councillors have the duty “..... to bring to council's attention anything that would promote the welfare or interests of the municipality”.

STRATEGIC RELEVANCE:

This member-elected body informs national policy priorities on behalf of cities and communities of all sizes. Board directors meet in person/hybrid three times per year, with some committee meetings in between.

DESIRED OUTCOME(S):

- To ensure the Federal Government hears our community/provincial voice.
- Assist in recommending policy directives affecting municipalities to the Federal Government.

RESPONSE OPTIONS:

1. That Council defers the FCM Board Nomination back to administration and requests additional information.
2. Choose not to participate.

PREFERRED STRATEGY:

Position Penhold to champion local and regional priorities at the national level.

IMPLICATIONS OF RECOMMENDATION:

All costs associated with participating on the FCM Board is covered by the Municipality.

GENERAL:

Having a voice with FCM's core issues – from affordable housing to rural economic growth, from social inclusion to climate resilience enables us to help champion change on a national scale.

ORGANIZATIONAL:

Administration will support this process when called upon.

FINANCIAL:

Will be determined should Penhold's Mayor get elected by the number of meetings and required travel.

FOLLOW UP ACTION:

Nomination process will need to be completed, including the attached municipal resolution.

COMMUNICATION:

Notification to the residents will be sent once results are in.

OTHER COMMENTS:

Presented at the April 13th, 2026, Regular Council Meeting for the Town of Penhold



CAO



**TOWN OF PENHOLD
2026 COUNCIL RESOLUTION**

**FEDERATION OF CANADIAN MUNICIPALITIES (FCM) –
ELECTION TO THE BOARD OF DIRECTORS**

WHEREAS the Federation of Canadian Municipalities (FCM) represents the interests of member municipalities on policy and program matters that fall within federal jurisdiction;

WHEREAS FCM's Board of Directors is comprised of elected municipal officials from all regions and sizes of communities to form a broad base of support and provide FCM with the united voice required to carry the municipal message to the federal government; and

WHEREAS FCM's Annual General Meeting (AGM) will be held in conjunction with the Annual Conference and Trade Show, June 4 to 7, 2026, followed by the election of FCM's Board of Directors;

BE IT RESOLVED that Council of the Town of Penhold endorse Mike Yargeau to stand for election on FCM's Board of Directors, for the period starting in June 2026 and ending in June 2028; and

BE IT FURTHER RESOLVED that Council assumes all costs associated with Mike Yargeau attending FCM's Board of Directors meetings.

Rick Binnendyk, CAO



REQUEST FOR DECISION

Department: Parkland Community Planning Services

Submitted by: Rick Binnendyk

SUBJECT: Subdivision Application PEN26101

To consider the subdivision of SE ¼ Sec 1, Twp 37, Rge 28, W4M in the Town of Penhold in order to create 39 lots, including 36 residential lots, two Municipal Reserve (MR) lots, one Public Utility Lot (PUL), within the existing Urban Reserve (UR) District.

RECOMMENDATION:

That Council approves subdivision application PEN26101 as recommended by Parkland Community Planning Services (PCPS).

CAO COMMENTS:

It should be noted that after the report was drafted, there was one more resident making comments to the proposed subdivision.

Concerns identified was

- the lot sizing does this allow sufficient parking off and on street parking.
- When is the playground going to be developed.
- Do not wish to see additional drive accesses onto oxford blvd.

SUPPORTING DOCUMENTS: Report/Document: Attached X Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

To consider the subdivision of SE ¼ Sec 1, Twp 37, Rge 28, W4M, in order to change the current UR District parcel to developable residential, MR, and PUL lots.

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Division 7, Subdivision of Land.

STRATEGIC RELEVANCE:

As identified within the Town of Penhold Strategic Plan Report, under the Organizational Excellence Strategy, the main priority is to support a complete community through housing choice and community amenities. Areas of Focus: Diversity of Housing Penhold.

DESIRED OUTCOME(S):

Support and facilitate seniors housing, affordable options, and overall market variety.

RESPONSE OPTIONS:

Council defers this item back to Administration for further information or research.

PREFERRED STRATEGY:

As no concerns were brought forward to PCPS regarding the subdivision of the parcel, that Council approve the recommendation and we move forward with the next step of the project.

IMPLICATIONS OF RECOMMENDATION:

If Council approves the proposed application, work can proceed creating 39 lots, including 36 residential lots, two Municipal Reserve (MR) lots, one Public Utility Lot (PUL), within the existing Urban Reserve (UR) District.

GENERAL:

See package attached.

FOLLOW UP ACTION:

As per Council's direction.

COMMUNICATION:

OTHER COMMENTS:

Presented at the Apr. 13th, 2026 Regular Council Meeting for the Town of Penhold



CAO



Unit B, 4730 Ross Street
Red Deer, Alberta, T4N 1X2
Phone: (403) 343-3394
E-mail: pcps@pcps.ab.ca
www.pcps.ca

SUBDIVISION REPORT

**Subdivision Authority (Penhold)
Town of Penhold**

March 25th, 2026

SE ¼ Sec 1, Twp 37, Rge 28, W4M

File Number: PEN26101

Proposal: To subdivide SE-1-37-28-W4M to create 39 lots, including 36 residential lots, two Municipal Reserve (MR) lots, one Public Utility Lot (PUL), within the existing Urban Reserve (UR) District.

PURPOSE

To consider the subdivision of SE ¼ Sec 1, Twp 37, Rge 28, W4M in the Town of Penhold in order to create 39 lots, including 36 residential lots, two Municipal Reserve (MR) lots, one Public Utility Lot (PUL), within the existing Urban Reserve (UR) District.

DISCUSSION

Melcor Developments Ltd., the registered owner, is proposing the subdivision of the subject lands. The proposal is to create 39 lots, including 36 residential lots, two Municipal Reserve (MR) lots, one Public Utility Lot (PUL), within the existing Urban Reserve (UR) District. The parcel is proposed to be subdivided to accommodate a significant residential expansion known as the Oxford Landing development, located in the northern portion of the Town of Penhold. Residential development has already been completed immediately north of the proposed subdivision boundaries.

The current area of SE ¼ Sec 1, Twp 37, Rge 28, W4M is approximately 59 ha (145.76 ac). The area of the subject lands proposed to be subdivided is 2.34 ha (5.78 ac). The proposed 36 residential lots range in size from approximately 207.0 m² to 747.9 m² as shown in Appendix B.

There are currently no buildings located on the site.

The following report examines the proposed subdivision in relation to the Town’s existing statutory plans, comments received through the referral process, and other applicable planning considerations.

INTERMUNICIPAL DEVELOPMENT PLAN (IDP)

The Town of Penhold and Red Deer County Intermunicipal Development Plan notes that the subject land is within the Town’s boundary. The IDP defers to the Town’s Municipal Development Plan and the direction it provides for future land uses in this area.

MUNICIPAL DEVELOPMENT PLAN (MDP)

The Town of Penhold Municipal Development Plan (October 2019) identifies the subject lands as Residential on Map 3 – Future Land Use Concept, which is consistent with the proposed use of the parcel.

Section 5.0 – Growth Management and Financing of Urban Growth supports coordinated and efficient urban expansion. The proposed subdivision is consistent with these policies and aligns with the Oxford Landing Outline Plan, which was approved on June 11, 2012, and provides the framework for residential development in this area.

Section 7.0 – Residential Development encourages the development of residential neighbourhoods that provide a range of housing types and densities. The location of the subject parcel is consistent with the Town’s planned residential growth areas and supports the MDP goal of providing a variety of housing forms in terms of lot size, dwelling type, appearance, and affordability.

Oxford Landing Outline Plan

The Oxford Landing Outline Plan was approved on June 11, 2012, and amended in 2019. The proposed subdivision and land use are consistent with the residential development framework outlined in the Plan. The proposed Municipal Reserve (MR) lot and Public Utility Lot (PUL) are in areas identified for Municipal Reserve, consistent with the Outline Plan. An additional amendment to the Outline Plan is scheduled for April 2026, which will introduce several updates to better align the Plan with current policies.

LAND USE BYLAW (LUB)

The Town of Penhold Land Use Bylaw (Bylaw No. 837/2025) currently designates the subject lands as Urban Reserve District (UR). The purpose of the UR District is *“to protect the land from premature subdivision and development until such time as Council determines the specific land use(s) that may occur within the area, taking into account matters such as growth, serviceability, and the future development land requirements of the Town.”*

The proposed subdivision forms part of the Oxford Landing residential development and is intended to support future residential neighbourhood growth within the Town. As development proceeds, the lands will be rezoned to appropriate residential districts in accordance with the Land Use Bylaw.

The proposed rezoning includes the following residential districts:

- Low Density Residential District (R1) – intended to provide areas for low-density residential development in the form of single detached dwellings and compatible uses connected to municipal water and sewer systems.
- Low Density Narrow Lot Residential District (R1-N) – intended to provide areas for low-density residential development consisting of single detached dwellings and compatible uses on smaller or narrower parcels.
- General Residential District (R2) – intended to provide areas for low-density residential development including single detached dwellings, semi-detached dwellings, and compatible uses connected to municipal water and sewer systems.

An Outline Plan amendment and associated rezoning application are anticipated in April 2026, which proposes to introduce an additional district within the subdivision area:

- Multiple Unit Residential District (R3) – intended to provide areas for medium- and high-density residential development and compatible uses connected to municipal water and sewer systems. The proposed subdivision lots range in size from 207.0 m² to 747.9 m². Future rezoning of individual lots will be required to comply with the minimum parcel area and parcel width requirements of the applicable Land Use Bylaw districts, unless the Town grants a relaxation.

Overall, the proposed subdivision layout and future rezoning support the planned residential development of the area and are consistent with the intent of the Town of Penhold Land Use Bylaw.

Development Standards	Urban Reserve District (UR).	Low Density Residential District (R1)	Low Density Narrow Lot Residential District (R1-N)	General Residential District (R2)	Multiple Unit Residential District (R3)	Compliance
Minimum Parcel Area	The frontage of the existing parcel as shown on the registered plan or Certificate of Title unless otherwise approved by the Subdivision Authority.	445 m2 (4,800 sqf.)	300 m2 (3200 sqf.)	400 m2 (4300 sqf.)	185 m ² (1,991 sq. ft.)	Meets Requirements
Minimum Parcel Width	The frontage of the existing parcel as shown on the registered plan or Certificate of Title unless otherwise approved by the Subdivision Authority.	12.2 m (40ft.)	9.2m (30ft.)	15.2 m (50ft.)	6.0 m (20ft.)	Some proposed lots do not meet the minimum parcel width requirement, with widths of 5.67 m. This would require either a Land Use Bylaw amendment or a relaxation granted by the Development Authority.

MUNICIPAL RESERVES

Municipal reserve dedication is required for this subdivision application as the parcel area exceeds 0.8 ha (2.0 ac).

A deferred reserve caveat currently registered on title in the amount of 0.443 ha (1.09 ac) accounts for municipal reserve dedications from previously registered subdivisions within SE ¼ Sec. 1, Twp. 37, Rge 28 W4M.

The amount of municipal reserve required in the Town of Penhold is 10% of the gross area of land being subdivided. The proposed subdivision area is 2.34 ha (5.78 ac), therefore requiring a municipal reserve dedication of: 2.34 ha × 10% = 0.234 ha (0.578 ac)

The proposed Municipal Reserve (MR) lot has an area of 855.7 m², which is equivalent to 0.08557 ha (0.2114 ac).

As the municipal reserve land being provided is less than the required 10% dedication, the remaining reserve amount of 0.149 ha (0.234 ha required – 0.08557 ha provided) will be deferred and added to the existing deferred reserve caveat.

Therefore, the updated deferred reserve caveat registered against the balance of SE ¼ Sec. 1, Twp. 37, Rge 28 W4M will total:

$$0.443 \text{ ha} + 0.149 \text{ ha} = 0.592 \text{ ha (1.463 ac)}$$

SITE PHOTOS

A site inspection was completed on February 13th, 2026 and the following images illustrate the general nature of the subject site.



Photo 1. View of the proposed subdivision parcel from the proposed north boundaries, looking south.



Photo 2. View of the reminder parcel from the proposed west boundaries, looking west



Photo 3. View of the reminder parcel from the proposed west boundaries, looking east

REFERRAL COMMENTS

The application was referred to Town Staff, agencies with an interest in the land, and adjacent landowners. The following comments were received. Comments in their entirety are attached in Appendix C.

Comments from adjacent landowners

- *One adjacent landowner expressed support for the development but suggested that a lot be allocated for a playground within the subdivision area to provide recreational space for children and enhance the attractiveness of the neighbourhood.*

Response: The current subdivision proposal does not include a playground within the proposed lots. However, an amendment to the Oxford Landing Outline Plan identifies areas for future playground development within the Open Space and Trails network in the broader neighbourhood. The proposed amendment must be brought forward to Council for approval.

Comments from Referral Agencies

- *Telus Communications - No objections as long as TELUS is included in any URW built to service the subdivision*
- *Alberta Energy Regulator - Comments in notes*
- *Forestry and Parks - No comments*
- *Fortis Alberta - No easement, comments in notes*
- *River Engineering and Technical Services - The proposed subdivision in SE-1-37-28-W4M, located adjacent to Waskasoo Creek, from a river engineering and flood hazard perspective. Based on the Red Deer River Hazard Study (2019–2022), flooding from Waskasoo Creek, including up to the 1:1000 flood event, is not expected to impact the proposed subdivision. Therefore, no concerns were identified regarding riverine flooding. The assessment does not include potential overland or stormwater flooding.*
- *Red Deer County - No Concerns*
- *Alberta Health Services - No Concerns*
- *Transportation and Economic Corridors - No objections in principle and offers the following comments with respect to this application:*

1. The requirements of Section 18 of the Regulation are not met. Based on review of the proposal, the department is satisfied that the Highway has sufficient capacity to

accommodate the proposal. Pursuant to Section 20(1) of the Regulation, Transportation and Economic Corridors grants approval for the subdivision authority to vary the requirements of Section 18 of the Regulation.

2. The requirements of Section 19 are met, therefore no variance is required.

Transportation and Economic Corridors has the following additional comments and/or requirements with respect to this proposal:

1. The department expects that the municipality will mitigate the impacts of traffic generated by developments approved on the local road connections to the highway system, pursuant to Policy 7 of the Provincial Land Use Policies and Section 618.4 of the Municipal Government Act.

2. Transportation and Economic Corridors accepts no responsibility for the noise impacts or other impacts of highway traffic upon any development or occupants thereof. The subdivision design should include adequate physical features to ensure that the proposed use of land is compatible with the adjacent provincial highway system. Some of these features might, for example, include landscaping and/or berming, to provide noise attenuation and visual screening from the highway. Implementation of these features is the responsibility of the owner/municipality.

3. The subject land is within the permit area of a highway as outlined in the Highways Development and Protection Regulation. Proposed development on the subject will require the benefit of a Roadside Development Permit from Transportation and Economic Corridors.

Comments from Municipal Staff

- No comments

RECOMMENDATION

In the opinion of the subdivision authority, the proposed application satisfies the requirements of Section 654 of the *Municipal Government Act*, and the relevant matters listed in Section 7 of the *Subdivision and Development Regulations* (see attached Appendix A); and submissions from municipal staff, referral agencies and adjacent landowners were presented to and considered by the subdivision authority as outlined in the subdivision report dated March 10th, 2026.

Therefore, the subdivision authority **APPROVES** the subdivision application subject to the listed conditions:

1. Subdivision by means suitable to the Registrar of the Land Titles Office.
2. All outstanding taxes to be paid, or satisfactory arrangement for payment thereof, to the Town of Penhold [Section 654 (1)(d) of the *Municipal Government Act*].
3. Enter into a Development agreement prior to subdivision approval being given.
4. Arrangement to be completed with and to the satisfaction of the Town of Penhold for the provision of services pursuant to Section 655 of the *Municipal Government Act* including but not limited to the future connection to municipal water and/or sanitary sewer [Section 655 of the *Municipal Government Act*].
5. Dedication of MR as shown on the approved sketch and registration of a new deferred reserve caveat in the amount of 0.592 ha (1.463 ac) against the balance of the SE ¼ Sec. 1, Twp 37, Rge 28 W4M.
6. Arrangement to be completed with and to the satisfaction of the Town of Penhold for the provision of an access easement, to the benefit of the Town to allow for public access to the trail west of Waskasoo Avenue and located on the remainder of the SE ¼ Sec. 1, Twp 37, Rge 28 W4M.
7. Prior to endorsement of the subdivision plan, the lands within the subdivision shall be rezoned from Urban Reserve District (UR) to the appropriate residential land use districts in accordance with the Town of Penhold Land Use Bylaw (Bylaw No. 837/2025) and the Oxford Landing Outline Plan, to the satisfaction of the Development Authority.

Notes

- Please be advised that it is the applicant's responsibility to ensure that telecommunication services can be provided to the approved subdivision.
- The Alberta Energy Regulator advised that a sweet well (0% H₂S) is located within SE-01-037-28-W4M, with a required 100 m setback. The approval holder for the well is TAQA North Ltd. (Licence No. 0146735). The AER recommends that the applicant contact the approval holder at an early stage of development planning to confirm current setback designations and to discuss any potential land use planning considerations related to the well.

- Future development may arrange the installation of electrical services for the subdivision through FortisAlberta by contacting 310-WIRE (310-9473) to apply for electrical service. For additional information, FortisAlberta Land Services can be contacted at landserv@fortisalberta.com or (403) 514-4783.
- The municipality is responsible for mitigating any traffic impacts generated by developments approved on local road connections to the provincial highway system, in accordance with Policy 7 of the Provincial Land Use Policies and Section 618.4 of the Municipal Government Act. Transportation and Economic Corridors accepts no responsibility for noise or other impacts from highway traffic on the proposed development. The subdivision design should incorporate appropriate features, such as landscaping or berming, to provide noise attenuation and visual screening from the highway. Implementation of these measures is the responsibility of the owner and/or municipality. The subject lands are also located within the permit control area of a provincial highway under the Highways Development and Protection Regulation, and any future development will require a Roadside Development Permit from Transportation and Economic Corridors.
- Works of any nature (ie: grading, paving, stockpiling, landscaping, berms, etc.) affecting surface rights of way must receive prior approval from the respective agency.



Jiayi Wang

Planner, Parkland Community Planning Services

Attachments

Appendix A: *Municipal Government Act*, Approval of Application, Section 654

Appendix B: Tentative Plan and Lot Areas

Appendix C: Referral Comments

APPENDIX A
Approval of Application
Section 654, Municipal Government Act

654(1) A subdivision authority must not approve an application for subdivision approval unless

- (a) the land that is proposed to be subdivided is, in the opinion of the subdivision authority, suitable for the purpose for which the subdivision is intended,
- (b) the proposed subdivision conforms to the provisions of any growth plan under Part 17.1, any statutory plan and, subject to subsection (2), any land use bylaw that affects the land proposed to be subdivided,
- (c) the proposed subdivision complies with this Part and Part 17.1 and the regulations under those Parts, and
- (d) all outstanding property taxes on the land proposed to be subdivided have been paid to the municipality where the land is located or arrangements satisfactory to the municipality have been made for their payment pursuant to Part 10.

(1.2) If the subdivision authority is of the opinion that there may be a conflict or inconsistency between statutory plans, section 638 applies in respect of the conflict or inconsistency.

(2) A subdivision authority may approve an application for subdivision approval even though the proposed subdivision does not comply with the land use bylaw if, in its opinion,

- a) the proposed subdivision would not
 - (i) unduly interfere with the amenities of the neighbourhood, or
 - (ii) materially interfere with or affect the use, enjoyment or value of neighbouring parcels of land,
- and
- b) the proposed subdivision conforms with the use prescribed for that land in the land use bylaw.

(3) A subdivision authority may approve or refuse an application for subdivision approval.

