

April 30, 2026

Interim Report

As reported on June 23, 2026



CITY OF
FORT SASKATCHEWAN
ALBERTA

Interim Report | April 2026

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OPERATING HIGHLIGHTS

Despite an evolving economic landscape, our city continues to move forward with thoughtful decisions, active community investment, and long-term planning. Here's what's been happening over the first quarter of 2026:

MAJOR PROJECTS & PROGRESS

- **Aquatics Facility – Development Charges Update** – The City received approval to proceed with Option 2 related to Development Charges (DCC) expansion impacts for the new aquatics' facility project. This decision keeps the project on track and addresses funding considerations as design work progresses.

RECENT APPROVALS AND UPDATES

- **2025 Financial Statements and Surplus Allocation** – Council reviewed and approved the 2025 KPMG Audit Findings and Consolidated Financial Statements. The 2025 operating surplus from utility operations (\$1,180,000) was allocated to the Utilities Infrastructure and Equipment Reserve, and the municipal surplus of approximately \$6,162,000 was allocated in full to the Financial Stabilization and Contingency Reserve.
- **Council Remuneration and Expenses Procedure** – An updated Council Remuneration and Expenses Procedure (GOV-009-C) was approved, reflecting current expectations for the scope and time commitments of Councillors.
- **Transit Fleet Capital Budget Adjustment** – Council amended the capital budget for local transit bus additions, increasing funding from \$480,000 to \$742,500 to be supported through the Local Government Fiscal Framework capital program (LGFF).
- **Golf & Curling Club Irrigation Pond Loan** – Council approved an interest-free loan to the Fort Saskatchewan Golf & Curling Club to fund 50% of the costs to repair the irrigation pond on City golf course lands, with the City funding the remaining 50% from reserves. The loan term is up to 10 years, with a nominal \$10 annual land lease for the duration of the agreement.
- **Commercial Revitalization Grants Program (Amendments)** – Council approved amendments to the Commercial Revitalization Grants program, eliminating interior improvement grants and restricting funding to a one-time basis per eligible business. A revised policy and procedure is in progress.

OPERATIONAL UPDATES

- **Roads Snow Removal Growth Plan Commissioned** – Council unanimously approved a motion directing Administration to prepare a comprehensive Roads Snow Removal Growth Plan (2027–2031) by September 16, 2026, with up to \$75,000 approved from the Municipal Operating Projects Reserve. The plan will assess current service levels, cost trends, resident pain points, subcontracting practices, and efficiency opportunities.
- **Procurement Policy** – Council directed Administration to proceed with Option 3 on procurement policy matters and to return to Council by end of 2026 to resume consideration of potential amendments.
- **Parkland Bylaw Review** – Committee of the Whole received an overview of the proposed new Parkland Bylaw (C5-26), which would replace the existing Town of Fort Saskatchewan Open Space Bylaw and its amendments.

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TRENDS TO WATCH

1. Well-Planned Community and Resilient Economy

- Strategic planning sessions were held in late April (April 23 and 29) as Special Council Meetings, focused on setting direction for the City's future management and service priorities.
- Economic development strategies for commercial attraction and downtown revitalization were presented to Council, with options and next steps under consideration.

2. Strategically Managed Infrastructure

- The alternate water line study is advancing, with Administration working to identify the preferred option to meet the City's long-term water demand as the population grows.
- Capital Project deferrals were approved for the 109 Street Neighbourhood Rehabilitation and the 2026 Sump Pump Retrofit, with construction rescheduled to 2027 to allow for better project sequencing and resource management.

3. Welcoming, Compassionate, and Active Community

- The City's Youth Council is actively engaged, presenting its 2025–2027 Strategic Plan to Committee of the Whole and demonstrating a strong pipeline of youth leadership.
- The Golf & Curling Club support decision reflects Council's commitment to maintaining recreational amenities and supporting community organizations that serve residents.

4. Financial Stewardship

- The 2025 operating surplus was thoughtfully allocated to reserves, with the full \$6.16 million municipal surplus directed to the Financial Stabilization and Contingency Reserve, strengthening the City's financial resilience.
- A notice of motion was given at the May 12 meeting directing Administration to prepare an updated five-year Reserve Strategy for presentation no later than October 31, 2026, with detailed projections of reserve inflows, outflows, obligations, and consolidation options.
- The 2026 Property Tax Rate Bylaw (C21-26) was passed in May, with Council approving the use of the Financial Stabilization and Contingency Reserve to address a \$634,270 assessment revenue shortfall.

5. Operational Excellence and Continuous Improvement

- The new Records Management Bylaw modernizes how the City governs its information assets, supporting accountability and efficient service delivery.
- The Whistleblower Policy strengthens the City's governance framework and provides clearer channels for reporting concerns.
- The Roads Snow Removal Growth Plan initiative signals Council's commitment to evidence-based planning for core municipal services, with a thorough multi-year analysis and action plan to follow.

FINANCIAL RESULTS FROM OPERATIONS

Expressed in \$000's	Four months ended April 30, 2026			Year ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Operating Revenue						
Property Taxes	1	14	13	67,563	68,210	647
Utility User Rates	8,504	8,458	(46)	26,789	26,804	15
User Fees & Charges	3,357	4,393	1,036	9,369	10,452	1,084
Investment Income	1,084	908	(176)	1,010	1,420	410
Government Transfers - Operating	409	421	12	2,094	2,117	23
Fines and Penalties	361	704	343	3,176	3,000	(176)
Other Revenue	649	704	55	673	783	111
Total Operating Revenue	14,365	15,602	1,237	110,674	112,786	2,113
Operating Expenses						
Salaries, Wages, and Benefits	(12,778)	(12,431)	347	(42,407)	(41,805)	602
Purchases from Other Governments	(7,094)	(6,542)	552	(22,991)	(22,465)	526
Contracted Services	(1,981)	(2,524)	(543)	(8,392)	(8,903)	(511)
Materials and Supplies	(1,365)	(1,513)	(148)	(4,265)	(4,409)	(144)
Utilities	(1,256)	(1,231)	25	(3,711)	(3,716)	(5)
Service Maintenance Contracts	(1,038)	(1,059)	(21)	(3,539)	(3,546)	(7)
Transfers to Organizations and Individuals	(745)	(901)	(156)	(2,050)	(2,184)	(134)
General Administration	(381)	(337)	44	(986)	(957)	29
Training and Development	(272)	(273)	(1)	(957)	(999)	(42)
Interest on Long Term Debt	(119)	(122)	(3)	(2,033)	(2,036)	(3)
Insurance	(248)	(239)	9	(739)	(702)	36
Advertising and Printing	(159)	(70)	89	(587)	(508)	80
Other Expenses	(213)	(86)	127	(653)	(526)	127
Total Operating Expenses	(27,649)	(27,328)	321	(93,310)	(92,752)	585
Operating Budget Deficit before Other Items	(13,284)	(11,726)	1,558	17,363	20,061	2,698
Other Items						
Repayment of Long-Term Debt	(468)	(468)	-	(2,849)	(2,849)	1
Transfers to Reserves	(16,990)	(17,040)	(50)	(18,393)	(18,456)	(63)
Operations funded from Reserves	43	199	156	3,879	4,031	152
Net Other Items	(17,415)	(17,309)	106	(17,363)	(17,274)	90
Operating Budget Surplus	(30,699)	(29,035)	1,663	-	2,787	2,787

The operating budget surplus (deficit) includes transfers to and from reserves and debt repayments that are excluded from Public Sector Accounting Standards ("PSAS") financial reporting and excludes amortization and gains or losses on the disposal of tangible capital assets that are included in PSAS. An unconsolidated statement of operations that is consistent with PSAS has been included in Appendix 1. Net variances from the operating budget by departments are also included in Appendix 1.

