



GRAND VALLEY

STAFF REPORT

To: Mayor Soloman and Members of Council
From: Steven Freitas, Director of Finance/Treasurer
Meeting Date: January 27, 2026
Report Number: 2026-008
Subject: DRAFT 2026 Operating and Capital Budget

Recommendation

THAT Council receive the Report – DRAFT 2026 Operating and Capital Budget;
AND FURTHER THAT the changes discussed in the meeting be made for the next budget presentation on February 24, 2026.

Purpose

To present the DRAFT 2026 Operating and Capital Budget.

Background

For the 2026 budget, and in line with previous years, Council directed that the capital budget portion of the 2026 budget be presented, deliberated, and approved before the end of 2025. This was completed last December, where a number of capital projects were approved while others were deferred to the next budget meeting for consideration along with the draft operating budget. In the December meeting, a few proposed capital projects were not approved to go forward and have been put on an “unfunded capital” list for consideration in future budgets.

Discussion

The DRAFT 2026 Operating and Capital budget for the Town is presented in Appendices 1 to 3. The Appendices present the various proposed operating budget line items, capital projects

approved in the December meeting, and proposed capital projects deferred from the December meeting for consideration with the overall budget for 2026 in a table format.

The tables present DRAFT 2026 operating and capital budget items together; with expenditures in Appendix 1, and revenues in Appendix 2. A notes column provides commentary on budget assumptions and details where appropriate for Council consideration and budget deliberation. A summary at the bottom of Appendix 1 shows the total gross expenditure budget, total revenue budget, and the net budget as proposed. Appendix 3 lists the “Unfunded Capital”.

The following are some overall assumptions included in the preparation of the DRAFT 2026 Operating and Capital budget:

- Proposed budgets for the Fire, Community Centre, Library and BIA Boards are still under review. Estimates and known costs for these boards are included in the document.
- Municipal insurance budgets include a 0.6% increase over 2025 rates as confirmed by the Town’s insurance provider on December 9, 2025.
- Labour budgets include step increases and a 1.9% cost of living adjustment (COLA) for employee remuneration, effective July 1, 2026, approved by Council on December 9, 2025.
- Fringe benefit budgets reflect the updated rates as confirmed by the Town’s benefits provider on December 19, 2025.

Proposed budgets have been included to maintain existing service levels, address Council priorities, staff requests, and engineering consultants’ recommendations based on key study documents. The information is presented for discussion and Council direction is requested.

Attachments

Appendix 1 - DRAFT 2026 Operating and Capital Budget – Expenditures.

Appendix 2 - DRAFT 2026 Operating and Capital Budget – Revenues.

Appendix 3 - DRAFT 2026 Operating and Capital Budget – Unfunded Capital.

This report was submitted by

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This report was approved by

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