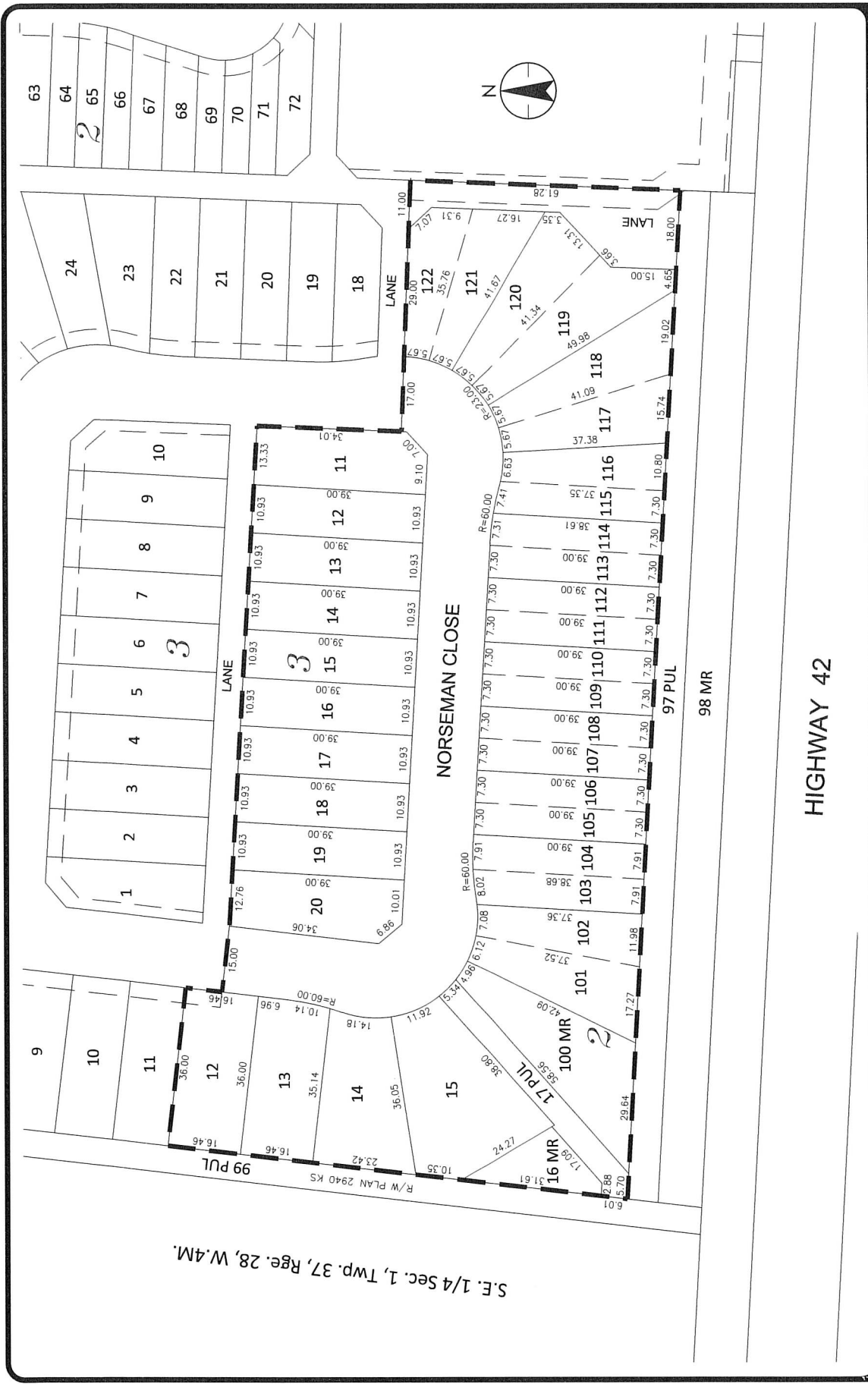
Section 7 – Subdivision and Development Regulations


Relevant Considerations

7. In making a decision as to whether to approve an application for subdivision, the subdivision authority must consider, which respect to the land that is the subject of the application,

- (a) its topography,
 - (b) its soil characteristics,
 - (c) storm water collection and disposal,
 - (d) any potential for the flooding, subsidence or erosion of the land,
 - (e) its accessibility to a road,
 - (f) the availability and adequacy of a water supply, sewage disposal system and solid waste disposal,
 - (g) in the case of land not serviced by a licensed water distribution and wastewater collection system, whether the proposed subdivision boundaries, lot sizes and buildings sites comply with the requirements of the *Private Sewage Disposal Regulation* (AR 229/97) in respect of lot size and distances between property lines, buildings, water sources and private disposal systems as identified in Section 4(4)(b) and (c).
 - (h) the use of land in the vicinity of the land that is the subject of the application, and
- (i) any other matters that it considers necessary to determine whether the land that is the subject of the application is suitable for the purpose for which the subdivision is intended.

APPENDIX B





 Prepared for: Melcor Developments
 Red Deer, Alberta
 DRAWN BY: SAS
 CHECKED BY:
 SCALE: 1:1,250
 PROJECT #: 1161120180
 February, 2026

Oxford Landing Phase 1B
Tentative Plan
Town of Penhold

NOTE;
 Subdivision contains 1.95 ha within the
 S.E. 1/4 Sec. 1, Twp. 37, Rge. 28, W.4M.
 and is outlined thus: — — — — —

Vista Lot Areas

February 19, 2026

Lot	Block	m2	ft2
12	2	592.5	6378
13		589.7	6347
14		645.2	6945
15		872.8	9395
16 MR		243.5	2621
17 PUL		341.6	3677
100 MR		713.6	7681
101		447.6	4818
102		353.2	3802
103		301.2	3242
104		307.7	3312
105		284.5	3063
106		284.5	3063
107		284.5	3063
108		284.5	3063
109		284.5	3063
110		284.5	3063
111		284.5	3063
112		284.5	3063
113		284.5	3063
114		283.7	3053
115		277.6	2988
116		322.9	3475
117		406.9	4380
118		505.4	5440
119		529.2	5696
120		458.2	4932
121		398.4	4288
122		330.8	3560

Lot	Block	m2	ft2
11	3	294.9	3174
12		233.8	2517
13		299.8	3227
14		305.0	3283
15		244.6	2633
16		240.8	2592
17		288.5	3105
18		273.3	2942
19		208.7	2246
20		207.0	2228

APPENDIX C

 Outlook

To subdivide SE-1-37-28-W4M

From [REDACTED]
Date Sun 2026-02-22 11:23 AM
To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Good day,

I am [REDACTED], resident of [REDACTED]. I would like to put forward my comment on your application to subdivide the subject lot. Personally, I would like to see a lot provided for a playground. This area needs one, it will not only make the kids happy, it would also entice buyers.

Based on the plan provided, there is currently no lot allocated for a playground. I hope you consider this in your plans.

Thank you.

Phone: [403-605-5515](tel:403-605-5515)

8:00 AM-4:30 PM(Monday to Friday)

Email: jiayi.wang@pcps.ab.ca

Web: pcps.ca

 PCPS Logo-RGB (640x201)

Sent: Wednesday, March 11, 2026 10:49 PM

To: Jiayi Wang <jiayi.wang@pcps.ab.ca>

Subject: PEN26101

Dear PCPS - Jiayi Wang

I am a resident of 185 Norseman Close (PO Box 1509).

I have a few questions/concerns about the proposed development in Norseman close.

The lots sizes look very skinny, I realize they are duplex's with front garages but does the width allow for 2 full size vehicles to park in each driveway still? With no back lane all the cars will be upfront.

I am worried with possible very small drive ways that cars will resort to all parking on the street crowding the road. I purchased and built in a close with lots of parking options; with driveways that fit 2 trucks and lots of street parking. If suddenly parking becomes very hard to find that would be disappointing.

Another question, what is the status on the playground, there is many young kids in this neighbourhood and hopefully with this pivot in the plan that the playground still is proposed to be built in 2026. This playground is very important to current and future home owners on this side of the highway.

In the Penhold Council meeting (March 9) I heard that there's some decisions being tweaked regarding the plans for the North of Oxford boulevard plans.

1 change being decided on is if the town houses will back on to Oxford Boulevard or face Oxford Boulevard.

My suggestion would be to back them on to that road. As a person who travels on the Boulevard daily I have noticed that it becomes a very tight road when all the current home owners park on both sides of the road. On garbage days it becomes a single vehicle road and you have to wait for cars or the garbage truck to pass before driving down it. (One way)
If the town houses faced that road, it would double the number of cars and double the trouble.

Thank you for your time and consideration
185 Norseman Close Penhold Resident

Re: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From circulations . <circulations@telus.com>

Date Wed 2026-02-11 10:05 AM

To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Good Day,

Thank you for including TELUS in your circulation. In order to protect any future facilities that will be placed to service this development, TELUS would like to be named within the General Utility Right of Way agreement that is registered. If a General Utility Right of Way agreement will not be registered, please have the applicant/developer contact circulations@telus.com to initiate a TELUS Utility Right of Way Agreement.

Thank you,

Joanne Bourdage

**Real Estate Specialist | TELUS Land Solutions Team
Customer Network Planning (CNP)**

2930 Centre Avenue NE, Calgary, AB T2A 4Y2

The future is friendly®

circulations@telus.com

On Wed, Feb 11, 2026 at 8:00 AM Jiayi Wang <jiayi.wang@pcps.ab.ca> wrote:

Good morning,

Please see the attached circulation and provide comments, if any, no later than March 4th, 2026.

Thank you for your time and attention to this matter.

Best,

Jiayi Wang, MPLAN
Planner
Unit B, 4730 50th Street
Red Deer, AB. T4N 1X2

Phone: 403-605-5515
8:00 AM-4:30 PM(Monday to Friday)
Email: jiayi.wang@pcps.ab.ca
Web: pcps.ca



RE: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From Setbackreferrals <SetbackReferrals@aer.ca>

Date Wed 2026-02-11 10:42 AM

To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Good Morning,

Please note that there is a sweet well (0% H2S) located within SE-01-037-28W4 that has a 100 m setback requirement. The approval holder is TAQA North Ltd. (license #0146735).

You are strongly encouraged to contact the approval holder to obtain current sour gas setback level designations and to discuss land use planning, at the earliest stage of development planning.

Thank you,

Ali Kijat, Emergency Preparedness Specialist

Regulatory Compliance

e ali.kijat@aer.ca

a Suite 1000, 250 – 5 Street SW, Calgary, AB T2P 0R4

inquiries 1-855-297-8311 **24-hour emergency** 1-800-222-6514



My work hours may not be your work hours; don't feel obliged to respond outside of your own work schedule.

Insert a personal land acknowledgement (optional), confidentiality, or privacy statement here.

Security Classification: Protected A

From: Jiayi Wang <jiayi.wang@pcps.ab.ca>

Sent: February 11, 2026 8:00 AM

Subject: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

CAUTION: External email alert.

DO NOT click links, open attachments, reply, or enter AER credentials unless you recognize the sender and know the content is safe. Report phishing via Outlook 'Report Message' button.

Good morning,

Please see the attached circulation and provide comments, if any, no later than March 4th, 2026.

Thank you for your time and attention to this matter.

Best,

RE: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From Jeffrey Froese <Jeffrey.Froese@gov.ab.ca>
Date Wed 2026-02-11 2:59 PM
To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Thank you for the opportunity to review and comment.

The Department has no comments with regards to the *Public Lands Act*.

Jeff Froese, P.Ag.

Bighorn/ Edmonton Land Management Specialist, Acting Lands Team Lead
Lands Delivery and Coordination South Branch
Forestry and Parks
Government of Alberta

Tel 403-340-7866

Jeffrey.Froese@gov.ab.ca



Classification: Protected A

From: Shelley Langford <Michelle.Langford@gov.ab.ca> **On Behalf Of** FP RockyLU-Clearwater
Sent: February 11, 2026 8:27 AM
To: Jeffrey Froese <Jeffrey.Froese@gov.ab.ca>
Subject: FW: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

Classification: Protected A

From: Jiayi Wang <jiayi.wang@pcps.ab.ca>
Sent: February 11, 2026 8:00 AM
Subject: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Good morning,

Please see the attached circulation and provide comments, if any, no later than March 4th, 2026.

FW: [320168866] Re: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From Erin Aldcroft <erin.aldcroft@fortisalberta.com>
on behalf of
Land Service <landserv@fortisalberta.com>
Date Thu 2026-02-19 2:04 PM
To Jiayi Wang <jiayi.wang@pcps.ab.ca>

 2 attachments (3 MB)

Revised Map PEN26101 Agency Referral.pdf; Easements - 320168866 - Subdivision SE 01-37-28-W4 PCPS PEN26101.pdf;

Hello,
Please see our attached letter.
Thank you
Erin Aldcroft

Erin Aldcroft | Land Coordinator

FortisAlberta Inc. | 15 Kingsview Rd. SE Airdrie, AB T4A 0A8 | Tel: 587-775-6331

Project Status Portal | Check the status of your New Service Connection or Project.

Get Connected | Getting connected with us is a five-phase process. Learn more here.

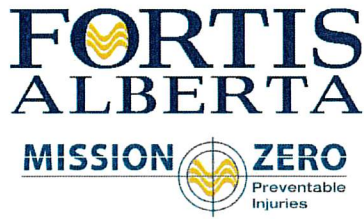
**FORTIS
ALBERTA**



We are FortisAlberta. We deliver the electricity that empowers Albertans to succeed. We keep the power on, not just because it's our job, but because we care about the people we serve. We are reliable, honest and dedicated to our work because our employees, customers and communities matter to us.

For more information please visit [fortisalberta.com](https://www.fortisalberta.com)

From: Jiayi Wang <jiayi.wang@pcps.ab.ca>
Sent: Thursday, February 19, 2026 1:53 PM
To: Jiayi Wang <jiayi.wang@pcps.ab.ca>
Subject: [CAUTION] Re: Subdivision Referral - Town of Penhold - PCPS file: PEN26101



Erin Aldcroft
Land Department

FortisAlberta Inc.
320 - 17 Ave SW
Calgary, AB
T2S 2V1
Phone# 587-775-6331
Cell#
www.fortisalberta.com
Email: erin.aldcroft@fortisalberta.com

February 19, 2026

PCPS Community Planning Services
Unit B, 4730 Ross Street
Red Deer, Alberta
T4N 1X2

Attention: Jiayi Wang

RE: FortisAlberta Condition for Subdivision Approval

FortisAlberta Reference No.: 320168866

MD File No.: PEN26101

Location/Legal Description: SE 01-37-28-W4

Customer Name: N/A

Thank you for contacting FortisAlberta regarding the above application for subdivision. We have reviewed the plan and determined that no easement is required by FortisAlberta.

FortisAlberta is the Distribution Wire Service Provider for this area. The developer can arrange installation of electrical services for this subdivision through FortisAlberta. Please have the developer contact 310-WIRE (310-9473) to make application for electrical services.

Please contact FortisAlberta land services at landserv@fortisalberta.com or by calling (403) 514-4783 for any questions.

Sincerely,

A handwritten signature in blue ink that reads "Erin Aldcroft".

Erin Aldcroft

RE: 320168866

RE: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From Jane Eaket <Jane.Eaket@gov.ab.ca>

Date Mon 2026-02-23 10:57 AM

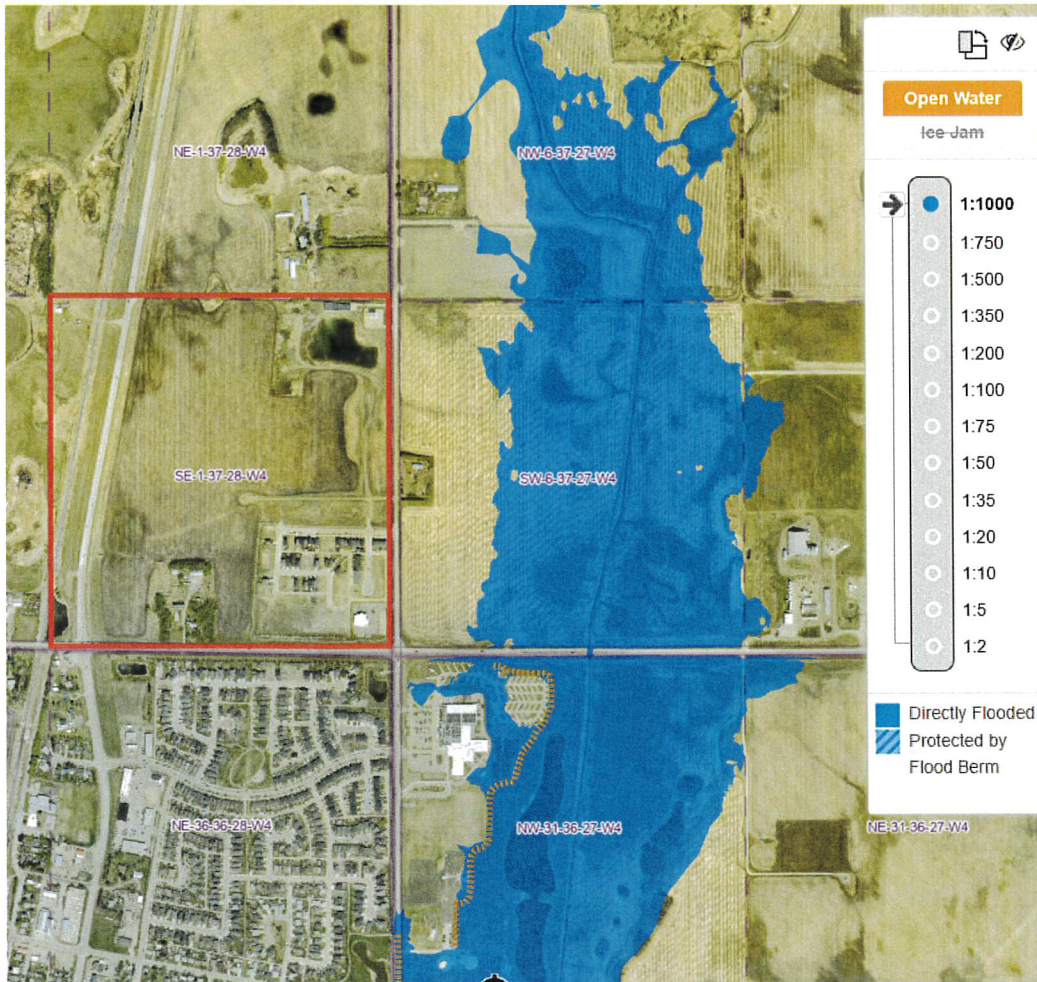
To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Cc EPA Flood <EPA.Flood@gov.ab.ca>

Hello Jiayi,

Thank you for reaching out to River Engineering and Technical Services. We received your original letter and the letter with the revised map, both dated February 11, 2026, File Number PEN26101. I have reviewed the proposed subdivision in SE-1-37-28-W4M, located in the Town of Penhold, from a river engineering and flood hazard perspective.

The proposed subdivision is located adjacent to Waskasoo Creek, which was included as part of the Red Deer River Hazard Study (July 2019 – December 2022). Expected flooding from Waskasoo Creek, up to and including the 1:1000 flood, would not impact the proposed subdivision (see below image from <https://floods.alberta.ca/>). For this reason, I have no concerns with the proposed subdivision from a river engineering and flood hazard perspective. Please note that this assessment is specific to riverine flooding and does not include potential overland and/or stormwater flooding.




Regards,
Jane

Jane Eaket, M.Sc., P.Eng., CFM
 Water Resources Engineer
 River Engineering and Technical Services
 Watershed Resilience and Predictions Branch
 Environment and Protected Areas
 Government of Alberta
 Tel 780-427-2376



FW: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

From Richard Moje <RMoje@rdcounty.ca>
Date Wed 2026-02-25 3:52 PM
To Jiayi Wang <jiayi.wang@pcps.ab.ca>
Cc Ron Barr <RBarr@rdcounty.ca>

 1 attachment (2 MB)
Revised Map PEN26101 Municipal Referral.pdf;

Hi Jiayi,

Thank you for providing Red Deer County an opportunity to comment on the application file PEN26101. Red Deer County does not have any concern with this application.

Regards,

Richard C. Moje, RPP, MCIP

Planner

p: 403.357.2369 | m: 403.350.2170

38106 Range Road 275 | Red Deer County, AB T4S 2L9

rmoje@rdcounty.ca

www.rdcounty.ca



In the spirit of reconciliation, Red Deer County acknowledges that we live and work on Treaty 6 territory – north of the Red Deer River; and on Treaty 7 territory – south of the Red Deer River. We recognize and respect the many First Nations, Métis and Inuit Peoples whose footsteps have marked these lands for time immemorial.

From: Development <Development@rdcounty.ca>

Sent: February 20, 2026 10:39 AM

To: Richard Moje <RMoje@rdcounty.ca>

Cc: Dan Ouwehand <DOuwehand@rdcounty.ca>; Kristina Schmidt <KSchmidt@rdcounty.ca>; Beth McLachlan <bmclachlan@rdcounty.ca>

Subject: Fw: Subdivision Referral - Town of Penhold - PCPS file: PEN26101

Hello,

Please see the attached Subdivision referral received.

Reviewed: Oxford Landing PEN26101

From William Dawe <William.Dawe@albertahealthservices.ca>

Date Tue 2026-03-03 3:42 PM

To Jiayi Wang <jiayi.wang@pcps.ab.ca>

Hi Jiayi Wang,

My name is William, and I am the Public Health Inspector with AHS who has reviewed the Oxford Landing Outline Plan for the proposed new development.

After reviewing the file, I have determined that there are no public health concerns at this time. Best of luck with the remainder of the process.