FINANCIAL HIGHLIGHTS

The first four months of 2026 have seen significant progress in strategic planning, infrastructure projects, and community-focused initiatives, leading to notable financial highlights detailed below:

- **Operating Performance:** The City is reporting a \$1.7 million operating surplus so far this year. Most of this comes from municipal operations.

Looking ahead, the City is forecasting a year-end surplus of \$2.8 million.

This includes:

- A \$2.4 million surplus from municipal operations
- A \$370,000 surplus from utility operations

The results are largely due to higher-than-expected revenues from user fees and industrial development. These gains have helped offset lower revenues from investments.

- **Capital Projects:** The City has 55 active capital projects in 2026. At April 30, 2026, 7 projects were completed, while the remaining 48 were in progress. Significant projects include ongoing construction work on the new aquatic's facility, refurbishment of the water tower, and the design of the Helmuth Ritter Fire station.
- **Financial Position:** The City's net financial assets decreased to \$44.8 million, compared to \$58.8 million at the end of 2025 and \$29.4 million at April 30, 2025. The City's balance of net financial assets is typically lowest in April before property taxes levied in May.¹

ANALYSIS OF SIGNIFICANT VARIANCES

USER FEES AND CHARGES

User fees and charges were \$1,035,421 higher than expected in the first four months of 2026 and are forecasted to be \$1,083,629 higher than budget for 2026. Increased industrial development has led to higher than usual permitting revenue and related construction service fees.

PURCHASES FROM OTHER GOVERNMENTS

Expressed in \$000s	Four months ended April 30, 2026			Year Ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Wastewater Management Services	3,266	3,190	(76)	10,737	10,661	(76)
Policing Services	2,320	1,913	(407)	7,366	6,959	(407)
Water Supply Services	1,137	1,054	(83)	3,808	3,725	(83)
Commuter Transit Services	165	179	14	485	499	14
Assessment Services	161	171	10	480	490	10
Snow Removal	27	-	(27)	31	30	(1)
Other	18	35	17	83	100	17
Total Purchases from Other Governments	7,094	6,542	(552)	22,991	22,465	(526)

Purchases from Other Governments were \$552,000 below budget through the first four months of 2026, with a full-year forecast variance of \$526,000 favourable. The primary driver is policing services, where RCMP staffing vacancies are expected to result in a \$407,000 underspend by year-end; with 26 members billed against a budgeted complement of 30.

¹ See page 9, Financial Position Highlights

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Rounded to the nearest thousand dollars, except where otherwise stated

Water supply services are also tracking favourably, forecast \$83,000 below budget, reflecting consumption levels that have come in lower than anticipated through April.

SALARY, WAGES AND BENEFITS

Expressed in \$000s	Four months ended April 30, 2026			Year Ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Compensation	10,230	9,750	(480)	34,286	33,554	(732)
Benefits	2,567	2,325	(242)	8,210	7,966	(244)
Overtime	318	355	38	972	1,010	38
Budgeted Vacancy / Rate Allowance	(337)	-	337	(1,061)	(724)	337
Net Staff Surplus	12,778	12,431	(347)	42,407	41,805	(602)

Salaries, wages, and benefits were \$347,000 lower than budget in the first four months of 2026 and forecasted to be \$602,000 below budget by the end of the year. Staff costs are forecast to be \$938,000 below budget for the year before a \$337,000 budgetary allowance for vacancies and salary growth.

OTHER VARIANCES

- Fine and penalties revenue was higher than budget during the first four months of 2026 due to greater-than-anticipated court fine revenues. In addition, the City collected higher-than-planned penalties on overdue property taxes and outstanding accounts receivable balances, contributing to the favourable variance.
- Other revenue was higher than budget due to unanticipated donations and grant funding received from various organizations and funding partners during the first four months of 2026.
- Contracted services expenditures were \$543,000 over budget during the first four months of 2026, primarily due to the extended winter season and higher-than-anticipated snowfall experienced during the first quarter of the year. Additional costs were incurred to support winter maintenance operations, including snow clearing and related services. The unfavourable variance was further impacted by major repairs completed during the T1 period, including three significant water main breaks on 103 Street, River Road, and 17 Street, which resulted in higher-than-budgeted maintenance contract and repair costs.
- Revenue from utility user rates is forecasted to be \$1,083,000 above budget due to stronger-than-anticipated development activity in 2026. A significant number of development and building permit applications were submitted in May, resulting in increased utility servicing demand and associated revenues. Consequently, utility user rate revenue is expected to exceed the original budget for the year.
- Materials and supplies is \$149,000 above budget for the T1 of 2026. This is primarily driven by higher-than-budgeted expenditures across several operational and project-related areas.
- Advertising and Printing expenses are below budget in the T1 due to delays in ordering promotional items. These expenses are expected to be incurred in T2.

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UTILITY OPERATIONS

Water supply, sewer service, and solid waste are 100% utility user rate funded. Property taxes are not used to subsidize utility operations. Likewise, utility user rates do not subsidize the general operations of the City.

Expressed in \$000s	Four months ended April 30, 2026					
	Budget	Water Service	Sewer Service	Solid Waste	Total Utilities	Variance
Revenue						
Utility User Rates	8,504	2,700	4,719	1,040	8,459	(45)
Other Revenue	412	197	26	224	447	35
Expenses						
Salaries, Wages, and Benefits	(944)	(398)	(166)	(273)	(837)	107
Commission charges	(4,403)	(1,054)	(3,198)	-	(4,252)	151
Contracted services	(881)	(231)	(181)	(554)	(966)	(85)
Other expenses	(245)	(145)	(29)	(13)	(187)	58
Reserve transfers and debt repayment	(5,410)	(2,535)	(2,358)	(525)	(5,418)	(8)
	(2,967)	(1,466)	(1,187)	(101)	(2,754)	213

Expressed in \$000s	Year ended December 31, 2026					
	Budget	Water Service	Sewer Service	Solid Waste	Total Forecast	Forecast Variance
Revenue						
Utility User Rates	26,789	8,589	15,081	3,134	26,804	15
Other Revenue	1,112	547	70	576	1,193	81
Expenses						
Salaries, Wages, and Benefits	(3,098)	(1,327)	(758)	(909)	(2,994)	104
Commission charges	(14,546)	(3,725)	(10,668)	-	(14,393)	153
Contracted services	(3,550)	(758)	(763)	(2,084)	(3,605)	(55)
Other expenses	(773)	(581)	(79)	(53)	(713)	60
Reserve transfers and debt repayment	(5,934)	(2,599)	(2,752)	(571)	(5,922)	12
	-	146	131	93	370	370

Utility operations delivered a \$213,000 surplus against budget through the first four months of 2026, with a full-year surplus forecast of \$370,000. The primary drivers of the year-to-date favourable variance were lower-than-budgeted salaries, wages and benefits costs, and reduced commission payments during the period.