Kind regards,

William Dawe, BSc, BEH (AD), CPHI(C)
Public Health Inspector
Environmental Public Health – Central Zone
Johnstone Crossing Community Health Centre
300 Jordan Parkway Red Deer, Alberta, T4P 0G8
Email: William.Dawe@AlbertaHealthServices.ca



Healthy Albertans.
Healthy Communities.
Together.

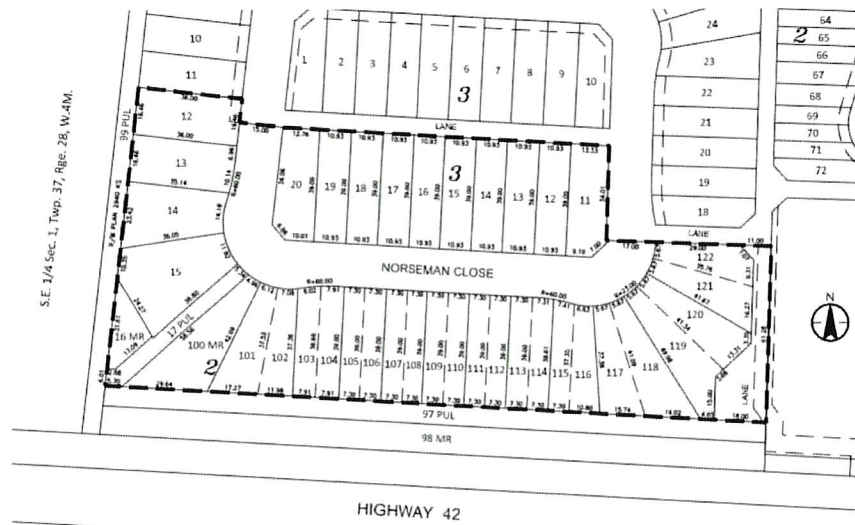


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Transportation and Economic Corridors Notification of Referral Decision

Subdivision in Proximity of a Provincial Highway

Municipality File Number:	PEN26101	Highway(s):	2A, 42, 592
Legal Land Location:	QS-SE SEC-01 TWP-037 RGE-28 MER-4	Municipality:	Penhold
Decision By:	Yashi Parmar	Issuing Office:	Central Region / Red Deer
Issued Date:	February 26, 2026	Appeal Authority:	Land and Property Rights Tribunal
RPATH Number:	RPATH0069903		
Description of Development:	<p>RE: Proposed Subdivision: To subdivide SE-1-37-28-W4M to create forty (40) lots, including thirty-seven (37) residential lots, one (1) Municipal Reserve (MR) lot, one (1) Public Utility Lot (PUL), and a remainder lot, within the existing Urban Reserve (UR) District. Legal Description: SE-1-37-28-W4M Location: Town of Penhold Applicant: Shane Stafford / Stantec Consulting Landowner: Melcor Developments Ltd. Pursuant to the Municipal Government Act, this application is being referred to adjacent landowners to advise of a proposed subdivision application, see attached. Please forward your comments and recommendations on this proposal by March 4th, 2026. If we have not received your comments within this period, we will process the application as if you have no objections to the proposed subdivision. In your reply, please quote our file number. Sincerely,</p>		



This will acknowledge receipt of your circulation regarding the above noted proposal. The subsequent subdivision application would be subject to the requirements of Sections 18 and 19 of the Matters Related to Subdivision and Development Regulation (The Regulation), due to the proximity of Highway(s) 2A, 42, 592.

Transportation and Economic Corridors has no objections in principle and offers the following comments with respect to this application:

1. The requirements of Section 18 of the Regulation are not met. Based on review of the proposal, the department is satisfied that the Highway has sufficient capacity to accommodate the proposal. Pursuant to Section 20(1) of the Regulation, Transportation and Economic Corridors grants approval for the subdivision authority to vary the requirements of Section 18 of the Regulation.
2. The requirements of Section 19 are met, therefore no variance is required.

Transportation and Economic Corridors has the following additional comments and/or requirements with respect to this proposal:

1. The department expects that the municipality will mitigate the impacts of traffic generated by developments approved on the local road connections to the highway system, pursuant to Policy 7 of the Provincial Land Use Policies and Section 618.4 of the Municipal Government Act.
2. Transportation and Economic Corridors accepts no responsibility for the noise impacts or other impacts of highway traffic upon any development or occupants thereof. The subdivision design should include adequate physical features to ensure that the proposed use of land is compatible with the adjacent provincial highway system. Some of these features might, for example, include landscaping and/or berming, to provide noise attenuation and visual screening from the highway. Implementation of these features is the responsibility of the owner/municipality.
3. The subject land is within the permit area of a highway as outlined in the Highways Development and Protection Regulation. Proposed development on the subject will require the benefit of a Roadside Development Permit from Transportation and Economic Corridors.

Please contact Transportation and Economic Corridors through the [RPATH Portal](#) if you have any questions, or require additional information.



Issued by **Yashi Parmar, Development and Planning Technologist**, on February 26, 2026 on behalf of the Minister of Transportation and Economic Corridors

FORM 2

**SUBDIVISION AND DEVELOPMENT FORM 2 REGULATION
ALBERTA REGULATION 43/2002
DEFERRED RESERVE CAVEAT**

TAKE NOTICE THAT the Town of Penhold has an estate or interest in the nature of municipal reserves under Section 669 of the Municipal Government Act, by virtue of the decision of the Town of Penhold Subdivision Authority

dated the 27th day of August, 2019 in 0.443 hectares (1.09 acres) of lands described as follows:

MERIDIAN 4 RANGE 28 TOWNSHIP 37
SECTION 1

ALL THAT PORTION OF THE SOUTH EAST QUARTER
WHICH LIES TO THE EAST OF THE RIGHT OF WAY OF THE CALGARY
AND EDMONTON RAILWAY AS SHOWN ON RIGHT OF WAY OF PLAN CE1
CONTAINING 59 HECTARES (145.76 ACRES) MORE OR LESS

EXCEPTING THEREOUT:	HECTARES	(ACRES) MORE OR LESS
A) PLAN 1596EU - ROAD	2.67	6.58 (ROAD)
	0.595	1.47 (CUT-OFF)
B) PLAN 5803JY - ROAD	0.854	2.11
C) PLAN 0020566 - ROAD	3.66	9.04
D) PLAN1221060 - SUBDIVISION	0.405	1.00
E) PLAN 1521518 - SUBDIVISION	4.01	9.91
F) PLAN 1721708 - SUBDIVISION	0.488	1.206
G) PLAN _____ - SUBDIVISION	1.22	3.01

Excepting THERE OUT all mines and minerals standing in the register in the name of **MELCOR DEVELOPMENTS LTD.** and the caveator forbids the registration of any person as transferee or owner of, or any instrument affecting, the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to my claim.

I APPOINT **Parkland Community Planning Services**
Unit B, 4730 Ross Street
Red Deer, AB T4N 1X2

as the place to which notices and proceedings relating hereto may be served.

DATED this 14th day of November, 2019



Signature

Caveator and Capacity: Craig Teal, Director
Parkland Community Planning Services being the agent for the Town of Penhold
Subdivision Authority.

AFFIDAVIT IN SUPPORT OF CAVEAT

I, Craig Teal, solemnly affirm and declare as follows:

1. I am the agent for the caveator.
2. I believe the caveator has a good and valid claim on the land and say that this caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal with it.

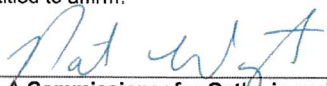


Signature

Caveator and Capacity: Craig Teal, Director,
Parkland Community Planning Services being the agent for the Town of Penhold
Subdivision Authority.

I certify that Craig Teal satisfied me that he was a person entitled to affirm.

AFFIRMED BEFORE ME at the
City of Red Deer in the Province of
Alberta the 14th day of November, 2019



A Commissioner for Oaths in and
for the Province of Alberta

Natasha Wright
Expires June 5, 2021



REQUEST FOR DECISION

Department: Legislative Services

Submitted by: Rick Binnendyk

SUBJECT: Parkland Foundation

- Mar. 26, 2026 Board Meeting Agenda & Minutes
- Alberta Seniors & Community Housing Association Summary and Analysis of Alberta's 2026 Provincial Budget

RECOMMENDATION:

That Council receives the Parkland Foundation's Mar. 26, 2026 Board Meeting Agenda & Minutes and Alberta Seniors & Community Housing Association Summary and Analysis of Alberta's 2026 Provincial Budget as information.

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 - Section 207 – Chief Administrative Officer's Responsibilities. Advises and informs the council on the operation and affairs of the municipality. This report is an extension of the CAO's update report.

STRATEGIC RELEVANCE:

DESIRED OUTCOME(S):

That Council is apprised of information that either impacts the Town of Penhold directly or provides information of interest.

RESPONSE OPTIONS:

PREFERRED STRATEGY:

IMPLICATIONS OF RECOMMENDATION:

The Foundation ensures Council is apprised of and accepts their Board meeting agenda & minutes as well as the ASCHA Summary and Analysis of Alberta's 2026 Provincial Budget.

GENERAL:

The information shared with Council can have a direct impact on Penhold or provide information beneficial to Penhold.

ORGANIZATIONAL:

FINANCIAL:

There is no financial implication to the Town.

FOLLOW UP ACTION:

If Council provides any directive, advise Parkland Foundation.

COMMUNICATION:

OTHER COMMENTS:

Presented at the Apr. 13, 2026 Regular Council Meeting for the Town of Penhold

A handwritten signature in black ink, appearing to be the initials 'AB', is written above a horizontal line.

CAO

AGENDA

1.	Call to Order
2.	Review of Agenda
3.	Delegation – Metrix Presentation of the 2025 Audited Financial Statements
4.	Approval of Minutes - February 5, 2026 Regular meeting
5.	Correspondence
a.	ALSS – 2026 Budget Letter
6.	Reports
a.	Financial Reports – for the two months ending February 28, 2026
b.	Occupancy Stats to February 28, 2026
c.	CAO Report
7.	New Business
a.	2025 Audited Financial Statements – approval
b.	SSC Max Rents and Power charges
8.	Next Meeting - Thursday May 7, 2026 at 10:00 am - Tour of Autumn Grove
9.	Adjournment

MINUTES

Board Members	Carly Hansen Red Deer County	Ken Denson Town of Penhold	Gail Moise Village of Elnora
	Lyle McKellar Town of Innisfail	Amanda Peffers Town of Bowden	Kathy Faulk Village of Delburne
The Bethany Group	Carla Beck CEO, The Bethany Group	Shannon Holtz Director of Housing & Lodges	Melodie Stol Stakeholder Relations

1.	Call to Order The meeting was called to order at 10:01am by Chair Ken Denson.
2.	Review of Agenda PF 26-02-01 MOVED by K. Faulk to Approve the February 4, 2026 Agenda as presented. CARRIED
3.	Orientation Power point presentation reviewing the lodge program, Parkland Foundation and The Bethany Group. PF 26-02-02 MOVED by L. McKellar to accept the presentation as information. CARRIED
4.	Approval of Minutes PF 26-02-03 MOVED by G. Moise to Approve the December 4, 2025 Organizational and Regular Meeting Minutes as presented. CARRIED <i>Chair Denson and CEO Beck approved the use of electronic signature for the minutes.</i>
5.	Correspondence
	a. ALSS HMB interim Budget
	PF 26-02-04 MOVED by A. Peffers to accept the correspondence as information. CARRIED
6.	Reports
	a. Year-end Occupancy Report to December 31, 2025

		Review of the year-end summary . One unit in Bowden community housing being repaired. PF 26-02-05 MOVED by K. Faulk to accept the occupancy report as presented. CARRIED
	b.	CAO Report Staffing update. 2025 financial audit process overview. 2026 Seniors income amounts. Lodge events Christmas highlights and menu review process. Waitlist information 61 applicants for lodge, 48 for SSC. ASCHA conference update Lyle and Gail attending. Lodge program review government had early discussion with CEO Beck regarding a 24/7 home care demonstration project. PF 26-02-06 MOVED by L. McKellar to accept the CAO report for information. CARRIED
7.	New Business	
	a.	Audit Planning and Response letter Reviewed the audit engagement letter, planning letter and response letter. PF 26-02-07 MOVED by G. Moise to accept the audit correspondence as information. CARRIED <i>Chair Denson approved the use of electronic signature for the audit correspondence.</i>
8.	Next Meeting Regular Meeting Thursday March 26, 2026 at 10:00 am on Zoom.	
9.	Adjournment With no further business, Board Chair Denson declared the meeting adjourned at 11:00am	

 Ken Denson, Board Chair
 Parkland Foundation

 Carla Beck or Shannon Holtz
 The Bethany Group

 Date

 Date

March 6, 2026

Ms. Carla Beck
Chief Executive Officer
Parkland Foundation
4035 50 Avenue
Innisfail, AB T4G 1B1

Dear Ms. Beck:

The provincial Budget 2026 was formally announced on February 26, 2026 and is subject to Royal Assent through the Legislature of Alberta. We are pleased to provide your 2026 Alberta Social Housing Corporation (ASHC) funding allocations for the applicable programs, including Social Housing, Lodge Assistance, and Capital Maintenance & Renewal.

These targets replace the interim 2026 ASHC budget information shared with you in mid-December, as well as the related funding provided to support operations during the first quarter of 2026. Adjustments to your monthly funding will take effect beginning in April 2026, aligning with the start of our 2026–27 ASHC fiscal cycle.

The ASHC recognizes the important contribution of the Government of Canada to social housing programs in Alberta. Funding provided through the Social Housing Agreement and the Canada Community Housing Initiative, as part of the National Housing Strategy, supports efforts to improve housing affordability and strengthen housing outcomes across the province.

For more information on the Canada Community Housing Initiative and the National Housing Strategy, please visit: <https://www.cmhc-schl.gc.ca/en/nhs>.

Social Housing Operating Budget

Your 2026 approved operating program deficit budget is **\$125,712** resulting in a monthly payment of **\$10,476**.

Your 2026 budget is intended to support the continued operation of housing units and help address operating costs, including utilities, staffing, supplies, and other expenses.

Ms. Carla Beck
Parkland Foundation

As in previous years, Housing Management Bodies (HMBs) may adjust revenue and expense allocations between properties within their Social Housing budgets, provided the overall budget remains balanced to the approved operating budget target. Site-level budget templates will be provided to you in the coming weeks. Please complete and return your 2026 site-level budget reallocations to your Housing Advisor no later than **June 30, 2026**.

Lodge Assistance Program (LAP)

In 2025, the income threshold for eligible lodge residents increased from \$31,230 to \$34,770 to align with the Alberta Seniors Benefit (ASB) total income threshold for single seniors.

- For 2026, the LAP income threshold remains at \$34,770.

As noted in the February 18, 2026, email sent to all lodge operators, all lodge residents aged 65 and over must retain the minimum disposable income amount after payment of the lodge rate by March 1, 2026. For 2026, the minimum disposable income is \$373 per month. Waivers or exceptions are not permitted, and minimum lodge rates may not be imposed.

To support HMBs through this transition, LAP rates are being increased by \$2.00 per eligible lodge resident per day to help offset potential revenue impacts while continuing to promote affordability for lodge residents. The new rates provided by ASHC are increasing for 2026 as follows:

- LAP and Unique Homes are increased from \$21.50 to **\$23.50**,
- Small Lodge Grant rate is increased from \$9.50 to **\$11.50**,
- Cottage rates are increased from \$3.50 to **\$5.50**.

As in previous years, your LAP grant will be adjusted to reflect the new rates and the 2026 eligible resident count, effective July 1, 2026. Monthly LAP funding for January through June 2026 will remain unchanged and will continue to be based on the final eligible resident counts from 2025.

We appreciate your cooperation in ensuring that only your lodge residents are submitted through the Housing Partner Portal. Please remember that Continuing Care Type B residents (formerly Designated Supportive Living) are not eligible for LAP; however, they may be eligible to receive the Supplementary Accommodation Benefit (SAB) to help offset Continuing Care – Residential accommodation charges. Additional information on SAB is available [here](#).

Capital Maintenance & Renewal (CMR)

Department staff are currently reviewing the 2026 Provincial Budget, along with the Capital Maintenance and Renewal (CMR) projects identified in your most recent business plan submission. Decisions regarding funding availability for both ASHC-owned and non-ASHC-owned assets will be communicated in due course.

Project approvals are based on factors such as asset age and condition, the potential impact of failure, and facility component priorities (e.g., life safety, building envelope, mechanical, electrical, and environmental sustainability). In accordance with established processes, proposed CMR projects are reviewed by Infrastructure and Treasury Board and Finance (TBF). CMR projects submitted through other ministries follow a similar review process.

2026 Surplus Carryovers

Surplus funds resulting from favorable operational performance may be transferred into your Deferred Operating Reserve Fund (DORF) for use in future years to support operational requirements within your Community Housing and Seniors Self-Contained portfolios. The transfer and subsequent use of DORF funds will be reported in your annual financial statements (Statement of Changes in Deferred Operating Reserve Fund). Any questions regarding these transfers can be discussed with your Housing Advisor.

The approved operating “budgeted” surplus required to be transferred to the Minister will be confirmed in your annual audit review letter, along with the expected balance in your DORF as recorded by ASHC.

Additional clarification can be found in Section 4.4 of the Management Body Handbook.

Stronger Foundations – Affordable Housing Strategy

Stronger Foundations: Alberta’s 10-year strategy to improve and expand affordable housing. launched in November 2021. The strategy outlines changes needed to provide safe, stable, affordable housing for an additional 25,000 households.

For an update on the status of the key goals and actions taken go to [Stronger Foundations](#).

Budget 2026 continues to provide additional funding to build, deliver and support affordable housing options as part of Alberta’s Stronger Foundations strategy.

Ms. Carla Beck
Parkland Foundation

Overall

We appreciate your ongoing efforts to operate within your approved budgets while minimizing impacts on tenant services and ensuring that units remain fully operational.

Section 21 of the Management Body Operation and Administration Regulation requires that expenditures be made within approved budgets. ASHC has limited contingency funding, and HMBs are accountable for managing operations within their budgets. Budget amendments will only be considered in the event of unforeseen emergencies.

If you have any questions or concerns regarding your budget, please contact your Housing Advisor directly.

Yours truly,



Philip Henke, CPA, CGA
Director
HMB Operations and Compliance
Housing Division

cc: Ken Denson, Board Chair, Parkland Foundation
Janet Parsons, Housing Advisor

AUTUMN GROVE LODGE
Statement of Operations
For the 2 months ended February 28, 2026

	MTD Actual	MTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Notes	Annual
REVENUE										
Rental Revenue	102,924	105,584	(2,660)	-3	205,654	211,167	(5,513)	-3		1,267,003
Grant - AB Seniors	30,082	20,273	9,809	48	60,164	40,546	19,619	48		243,273
Resident Services Other	3,534	3,302	232	7	7,128	6,603	525	8		39,620
Non-Resident Services	2,970	2,846	124	4	2,418	5,691	(3,273)	-58	1	34,147
Investment Income	718	758	(40)	-5	1,301	1,517	(216)	-14		9,100
TOTAL REVENUE	140,228	132,762	7,466	6	276,665	265,524	11,141	4		1,593,143
EXPENSES										
Salaries and Benefits	78,562	97,598	19,036	20	176,360	195,195	18,835	10	2	1,171,172
Operating Expenses	4,816	6,973	2,157	31	13,044	13,945	902	6		83,672
Food	19,276	22,092	2,817	13	40,146	44,184	4,038	9	3	265,105
Maintenance	3,811	5,940	2,128	36	7,340	11,879	4,539	38	4	71,276
Utility Costs	13,297	11,202	(2,095)	-19	20,773	22,404	1,631	7	5	134,421
Carbon Tax	-	-	-	N/A	0	0	-	N/A		0
Administration - All other Admin	2,614	3,338	724	22	4,450	6,676	2,226	33	6	40,055
Administration - Management Fee	5,277	5,277	(0)	0	10,553	10,553	(0)	0		63,320
TOTAL EXPENSE	127,652	152,418	24,766	16	272,666	304,837	32,171	11		1,829,022
SURPLUS (DEFICIT) BEFORE OTHER ITEMS	12,576	(19,657)	32,232	(164)	3,999	(39,313)	43,312	(110)		(235,879)
OTHER ITEMS										
Requisition Revenue	23,333	23,333	-	-	46,667	46,667	(0)	(0.00)		280,000
TOTAL OTHER ITEMS	23,333	23,333	-	-	46,667	46,667	-	-		280,000
SURPLUS (DEFICIT) BEFORE AMORTIZATION	35,909	3,677	32,232	N/A	50,666	7,354	43,312	N/A		44,121

AUTUMN GROVE LODGE
Statement of Operations
For the 2 months ended February 28, 2026

NOTES

- 1** YTD variance due timing of deposit
- 2** YTD Payroll is estimated based on 59 working days YTD.
- 3** Food costs tracking well to budget. Running slightly under
- 4** No major maintenance expense YTD
- 5** YTD variances due to timing of invoices.
- 6** Performing as expected. Tracking under budget

HOUSING OPERATIONS
Statement of Operations
For the 2 months ended February 28, 2026

	MTD Actual	MTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Notes	Annual
REVENUE										
Rent	74,025	68,576	5,449	8	147,374	137,153	10,222	7	1	822,916
Resident Services Other	7,582	7,402	181	2	15,014	14,803	211	1		88,820
Non-Resident Services	65	-	65	N/A	65	-	65	N/A		-
Investment Income	1,959	2,111	(152)	(7)	3,998	4,221	(223)	(5)		25,326
TOTAL REVENUE	83,632	78,089	5,543	7	166,452	156,177	10,275	7		937,062
EXPENSES										
Salaries and Benefits	28,200	28,288	88	0	57,377	56,577	(800)	(1)		339,459
Operating	3,462	4,588	1,125	25	7,486	9,176	1,690	18	2	55,055
Operating Maintenance	10,325	24,349	14,024	58	16,966	48,697	31,731	65	3	292,183
Utilities										-
Utilities/Carbon Tax	20,116	23,984	3,868	16	31,592	47,968	16,375	34	4	287,806
Administration								N/A		-
Administration - All other Admin	3,367	3,831	463	12	6,612	7,662	1,050	14	5	45,970
Administration - Management Fee	3,525	3,525	(0)	(0)	7,050	7,050	(0)	(0)		42,300
TOTAL EXPENSES	68,995	88,564	19,569	22	127,083	177,129	50,046	28		1,062,773
SURPLUS (DEFICIT)	14,637	(10,476)	25,113	240	39,369	(20,952)	60,321	288		(125,711)

HOUSING OPERATIONS
Statement of Operations

For the 2 months ended February 28, 2026

NOTES

- 1** Rental income is up due to low vacancy rates
- 2** Operating expenses lower due to Janitorial supplies 1,000
- 3** No major maintenance expense YTD
- 4** YTD variances due to timing of invoices.
- 5** Performing as expected. Tracking under budget

Occupancy/Waitlist

For Selected Properties
Date From: 02/01/2026 to 02/28/2026

Building Name	Type	Town	No. Of Units	Move Outs	Move Ins	Vacant Units	Current Avg. Age	Current Gender	Avg. Length of Stay (Years)	Occupancy
AUTUMN GROVE LODGE	Lodge	INNISFAIL	60	1	2	0	85	FEMALE 45 MALE 22	2	100%
BOWDEN R&N	Rural and Native	BOWDEN	2	0	0	1	33	FEMALE 1 MALE 1	4	50%
Bow Glen Court	Senior Self Contained	BOWDEN	10	0	0	2	75	FEMALE 4 MALE 4	6	80%
Westview Manor	Senior Self Contained	BOWDEN	20	0	0	2	73	FEMALE 12 MALE 8	4	90%
ELK HAVEN	Senior Self Contained	DELBURNE	12	0	0	1	77	FEMALE 5 MALE 7	3	92%
JUBILEE MANOR	Senior Self Contained	ELNORA	4	0	0	0	74	FEMALE 1 MALE 3	3	100%
PIONEER MANOR	Senior Self Contained	ELNORA	4	0	0	0	78	FEMALE 0 MALE 4	4	100%
AUTUMN GROVE SSC	Senior Self Contained	INNISFAIL	30	0	0	1	80	FEMALE 24 MALE 14	3	97%
Dodds Lake Manor	Senior Self Contained	INNISFAIL	32	1	0	2	78	FEMALE 27 MALE 5	5	94%
Penhold Royal Manor	Senior Self Contained	PENHOLD	8	0	0	0	80	FEMALE 4 MALE 4	7	100%
Totals			182	2	2	9	73	FEMALE 123 MALE 72 UNSPECIFIED 0	4	

Total Albertans Served

Program Type	Child (Under 18)	Adult (18-64)	Senior (65+)
Lodge	0	0	67
Rural and Native	0	2	0
Senior Self Contained	0	3	123
Total	0	5	190

The following items are provided in summary of key activities at Autumn Grove Lodge and Parkland Foundation Housing:

Provincial Budget 2026/2027

The ASCHA budget analysis is attached for your information.

2026 Social Housing Budget

We received our social housing budget for 2026 from the ALSS Ministry (attached, in your package). The social housing budget remains static from the previous year, but the provincial lodge assistance program (LAP) grant will increase this year from \$21.50 to \$23.50 per day for eligible lodge residents as determined on February 28th of this year. For 2026, the LAP income threshold remains at \$34,770.00 – so any residents with annual income at, or below, this rate on February 28th will be eligible for this grant which is paid directly to Parkland Foundation for operations. Capital maintenance and renewal projects have not yet been approved and shared with HMBs.

Staffing and Labour Relations

Our Lodge Manager is scheduled to return on March 23. We look forward to welcoming her back and appreciate the leadership, experience, and continuity she brings to the role. Her return will support ongoing operational stability, staff coordination, and resident services at the Lodge. We would also like to acknowledge and thank the team members who have supported operations during her absence and helped ensure continuity of service.

Resident Spring Meetings

The Autumn Grove Lodge meeting is on Friday April 17 at 1:30 pm. We provide this date in the event that any Board members would like to attend the meeting, but attendance is not required should the date not fit into your schedules. We will share the Fall meeting dates for the seniors self-contained apartments once they are scheduled. Administration will continue to bring forward topics of interest to share with the Board

Capital Projects

All approved capital projects have now been completed and formally signed off. This includes the replacement and upgrades of the boilers, make-up air units, and hot water tanks at both Dodds Lake Manor and Westview Manor. These improvements support the ongoing reliability and efficiency of building systems, enhance resident comfort, and help ensure continued compliance with operational and safety standards. We will continue to monitor system performance and address any follow-up requirements as needed.

Lodge Events



Waitlist information

Autumn Grove Lodge: 65 Applications

Parkland Housing: 50 Applications

Lodge Program Review

Lodge priority ratings have been updated to reflect revisions to the point-scoring methodology and the process used to establish waitlist priority, as directed by the Government of Alberta. These updates are intended to support greater consistency, transparency, and alignment with current operational needs and policy direction.

Menus

The Spring/Summer menu has been approved by our registered Dietitian, the next step in our process is to give the residents 30 days to review and give feedback and we will launch once that has been completed.

ASCHA


The conference will be held April 12-15 in Edmonton. ASCHA uses a weighted ballot voting system based on the number of units with the HMB. Parkland Foundation has two votes, and the votes need to be assigned.

Former Board member Tim Wilson

We were all saddened to hear of the passing of our former board member from Delburne, Tim Wilson. Tim was a strong representative for his community and strong advocate for seniors.

Timothy Lloyd Wilson
September 5, 1955 – February 6, 2026
Celebration Of Life
March 2 from 11 am – 3 pm
Delburne Community Hall

FAMILY
MENTORSHIP



COMMUNITY
SUPPORT

It is with great sadness that Tim's family announces his passing on February 6, 2026. He will leave a great emptiness in all our lives. He was an amazing husband, father, grandfather, brother and son. He is missed dearly.

Tim always strove to help make Delburne an inclusive, thriving and growing community.

His mentorship to upcoming council members, the school and businesses was always a priority to him after his family.

Tim went through a double lung transplant last year and was looking forward to raising funds for housing for people going through the same.

Donations in lieu of flowers in Tim's name can be made to Breathing Space with the Alberta Lung Association.

Alberta Lung Association
Toll-free 1-888-774-5864, press 0
In Memory of Tim Wilson
Website: www.ablung.ca

EDI

Over the past two months, we recognized Pink Shirt Day, Lunar New Year, Ramadan, and Black History Month (February) as part of our ongoing Equity, Diversity, and Inclusion (EDI) initiatives. These observances were acknowledged through a range of activities and communications designed to promote awareness, foster cultural understanding, and support an inclusive environment for residents, staff, and visitors.

Efforts included sharing educational materials, highlighting the cultural and historical significance of each observance, and encouraging respectful dialogue and participation across our sites. These initiatives reflect our continued commitment to building an inclusive organizational culture that recognizes and celebrates the diverse backgrounds, experiences, and traditions within our community.

March 26, 2026

Parkland Foundation
c/o The Bethany Group
4612 - 53 Street
Camrose, Alberta
T4V 1Y6

Attention: Board of Directors

Dear Board Members:

RE: 2025 AUDIT

The purpose of this communication is to summarize certain matters arising from the audit that we believe would be of interest to the Board. This communication should be read in conjunction with the financial statements and our report thereon, and it is intended solely for the use of the Board and should not be distributed to external parties without our prior consent. Metrix Group LLP accepts no responsibility to a third party who uses this communication.

SIGNIFICANT FINDINGS FROM THE AUDIT

The objective of our audit was to obtain reasonable assurance that the financial statements are free of material misstatement. Our audit procedures were performed in order to form an opinion on the financial statements and although they might bring possible fraudulent or illegal activities to our attention, our audit procedures were not designed to detect fraudulent or illegal activities.

The audit findings contained in this letter did not have a material effect on the Foundation's financial statements, and as such, our audit report is without reservation.

Internal Controls

Our audit procedures did not reveal any significant deficiencies in internal control.

Accounting Policies

Management is responsible for determining the significant accounting policies. The choice of different accounting policy alternatives can have a significant effect on the financial position and results of the Foundation. The application of those policies often involves significant estimates and judgments by management.

We are of the opinion that the significant accounting policies, estimates and judgments made by management, and financial disclosures do not materially misstate the financial statements taken as a whole.

Uncorrected Misstatements

There were no significant uncorrected misstatements aggregated by our Firm, for the year ended December 31, 2025.

After considering both quantitative and qualitative factors with respect to the uncorrected misstatements above, we agree with management that the financial statements are not materially misstated.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board.

AUDITOR INDEPENDENCE

We believe it is important to communicate, at least annually, with you regarding all relationships between the Foundation and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by CPA Alberta and applicable legislation, covering such matters as:

- (a) holding a financial interest, either directly or indirectly, in a client;
- (b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) economic dependence on a client; and
- (e) provision of services in addition to the audit engagement.

We are not aware of any relationships between the Foundation and ourselves that, in our professional judgment, may reasonably be thought to bear on our independence that have occurred from January 1, 2025 to March 26, 2026.

We wish to thank the management and staff for their assistance during the audit. We appreciate the opportunity to work with the Foundation.

Yours very truly,

METRIX GROUP LLP



Curtis Friesen CPA, CA
Partner

PARKLAND FOUNDATION
Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2025

Draft

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Parkland Foundation

Opinion

We have audited the financial statements of the Parkland Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2025, and the results of its operations and the changes in its net assets and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
March 26, 2026

**PARKLAND FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025**

	<u>Lodge</u>	Self <u>Contained</u>	<u>2025</u>	<u>2024</u>
ASSETS				
CURRENT				
Cash and cash equivalents (Note 2)	\$ 621,377	\$ 670,951	\$ 1,292,328	\$ 824,739
Accounts receivable (Note 3)	39,800	39,650	79,450	127,145
Prepaid expenses	<u>3,202</u>	<u>8,360</u>	<u>11,562</u>	<u>23,074</u>
	664,379	718,961	1,383,340	974,958
TANGIBLE CAPITAL ASSETS (Note 4)	<u>120,829</u>	<u>72,555</u>	<u>193,384</u>	<u>227,909</u>
	<u>\$ 785,208</u>	<u>\$ 791,516</u>	<u>\$ 1,576,724</u>	<u>\$ 1,202,867</u>
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 5)	\$ 97,912	\$ 139,030	\$ 236,942	\$ 205,684
Deferred revenue	79,203	31,421	110,624	82,277
Interfund (receivable) payable	<u>(171,326)</u>	<u>171,326</u>	<u>-</u>	<u>-</u>
	5,789	341,777	347,566	287,961
DEFERRED CONTRIBUTIONS	<u>-</u>	<u>316,951</u>	<u>316,951</u>	<u>179,329</u>
	<u>5,789</u>	<u>658,728</u>	<u>664,517</u>	<u>467,290</u>
NET ASSETS				
Unrestricted net assets	648,749	50,233	698,982	487,827
Internally restricted net assets (Note 6)	9,841	10,000	19,841	19,841
Invested in tangible capital assets	<u>120,829</u>	<u>72,555</u>	<u>193,384</u>	<u>227,909</u>
	<u>779,419</u>	<u>132,788</u>	<u>912,207</u>	<u>735,577</u>
	<u>\$ 785,208</u>	<u>\$ 791,516</u>	<u>\$ 1,576,724</u>	<u>\$ 1,202,867</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

**PARKLAND FOUNDATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>2025</u>	<u>2024</u>
REVENUE		
Accommodation	\$ 2,110,460	\$ 1,976,182
Lodge assistance and social housing program grants	486,697	580,613
Recoveries	140,266	160,019
Interest	34,575	40,328
Donations	100	4,000
Other grant	<u>-</u>	<u>33,075</u>
	<u>2,772,098</u>	<u>2,794,217</u>
 EXPENSES		
Wages and benefits	1,431,840	1,398,980
Utilities	408,002	427,406
Building and ground maintenance	382,631	364,722
Food and kitchen supplies	275,453	248,383
Management fees	115,648	115,059
Office	54,680	48,275
Equipment and appliances	30,576	54,939
Professional fees	16,440	20,710
Insurance	15,127	21,021
Travel, training and conferences	8,889	1,126
Rent	6,370	6,000
Laundry and cleaning supplies	<u>2,664</u>	<u>8,799</u>
	<u>2,748,320</u>	<u>2,715,420</u>
 SURPLUS BEFORE OTHER ITEMS	 23,778	 78,797
 OTHER ITEMS		
Municipal requisitions (Note 7)	280,000	250,000
Amortization of tangible capital assets	(34,525)	(42,705)
Alberta Social Housing Corporation surplus remittance	<u>(92,623)</u>	<u>(98,360)</u>
 ANNUAL SURPLUS	 <u>\$ 176,630</u>	 <u>\$ 187,732</u>

**PARKLAND FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Unrestricted Net Assets</u>	<u>Invested in Tangible Capital Assets</u>	<u>Internally Restricted Net Assets (Note 6)</u>	<u>2025</u>	<u>2024</u>
NET ASSETS - BEGINNING OF YEAR	\$ 487,827	\$ 227,909	\$ 19,841	\$ 735,577	\$ 547,845
Annual surplus	176,630	-	-	176,630	187,732
Amortization of tangible capital assets	34,525	(34,525)	-	-	-
Transfers	-	-	-	-	-
NET ASSETS - END OF YEAR	<u>\$ 698,982</u>	<u>\$ 193,384</u>	<u>\$ 19,841</u>	<u>\$ 912,207</u>	<u>\$ 735,577</u>

Draft

**PARKLAND FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES		
Annual surplus	\$ 176,630	\$ 187,732
Items not affecting cash:		
Amortization of tangible capital assets	<u>34,525</u>	<u>42,705</u>
	<u>211,155</u>	<u>230,437</u>
Change in non-cash working capital		
Accounts receivable	47,695	4,191
Prepaid expenses	11,512	(8,159)
Accounts payable and accrued liabilities	31,258	(26,324)
Deferred revenue	28,347	22,738
Deferred contributions	<u>137,622</u>	<u>18,717</u>
	<u>256,434</u>	<u>11,163</u>
INCREASE IN CASH FLOW	467,589	241,600
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>824,739</u>	<u>583,139</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,292,328</u>	<u>\$ 824,739</u>

The accompanying notes are an integral part of these financial statements.

PARKLAND FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NATURE OF OPERATIONS

Parkland Foundation was established by Ministerial Order, pursuant to the Alberta Housing Act. It is responsible for the operation and administration of Westview Manor, Penhold Royal Manor, Dodds Lake Manor, Bow Glen Court, Poplar Grove Court, Elk Manor, Jubilee Manor, Pioneer Manor, Autumn Grove Lodge and Rural and Native Housing Units. The Foundation qualifies as a not-for-profit organization as defined in the Income Tax Act and is exempt from income taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Fund Accounting

The Foundation follows the deferral method of accounting for contributions and reports using fund accounting, and maintains two funds: Lodge Fund and Self Contained Fund. The Lodge Fund reports the Foundation's revenue and expenses related to Autumn Grove Lodge. The Self Contained Fund reports the Foundation's revenues and expenses related to the self contained housing.

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. All amounts are readily converted into known amounts of cash and are subject to an insignificant change in value.

(d) Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. When fair value cannot be reasonably determined, the capital asset is recorded at a nominal value. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings and leasehold improvements	40 years, Straight-line method
Equipment	20%, Declining balance method

(e) Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Foundation writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Foundation's ability to provide goods and services. The assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Foundation determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

(f) Contributed materials and services

Contributions of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

**PARKLAND FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions for tangible capital assets are recorded as deferred contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the tangible capital assets acquired by the contribution.

Rent and recoveries are recognized as revenue in the year the service is provided.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

(h) Internally restricted net assets

The Foundation's Board of Directors hold internally restricted net assets in reserves to be used for specific purposes (see details in Note 7). These internally restricted amounts are not available for general purposes without approval by the Board of Directors.

(i) Measurement uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management's estimates include the useful lives of tangible capital assets, the corresponding rates of amortization and the amount of accrued liabilities. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they become known.

(j) Financial Instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value, and subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable. The Foundation has no financial assets measured at fair value.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

**PARKLAND FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

2. CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
Operating accounts	\$ 1,291,528	\$ 823,939
Petty cash	<u>800</u>	<u>800</u>
	<u>\$ 1,292,328</u>	<u>\$ 824,739</u>

3. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
GST recoverable	46,393	27,223
Resident and government receivables	<u>\$ 33,057</u>	<u>\$ 99,922</u>
	<u>\$ 79,450</u>	<u>\$ 127,145</u>

4. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	Net Book Value	
			<u>2025</u>	<u>2024</u>
Buildings and leasehold improvements	\$ 72,300	\$ 9,787	\$ 62,513	\$ 64,320
Equipment	<u>464,956</u>	<u>334,085</u>	<u>130,871</u>	<u>163,589</u>
	<u>\$ 537,256</u>	<u>\$ 343,872</u>	<u>\$ 193,384</u>	<u>\$ 227,909</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2025</u>	<u>2024</u>
Accounts payable and accrued liabilities	\$ 182,781	\$ 146,101
Salary and vacation benefits payable	<u>54,161</u>	<u>59,583</u>
	<u>\$ 236,942</u>	<u>\$ 205,684</u>

6. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets are not available for unrestricted purposes without the approval of the Board of Directors. The Board has restricted \$19,841 (2024 - \$19,841) of net assets for future use.

**PARKLAND FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

7. MUNICIPAL REQUISITIONS

	<u>2025</u>	<u>2024</u>
Red Deer County	\$ 219,800	\$ 195,850
Town of Innisfail	38,360	34,425
Town of Penhold	14,280	12,800
Town of Bowden	4,004	3,575
Village of Delburne	2,800	2,675
Village of Elnora	<u>756</u>	<u>675</u>
	<u>\$ 280,000</u>	<u>\$ 250,000</u>

8. RELATED PARTY TRANSACTIONS

The Bethany Nursing Home of Camrose, Alberta acts as a Chief Administrative Officer (CAO), providing management, administrative, and operational support for the Foundation.

Autumn Grove Lodge collects accommodation fees and pays all expenditures on behalf of the Self Contained Housing and is reimbursed monthly. As at December 31, 2025, the amount due to the Lodge for expenditures incurred for Housing amounted to \$171,326 (2024 -\$245,141).

The Foundation paid \$115,648 (2024 - \$115,059) for shared administrative services to Bethany Nursing Home of Camrose, Alberta for the year ended December 31, 2025.

These transactions were in the normal course of operations and were recorded at the exchange amount, which is the amount agreed upon by the related parties.

9. FINANCIAL INSTRUMENTS

It is management's opinion that the Foundation is not exposed to significant credit, liquidity, market, currency, interest rate or other price risk through its financial instruments which include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities.