CAPITAL BUDGET HIGHLIGHTS

The 2026 Capital Program is advancing across a broad range of infrastructure, facilities, and community improvement projects. The 2026 Capital Program included 21 new projects and 34 multi-year projects that were carried forward from 2025. At April 30, 2026, the City had seven capital projects that had reached completion and were being closed and another 48 that were in progress. The capital programs are summarized below. Additional project level details are attached in Appendix 3.

	Carried Forward from 2025	2026 Capital Budget	Authorized Capital Expenditure	2026 Expenditure	Forecast Expenditure	Forecast Surplus (Deficit)
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Engineering Structures	8,188	10,435	18,623	(97)	(17,058)	1,468
Vehicles, Machinery & Equipment	3,596	6,502	10,098	(698)	(9,400)	-
Buildings	70,326	1,343	71,669	(3,273)	(68,396)	-
Land Improvements	441	1,129	1,570	(22)	(1,538)	10
Total	82,551	19,409	101,960	(4,090)	(96,392)	1,478

WASTEWATER SYSTEM MASTER PLAN STUDY

A consultant has been retained to study the City's wastewater system and provide recommendations. Flow monitoring equipment is to be installed in Spring 2026, with a final report expected in 2027.

AQUATICS FACILITY

Council has allocated \$72 million for the construction of a new aquatics facility at the Dow Centennial Centre. Detailed design is underway and expected to be completed in 2026, with construction having commenced in March 2026 with the installation of stormwater infrastructure and filling of the existing ditch on site. Excess material is being hauled to the West River area near the Dow Ball Fields. The facility will feature a 10-lane lap pool, leisure and tot pools, hot and cold plunge pools, sauna, steam room, water slides, lazy river, diving boards, climbing wall, and therapy areas, along with multipurpose rooms, viewing areas, full accessibility, a new lobby corridor,

over 140 new parking spaces, and a ring road around the northwest lot. Completion is anticipated in 2028.

NEIGHBOURHOOD REHABILITATION

Neighbourhood Rehabilitation is an annual program that ensures the City's neighbourhood infrastructure meets current standards and is not at risk of failure due to deteriorating conditions. The 2026 program includes work on three streets:

- 102 Street from 98 Avenue to 99 Avenue — Construction is scheduled to begin in spring of 2026.
- 109 Street from 100 Avenue to 101 Avenue — Design is underway; construction has been deferred to 2027.
- 104 Street from 98 Avenue to 99 Avenue — Design has been awarded; construction is planned for 2027.

HELMUTH RITTER FIRE STATION

A design and construction team has been selected, and design work is

underway to validate the project scope and budget. The project will be presented to Council in 2026 for construction funding approval.

WATER TOWER REFURBISHMENT

The contractor tender for the Water Tower Refurbishment closed in April 2026, with construction anticipated to commence later this year. Project scope includes replication of the existing water tower mural. At its May 26, 2026 meeting, Council approved a \$600,000 addition to the 2026 Capital Budget for this project, funded from the Utilities Infrastructure and Equipment Reserve.

SOUTHFORT DRIVE AND SOUTHFORT BOULEVARD WIDENING

Design is underway following the award of the Request for Proposal. Construction is planned for 2027.

FINANCIAL POSITION HIGHLIGHTS

An unconsolidated statement of financial position for the City of Fort Saskatchewan has been included in Appendix 1.

NET FINANCIAL ASSETS

As of April 30, 2026, the City had net financial assets of \$44,843,000 compared to the net financial assets of \$58,781,000 at December 31, 2025.

Net financial assets refer to the financial assets of the City less all liabilities, including long- and short-term debt. The City's balance of net financial assets is typically its lowest in April due to property taxes levied in May.

CASH AND CASH EQUIVALENTS

The City maintains funds expected to be used in the next twelve months in operating accounts or cashable guaranteed investment certificates. Funds expected to be needed over longer time horizons are invested in accordance with the City's investment policy.

At April 30, 2026, the City had \$29,166,000 in various operating accounts (December 31, 2025 - \$36,322,000) held at a weighted average of 3.05% (December 31, 2025 – 3.78%).

INVESTMENTS

	April 30, 2026 Carrying Value \$000	December 31 2025 Carrying Value \$000
Investment Measured at Cost or Amortized Cost		
Shore Term Portfolio (a)	10,000	10,000
Long Term Portfolio (b)	28,921	24,786
	38,921	34,786
Investment Measured at Fair Value		
Principal Protected Notes (c)	11,771	14,782
Others	191	169
Total Investments	50,883	49,737

- (a) The short-term portfolio is comprised of guaranteed investment certificates that have effective interest rates of 2.65% - 5.45%. Short term investments are for fixed terms and have maturity dates of less than three years at the time of purchase.
- (b) The corporate and government bonds have effective interest rates of 2.65% to 5.45% (2025 – 2.65% to 5.45%), with maturity dates between 2026 and 2035. These investments are comprised of both marketable and nonmarketable securities. Marketable securities have an aggregate fair value of \$24,680,000 as at April 30, 2026.
- (c) Principal protected notes contain embedded derivatives, are recorded at fair value, and are classified as level 2 within the fair value hierarchy. Principal protected notes mature between 2029 and 2035.

The City manages interest rate risk in its long-term investment portfolio by purchasing securities with maturity dates ranging from one to seven years so that only a portion of the City's long-term portfolio is exposed to interest rate risk in any given year.

ATB Financial, CIBC Wood Gundy, and Raymond James Ltd. are designated financial institutions for investment purposes, pursuant to the Banking Administration Bylaw C24-18.

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SHORT AND LONG TERM DEBT

Projects	Weighted Average Interest Rate	Apr 30, 2026 \$000	Dec 31, 2025 \$000	Fully Repaid
Debentures				
Sewer Service Reline	2.327%	685	686	December 2029
City Hall	3.308%	6,592	6,869	December 2033
100 Avenue Rehab	3.571%	3,074	3,262	September 2035
Protective Services Building	3.136%	6,319	6,318	December 2036
Pointe Aux Pins Waterline	4.990%	132	132	December 2042
Total Debentures		16,802	17,267	
Capital Leases:				
Capital Lease Obligations	14.677%	54	57	December 2028
Total Long-term Debt		16,857	17,325	
Temporary Loans		2,000	2,000	
Total Long- and Short-Term Debt		18,857	19,325	

The City borrows money to fund capital projects by issuing debentures and entering into capital leases. The total debt outstanding at April 30, 2026, is \$18,857,000. During the first four months of the year, the City paid \$465,000 in principal and \$122,000 in interest expense to service debentures.

Debentures are paid semi-annually or annually in accordance with the terms of the debenture. Capital leases have monthly or annual payments up to the year 2030 with implied interest of 4.60% to 14.68%

At April 30, 2026, the City was at 11% of its provincial Debt Limit (December 31, 2025 – 11%) and 10% of its provincial Service on Debt Limit (December 31, 2025 –10%). The City's capital leases do not impact its debt limit or debt service limit.

FINANCIAL RESERVES

At April 30, 2026, the City had \$98,535,000 in financial reserves, of which \$40,028,000 is committed to various capital and operating projects. The uncommitted balance was \$58,503,000 and the City's 2026 optimal uncommitted balance for reserves is \$58,545,000.

At April 30, 2026, stabilization and contingency reserves and infrastructure lifecycle reserves were \$8,049,000 and \$4,876,000 below their optimal balances respectively. Project reserves, specific purpose reserves, and restricted reserves were all above their 2026 optimal balances.

The optimal balances for the reserves are calculated in accordance with the Financial Reserves Policy, FIN-021-C.

Appendix 1 includes a summary of the City's financial reserve balances and commitments.

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Appendix 1

SUPPLEMENTARY FINANCIAL INFORMATION

STATEMENT OF FINANCIAL POSITION

(Unaudited)

	April 30, 2026	December 31, 2025	April 30, 2025
	\$000s	\$000s	\$000s
Financial Assets			
Cash and Cash Equivalents	29,166	36,322	22,482
Revenues Receivable			
Property Taxes Receivable	902	1,326	545
Government Transfers Receivable	1,955	1,816	2,365
Trade and Other Receivables	10,063	9,979	4,502
Inventory Held for Resale	1,462	1,462	1,461
Investments	50,883	49,737	42,869
Total Financial Assets	94,431	100,642	74,224
Liabilities			
Accounts Payable and Accrued Liabilities			
Trade Payables	(12,595)	(8,181)	(12,326)
Employee Benefit Obligations	(3,689)	(3,378)	(3,408)
Payroll and Remittances	75	(363)	144
Interest Payable	(85)	(85)	(95)
Temporary loans payable	(2,000)	(2,000)	-
Deposits on Account	(2,831)	(2,551)	(2,479)
Deferred Revenue	(6,236)	(2,670)	(2,383)
Liability for Contaminated Sites	(1,405)	(1,405)	(1,381)
Asset Retirement Obligations	(3,965)	(3,903)	(3,781)
Long-Term Debt	(16,857)	(17,325)	(19,069)
Total Liabilities	(49,588)	(41,861)	(44,778)
Net Financial Assets	44,843	58,781	29,446
Other Assets			
Tangible Capital Assets	571,966	566,009	545,322
Prepaid Expenses	1,432	1,494	1,196
Inventories of Supplies	838	702	847
Total Other Assets	574,236	568,205	547,365
Accumulated Surplus	618,910	626,817	576,811
Accumulated Remeasurement Gains	169	169	-
Accumulated Surplus	619,079	626,986	576,811

This statement of financial position for the City of Fort Saskatchewan has not been consolidated with the Fort Saskatchewan Public Library ("Library"). The annual financial statements are prepared in accordance with PSAS, which require that the City's financial statement be consolidated with the Library. This statement does not reflect changes to PSAS that are effective for 2026.

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

STATEMENT OF OPERATIONS

(Unaudited)

	Four months ended April 30		
	2026	2026	2025
<i>Expressed in \$000s</i>	Budget	Actuals	Actuals
Operating Revenue			
Property Taxes	1	14	-
Utility User Rates	8,504	8,458	7,525
User Fees and Charges	3,357	4,393	4,806
Investment Income	1,084	908	1,195
Government Transfers - Operating	409	421	331
Fines and Penalties	361	704	567
Other Revenue	649	704	580
Total Operating Revenue	14,365	15,602	15,004
Operating Expenses			
Infrastructure & Planning Service			
Public Works Department	(14,237)	(7,039)	(6,144)
Fleet, Facilities, and Engineering Department	(5,763)	(3,528)	(3,573)
Planning and Development Department	(831)	(767)	(853)
Economic Development Department	(349)	(301)	(387)
Sustainability	(29)	(35)	-
	(21,209)	(11,670)	(10,957)
Community and Protective Services			
Protective Services Department	(3,555)	(3,034)	(2,587)
Culture and Recreation Services Department	(3,013)	(2,775)	(2,532)
Fire Services Department	(2,238)	(2,015)	(1,911)
Family and Community Support Services Department	(594)	(493)	(474)
	(9,400)	(8,317)	(7,504)
Corporate Services Division			
Information Technology Department	(2,066)	(1,401)	(1,236)
People Services Department	(965)	(590)	(617)
Financial Services Department	(674)	(660)	(547)
Legislative Services Department	(611)	(612)	(548)
Corporate Communications	(314)	(317)	(273)
	(4,630)	(3,580)	(3,221)
Senior Leadership	(887)	(864)	(750)
Elected Officials	(201)	(183)	(155)
Fiscal Services	1,070	(1,117)	(1,180)
Utilities and Sustainability Department	(9,096)	(7,203)	(6,553)
Total Operating Expenses	(44,353)	(32,934)	(30,320)
Surplus (Deficit) before Other Items	(29,988)	(17,332)	(15,316)
Other Items			
Contributed Tangible Capital Assets	19,100	7,488	-
Government Transfers - Capital	6,523	50	206
Developer Levies	-	-	1,483
Community Capital Funding	2,165	1,360	-
Net Other Items	27,788	9,198	1,689
Operating Surplus (Deficit)	(2,200)	(8,134)	(13,627)

This statement of operations for the City of Fort Saskatchewan has not been consolidated with the Fort Saskatchewan Public Library ("Library"). The annual financial statements are prepared in accordance with PSAS, which require that the City's financial statements be consolidated with the Library. This statement does not reflect changes to PSAS that are effective for 2026.

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

NET OPERATING BUDGET VARIANCES BY DEPARTMENT

Expressed in 000's	Four months ended April 30, 2026			Year ended December 31, 2025		
	Budget	Actuals	Variance	Budget	Forecast	Variance
Infrastructure & Planning Division						
Public Works	(3,624)	(4,035)	(411)	11,065	11,467	402
Fleet, Facilities, & Engineering	(4,707)	(4,546)	161	10,556	10,385	(172)
Planning & Development	30	826	796	557	(229)	(787)
Economic Development	(77)	12	89	599	593	(6)
Sustainability	-	(11)	(11)	-	11	11
Total Infrastructure & Planning Division	(8,378)	(7,754)	624	22,776	22,225	(551)
Community & Protective Services Division						
Culture and Recreation Services	(1,492)	(1,627)	(135)	4,066	3,971	(96)
Protective Services	(3,349)	(2,596)	753	9,907	9,076	(831)
Fire Services	(2,513)	(2,349)	164	7,038	6,939	(99)
Family & Community Support Services	(59)	(67)	(8)	774	638	(137)
Total Community & Protective Services Division	(7,413)	(6,639)	774	21,786	20,624	(1,163)
Corporate Services Division						
Information Technology	(1,886)	(1,820)	66	4,577	4,511	(66)
Legislative Services	(611)	(612)	(1)	2,008	1,979	(29)
People Services	(965)	(590)	375	3,096	2,749	(347)
Financial Services	(641)	(630)	11	1,943	1,933	(11)
Corporate Communications	(314)	(317)	(3)	1,114	1,107	(7)
Total Corporate Services Division	(4,417)	(3,969)	448	12,738	12,279	(460)
Senior Leadership	(615)	(648)	(33)	2,015	2,054	40
Elected Officials	(201)	(183)	18	615	586	(29)
Fiscal Services	(6,707)	(7,088)	(381)	(59,931)	(60,184)	(253)
Utilities and Sustainability	(2,968)	(2,755)	213	-	(371)	(371)
Operating Budget Surplus	(30,699)	(29,036)	1,663	-	(2,787)	(2,787)