**PARKLAND FOUNDATION
STATEMENT OF OPERATIONS - LODGE
DECEMBER 31, 2025**

Schedule 1

	<u>2025</u>	<u>2024</u>
REVENUE		
Accommodation	\$ 1,259,867	\$ 1,198,810
Lodge assistance program grants	360,985	390,156
Recoveries	52,590	54,584
Interest	9,900	6,408
Donations	100	4,000
Other grant	<u>-</u>	<u>33,075</u>
	<u>1,683,442</u>	<u>1,687,033</u>
 EXPENSES		
Wages and benefits	1,092,084	1,062,926
Food and kitchen supplies	275,453	248,383
Utilities	139,875	142,202
Building and ground maintenance	121,763	128,192
Management fees	73,348	72,759
Office	25,091	21,436
Equipment and appliances	10,160	8,364
Professional fees	5,280	6,688
Insurance	4,431	6,423
Laundry and cleaning supplies	2,664	8,799
Travel, training and conferences	<u>2,138</u>	<u>424</u>
	<u>1,752,287</u>	<u>1,706,596</u>
 DEFICIT BEFORE OTHER ITEMS	 (68,845)	 (19,563)
 OTHER ITEMS		
Municipal requisitions	280,000	250,000
Amortization of tangible capital assets	<u>(32,943)</u>	<u>(40,728)</u>
 ANNUAL SURPLUS	 <u>\$ 178,212</u>	 <u>\$ 189,709</u>

**PARKLAND FOUNDATION
STATEMENT OF OPERATIONS - SELF CONTAINED
DECEMBER 31, 2025**

Schedule 2

	<u>2025</u>	<u>2024</u>
REVENUE		
Accommodation	\$ 850,593	\$ 777,372
Social housing program grant	125,712	190,457
Recoveries	87,676	105,435
Interest	<u>24,675</u>	<u>33,920</u>
	<u>1,088,656</u>	<u>1,107,184</u>
 EXPENSES		
Wages and benefits	339,756	336,054
Utilities	268,127	285,204
Building and ground maintenance	260,868	236,530
Management fees	42,300	42,300
Office	29,589	26,839
Equipment and appliances	20,416	46,575
Professional fees	11,160	14,022
Insurance	10,696	14,598
Travel, training and conferences	6,751	702
Rent	<u>6,370</u>	<u>6,000</u>
	<u>996,033</u>	<u>1,008,824</u>
 SURPLUS BEFORE OTHER ITEMS	 92,623	 98,360
 OTHER ITEMS		
Alberta Social Housing Corporation surplus remittance	(92,623)	(98,360)
Amortization of tangible capital assets	<u>(1,582)</u>	<u>(1,977)</u>
 ANNUAL DEFICIT	 \$ <u>(1,582)</u>	 \$ <u>(1,977)</u>

The accompanying notes are an integral part of these financial statements.

Parkland Foundation

To: Parkland Foundation Board
From: Shannon Holtz, Senior Director, Housing & Lodges
cc: Carla Beck, Chief Executive Officer
Date: February 20, 2026
Re: Max Rent Senior Self Contained

Rent Ceilings are set annually as part of the annual budget approval process. These are set based on the most current provincial rent surveys completed by the Federal and Provincial Government.

Proposed Motion:

It is recommended that the Board approve the following Maximum rents for the following buildings:

Building Name	Rent 2026
Westview Manor / Bowden	\$ 789.00
Bow-Glen Court / Bowden	\$ 789.00
Dodds Lake Manor / Innisfail	\$ 902.00
Penhold Royal Manor / Penho	\$ 759.00
Jubilee	\$ 525.00
Pioneer	\$ 525.00
Elk Haven	\$ 600.00
Autumn Grove SSC	\$ 902.00

According to Social Housing Accommodation Regulations we are only able to increase the rent by 10%. In the municipalities that indicated a higher than 10% increase we have only increased to the appropriate rent.

We have taken the average rents based on the current Open Alberta 2024 information.

Thank you,

*Shannon Holtz
Director, Housing & Lodges*

Parkland Foundation

To: Parkland Foundation Board
From: Shannon Holtz, Senior Director, Housing & Lodges
cc: Carla Beck, Chief Executive Officer
Date: February 20, 2026
Re: Power charge Senior Self Contained

Annually we do an extensive review of all of the power charges per site. After reviewing for 2025 we have a few increases/decreases we would like to propose.

Proposed Motion:

*It is recommended that the Board approve an increase/decrease to **power charges** for the following:*

Power Charges*

<u>Building Name</u>	<u>Current Charge</u>	<u>Proposed Change</u>
Westview Manor	\$42.00	\$50.00
Dodds Lake Manor	\$50.00	\$42.00
Penhold Royal Manor	\$50.00	\$49.00

*Decreased charge

*power is charged out at 80% of annual utility invoice

*Shannon Holtz
Senior Director, Housing & Lodges*

ASCHA's Summary and Analysis of Alberta's 2026 Provincial Budget

Prepared by ASCHA for Members
March 2, 2026

Updated as further details become available.



Alberta's Overall Fiscal Position

Budget 2026 was tabled with a projected \$9.4 billion deficit for 2026–27, declining to \$7.6 billion in 2027–28 and \$6.9 billion in 2028–29. The provincial government has indicated that Alberta's fiscal framework permits deficits when revenues decline significantly and has signalled that the framework itself will be reviewed.

Ahead of the 2026 Budget, Premier Danielle Smith mentioned expanding income testing for certain social support programs to strengthen long-term sustainability. Budget 2026 reflects that direction. Most notably, effective July 1, 2026, seniors' income thresholds for the Alberta Seniors Benefit will be reduced by 9%, along with corresponding reductions to Special Needs Assistance for Seniors and the grant component of the Seniors Home Adaptation and Repair Program. These changes are expected to generate savings of \$23 million in 2026–27 and \$31 million annually thereafter.

Revenue pressures are driven primarily by lower non-renewable resource revenue and a more modest oil price assumption of approximately \$60.50 West Texas Intermediate. Total revenue is estimated at \$74.55 billion in 2026–27, compared to \$75.29 billion in the prior fiscal year.

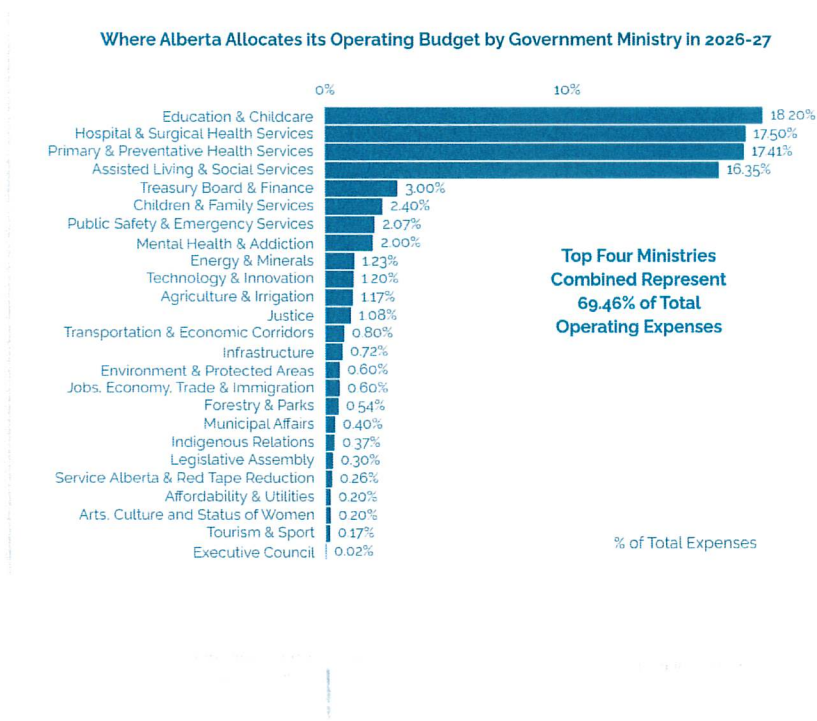
Total expenses are forecast at \$83.9 billion, representing a 5.8% year-over-year increase. Growth is concentrated in health and education and reflects population growth, compensation agreements, and structural system changes rather than broad program redesign.

Debt servicing costs rise to \$3.4 billion, and taxpayer-supported debt is projected to reach \$109 billion by the end of 2026–27. The annual voted contingency returns to \$2 billion, signalling a normalization from elevated levels in the prior year.

Alberta Budget 2026 in 12 Numbers

- \$74.55B total revenue
- \$83.9B total expenses
- \$9.4B deficit
- \$34.4B health care spending
- \$5.369B continuing care
- \$1.06B continuing care capital (3 years)
- \$150M lodge modernization (3 years)
- \$767.5M Affordable Housing Partnership Program (3 years)
- \$125.5M rent assistance this fiscal year
- \$2B contingency
- \$3.4B debt servicing
- \$109B taxpayer-supported debt

Revenues and Expenditures



Total revenue for 2026–27 is estimated at \$74.55 billion, slightly below the \$75.29 billion forecast in 2025–26. Revenue pressures are driven primarily by lower non-renewable resource revenue, now estimated at \$13.213 billion, reflecting a more modest oil price assumption.

Combined provincial tax revenue, including corporate, personal, education, and other taxes, is projected at approximately \$30.47 billion.

Federal transfers remain a significant component of Alberta’s revenue framework, estimated at \$13.715 billion in 2026–27.

Federal transfers underscore the intergovernmental dimension of funding health, social services, and housing-related programs.

Total expenses are forecast at \$83.9 billion, representing a 5.8% year-over-year increase. Spending growth is concentrated in health and education and reflects demographic pressures, negotiated compensation agreements, and structural system modernization rather than broad program expansion.



Expenses

Total expenses for the fiscal year are forecast at \$83.922 billion for 2026–27, an increase from the \$79.3 billion forecast for 2025-26 in the 2025 Budget, a 5.8% increase year over year (\$4.6 billion).

Expenses are projected to grow to \$88.4 billion by 2028-29, averaging approximately 2.7% per year from 2026-27 onward.

This level of expenditure growth reflects population pressures, compensation agreements across the public sector, and continued demand in core service areas.

Public sector compensation, like previous budgets, remains a large portion of overall expenses.

Composition of Spending - Operating Expenses

Operating expenses in 2026-27 are estimated at \$70.4 billion, accounting for approximately 84% of total expenses, a \$3.4 billion increase (5%) from 2025-26.

Increases are primarily concentrated in health and education, with more modest increases in social services (which will be covered in the section on Assisted Living and Social Services below).

The government continues to state that operating growth is being managed within the framework of population growth plus inflation, though elevated demographic growth and negotiated compensation settlements are placing upward pressure on budgets.

With the Ministry reorganization, the Ministry of Assisted Living and Social Services is the fourth largest ministry, behind Education and Childcare, Hospital and Surgical Services, and Primary and Preventative Health Services (see chart under the respective ministry details).

Contingency

The annual voted contingency has been returned to \$2 billion, down from elevated levels in 2025-26 (previously \$4 billion), which were used to manage tariff uncertainty and public sector

Public Sector Compensation

(excluding physician compensation)

Last year's budget estimate for 2026-27 - **\$27.09 B**
2026-27 Expense - **\$30.23 B**



Full-time Equivalents (across ministries & agencies): **232,500** an increase of **6,572** since last year's budget

Approximately 89% of growth is outside of ministries in agencies, operationally independent entities etc.

compensation pressures. This signals a return to a more typical contingency but also suggests reduced flexibility if new cost pressures emerge.

Strategic Priorities in the 2026 Budget

Budget 2026 is framed around two central priorities: Maintaining Alberta's Advantage and Supporting Albertans. Together, these pillars position the province to manage fiscal pressures while sustaining core public services and long-term economic competitiveness.

Priority One: Maintaining Alberta's Advantage

Under this pillar, the government emphasizes economic resilience, fiscal stability, and competitive positioning. The budget advances this objective by:

- Supporting a strong and adaptable workforce
- Investing in post-secondary education and apprenticeship training
- Building communities through infrastructure and capital expansion
- Supporting trade and diversification in emerging sectors
- Investing in business and industry to strengthen Alberta's competitive position

These measures are presented as essential to protecting Alberta's tax advantage, encouraging private sector growth, and maintaining productivity amid global uncertainty.

Priority Two: Supporting Albertans

The second pillar centres on strengthening public services and addressing affordability and population growth pressures.

The most significant investment is in health care, with funding directed toward expanding hospital capacity, reducing surgical and emergency wait times, growing the health workforce, and increasing access to continuing care, mental health, and addiction services.

Kindergarten to grade twelve education is the second major area of growth, with funding tied to enrolment increases, classroom complexity, specialized learning supports, and school construction and modernization.

Additional investments under this priority include childcare, income supports, affordable housing, seniors' benefits, homelessness programming, and community-based social services.

Taken together, Budget 2026 emphasizes substantial investments in health and education, continued infrastructure expansion, and targeted supports for families and communities, while maintaining a stated commitment to fiscal discipline within a projected deficit environment.



Below is a chart detailing our recommendations and asks from our 2026 Pre-Budget Submission, which was shared with relevant ministries in December 2025.

It is important to note that many of these recommendations are not explicitly under the domain of Treasury Board and Finance. In other words, if a recommendation appears to be addressed in the 2026 Budget, it does not mean the approach is off the table.

Sharing our recommendations in the manner we do is strategic; it helps reinforce what the sector is looking for broadly and supports the larger budget asks that the respective ministries are making. They are also positioned to support ASCHA's broader advocacy efforts, which ASCHA Members can easily refer to if the topic comes up in conversation. Our strong one-sector voice helps frame the issues that arise, not as one-offs, but as part of a larger picture. We look at how the system could better support our member organizations so that they can do what they do best: serve and support the Albertans who call our member communities home.

These outcomes will be included in our four board advocacy priorities.

Strategic Priority One: Stabilizing the Foundation		
What We Asked For	What is in Budget 2026	What's Missing/What's Next
Modernize contracted continuing care funding modes	Emphasis on the system restructuring into the four new agencies, with Assisted Living Alberta funded at \$5.3B and the Continuing Care Capital Program increased	No explicit modernization of contracted provider funding formulas; no revenue adequacy review framework
Index and modernize operating funding across housing/care		Inconsistent use of indexation across housing and continuing care. It remains a key advocacy priority as costs continue to rise.

	<p>General operating growth in Assisted Living & Social Services; approximately \$1 million in additional funding for the Lodge Assistance Program (LAP) Grant</p>	
<p>Flexible tools to help offset aging-related costs (via tax credit or monthly benefit pilot)</p>	<p>No targeted benefit introduced</p>	<p>Continued opportunity to position as a cost-avoidance strategy</p>
<p>Restore/expand community health supports and tenants' supports</p>	<p>Continued investment in home and community care; Aging with Dignity funding</p>	<p>No dedicated funding for on-site tenant support workers, pharmacist/physician access in congregate settings</p>
<p>Workforce recruitment and retention incentives</p>	<p>No housing or continuing care workforce incentives identified</p>	<p>Alignment with broader provincial workforce strategies and broader economic development goals</p>
<p>Emergency preparedness/outbreak resources for supportive living and seniors' lodges</p>	<p>No targeted outbreak funding identified, although requirements are mandatory</p>	<p>Position as an equitable system risk mitigation tactic, linking to lessons learned</p>
<p>Increase rent assistance; work to extend the Canada-Alberta Housing Benefit (CAHB)</p>	<p>Affordable Housing Partnership Program (AHPP) and rent assistance (an increase of \$11.1 million in this fiscal year to increase support to another 900 households) both see an increase in funding in this budget</p>	<p>No explicit confirmation of CAHB extension, but bilateral negotiations are the critical component to its future.</p>
<p>Overall: Capital and structural continuing care funding increased, but the operating sustainability for providers, especially those operating contracted health spaces, remains largely unaddressed.</p>		

Strategic Priority Two: Building Capacity & Sustainability

What We Asked For	What is in Budget 2026	What's Missing/What's Next
<p>Increase capital, capital maintenance and renewal (CMR)</p>	<p>Housing receives a portion (4%) of the total \$4.2 billion three-year CMR envelope - \$49.6 billion in this fiscal year</p>	<p>Long-range planning to extend the life of buildings or plan for replacement, which will need to be addressed to keep existing units online</p>
<p>Multi-year funding for CMR and extension to lodges regardless of ownership</p>	<p>Commitment to long-term maintenance strategy for Alberta Social Housing Corporation-owned properties; continued lodge modernization capital</p>	<p>No structural reform guaranteeing predictable multi-year CMR funding, no explicit ownership-neutral CMR policy</p>
<p>Increase the \$5,000 tendering threshold for CMR</p>	<p>Not mentioned</p>	<p>One of the challenges with this ask is that the \$5,000 threshold aligns with general accounting principles across the Government of Alberta, despite that this is a low-cost, high-impact administrative fix</p>
<p>Introduce targeted rural development incentive (i.e. tax measures or capital support tools) to encourage the construction or renewal of housing in undersupplied rural communities</p>	<p>General permitting modernization</p>	<p>No rural-specific housing capital incentive; no tax-based rural development measure, but there is broad language around meeting the needs of urban and rural Alberta</p>

Property tax exemption consistency + municipal offset	Not clearly identified	Opportunity to frame as a municipal housing viability strategy, as increasing housing supply remains a key issue for the government
Establish ambitious housing supply targets (7% by 2030)	Stronger Foundations target of 25,000 more households by 2032-33	No percentage of stock targets, no system-level supply benchmarks
Reform AHPP; coordinate federal processes; extend <i>Local Authorities Capital Financing Act (LACFA)</i> borrowing eligibility	AHPP capital confirmed (\$758 billion)	No further administrative reform commitment; no borrowing reform under <i>LACFA</i>
Overall: Capital dollars are present and have been increased. Structural reform of financing, administration, and procurement remains something to be addressed.		

Strategic Priority Three: Integrating & Empowering Local Solutions		
What We Asked For	What is in Budget 2026	What's Missing/What's Next
Position housing providers as support hubs; integrating a higher acuity model at certain sites	Health system restructuring emphasizes community-based care	Opportunity to create consistent funding models and access to the full range of wrap-around supports, which members and Albertans rely on
Increase home care; implement 24/7 homecare to meet more unscheduled needs in congregate settings	Continued expansion of home and community care	The Housing Division is working on a pilot (approximately eight sites) to offer enhanced home care, which will inform our next steps on this advocacy priority

Advanced data systems and continuing care funding model framework	IT modernization across government; systems investments	No dedicated continuing care revenue model framework or transparency reform, but will remain a key recommendation as the government moves forward with lodge modernization, including the potential of providers to Connect Care to allow shared platforms and access to data as key to quality care
Strengthen the Seniors Lodge Program; address occupancy issues	Lodge modernization capital; additional LAP funding	Implementation of the Lodge Program Review Recommendations will begin in Spring 2026
Overall: Directionally aligned with integration goals, but no structural support to operationalize provider-led integration (yet).		

Relevant Ministry by Ministry Details

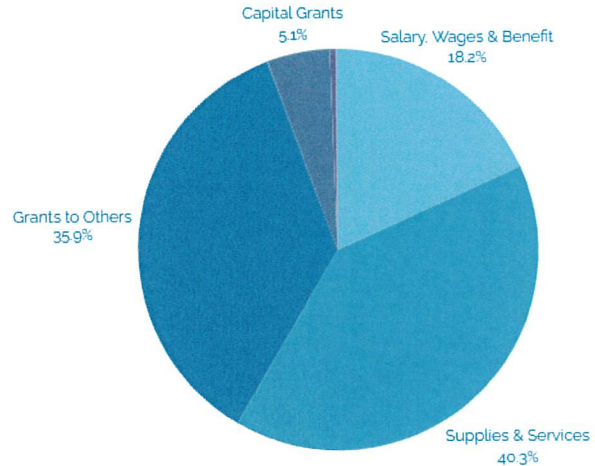
Ministry of Assisted Living & Social Services

As noted previously, this new, larger assisted living and social services-focused ministry is the fourth largest in terms of operating expenses, with estimated operating expenses of just over \$11.51 billion in 2026-27.

Continuing Care

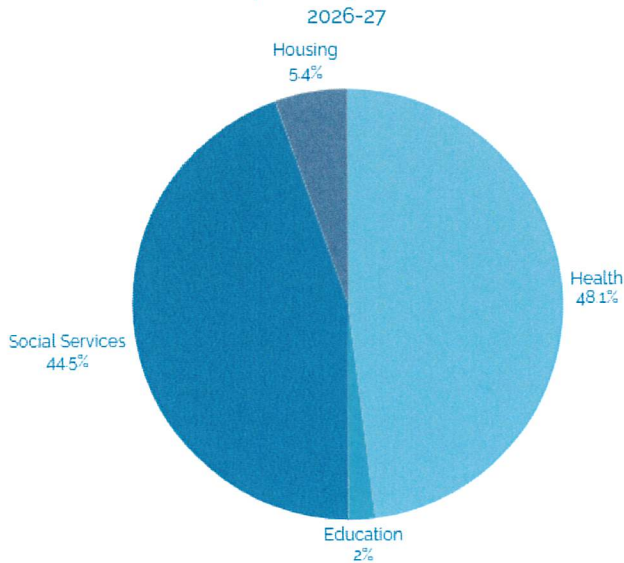
Continuing Care, inclusive of program planning and delivery, continuing care programs, and grants to Assisted Living Alberta (ALA), is estimated at \$5.369 billion for this fiscal year. Over 93% of continuing care funding now flows through ALA. Between last year's budget and this year's, there has been a \$1.34 billion increase, with the envelope for grants to ALA accounting for roughly 95% of the increase, and the other two accounting for combined growth of less than \$71 million.