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

FINANCIAL RESERVE BALANCES AND COMMITMENTS

	Dec 31 2025 Balance	2026 Activity			Apr 30 2026 Balance	Remaining Commitments	Uncommitted Balance	2026 Optimal Balance	Over (Under) Funded
		Contributions	Interest	Withdrawals					
<i>Expressed in 000's</i>									
Stabilization and Contingency									
Financial Stabilization and Contingency	12,277	6,200	-	(50)	18,427	9,208	9,218	16,061	(6,843)
Snow and Ice Removal	367	-	-	-	367	-	367	1,573	(1,206)
Total Stabilization and Contingency	12,643	6,200	-	(50)	18,794	9,208	9,585	17,634	(8,049)
Projects									
Municipal Operating Projects	822	433	-	(40)	1,215	1,423	(209)	854	(1,063)
Utility Operating Projects	224	65	-	-	289	92	197	114	83
Future Facility Operating	984	1,101	-	-	2,085	1,101	984	-	984
Capital Projects	13,682	4,775	-	(1,638)	16,819	10,439	6,380	2,769	3,611
Land Purchases	2,044	27	-	-	2,071	27	2,044	-	2,044
Total Projects	17,756	6,401	-	(1,678)	22,479	13,082	9,396	3,737	5,659
Infrastructure Lifecycle									
Municipal Infrastructure and Equipment	14,552	3,253	184	(331)	17,658	4,933	12,726	25,313	(12,587)
Facility Lifecycle and Maintenance	1,863	1,003	29	(375)	2,520	783	1,737	1,876	(139)
Utilities Infrastructure and Equipment	16,869	6,359	233	(125)	23,336	7,809	15,527	7,677	7,850
Total – Infrastructure Lifecycle	33,282	10,615	446	(831)	43,514	13,525	29,990	34,866	(4,876)
Specific Purpose									
Art in Public Places	231	20	-	-	251	150	101	-	101
Economic Development	794	26	-	(20)	800	52	746	750	(4)
Family and Community Support Services	81	-	-	-	81	-	81	-	81
Health, Safety, and Wellness	801	-	-	-	801	114	687	-	687
River Valley Enhancement	673	89	-	-	762	-	762	-	762
Total - Specific Purpose	2,580	135	-	(20)	2,695	316	2,377	750	1,627
Restricted Reserves									
Contributions in Lieu of Municipal Reserve Land	571	1	6	-	578	-	578	-	578
Access for Everyone Endowment	739	544	-	-	1,283	273	1,009	-	1,009
Youth Drug and Safety Education	18	-	-	-	18	-	18	-	18
Fire Waterline	773	-	-	-	773	-	773	-	773
Perpetual Care	810	25	9	-	844	46	798	1,558	(760)
Westpark Estates Community Enhancement	551	-	-	(9)	542	236	306	-	306
Total - Restricted Reserves	3,462	570	15	(9)	4,038	555	3,482	1,558	1,924
Developer Levies	6,942	-	73	-	7,015	3,342	3,673	-	3,673
Total Reserves	76,668	23,921	534	(2,588)	98,535	40,028	58,503	58,545	(42)

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STRATEGIC PLAN UPDATE

In June 2022, the City adopted a strategic plan for 2024 – 2026, identifying five goals and several strategic initiatives to advance those goals. The report below indicates the progress made toward those goals between January to April 2026.

WELL-PLANNED COMMUNITY AND RESILIENT ECONOMY

Goal	Strategically plan, prepare, and manage responsible and sustainable growth for our residents and businesses.
Outcome	Excellence in planning and land use has balanced quality of life, sustainability, and economic development that has shaped how our community has grown to maintain its small-town feeling, a strong sense of community and a resilient local economy.

Strategic Initiatives	Progress in the Period
Creation of a new Land Use Bylaw to align with the Municipal Development Plan, promoting efficiency and cohesion between plans.	<ul style="list-style-type: none"> The new Land Use Bylaw project advanced in 2025 with the completion of seven community engagement sessions. In Q1 of 2026, Administration focused on concluding community engagement and completing a legal review of the document. An update was provided to Council in February, prior to community engagement.
Undertake downtown initiatives to attract visitors, new development, and increase the vibrancy of downtown.	<ul style="list-style-type: none"> The Downtown Development Strategy was finalized May of 2025. The Strategy builds upon the momentum created by the Downtown Action Plan but focused on attracting private investment. The final report for the Downtown Development Strategy will be presented to Council on July 7, 2026. Two new multi-unit residential developments in the 99 Avenue Corridor were ready for occupancy in early 2026: 54 apartment units with underground parking and 42 townhouse units. Two dedicated downtown micro-websites were launched in 2026: <ul style="list-style-type: none"> Downtown Revitalization (Business & Development) focuses on investors, developers, and the business community, highlighting incentives, development opportunities, and downtown data and market advantages. Discover Downtown is designed for residents and downtown guests, promoting downtown experiences, including events, local businesses, amenities, street art, and year-round activities.

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Strategic Initiatives	Progress in the Period
<p>Implement the Municipal Development Plan (2021) policies, strategies, and planning projects to help achieve the Community Direction Statement for the future of the City with 50,000 residents.</p>	<ul style="list-style-type: none"> • Area Structure Plan and Neighbourhood Structure Plan Terms of Reference were completed in 2021. • Downtown Action Plan and the Downtown Development Strategy were developed as downtown strategic plans. Exploration of a Business Revitalization Zone was undertaken as part of these projects. • Investment Attraction Strategy Update was completed in 2022 and the Investment Competitiveness Strategy and Toolset was completed in 2023. • Developed a Wetland and Natural Areas protection plan through refinement of the Area Structure Plan and Neighbourhood Structure Plan processes. • Transit Services Standards and a subsequent Transit Review and Action Plan have been created. An Annual Transit Report was created for 2025 to assist with monitoring the impacts of transit investment. • Off-site levies bylaw was adopted for annexed lands in August 2025 and amended in December 2025. • Urban Forest Protection and Enhancement Plan was completed in 2024. • Urban Agriculture Plan was finalized in 2024. • Labour Market Profile report was finalized in 2024. • New Land Use Bylaw project is underway. • 5-year Update to the Municipal Development Plan is underway. • Commercial vacancy inventory was prepared in 2026. • Funding was approved in budget 2026 to update the Transportation Master Plan, which will include an Active Transportation Plan. • Funding was approved in budget 2026 for a Culture, Recreation, and Parks Master Plan, which will serve as an Open Spaces Master Plan.
<p>Participate in regional economic development initiatives with strategic and economic benefit for the City.</p>	<ul style="list-style-type: none"> • Administration continues active engagement as a shareholder and member municipality with AIHA, quarterly Stakeholder meetings, as well as quarterly Economic Development Team meetings. In addition, the City will again be supporting AIHA at APIC, as well as attending the Petrochemical Summit in June. • Administration continues to work with the Hydrogen Hub (a partnership between Edmonton Global, AIHA, Alberta Innovates, and Edmonton International Airport). Administration sits on their Strategic Coordination Group, working to advance the business case for hydrogen and support investment attraction and hydrogen commercialization. • The 2nd Annual Industrial Heartland Career Forum was held on March 9, 2026 at the Dow Centennial Centre, with a focus on supporting people looking to upskill and start or grow their career in industry. 520 tickets were reserved for the event, with an estimated 430 attendees. 33 exhibitor booths and 2 educational sessions provided information on in-demand industrial careers, educational pathways to obtain those careers, as well as resources to support career development skills.

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Strategic Initiatives	Progress in the Period
<p>Prioritize potential and current industrial development expansions and opportunities, including Dow Chemical Canada's Path2Zero project and other major projects.</p>	<ul style="list-style-type: none"> Pembina has sanctioned the new Heartland Extraction Plant (HEP) in Fort Saskatchewan, a 750 MMcf/d straddle plant that will extract natural gas liquids from the Yellowhead Pipeline to support downstream processing and petrochemical development in the region. The project represents an estimated \$570 million investment and is expected to be in service in late 2029. Pembina has also expanded its long-term ethane supply arrangements with Dow, reinforcing the Heartland's role as a key hub for value-added petrochemical investment. Keyera announced the closing of its previously announced acquisition of substantially all of Plains' Canadian natural gas liquids (NGL) business for \$5.3 billion including closing adjustments. KFS Frac III in Fort Sask remains on schedule for mid 2028 in service, with an estimated net cost of approximately 490 million dollars and 47,000 barrels per day of new capacity. KFS Frac II Debottleneck in Fort Sask is nearing completion. The 8,000 barrel per day debottleneck project at KFS is expected in service by mid 2026 at a cost of approximately 85 million dollars. The City continues to support Path2Zero and associated projects (Dow, Linde, Cosmos/Watco, and Ravago) through permitting, construction, and the incentives processes. Dow's revised Path2Zero timeline has Phase 1 starting up by year-end 2029 and Phase 2 by year-end 2030. The City is partnering with Dow to rehabilitate and widen 125 Street between their Path2Zero Parking Lot and Josephburg Road. The City's commitment is the rehabilitation of the existing roadway through the Local Road Rehabilitation Program, while Dow will widen the roadway to accommodate the increased traffic due to their expansion project.
<p>Development of growth/annexation area servicing plans and levy plans to prepare lands for future use</p>	<ul style="list-style-type: none"> A Servicing Design Brief for the Annexed Lands was completed in 2023. The Pointe Aux Pins Area Structure Plan was approved in January 2025. The Roseburn Area Structure Plan was approved in May 2025, and the Neighbourhood Structure Plan was approved in July 2025. Off-site levies bylaw was adopted for annexed lands in August 2025 and amended in December 2025.
<p>Work with Alberta's Industrial Heartland Association members to update the financing model to reflect the current economic climate.</p>	<ul style="list-style-type: none"> Conversations regarding the AIHA funding model are continuing.
<p>Coordination for designated industrial zone policy and development permit processes with Alberta Industrial Heartland Association to manage and encourage sustainable industrial growth.</p>	<ul style="list-style-type: none"> The City continues to participate in Joint Task Team meetings, regarding the review of air emissions requirements for new projects and for retrofitting current projects within the Heartland and the ongoing discussions regarding centralized wetland initiatives and harmonized permitting.
<p>Create a new assessment class for derelict properties within the downtown.</p>	<ul style="list-style-type: none"> Strategies for addressing derelict properties were presented to the Committee of the Whole in March 2025. Feedback from Council indicated support for the City's recommendation to amend the Community Standards Bylaw to better address derelict and problem properties. Protective Services brought the Community Standards Bylaw to Council in March 2026 with new provisions to address derelict properties. The bylaw will go back to Council for three readings in June.

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Strategic Initiatives	Progress in the Period
Development of School Board Joint Use and Planning Agreements to enable the integrated and long-term planning and coordinated placement of new school sites and redevelopment of existing school sites	<ul style="list-style-type: none"><li data-bbox="716 289 1883 342">• The Joint Use Planning Agreement (JUPA) was finalized in September of 2025. This agreement clarifies expectations for the next five years.

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STRATEGICALLY MANAGED INFRASTRUCTURE

Goal	Maximize our existing infrastructure and plan for long-term efficiency, cost and resiliency when considering new infrastructure.
Outcome	Strategic investment and strong asset management practices have ensured critical infrastructure is in place, maintained, optimized, and strategically planned to meet the future needs of the community.

Strategic Initiatives	Progress in the Period
Determine the preferred option to meet future water needs as the City's demands continue to increase.	<ul style="list-style-type: none"> Administration continues to work with the CRNWSC and consulting engineers to vet the options to meet the City's future water needs. A request for decision will be brought to Council in 2026 to confirm next steps.
Undertake a Wastewater System Master Plan to support wastewater service and system planning.	<ul style="list-style-type: none"> Project was funded through the 2025 budget. Consultant has been selected; flow monitoring is installed. Data collection will continue through summer. Final report is expected in 2027.
Asset Management continued implementation of the program that enables coordinated, cost effective and sustainable approaches for stewardship of the City's resources.	<ul style="list-style-type: none"> Implementation of the asset management program continues with an emphasis on addressing job costing for operational units (Utilities and Waste Service, Public Works, and Fleet and Facilities) and expanding the use of PSD Citywide for managing the full range of city assets. Program implementation reviews and refinements are ongoing in conjunction with system improvements from the vendor.
Ongoing review and refinements to 10-year Capital Plan content, process and supporting documentation.	<ul style="list-style-type: none"> The 10-year Capital Plan process is established and continues as a regular operational activity. In 2025, no significant modifications to the process or supporting documentation were identified. The draft 2027 10-year plan will be brought forward on June 16 and presented to Council for feedback and consideration ahead of the annual budget cycle.
Assess existing storm ponds and develop a Stormwater Drainage Plan that ensures best practices and climate change readiness standards that are incorporated into development regulations and maintenance processes.	<ul style="list-style-type: none"> Amendments to the Reserve Policy were approved by Council in August 2025 to enable saving for future storm pond and major culvert refurbishment projects.

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Strategic Initiatives	Progress in the Period
<p>Continued evaluation and planning for major capital projects within the 10-year Capital Plan including: Veterans Way Corridor Widening and Pedestrian Crossings, Fire Station, Aquatics and Materials Handling/Snow Dump Site.</p>	<ul style="list-style-type: none">• The City of Fort Saskatchewan marked the start of construction in March on a new aquatics facility project that will become part of the Dow Centennial Centre. Council, representatives from Dow Canada and members of the public celebrated a major milestone March 18 with the official groundbreaking. The event marked the start of construction on a facility designed to enhance aquatics and recreational opportunities for residents of all ages. The new facility will feature a variety of aquatics amenities, aquatics programs, and enhanced community spaces to support wellness and recreation for all ages.• Design of a new Materials Handling Site was approved through the 2025 budget. Site selection is underway. Once land is acquired detailed design will be completed and the final construction budget will be brought back to Council for approval.• The Veterans Way Corridor Widening and Pedestrian Crossings project have been delayed in the 10-year Capital Plan until after Dow Canada's Path2Zero's construction.• With Dow Path2Zero continuing forward, rehabilitation work on Veterans Way is being delayed to avoid adding to the congestion on the corridor. This may result in the pavement quality of certain sections falling below optimal over the next 3 years.• Council approved a design concept and design budget for the second Firehall in June 2025. Construction approval and borrowing bylaw are expected to come to Council in July 2026.