Assisted Living & Social Services Expense by Object 2026-27



Source: Alberta Budget 2026 Fiscal Plan

Assisted Living & Social Services Expense by Function 2026-27



Source: Alberta Budget 2026 Fiscal Plan

Of that increase, \$495 million is to provide wraparound medical and non-medical supports, home care, community care, and social services.

Continuing care expansion is explicitly positioned as a system flow strategy to reduce pressure on alternative levels of care within hospitals and to support aging in the community. Targets in the ministry's business plan aim to increase the proportion of continuing care clients receiving home and community care from

60.7% in 2024-25 to 63.6% by 2028-29. This signals a broader policy shift toward community-based models over institutional growth.

The budget highlights \$40 million allocated to expanding continuing care, alongside \$17 million in federally funded Aging with Dignity bilateral funding. The former is intended for expanded continuing care, and the latter is intended to help seniors access home care or a care facility in their community.

While continuing care funding has increased significantly at the macro level, provider-level impacts remain unclear pending additional information. This adds to the operational uncertainty. Further details are required to understand how these funding changes will impact the sector. ASCHA will update this document for members once the entity financial details are available.

On Continuing Care Capital, the recently closed intake window saw 89 applications, totalling \$3.3 billion in projects and 9,200 units. The available capital for this round is approximately \$400 million, with a target timeline of May/June, unless they can complete approvals earlier to avoid construction delays. Successful proponents will receive a letter from the Minister of Assisted Living and Social Services. Unapproved projects will receive a letter from the Assistant Deputy Minister of Housing detailing next steps.

Continuing Care Capital
Approximately **\$1.06 billion**
over three-years
with **\$344 million**
allocated to this fiscal year

Social and Community Housing

The Alberta Social Housing Corporation (ASHC) has been allocated \$2.28 billion over three years - a total of \$706.8 million in this fiscal year (inclusive of operating and capital). This funding comes from the provincial government and the bilateral housing agreement with the Government of Canada.

The letters to operators for operating funding are targeted to go out after the ASHC board approval the week of March 2, 2026. High-level details for operating follow. Further details will be added to this document when the budget documents covering entity financials are released.

The Lodge Program will have a total budget of \$64 million this fiscal year an increase of approximately \$1 million. This increase will likely be used as a de facto index to the Lodge Assistance Program (LAP) Grant to help address rising costs.

Rent assistance sees a budget increase in 2026-27 to \$125.5 million, an increase of 9.7% or approximately \$11 million, with the goal of maintaining support to the approximately 13,300 households currently supported, while adding an additional 900 households.

The separate line item for Gender-Based Violence Rent Assistance increases by roughly \$600,000, to \$9.01 million, with the increase attributed to the federal government (rent assistance is a key aspect of the bilateral agreement).


Community housing, which includes the seniors' self-contained program, sees a modest \$700,000 increase this fiscal year, but has seen significant cumulative growth over the past two years.

Asset Transfers

Asset transfers will be paused unless they are tied to capital investment (as in an organization applying for a specific property as part of the capital grant programs. If an organization already has a letter for a specific transfer, that will proceed.

Capital Maintenance & Renewal

The 2026-27 fiscal year will see an allocation of \$49.6 million, with a total allocation over three years of approximately \$155.2 million, representing an increase of approximately \$24.2 million. Approximately forty-five major CMR projects will be addressed this

Capital Maintenance & Renewal (CMR) 

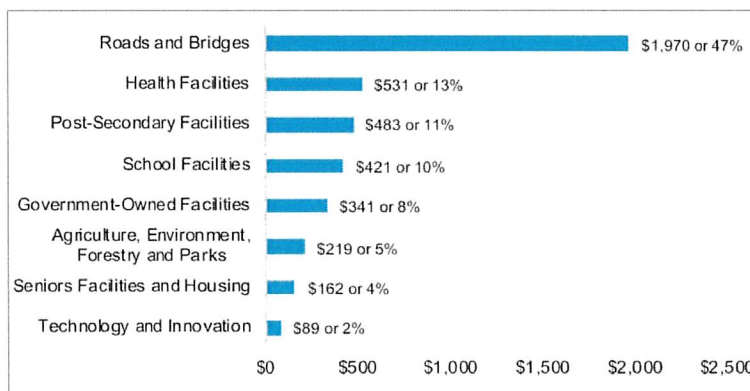
\$155.2 million over 3 years

\$49.6 million in this fiscal year

An approximate **\$24.2 million** increase

year, including the completion of delayed projects. The focus is on the existing maintenance backlog and ongoing capital rehabilitation needs. Below is a chart from the Fiscal Plan detailing Seniors Facilities and Housing CMR relative to the full CMR allocation.

Budget 2026 CMR Allocations
(millions of dollars)



Facilities and Housing CMR relative to the full CMR allocation.

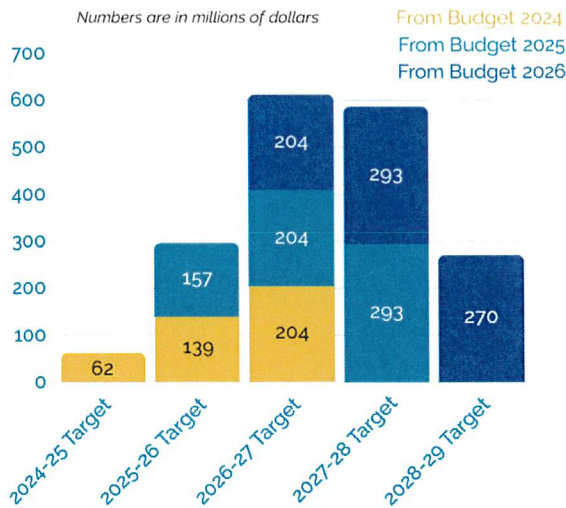
The Affordable Housing Strategy is allocated \$6.8 million in this fiscal year to continue to advance the province's Affordable Housing Strategy.

Lodge & Seniors Housing Capital Budget 2026 provides a defined capital commitment for lodge and seniors housing infrastructure

through two dedicated envelopes. The Lodge Modernization Program is funded at \$50 million annually, for a total of \$150 million over three years. This establishes a consistent, predictable capital stream specifically for lodge renewal and modernization projects which is expected to build 550 new units.

In addition, the Seniors Facilities and Housing Capital Maintenance and Renewal allocation provides \$50 million in 2026–27, with a total of \$155 million over three years. This funding supports rehabilitation, lifecycle replacement, and deferred maintenance across seniors housing assets.

Affordable Housing Partnership Program



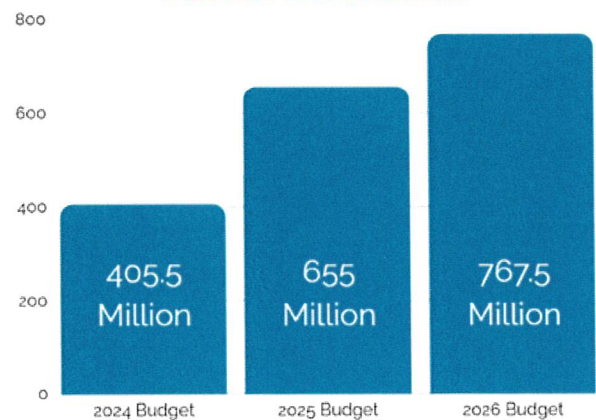
Together, these investments signal recognition of aging infrastructure pressures within the lodge and seniors housing system. However, while the annualized \$50 million lodge modernization commitment provides welcome stability, it remains modest relative to the overall capital expansion for continuing care.

Affordable Housing Partnership Program (AHPP)

A three-year allocation of \$767.5 million (rounded up in certain budget documents to

\$768 million) has been set out in this budget. This allocation is expected to contribute to the construction of 6,500 new units. Across three consecutive budgets, the AHPP commitment has nearly doubled, underscoring strong affordable housing champions in the sector and in government.

Affordable Housing Partnership Program Three Year Total Investment



Indigenous Housing Capital Program

The Indigenous Housing Capital Program (IHCP) will receive \$25 million annually. While it may appear to be a decline from last year’s \$43 million, the approximately \$18 million difference is due to funding carried over from a previous fiscal year.

Alberta Seniors Benefit Threshold Reduction: What It Means for Providers

Effective July 1, 2026, the income threshold for the Alberta Seniors Benefit (ASB) will be reduced by 9%. For single seniors, this lowers the upper eligibility limit from roughly \$34,770

to approximately \$31,600 annually. This does not directly change housing program eligibility. However, it may affect resident income, which in turn affects provider's revenue.

This change also applies to two related income-tested programs:

- Special Needs Assistance for Seniors
- The grant component of the Seniors Home Adaptation and Repair Program

Lodge Operations

In lodges, residents must retain at least \$373 (in 2026) in disposable income per month. If a senior loses ASB eligibility due to the lower threshold, their total income may decrease, which can affect their accommodation contribution.

The lowest-income seniors are likely to remain eligible. The impact falls on modest-income seniors just above the new threshold. For operators, this may result in:

- Reduced accommodation contributions from certain residents
- Increased administrative review
- Higher arrears risk in the middle-income band

The disposable income rule remains unchanged. What shifts is the income level that qualifies for ASB.

Seniors Self-Contained Housing

Eligibility for seniors self-contained housing is separate from ASB. However, rent is typically set at 30% of income. If a resident loses part of or all of their ASB:

- Their total income decreases
- Their rent decreases proportionally
- Provider rental revenue declines accordingly

The 9% reduction in the threshold narrows eligibility for modest-income seniors. While the lowest-income residents remain protected, providers may see financial pressure in the middle-income band, either through reduced accommodation contributions in lodges or reduced rental revenue in self-contained housing. This will be something ASCHA will monitor with the sector.

Homelessness Supports

Homelessness and housing stability programs continue under the *Meeting Challenges Faced by Families and Communities* priority.

The estimated 2026-27 homelessness and community support funding totals approximately \$260 million, supporting:

- Outreach and prevention programming
- Emergency shelters
- Transitional housing

BENEFITS & INCOME SUPPORTS

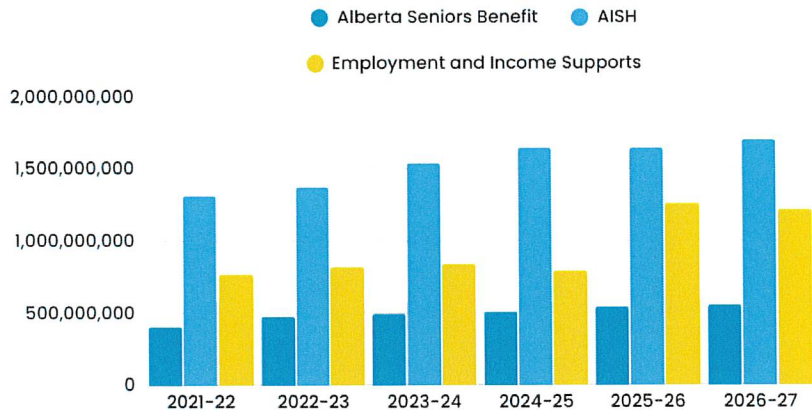
- Community-based partnerships

Of the total \$260 million, \$217.5 million is allocated to support homeless shelters, Navigation and Support Centres and housing support programs.

Income Support

Income Support is estimated at approximately \$1.9 billion in 2026-27.

Program spending growth is attributable to population growth, labour market conditions, and caseload volumes.



Budget 2026 signals a review of eligibility within the Expected to Work stream. No across-the-board rate reductions or redesign of the full Income Support program were announced. However, targeted changes to the Expected to Work stream could result in tighter eligibility screening and caseload management measures. For community housing providers, even modest changes in eligibility or benefit stability can affect tenant rent capacity.

Assured Income for the Severely Handicapped (AISH) & Alberta Disability Assistance Program (ADAP)

- Estimated 2026-27 program expense:
- AISH: approximately \$1.7 billion
- ADAP: approximately \$300 million

Budget 2026 advances a structural shift in the administration of disability income supports.

All current AISH recipients are expected to transition administratively into ADAP and be rescreened for continued AISH eligibility.

While AISH remains indexed to inflation and no immediate benefit rate reduction has been announced, the transition process introduces:

- Reassessment of eligibility
- Administrative review of caseloads
- Potential reclassification within disability support programs

The long-term fiscal objective appears to be ensuring program alignment and sustainability, though detailed implementation guidance is still forthcoming.

For ASCHA Members with tenants on AISH/ADAP, any reassessment changes may affect individual residents' income stability and rent calculations.

Persons with Developmental Disabilities (PDD)

Budget 2026 indicates an increase to Persons with Developmental Disabilities (PDD) funding in 2026–27 of \$43 million (3.7%) over 2025–26, implying a total program envelope in the range of \$1.2 billion. The core issue to monitor is whether this growth translates into measurable improvements for clients and families, such as increased service access, stable staffing, and reduced wait times, or whether it is primarily absorbed by cost escalation. Given the role of stable housing and supports in preventing crisis and promoting community inclusion, the operational implementation of PDD funding will remain a factor for providers supporting tenants with complex needs.

Given the interconnected nature of these programs, Budget 2026 introduces a period of heightened transition across multiple income and support streams that directly affect seniors, persons with disabilities, and low-income Albertans. Adjustments to seniors' income thresholds, the review of eligibility within Income Support, the administrative transition from AISH to ADAP, and the growth but ongoing pressure within PDD funding all occur within the same budget, placing significant pressure on the Ministry's overall Budget. While no broad benefit reductions have been announced, even incremental eligibility changes, reassessments, or administrative delays can affect individual income stability.

For ASCHA Members, the cumulative effect is more significant than any single policy change. Housing providers serve residents who often rely on multiple overlapping supports. Shifts in income-tested programs, disability supports, or employment-based assistance can influence rent capacity, disposable income, and financial resilience. This may increase the risk of arrears, heighten demand for rent supplements, and place additional strain on homelessness prevention and supportive housing systems. Close monitoring of implementation details, timelines, and client-level impacts will be essential as these changes unfold.

Health Focused Spending

Drug and Supplemental Health Benefits

Budget 2026 continues the upward trajectory in publicly funded drug and supplemental health programs. The Drugs and Supplemental Health Benefits envelope is allocated \$2.542 billion in 2026–27, representing an increase of \$129 million (5.3%) year over year.

Within that total, the combined allocation for Seniors Drug, Dental, Optical, and Supplemental Health Benefits increases from approximately \$826 million in 2025–26 to \$939 million in 2026–27. This growth reflects increased utilization, an aging population and the

Health System at a Glance



- **\$34.4B** total health expenses
- Representing a **5.8%** year-over-year increase
- **\$13.8B** Hospital & Surgical Health Services
- **\$12.7B** Primary & Preventative Health Services
- **\$12.2B** Assisted Living & Social Services
- **\$2.01B** Mental Health & Addiction

listing of new therapies. Ministry business plans identify long-term sustainability, administrative reform, and strengthened program oversight as key priorities within this envelope

Implications for the Sector

Drug and supplemental benefit spending continues to grow steadily and represents a significant cost driver within the health system. While overall health spending increases by 5.8%, certain components of drug and supplemental programming are growing at or above that pace. As an income-tested program, this will be one to monitor.

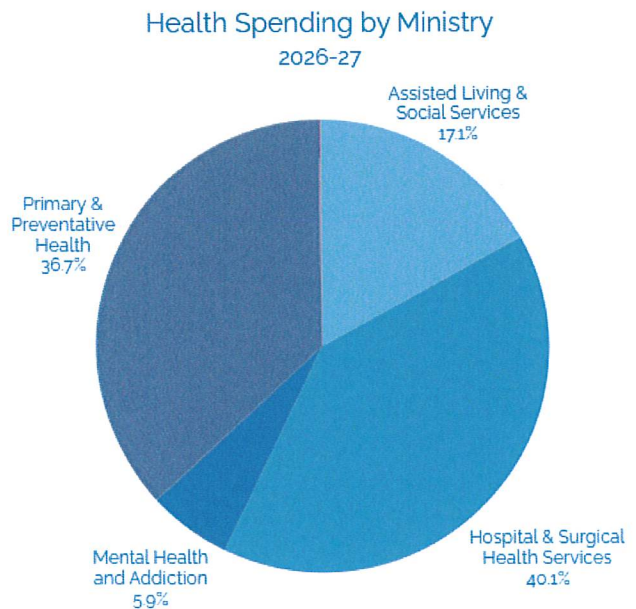
Health System Modernization, Workforce Pressures and Alternative Levels of Care (ALC)

Budget 2026 advances the government’s multi-year restructuring of Alberta’s health system, transitioning from a centralized Alberta Health Services model to a multi-agency structure organized by sector. Health remains the largest area of provincial expenditure at approximately \$34.4 billion.

Operating increases are concentrated in hospital and surgical services, primary and preventative health services, continuing care, and mental health and addiction. These increases reflect demographic growth, compensation agreements, and system transition costs.

Health System Modernization

Approximately \$2.3 billion is allocated to shared health system services, including digital infrastructure, corporate functions, and system oversight under the new Crown governance model. These investments support structural realignment rather than direct expansion of front-line services.



Source: Alberta Budget 2026 Fiscal Plan

Continuing Care, ALC and Patient Flow

Alternative Level of Care pressures remain a central issue in the system. Budget 2026 includes:

- \$152 million for continuing care initiatives
- \$146 million for continuing care capacity and ALC initiatives

These allocations are intended to support patients transferring from hospital settings to appropriate continuing care spaces, reducing hospital congestion and improving system flow. The Fiscal Plan further emphasizes strengthening comprehensive access to continuing care, including medical and non-medical supports across:

- Home care
- Community care
- Social services

This framing signal continued emphasis on care outside of acute settings and on enabling earlier transitions from hospital to community-based options.

For ASCHA Members, the most relevant components remain home care and continuing care expansion and the operationalization of ALA. While funding growth is significant at the macro level, clarity is still required regarding provider-level funding mechanisms and system access, including digital integration.

Ministry of Municipal Affairs

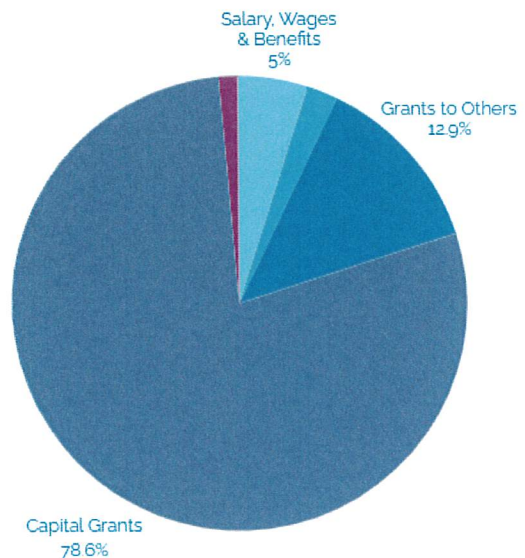
Municipal Affairs remains a mid-sized ministry in Budget 2026, with overall expense levels generally stable year-over-year. However, the composition and growth trajectory of municipal funding has prompted concern from Alberta Municipalities the Rural Municipalities Association, particularly regarding property tax implications.

Grants in Place of Taxes (GIPOT)

Budget 2026 increases funding for Grants in Place of Taxes (GIPOT) from \$55.3 million in 2025–26 to \$75.3 million in 2026–27, reflecting the decision to resume GIPOT payments at 100% of eligible property tax amounts.

Funding is projected to remain at 100% in 2027–28 and 2028–29, with allocations of approximately \$79.3 million in each year.

Municipal Affairs Expense by Object
2026-27



Source: Alberta Budget 2026 Fiscal Plan

GIPOT applies to provincially owned properties that would otherwise be subject to municipal property tax. By restoring full payment coverage, the province is reducing some fiscal pressure on municipalities that host provincial facilities.

Local Government Fiscal Framework (LGFF)

For 2026–27:

- Total LGFF allocation is \$860 million, down from \$880 million in 2025–26.
- The capital component declines from \$820 million to approximately \$800 million.
- The operating component remains at \$60 million.

While total LGFF funding may increase to approximately \$955 million under revenue-linked adjustments in the LGFF Act, the capital envelope available for municipal infrastructure declines year over year.

Municipal Infrastructure

Budget 2026 includes approximately \$7.1 billion over three years in municipal and community infrastructure funding through LGFF and related programs.

While significant in aggregate, there is no major expansion of the infrastructure envelope in fiscal year –2026-27. Municipal leaders have indicated that without additional funding, projects may be delayed, deferred, scaled back, or even cancelled. This has implications for economic growth, housing development readiness, and long-term asset management.

Family and Community Support Services (FCSS)

Budget 2026 does not increase FCSS funding. In a high-inflation and high-growth environment, flat funding represents a decline in purchasing power. Municipalities and ASCHA ([see our joint letter](#)) have noted that prevention programs funded through FCSS help mitigate pressures on the healthcare system and emergency services, and on policy, contributing to higher downstream costs over time. FCSS also plays a pivotal role in tenant support services, which the Assisted Living and Seniors Ministry has already indicated is the primary delivery model for community services in many rural municipalities.

Property Tax Implications

Alberta Municipalities has publicly stated that Budget 2026 will result in higher property taxes for Albertans, not through a direct provincial tax increase, but through fiscal pressure on municipalities.

The province maintains that it is not increasing provincial taxes. Municipal leaders argue that constrained provincial transfers reduce municipal fiscal flexibility, requiring municipalities to increase property taxes to maintain service levels and invest in infrastructure.

This dynamic reflects a broader structural issue regarding provincial and municipal fiscal capacity. Alberta Municipalities has noted that Alberta maintains a reported \$16.9 billion tax advantage relative to other provinces, while municipalities rely primarily on the property tax base. For ASCHA Members, municipal fiscal constraint could impact a multitude of areas, including infrastructure coordination for new affordable and seniors housing developments.

While Budget 2026 maintains municipal funding stability, it does not materially expand municipal fiscal capacity amid demographic growth.

Ministry of Mental Health & Addiction

Budget 2026 allocates \$2.01 billion to the Ministry of Mental Health and Addiction in 2026–27, an increase of approximately \$227 million year over year. Growth is concentrated in community-based care, hospital-based psychiatric services, and prevention programming. Community Treatment and Recovery Services increase by approximately 51%, while Prevention and Early Intervention programming rises by roughly 42%.

The ministry's business plan emphasizes expanding access to publicly funded treatment, strengthening integration across care settings, and increasing capacity along the full continuum of recovery-oriented services. For the seniors and community housing sector, the emphasis on community-based mental health supports is particularly relevant, as stable housing remains a foundational determinant of recovery, system flow, and reduced pressure on acute care and emergency services.

Miscellaneous

New Alberta Caregiver Credit (effective 2027 Tax Year)

Replacing two existing non-refundable tax credits with a single non-refundable Alberta Caregiver Credit aligns eligibility with the federal Canada Caregiver Credit. It will be available to Albertans caring for an eligible related adult dependent due to mental or physical infirmity. It will not be available to taxpayers with non-infirm senior parents or grandparents residing with them.

The non-refundable tax credit has a maximum amount of \$13,180 in 2026. A partial credit is available when the dependent's income is between \$20,956 - \$34,136.

Increased Fees

The fee for accessing the Residential Tenancy Dispute Service (used by landlords and tenants to resolve disputes) increases from \$75 to \$100 and up to \$150 (tiered).

Conclusion

Budget 2026 reinforces the central role of housing and continuing care providers within Alberta's evolving health and social support system. Capital growth and structural reform are underway. The next phase must focus on predictable operating sustainability, revenue

adequacy, and integrated implementation to ensure providers can meet rising demand without destabilizing the system they are being asked to support.

Errors and omissions are excepted.



REQUEST FOR DECISION

Department: Planning & Development

Submitted by: Rick Binnendyk

SUBJECT: Land Use Bylaw Amendment UR/R5 to Multiple Zonings – 2nd & possible 3rd reading

RECOMMENDATION:

1. That Council give second reading to Bylaw No. 843/2026, a bylaw to amend Land Use Bylaw No. 837/2026 Schedule “A” Land Use District Map; from the current Urban Reserve UR and part Residential 1 Manufacture Homes to Multiple Residential housing as identified within Oxford Landing Phase 1B &3 dated January 2026.
2. That Council give third and final reading to Bylaw No. 843/2026, a bylaw to amend Land Use Bylaw No. 837/2026 Schedule “A” Land Use District Map; from the current Urban Reserve UR and part Residential 1 Manufacture Homes to Multiple Residential housing as identified within Oxford Landing Phase 1B &3 dated January 2026

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached X Available Nil

KEY ISSUE(S)/CONCEPTS DEFINED:

RELEVANT POLICY:

Section 640 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 (the “MGA”) requires municipalities to adopt a land use bylaw; and Section 191 of the MGA authorizes Council to amend a bylaw.

STRATEGIC RELEVANCE:

Aligns LUB mapping with approved subdivision plans.

DESIRED OUTCOME(S):

Ensures the Land Use Bylaw is consistent with approved development, removes outdated information, and properly identifies the existing wellhead and its setback to confirm that residential land uses remain fully compliant with regulatory requirements

RESPONSE OPTIONS:

Council may direct administration to modify the figure or wording prior to second reading.

PREFERRED STRATEGY:

IMPLICATIONS OF RECOMMENDATION:

Future planning and development applications will benefit from accurate mapping, improving clarity for staff, developers, and the public.

GENERAL:

1. A subdivision and rezoning process associated with the adjacent lands to the west of the current commercial development up to the PUL on the west.
2. A further rezoning to occur on the north side of the current Oxford Blvd Road structure to allow R3 townhomes, R2 Duplexes and a green setback area from the active well head identified as Municipal Reserve MR.

This land use planning follows the intended use as outlined within Penhold's Municipal Development Plan.

Planning staff have updated the figure to:

- Reflect the current parcel boundaries resulting from the subdivisions;
- Add and clearly illustrate the existing wellhead and AER-regulated setback, confirming how the setback encroaches into the residential district.

Because these changes impact an adopted figure within the Land Use Bylaw, a formal bylaw amendment is required.

DISCUSSION

The changes that are being requested follows the long-term planning document from Melcor identified as their Outline Plan. This outline plan was most recently updated October 2021 by Bylaw 805/2021. This update is further clarity from the previous bylaw showing UR to various housing types at this time. The current R5 area is now reflecting additional housing and green area (Park).

Attached to this bylaw is the following information documents:

- Outline Plan Phasing – from Melcor Outline Plan Document
- Previous districts showing UR from Bylaw 805/2021
- Proposed housing types, green areas, PUL
- Compliance with AER setback requirements;
- Accurate mapping for administration, developers, and the public.

ORGANIZATIONAL:

Administration

FOLLOW UP ACTION:

After first reading there will be advertising and public hearing prior to second and third readings.

Currently there is a subdivision being circulated inquiring for comments on the new development. This is for the parcel adjacent to Suds Car Wash.

As per the MGA, zoning is required to be in place prior to subdivision approval being given.

COMMUNICATION:

Website; info bulletin board and other electronic means.

OTHER COMMENTS:

Presented at the Apr. 13th, 2026, Regular Council Meeting for the Town of Penhold



CAO

TOWN OF PENHOLD
BYLAW NO. 843/2026

Being a Bylaw with the purpose to amend the Land Use Bylaw 837/2025 for the
Town of Penhold in the Province of Alberta.

WHEREAS: Section 640 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 (the “MGA”) requires municipalities to adopt a land use bylaw; and

WHEREAS: Section 191 of the MGA authorizes Council to amend a bylaw; and

WHEREAS: The parcels:

1. Parcel “A” formerly identified as Urban Reserve (UR) Municipal Reserve, Public Utility Lot (MR/PUL) north of highway #42 and west of the current Commercial Highway (CH) parcel to include the current Public Utility Lot (PUL) on the west side
2. Parcel “B” north of the current Oxford Boulevard west of Waskasoo Avenue identified in part currently as Residential Manufactured Homes (RIM)

WHEREAS: These parcels no longer reflect the original residential planning area shown in Oxford Landing outline Plan being Phases 1 B and the south portion of Phase 3.

WHEREAS: The existing wellhead and its regulated setback are shown within the proposed residential district boundary; and

WHEREAS: Land Use Bylaw No.837/2025 requires an amendment to reflect the respective change that is being requested and

WHEREAS: Council deems it advisable to amend Schedule “A” of Land Use Bylaw No. 837/2025 to accurately depict the updated parcel configuration and features.

NOW THEREFORE, Council of the Town of Penhold duly assembled enacts as follows:

1. AMENDMENT

1.1 Replacement of Figure

Schedule “A” of Land Use Bylaw No. 837/2025 is hereby deleted and replaced with Schedule “A” (Revised) attached as *Schedule A* to this bylaw.

The revised Schedule “A” reflects the following updates:

- Outline Plan Phasing dated May 2019 – From Melcor Outline Plan Document 1B & 3

- Proposed housing types, Roads, Green areas and PUL
- Compliance with AER setback requirements;
- Accurate mapping for administration, developers, and the public.

In addition, clear identification of the existing wellhead and its regulated setback, shown within the proposed residential area.

2. SCHEDULES

This bylaw contains the following schedule:

- Schedule A – Revised updated parcel boundaries and wellhead/setback location.

3. EFFECTIVE DATE

This bylaw shall come into force upon third reading and final reading in accordance with the *Municipal Government Act*.

READ for the first time on this 9th day of March, 2026.

READ a second time this 13th day of April, 2026.

READ a third time and finally passed this ____ day of _____, 2026.

Mayor

Chief Administrative Officer

SCHEDULE A (Revised) – Bylaw Number 843/2026



- Legend**
- Low Density Residential District R1
 - Low Density Narrow Lot Residential District R1-N
 - General Residential District - R2 Duplex
 - Multiple Unit Residential District - R3 Townhome
 - Municipal Reserve (MR)
 - Public Utility Lot (PUL)
 - Roadway
 - Area Affected (4.76 ha)





REQUEST FOR DECISION

Department: Legislative Services

Submitted by: Bonnie Stearns

SUBJECT: Council Correspondence

RECOMMENDATION:

That Council receives the correspondence for information as presented.

CAO COMMENTS:

SUPPORTING DOCUMENTS: Report/Document: Attached __ Available __ Nil X

KEY ISSUE(S)/CONCEPTS DEFINED:

This listing identifies correspondence either attached or emailed to Council for review.

ATTACHED:

- Mar. 24 letter from Minister of Municipal Affairs re: 2026 Fire Services Training program
- Mar. 29 submission by Teresa – 2026 Minister’s Awards for Municipal and Public Library Excellence
- Apr. 2 letter from Minister of Municipal Affairs re: Assessment Model Review
- Apr. 2 letter from Minister of Municipal Affairs re: Introduction of the Municipal Affairs and Housing Statutes Amendment Act, 2026
- Apr. 2 letter from Alberta Public Safety and Emergency Services re: Policing Costs

EMAIL:

- Mar. 25 email from Rick re: Memorial Hall discussion at the Easter Eggstravaganza
- Mar. 25 Chinook’s Edge School Division Board of Trustees re: CESD Board Highlights
- Mar. 31 email from Premier Summit re: Invitation to Premier’s Summit 2026
- Apr. 7 FCM Communique re: FCM Voice: AC2026 workshops | Building Safer Communities Fund | Collective webinar | and more

RELEVANT POLICY:

Municipal Government Act, Statutes of Alberta 2000, Chapter M-26 – Section 201 (a) states in part that Councillors have the role of “..... Developing and evaluating the policies and programs of the municipality”.

STRATEGIC RELEVANCE:

Keeping Council informed on current related events.

DESIRED OUTCOME(S):

That Council is aware of information that either impacts the Town of Penhold directly or provides information of interest.

RESPONSE OPTIONS:

1. Council may wish to have something further investigated; this matter will be moved for further administrative review.

2. Council may wish to act on something and move the item for action.
3. Council may wish to move the items as information.

PREFERRED STRATEGY:

Determined upon response.

IMPLICATIONS OF RECOMMENDATION:

No further action on correspondence.

GENERAL:

The information shared with Council can have a direct impact on Penhold or provide information beneficial to Penhold.

ORGANIZATIONAL:

Legislative department receives and forwards relevant information to Council.

FINANCIAL:

No cost unless directive taken

FOLLOW UP ACTION:

As determined by Council.

COMMUNICATION:

May be directed to specific departments if potential impact.

OTHER COMMENTS:

Presented at the Apr. 13, 2026 Regular Council Meeting for the Town of Penhold



CAO



ALBERTA

MUNICIPAL AFFAIRS

Office of the Minister

MLA, Peace River

AR121544

March 24, 2026

Mayor Mike Yargeau
Penhold Fire Department
PO Box 10
Penhold, AB T0M 1R0

Dear Mayor Yargeau:

Thank you for submitting your municipality's grant application under the 2026 Fire Services Training Program. I am pleased to inform you that the Penhold Fire Department has been approved for a grant of \$4,965 to carry out training as outlined in the forthcoming conditional grant agreement. Through the Fire Services Training Program (FSTP), the Government of Alberta provides \$500,000 amongst eligible fire departments to offset the cost of training their members.

The conditional grant agreement will be sent separately to your Chief Administrative Officer to obtain the appropriate signatures. Once the conditional grant agreement has been signed by Municipal Affairs, the grant funds will be distributed, and a final signed copy of the conditional grant agreement will be emailed to your municipality for your records.

Municipal Affairs will be working with the FSTP Working Group to review the grant evaluation criteria and approval process for potential enhancements in future years. If you have any questions regarding the grant process or the conditional grant agreement, please contact the Grants Coordinator at 1-866-421-6929, or firecomm@gov.ab.ca.

Thank you for your important work and dedication to the safety of individuals in your community.

Sincerely,

Dan Williams, ECA
Minister of Municipal Affairs

cc: Honourable Devin Dreeshen, MLA Innisfail-Sylvan Lake
Rick Binnendyk, Chief Administrative Officer
Sean Pendergast, Fire Chief

Minister's Awards for Municipal and Public Library Excellence

2026 Submission Guidelines and Form for Library Boards

Submission Guidelines for Library Boards

- The program recognizes initiatives that demonstrate excellence in public library service. The sponsorship and the use of a purchased product or service are not eligible for submission.
- Awards are open to all public library boards and regional library system boards in Alberta.
- Awards are granted to the board of the library or system delivering the service being recognized.
- Awards pertain to library services, which are defined as library activities and resources that provide a direct benefit to the public.
 - Examples of a library service include: collections for borrowing, programs for the public and outreach.
 - Examples of library activities that are not a service include: internal support functions such as fundraising and public relations/marketing.
- Submissions must demonstrate that the service has been substantially and successfully completed or implemented.
- Partner organizations may optionally be recognized in the award submission. Partner organizations make a meaningful contribution to the initiative, allowing it to achieve results that could not have been achieved by the submitting library board alone. Partner organizations may include municipalities, First Nations, Metis Settlements, businesses, non-profit organizations, or community groups.
 - If your board is selected as an award winner, partner organizations will be listed on the award certificate. Each partner organization will receive a certificate (delivered to the submitting library board), but only the library board that completed the submission will receive an award item.
 - If partner organizations are listed on the submission form, it is the responsibility of the submitting board to communicate to those organizations that they have been listed on the form and how they will be recognized if the board receives an award.
 - Submissions must include documentation of acknowledgement from any partner organizations named on the form. (e.g. PDF of letter or email response from partners.)
- Submissions will be evaluated by a selection panel which will recommend award winners to the Minister.
- Completed submission forms are only accepted electronically and can be sent by email to libraries@gov.ab.ca.
- The submitting library board or regional library system board agrees to the publication of information related to their initiative by the Government of Alberta, including any documents, photos, and photos of the recipients with their awards.

The submission deadline is March 31, 2026.

Award Categories for Library Boards

Public Library Services (open to Library Boards serving a population over 10,000 – two awards)

Award will be given for an excellent library service that is responsive to community need and provides a direct benefit to the public.

Public Library Services (open to Library Boards serving a population under 10,000 – two awards)

Award will be given for an excellent library service that is responsive to community need and provides a direct benefit to the public.

Selection Criteria

Submissions will be evaluated on the following criteria:

- **Excellence** – overall quality of the service, including planning, communication and delivery
- **Relevance** – responsiveness of the service to identified community needs
- **Impact** – evidence that the service produced verifiable results and achieved its desired outcomes
- **Transferability** – suitability of the service to be implemented or adapted by other libraries
- **Quality of submission** – clarity, logic, and completeness of the submission

Contact

If you have any questions, please email the Public Library Services team at Municipal Affairs at libraries@gov.ab.ca or call 780-427-4871 (toll-free in Alberta by dialing 310-0000 first).

Submission Form for Library Boards

Submitter Information

Date (MM/DD/YYYY): 3/29/26

Award Category: Board serving a population under 10,000

Name of Service: Community Connection through Music & a Lasting Legacy

Name of Library Board: Penhold & District Library

Library Website: <https://prl.ab.ca/Penhold>

Name of Contact Person: Teresa Cunningham

Email of Contact Person: tcunningham@townofpenhold.ca

Initiative Information

1. Provide a brief description of your initiative (100 words or less)

Our library received a substantial grant of \$8000 for reaching out into the community from the TD Summer Reading Club for our mobile summer reading during Covid. We also received the Minister's Award of Excellence for this initiative. This show of excellence is something we are very proud of and speaks to the commitment & passion we have for community & lifelong learning. What a gift this was to our library but now we had the hard task of figuring how to honor that in a meaningful way.

2. What challenge, issue or community need did this service address?

Our Library Manager brought us the idea of a piano but not just any piano... a baby grand! Although a bit unconventional, this idea once we tested it against the Plan of Service we quickly realized it really ticked all the boxes, by creating new partnerships with the music community, connecting visitors, expanding on what our library can offer while complementing the welcoming library space.

3. What were the goals, objectives and/or desired outcome(s) of implementing this service?

Our goal with this purchase meant we would be reaching out to a new network within the surrounding music community and draw new people into our space. It meant we could have new and different programs and could be an addition to town events and that our investment could have an impact and bring something unique into our space.

4. What impact has this initiative already had in your community or on your organization? What statistics, data or performance measures are available to demonstrate its impact to date?

We've hosted two holiday gatherings featuring Christmas carols in the library, bringing community members of all ages together experiencing the joy of music. Hosted 10 recitals to date. 50/80 visitors each recital. Local high school students have also used the piano for practice. One is now enrolling in the music program at the University of Lethbridge. We now have 2 ladies (now friends) play duets several times during the week.

5. How does this service demonstrate excellence?

We have a passion for community at our library and are always on the lookout for new innovative ways of connecting. Bringing this piano into the library has really broadened the community that we interact with, it also adds to the atmosphere and allows people to be introduced to music at an early age. Music itself is a powerful form of communication and often sticks with people for life. This ties directly into our motto "passionate about community, literacy and lifelong learning"

6. What advice would you share with other libraries from your experience with this service (i.e. key learnings?)

Don't be afraid to think outside the box. We sat with this and brainstormed for over a year before purchasing the baby grand. Having the piano has exceeded expectations and has had an amazing ripple effect. Many of those who come for recitals are outside the community and may not have otherwise visited our library. Also, a fun thing is to watch the curious listeners trickle in from the adjacent Multiplex lobby when they hear the piano being played.

7. Is there anything else you would like the Review Committee to know about this initiative?

Excellence means going above and beyond the norm. We know we could've bought tech or e-content, but they each have a shelf life and could be outdated in a matter of 4-5 years. We didn't feel that would be the best approach and this amazing gift would essentially disappear with nothing tangible to show for it. The piano itself is not just an upright that can be wheeled in & out to be played occasionally or tucked away in a corner. The piano holds a prominent space front and centre as source of pride, it is a legacy to the lengths taken by the Penhold & District Library to keep our community connected. and in doing so is reaching a whole new audience.

8. (Optional) List any partner organizations you wish to have recognized. Partner recognition requires documentation demonstrating each partner has been informed of and acknowledges the submission (e.g. email response or letter).

Attachment (Optional): You may attach one supporting document related to the submission.

Submit completed forms to libraries@gov.ab.ca by March 31, 2026.

The personal information collected through this form will be used in support of the Minister's Awards for Municipal and Public Libraries Excellence program. This collection is authorized by section 4(c) of the Protection of Privacy Act. For questions about the collection of personal information, please contact the Municipal Services Division, 17th Floor Commerce Place, 10155 - 102nd Street, Edmonton, Alberta, T5J 4L4, (780) 427-2225 (Outside Edmonton, call 310-0000 to be connected toll-free).



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Peace River*

AR121809

April 1, 2026

Dear Chief Elected Officials:

Municipal Affairs has been working collaboratively in recent years with industry representatives, professional assessors, and municipal partners to modernize Alberta's regulated property assessment framework through the Assessment Model Review (AMR). One important phase of this work has now been completed, and I am pleased to share policy updates that aim to simplify rules, reduce uncertainty, and improve consistency, transparency, and fairness across the system.

Most regulated property assessment models covering wells, pipelines, telecommunications systems, electric power systems, machinery and equipment, and railways, were last updated in 2005. As you may be aware, the last time the assessment models were reviewed in 2020, government opted not to proceed with proposed changes.

Based on a renewed engagement process designed by stakeholders, the AMR process re-launched in March 2024 with a review of the foundational policies that guide Alberta's regulated assessment system. These policy updates are a major milestone and set the stage for the next phase.