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Strategic Initiatives	Progress in the Period
<p>Continued use and implementation of Vision Zero strategies and the Safe Systems Model with resultant changes to roadway infrastructure and traffic safety culture.</p>	<ul style="list-style-type: none"> Protective Services, through the coordinated efforts of the RCMP and Municipal Enforcement Services, continued to advance traffic safety and Vision Zero objectives between December and April 2026 through enforcement, education, and targeted initiatives. Collisions: In the first quarter of 2026, the City recorded 96 total collisions, including 53 property damage collisions and 25 hit and runs. Notably, there were no fatal collisions during this reporting period. There were 18 injury collisions, of which four involved major injuries requiring hospital transport. The overall downward trend in reported collisions since 2020 suggests that ongoing traffic safety efforts, increased public awareness, and enforcement initiatives are contributing to safer road use. It is also important to note that the Province increased the reportable property damage threshold from \$2,000 to \$5,000 in January 2024, which may also affect year-over-year comparison data. RCMP enforcement activity remained strong, with 465 tickets and warnings issued during the reporting period. RCMP members also removed 17 impaired drivers from the roadway, compared with 9 in the previous reporting period, demonstrating continued proactive efforts to reduce high-risk driving behaviours. Education: Targeted traffic safety initiatives also supported positive outcomes. The Option 4 traffic safety program focused on stop sign compliance and was delivered jointly with Municipal Enforcement Services. The initiative combined enforcement with public education, with 50 participants completing the program. In addition, Traffic Services and General Duty members conducted six traffic safety check stops during the quarter, reinforcing enforcement visibility and public awareness. Commercial Vehicles: Municipal Enforcement Officers completed 25 commercial vehicle inspections, resulting in 8 vehicles being placed out of service, 12 requiring attention, 5 passing inspection, and 113 violations being issued. These inspections support roadway safety by addressing mechanical and regulatory concerns before they contribute to incidents. The Municipal Enforcement team also issued 3,949 total violations during the reporting period, including 1,396 tickets and 2,553 warnings. This enforcement activity reflects a continued focus on compliance, education, and proactive traffic safety measures across the community.
<p>Continued study and future planning of roadways to guide the City's transportation infrastructure including the Transportation Master Plan update (2026) which will incorporate an Active Transportation Master Plan.</p>	<ul style="list-style-type: none"> Funding to update the Transportation Master Plan was approved through the 2026 budget process. A consultant has been selected and work is underway. Work will include an assessment of Greenfield Way.

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WELCOMING, COMPASSIONATE AND ACTIVE COMMUNITY

Goal	Support diverse community needs to create a complete community where everyone, regardless of circumstances is able to experience all the City has to offer.
Outcome	Residents live in vibrant, inclusive neighborhoods and a welcoming compassionate city where they can participate fully in all aspects of the community and where diverse and accessible recreation, culture and arts opportunities thrive

Strategic Initiatives	Progress in the Period
Continue to promote indoor venues and outdoor spaces, events, festivals, and history that create community benefit as well as economic benefit by attracting visitors to see and experience what the City has to offer.	<ul style="list-style-type: none"> The Tourism hosting grant was awarded to three organizations, Fort Saskatchewan Ringette for the U10 Championship, Fort Saskatchewan Youth Basketball for the Fort Court Queens Girls Youth 3X3 Basketball Tournament, and the Wild Rose Old Tyme Fiddlers Association for the Wild Rose Old Time Fiddle Festival and Grand North American Old Time Fiddle Championships. The Shell Theatre Performance Series has 10 performances from January through April, including PIE songwriter, Lennie Gallant, a member of the Order of Canada, Fort's Got Talent, presentation of the Children's Theatre Pinocchio, the comedy of Shaun Majumder of CBC fame and variety of Celtic, Punk , Orchestra performers as well as an acoustic presentation by Glass Tiger. The Fort Heritage Precinct hosted its Easter event that had kids exploring historic buildings, diving into engaging activities, and playing games that bring the past to life. Through the Dow Centennial Centre Fort Sask's Spring Activity Kits were made available for a free rental in April. Packed with games, a scavenger hunt, and a trail map, they're a simple way to create opportunities for kids to have fun. Disc Golf are were also available to rent for free. Spring Break in March saw No School Days drop in programs at the DCC, including public skating and stick and puck times. Harbour Pool hosted a number of events with February offering a free Family Day and Youth Glow swims in Feb and April offering Easter Loonie and East Holiday swims , Early Out and Retro Arcade Loonie swims.
Diversity, Equity, and Inclusion Action Plan continued implementation with emphasis on community accessibility of City venues and community and employee mental health and wellness.	<ul style="list-style-type: none"> The City is the co-lead on the regional accessibility & equity table, meeting monthly The City is preparing for the annual Inclusion in the Heartland conference, to be hosted October 2026 The Social Planning Coordinator supports community partners and internal departments to create programs and services that are accessible and foster and welcoming and active community. Translation kits have become permanent resources at all City front counters
Undertake outdoor parks and trails plans and projects including Open Spaces Master Plan and Fort Centre Park Phase One development.	<ul style="list-style-type: none"> Heritage Trails Park (Formerly Fort Centre Park) development is complete. The grand opening ceremony was hosted in June of 2025. This project is now complete. Heritage Trails Park Phase II: Timing dependent on Culture, Recreation and Parks Master Plan update. Council approved funding during the 2026 budget deliberations for the development of a Culture, Recreation and Parks Master Plan.
Continue to implement the Truth and Reconciliation and Indigenous Relations Multi-Year Plan including relationship building, knowledge gathering, and education.	<ul style="list-style-type: none"> The first quarter of the year focused on planning for education opportunities for staff and community. In addition, plans were made for the celebratory events and learnings being offered through Indigenous Peoples Month in June. The staff leads are collaborating with several Indigenous Leaders to offer a variety of opportunities for community.

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ENVIRONMENTAL STEWARDSHIP AND CLIMATE CHANGE READINESS

Goal	A commitment is in place to using our resources wisely and preparing City operations to manage climate change impacts.
Outcome	Programs and supporting tools are in place to foster the well-being of the environment. Efforts are taken to reduce usage of limited resources and City operations, and infrastructure have adapted for climate change impacts.