Key decisions include:

- standardizing assessment rates, where feasible, to make assessments more predictable;
- updating assessment models on a regular schedule to reflect changes in technology and construction practices;
- setting more consistent rules by clarifying when construction is considered finished for purposes of assessment, making sure actual construction costs are included with tightly-defined exclusions, and creating a provincial benchmark to fairly adjust labour-related construction costs in remote areas; and,
- introducing penalties for owners who do not provide required assessment information on time.

The rules will be effective for the 2027 tax year, and will apply to facilities built or expanded after that date. These rules will also be applied in the development of updated assessment models for each individual regulated property type as they are reviewed. Accordingly, we do not expect there to be significant assessment changes in 2027 and 2028 resulting from these policy changes.

.../2

Looking ahead, through the next phase of the AMR, we will continue to work with stakeholders to update the assessment models – the rules, rates and procedures for determining valuation – for individual regulated property types. These reviews will be followed by broad and direct engagement with municipalities and industry to consider the impacts of the new assessment models on revenue.

Your municipality will be directly engaged on the overall results of the AMR and the potential impacts of updated assessments. This is an upcoming phase of the AMR process; engagement will focus on implementation of these policy changes. The final decision by government on any changes to assessment models is expected to occur in late 2028.

Attached is a fact sheet summarizing the policy changes, and a frequently asked question document for your use. I look forward to continuing to work with you and your municipal associations on this important initiative.

Sincerely,

A handwritten signature in black ink, appearing to be 'Dan Williams', with a long horizontal flourish extending to the right.

Dan Williams, ECA
Minister of Municipal Affairs

Attachment:

1. Fact sheet
2. Frequently Asked Questions

cc: Chief Administrative Officers

Assessment Model Review

Policy Updates – March 2026

Overview

Municipal Affairs is updating the policies that govern regulated property assessments in Alberta as part of the ongoing Assessment Model Review. The changes aim to simplify rules, reduce ambiguity, and improve consistency and fairness of assessments. These updated policies reflect the input of municipalities, industry, and professional assessors.

Clearer rules and standardized assessment practices will improve transparency and predictability, while helping reduce disputes and assessment appeals. The updated system balances the needs of municipalities and industry by applying consistent approaches across regulated property types.

Assessment Models

Clarifying the foundational policies governing the assessment system allows the Assessment Model Review to move to its next phase: updating assessment models to better align with current practices, infrastructure, and technology.

Assessment models are the rules and procedures that determine how each type of regulated property is valued for property taxation purposes. The models for most types of regulated property, including wells, pipelines, telecommunications systems, electric power systems, machinery and equipment, and railways, were last updated in 2005.

Key Changes

Standardization

Standardized rates will be prepared and used wherever feasible and these rates will be developed for new property types where they do not currently exist, such as solar installations, and for existing properties where there are typical configurations of multiple components, such as wellsites. If it is unfeasible to calculate a standardized rate, site-specific reported costs will continue to be used.

The modernization and expansion of standardized rates will improve the consistency and efficiency of assessments, while providing municipalities and property owners with greater predictability.

Assessment Rules for Construction Costs

Regulated assessment is based on construction costs, and these policy updates have clarified which construction costs are assessable.

Construction will be considered complete when physical construction ends, and the assessment will not include pre-construction expenditures or post-build commissioning costs.

Most actual construction costs will be included in the assessment, reflecting the owner's capital investment in the asset. Exclusions will be tightly defined, focusing on costs due to extraordinary events and mandatory safety requirements, for example.

A provincial benchmark will be created to fairly adjust labour-related construction costs in remote areas.

These changes reduce ambiguity and align assessments with actual costs. They clarify rules for stakeholders, reduce complaints, limit subjective claims, and improve comparability and equity across properties, including those in remote areas.

Depreciation

When updated assessment models are developed, they will continue to include both a ceiling and floor limit for depreciation of machinery and equipment under Schedule C of the assessment formula.

This incentivises up-front capital investment by industry and supports long-term revenue in later years for municipalities. It provides scope clarity for assessment model development, reducing stakeholder uncertainty.

Specific assessment models for mature oil and gas assets will be developed as part of the next phase of the model review. Depreciation curves and other factors will be updated to better reflect the characteristics of these assets.

Reporting Consequences

Assessed persons may receive an administrative penalty (fine) when mandatory reporting is not provided to an assessor within 60 days of a formal request.

In these cases, the property owner will also lose the ability to appeal the assessment to the Land and Property Rights Tribunal.

This will improve assessment accuracy and fairness, boost reporting and legislative compliance, and encourage proactive property owner disclosure.

Review Schedule

Following the current Assessment Model Review, models will be updated on a regular, predetermined schedule (e.g., one to two property types a year) with each property type reviewed on a five-year cycle.

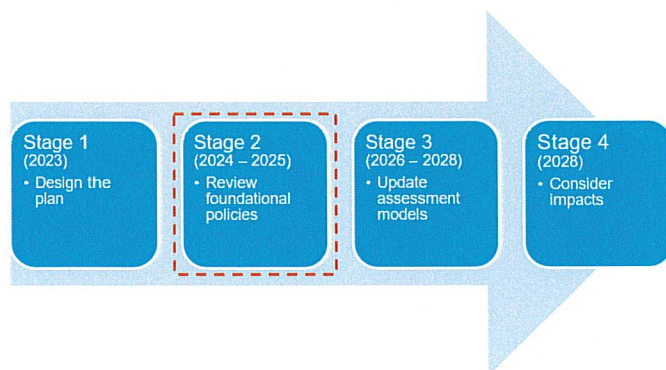
This change keeps assessment models current, captures modern technologies and construction practices, and reduces system shock resulting from delayed updates or overly broad changes.

Transition Rules

These policy changes will take effect on January 1, 2027, and will apply to new facilities assessed on a reported cost basis; assessments for existing major facilities will remain unchanged. The new rules will be applied to assessment models, including standardized rates, as they are updated in the next phase of the Assessment Model Review.

AMR Timeline

These changes mark the end of the policy review stage and move the Assessment Model Review forward into the next phase, which focuses on individual model reviews.



Next Steps

Updates to legislation and regulation to reflect these policy decisions are expected in spring 2026.

Municipal Affairs will work with industry, municipal and assessment stakeholders to begin reviews of the assessment models for individual regulated property types in 2026.

Resources

Stakeholders can follow the progress of the AMR on the at [Assessment Model Review engagement | Alberta.ca](#)

Contact us

For inquiries during the AMR process, please contact the AMR Team toll-free by first dialing 310-0000, then 780-422-1377, or at ma.amr@gov.ab.ca.

Frequently asked questions

Assessment Model Review – Policy Changes

Municipal Affairs is updating the rules that govern regulated property assessments in Alberta as part of the Assessment Model Review. These amendments reflect the input of municipalities, industry, and professional assessors, and aim to simplify rules, reduce ambiguity in interpretation and improve consistency, transparency, and fairness.

Why do assessment models need to be updated now?

Many regulated property types have changed substantially since the last major updates in 2005.

Construction methods, materials, and costs have evolved significantly, and models must reflect current industry practices.

New technologies in several sectors are not recognized or costed in existing models.

Modernizing the models improves fairness, consistency, and transparency in how industrial property is valued.

Updated models ensure clearer rules and valuations that better reflect how today's industrial assets are built and operated.

Which properties are expected to be impacted by the policy changes?

The policy changes are expected to impact regulated property, which includes telecommunications and cable, railways, electric power systems wells, pipelines, and machinery and equipment.

Can you outline the policy changes being implemented and what they are meant to address?

These changes are intended to modernize and reduce ambiguity by clarifying definitions, improving transparency, and aligning assessment rules with current practices.

Clarified rules will allow new assessment models to be developed for each regulated property type. Key policy changes that are being implemented include:

- standardizing assessment rates, where feasible, to make assessments more predictable.
- updating assessment models on a regular schedule to reflect changes in technology and construction practices.
- setting more consistent rules by clarifying when construction is considered finished for purposes of assessment, making sure actual construction costs are included, and creating a

provincial benchmark to fairly adjust labour related construction costs in remote areas; and

- introducing penalties for owners who do not provide required assessment information on time.

Who was consulted and how were they engaged before these policy changes were implemented?

Since 2022, Municipal Affairs has worked collaboratively with a Steering Committee of industry representatives, professional assessors, and municipal partners including Rural Municipalities of Alberta (RMA) and Alberta Municipalities, to modernize Alberta's regulated property assessment framework through the Assessment Model Review.

The recent policy updates reflect their contributions and aim to simplify rules, reduce uncertainty, and improve consistency, transparency, and fairness across the system.

How will these changes affect the tax burden for industry and municipalities?

The first stage of the Assessment Model Review was focused on modernizing the system's principles and foundational policies while providing directions to stakeholders on how the assessment system will function ahead of the next stage.

The updated rules will be effective for the 2027 tax year and will apply to facilities built or expanded after that date, as well as to the assessment models for individual regulated property types as they are developed.

Municipal Affairs does not expect significant assessment changes in the 2027 and 2028 tax years resulting from these policy changes.

How will the transition to new rules work?

The updated rules will be effective for the 2027 tax year and will apply to facilities built or expanded after that date, as well as to the assessment models for individual regulated property types as they are developed.

This avoids retroactive changes and provides a predictable transition for property owners.

What are the next steps following these policy changes?

Over the next few years, Municipal Affairs will continue to work with stakeholders to update the assessment models – the rules and procedures for determining the valuation – for individual regulated property types.

These reviews will be followed by broad and direct engagement with municipalities and industry to consider the impacts of the new assessment models on revenue.

The final decision by government on implementation of any changes to assessment models is expected to occur in late 2028.

Why does Alberta use a regulated assessment standard based on construction costs instead of market value standard like residential assessments?

Alberta uses a regulated assessment standard to ensure uniformity and equity across municipalities, especially for complex industrial properties where comparable market data is limited or unreliable.

The cost-based approach avoids market fluctuations and provides a stable valuation for municipalities and property owners and reduces the risk of sudden shifts in property values.



ALBERTA

MUNICIPAL AFFAIRS

Office of the Minister

MLA, Peace River

April 2, 2026

I am pleased to share that today, our government introduced Bill 28 the Municipal Affairs and Housing Statutes Amendment Act, 2026. Bill 28 makes amendments to the *Municipal Government Act* to modernize municipal rules, improve clarity and consistency, and strengthen service delivery.

Rather than addressing issues piecemeal, Alberta's government is proposing a single, comprehensive package of changes that reflects how interconnected municipal systems are. The proposed amendments are organized around five themes:

- growth and housing – *how communities expand;*
- assessment and property tax – *how services are paid for fairly;*
- governance and accountability – *who is responsible and to whom;*
- municipal transparency – *how municipalities make decisions and operate day to day;* and
- public institutions – *how essential public services are governed and protected.*

Together, these five themes form a coherent approach to modernizing municipal legislation, solidifying local governance, and supporting communities across Alberta.

Growth and Housing

The proposed changes will accelerate construction to build more homes faster by improving transparency, reducing red tape, and lowering development costs by:

- clarifying the application of off-site levies; and
- requiring permit timeline reporting to be posted on municipal websites.

Also included are amendments related to “Automatic Yes” frameworks, which will allow municipalities to fast-track low-risk development permits, increasing predictability for builders and helping accelerate housing construction across Alberta. Future regulation will build on this work by restricting particular non-statutory studies in the development process to further streamline approvals.

In addition, charter schools will be treated consistently with other publicly funded schools by enabling access to municipal and school reserve land, supporting parental choice in education.

The proposed changes would also allow the Minister of Municipal Affairs to set requirements for community design codes that municipalities may choose to adopt, helping streamline approvals for developments that meet established land-use and design standards while preserving local decision-making.

.../2

Assessment and Property Tax

The proposed legislative amendments will implement some of the decisions from the recently completed policy phase of the Assessment Model Review. These decisions will lay the foundation to modernize the regulated property assessment system and promote fairness for municipalities and industries by:

- clarifying the rules that determine which costs are assessable, which will improve consistency and reduce assessment appeals;
- enabling greater use of standardized rates for regulated properties, which will increase predictability and efficiency of assessment;
- applying penalties to property owners who fail to report timely property information; and
- establishing a regular cycle for review of assessment models.

More details about the outcomes of the policy phase of the Assessment Model Review are being sent to you under separate cover.

Using the updated rules and policies, new models for assessing individual types of regulated properties will now be developed to better reflect current costs, technology and construction practices. The work for this next phase of the Assessment Model Review will be undertaken over the next two years, and will continue to involve significant input from municipal, industry and assessment stakeholders.

In addition, the proposed amendments will prevent municipalities from taxing Albertans on similar homes differently based solely on whether or how they are occupied.

Governance and Accountability

Alberta's government is proposing to strengthen accountability and integrity in local government by creating a provincial councillor accountability framework. The framework will govern issues such as pecuniary interest, unauthorized use of municipal assets, disclosure of confidential information, egregious behaviour, threatening behaviour and improper use of influence.

Under the proposed framework, complaints will be investigated by an independent third-party, ensuring impartial, timely resolution of issues before they escalate, and a roster of commissioners will be appointed by the province to hear appeals.

In addition, proposed changes will update the process for viability reviews by making the vote of electors a plebiscite (non-binding vote) with final decisions on dissolution at Cabinet's discretion. This will apply to viability reviews that are already underway where a vote of electors has not yet occurred, as well as any future reviews.

Municipal Transparency

The proposed changes will improve transparency by requiring municipalities to publicly disclose the salaries of municipal staff above a specified threshold, aligning practices with other public sector disclosure standards.

In addition, proposed changes will allow rural, small urban, and specialized municipalities to show policing costs as a separate line on property tax notices, improving transparency for residents.

A province-wide framework for councillor information requests, requiring timely access to readily available information and consistent sharing of broader information with all councillors will strengthen councils' ability to govern effectively and make informed decisions. Councils will also be able to adopt local policies to manage significant information requests in a practical, sustainable way.

The proposed changes will also modernize governance and operations of Business Improvement Areas, including flexibility for interim appointments, electronic notifications, and in-year budget changes, to reduce red tape, improve flexibility and help commercial districts stay vibrant and responsive to local needs.

Public Institutions

The proposed amendments will clarify how municipalities govern and oversee municipal public utilities, establishing that municipalities may be required by regulation to transfer control and operations of a municipal public utility to a public utility entity, such as a regional services commission or a municipally controlled corporation.

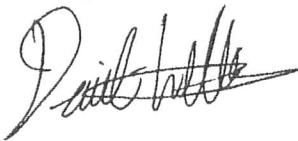
I invite you to read Bill 28. A copy of the bill can be found here:

<https://www.assembly.ab.ca/assembly-business/bills/bill?billinfoid=12124&from=bills>

Additional information about the proposed amendments is also available here:

<https://www.alberta.ca/modernizing-municipal-legislation-across-the-province>

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Williams', with a stylized flourish at the end.

Dan Williams, ECA
Minister of Municipal Affairs



April 2, 2026

Mr. Rick Binnendyk
Chief Administrative Officer
Town of Penhold
PO Box 10, Penhold, AB T0M 1R0

Dear Mr. Binnendyk:

This letter serves as your annual notification of your municipality's policing cost share under the Police Funding Model (PFM) and the Police Funding Regulation.

In Alberta, the Provincial Police Service Agreement (PPSA) is cost-shared between the Government of Canada (30%) and the Government of Alberta (70%). Under the current PFM, PPSA frontline policing costs are shared between the Government of Alberta and rural municipalities policed under the Provincial Police Service Agreement (PPSA). Your municipality's contribution for this year is calculated based on population, equalized assessment, crime severity, shadow population, and detachment location

2025-26 Fiscal Year

For fiscal year 2025-26, your municipality will contribute approximately 19% of total frontline policing costs under the PPSA, a rate the Alberta Government has frozen to ensure stability during the PFM review. This freeze should closely align your costs with the previous fiscal year, though some variability is expected due to population data adjustments in the published Municipal Affairs Population List 2025.

Total PFM revenue for 2025-26 is estimated at \$67,446,496, all of which will be reinvested directly into the provincial police service. To date, these reinvestments have already delivered meaningful results by providing for the addition of 285 new regular members and 244 new civilian members, along with additional investments that continue to strengthen the capacity and effectiveness of provincial policing across Alberta.

Future Years

As of April 1, 2026, and onward the amended *Police Funding Regulation* will take effect along with the renewed PFM. Your municipality should have received a preliminary 5-year estimate with respect to the renewed PFM during January 2026. You can read more about the renewed PFM here : <https://open.alberta.ca/dataset/5091d549-fab4-4ae0-b86c->

d817056eedcb/resource/cf9c5a89-cdbd-4df8-8a66-38153bc0755c/download/pfes-renewed-police-funding-model-factsheet.pdf

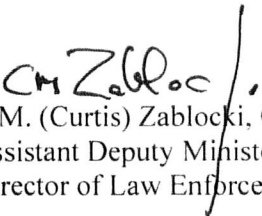
Payment Instructions

Please remit payment within 30-days to the Government of Alberta, per the instructions provided on your invoice.

Please direct your questions about the PFM policy or general inquiries to: pfm.inquiries@gov.ab.ca. Direct questions pertaining to the invoice or payment process to: pfes.financialplanning@gov.ab.ca.

We appreciate your municipality's ongoing partnership in supporting public safety across Alberta. If you have any concerns or require further clarification regarding your invoice or the PFM, please do not hesitate to reach out to our team.

Sincerely,


C.M. (Curtis) Zablocki, O.O.M.
Assistant Deputy Minister
Director of Law Enforcement

Cost Breakdown

The provincial payment generating \$67,446,496 in revenue after modifiers is calculated on an annual basis using 50 per cent population, 50 per cent equalized assessment, and modifiers/subsidies for crime severity, shadow populations, and detachment location.

Provincial Data

Revenue Generated 2025-26 after modifiers	Total Municipal Affairs Population (2025)	Total Equalized Assessment (2025)	Total Revenue Base Estimate
\$67,446,496	746,253	\$349,121,655,444	\$69,800,000

Municipal Data

Town of Penhold	Data/Cost Breakdown
2025 Population	3,484
2025 Equalized Assessment	468,374,036
Equalized Assessment per capita	134,436
Population % of total for PFM	0.46749%
Equalized Assessment % of total for PFM	0.13935%
Amount based on 50% Population (A)	\$163,154.01
Amount based on 50% Equalized Assessment (B)	\$48,633.15
Total share policing cost C = (A + B)	\$211,787
Less modifiers:	
Subsidy from Crime Severity Index (CSI) Value (variable %) (Note 1)	\$0
Subsidy from Shadow Population (variable %) (Note 2)	\$0
5% for No Detachment Subsidy (Note 3)	\$10,589
Total share with modifiers D= C-note 1- note 2 -note 3	\$201,198

Notes

Population estimate is based on 2025 Municipal Affairs Population List.

Equalized Assessment – an annual calculation that measures the relative wealth of a municipality creating a common assessment base. It determines the ability of a community to pay a portion of policing costs in this context.

Municipality Population / PFM Population

Municipality Equalized Assessment / PFM Equalized Assessment

Population % of provincial x 50% population x Total Base Estimate

Equalized Assessment % x 50% x Total Base Estimate

Note 1: CSI Subsidy received if above rural municipal average. Accounts for volume and seriousness of crime based on incarceration rates. A three-year average is used to calculate your average CSI.

Note 2: Shadow Population – temporary residents of a municipality employed by an industrial or commercial establishment for a minimum of 30 days within a municipal census year. Shadow populations use the municipality's services but do not contribute to its tax base. Subsidy is up to 5% of total share.

Note 3: No detachment subsidy provided if town/municipality does not have access to a detachment.

Mail Payment To:

Provincial Policing Agreement - RCM
9833 109 ST, 5th FLOOR EDMONTON AB T5K 2E8

Account Inquiries by Telephone or Email:

Toll Free 310-0000
Email: PSES.financialoperations@gov.ab.ca

TOWN OF PENHOLD
PO BOX 10
PENHOLD AB
T0M 1R0

INVOICE

Document No. : 1800029533
Customer No. : 0070003655
Reference No. :
Document Date : 27-Mar-2026
Due Date : 26-Apr-2026
Email ID :
Contract ID :

Amount Due: \$201,198.00
Amount Remitted: _____

Please cut along line and return top portion with payment

S/N	Description	Order No.	Quantity	UOM	Unit Price	GST	Tax Amt	Amount CAD
1	TOWN OF PENHOLD PFM 2025-2026	000001005590				0%	\$0.00	\$201,198.00
Sub Total								\$201,198.00
Total (GST)								\$0.00
Amount Due								\$201,198.00

Please make payment payable to Government of Alberta.

Government of Alberta - GST Registration Number: 124072513RT0001