Strategic Initiatives	Progress in the Period
Operationalize the new Eco/Transfer Station and implement Provincial Extended Producer Responsibility standards to help encourage waste reduction and diversion programs.	<ul style="list-style-type: none"> Extended Producer Responsibility was implemented throughout the community in April of 2025.
Prepare an Urban Forest Protection and Enhancement Plan to further improve and add to existing assets while also preventing unnecessary or premature loss.	<ul style="list-style-type: none"> The City has received funding from Federation of Canadian Municipalities for the 2025/2026 tree planting program. Tree planting is scheduled to be completed in 2026.
Investigate usage of satellite City maintenance yards for efficiencies and to reduce travel distances for City vehicles and equipment.	<ul style="list-style-type: none"> In addition to the James E. Graham Public Works Yard, the City currently use four satellite yards to deploy maintenance staff around the city. This creates operational efficiency by reducing travel time to work sites. The Parks Growth Plan will make full use of these satellite yards, starting in 2026, and an additional increase in 2028, through the purchase of two new mowers and the hiring of three new temporary staff to be assigned to the Lesley Macmillan Park satellite location.
Naturalize strategically selected greenspaces for environmental and economic benefit and monitor the health/well-being of naturalized spaces.	<ul style="list-style-type: none"> The City continues to naturalize strategic areas. The process requires a staged approach over a period of three to four years. Monitoring of naturalization sites has shown positive results on biodiversity through habitat support for plants, animals, and insects. In 2026, Parks Services will increase the natural areas along Highway 15 and Highway 21. The natural grass buffer around the forested tree stands will, where possible, be increased by approximately three meters.
Assess the condition of the riverbank to ensure land uses are not creating slope instability.	<ul style="list-style-type: none"> The City continues to monitor erosion on single use trails annually. A report was completed internally in the fall of 2025. Results were shared with the Fort Saskatchewan Trail Alliance who maintain single use trails in the river valley. Concerns regarding slope stability have not increased.

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OPERATIONAL EXCELLENCE AND CONTINUOUS IMPROVEMENT

Goal	Continuous improvement; constantly looking for ways to improve our services through innovative practices, technology, collaboration, and consultation
Outcome	Problem solving, collaboration and leadership has fostered ongoing improvements focusing on our customers' needs enabling positive change to ensure service excellence is delivered in an efficient, effective, and sustainable basis.

Strategic Initiatives	Progress in the Period
Ongoing implementation of programs and processes for risk management and insurance to identify, evaluate and mitigate risk within City operations.	<ul style="list-style-type: none"> The City has been working to train summer seasonal staff in incident reporting processes and the role of risk management at the new employee orientation, as well as continued check-ins. Claims Management processes are under review to create efficiencies and increase clarity for City staff and the public. Defensive driving courses have been assigned to seasonal City staff to help reduce minor incidents. This initiative was fully grant funded. The City's vandalism awareness campaign is being relaunched, as incidents of vandalism typically peak during spring and summer months.
Undertake review of City branding as well as a comprehensive update of City's website to meet future requirements.	<ul style="list-style-type: none"> The review of City branding is complete. The City's website update is complete. Work on the Master Brand Strategy is in progress.
Continued evolution of the City's Emergency Management Program to ensure strong plans, measures and programs are in place pertaining to prevention, preparedness, response, and recovery.	<ul style="list-style-type: none"> The City has now completed the Emergency Social Service plan and Emergency Management plans. The City will be working to educate city staff throughout 2026 on role specific training. All City departments have started working with a consultant to complete the business continuity plans (BCP) for Emergency Management to be completed end of 2026. Review and update the Emergency Management Bylaw to be completed by the end of summer of 2026.
Ongoing review and refinement of advocacy strategies to direct and strengthen the City's message when addressing policies, issues, and funding with other levels of government, regional neighbours and agencies including Machinery and Equipment assessment, regional transportation, and Veterans Way improvements.	<ul style="list-style-type: none"> The City continues to monitor intergovernmental matters and provide updates to Council as new information is available. As part of the update to the Council Strategic Plan (expected in June 2026), advocacy priorities would be confirmed. Any future advocacy work will require council direction. Monitoring of industrial revenue assessment matters is ongoing. More support for developing expertise in this area is planned as a joint initiative between Finance and Economic Development in 2026. AIHA has organized an External Relations Municipality Working Group to discuss advocacy and inter-gov relations, and Administration is working with AIHA and this group to advance advocacy regarding funding for the Veteran's Way widening and improvements.
Continue to collaborate in regional partnerships with the Edmonton Metropolitan Region Board, Strathcona County Inter-municipal Relations Committee and other regional initiatives that may gain efficiency and effectiveness for the City from a regional approach.	<ul style="list-style-type: none"> Following the dissolution of the Edmonton Metropolitan Region Board, the City continues to engage regional municipalities through regular dialogue and meetings. The City continues to maintain relationships with regional partners and is an active participant in the Regional Mayors Table (successor to the Edmonton Metropolitan Region Board). In December 2025, the City hosted the Regional Mayors Table event. The Regional Mayors Table was successful in securing a provincial grant to support ongoing intergovernmental work.

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Appendix 2 - Strategic Plan Update

Strategic Initiatives	Progress in the Period
Undertake a Fire Services Master Plan to guide the department over the long-term including operations, facilities, emergency preparedness, service levels, and costing.	<ul style="list-style-type: none"> The City has completed 15 of the 27 recommendations in the Fire Services Master Plan and will be looking to complete another 5 in 2026 when we come back with the Fire Services Level of Service Policy. The next update to the plan is in 2028.
Investigate utility billing fee structures that more accurately reflect actual costs, with specific consideration for summer water usage.	<ul style="list-style-type: none"> A report outlining alternative options was presented to Council in May 2025.
Continued focus on business planning framework including refinements to department service level documentation and development of performance measures to inform program delivery and support continuous improvement.	<ul style="list-style-type: none"> Research was completed into business planning frameworks and performance measurement methodologies in other municipalities. A project plan is currently in development to outline the scope of work to pursue completing this work within existing City staff capacity. This work will be revisited upon approval of Council's strategic plan in June 2026. Administration is currently developing a Corporate Business Plan that will be brought to Council for information in fall 2026 before the annual budget presentations.
Ensure programs are in place to support corporate culture and values, staff retention/attraction, leadership, and mental health.	<ul style="list-style-type: none"> The City hosted Leadership Training Sessions in May and September of 2025. The sessions were well attended, indicating strong interest and engagement from staff in leadership roles. The City completed a review of its employee benefits program in early 2025 which resulted in improvements to the program in 2026. Communication on these changes was completed in the second half of 2025, and the go-live date for the new program was February 1, 2026. The switch to the new benefits program included a more fulsome Employee and Family Assistance Program (EFAP). The City has developed a one-stop resource landing page through myFort (intranet site) for all employees. This helps employees access health, wellness, and benefits information more easily and ensures more consistent communication on resources. The City has developed a more structured approach to training for staff. The 2026 training plan was reviewed and approved by the Leadership Team at the end of 2025.
Develop a recommendation for the future of the Citywide Emergency siren System.	<ul style="list-style-type: none"> This initiative was completed with the last Emergency Siren being removed in October 2025 and we have transitioned to the Alberta Emergency Alerting system. All staff and citizens can download the app and sign up for there specific areas.
Continue focus on organizational technology and modernization including Microsoft 365/Teams, records management, Enterprise Resource Planning and IT Security and Data Management to ensure innovation advancement across the organization.	<ul style="list-style-type: none"> The original Microsoft Office 365 & SharePoint File Migration project charter was updated to better align with organizational needs by shifting the focus to the broader information management processes across the organization. The new approach prioritizes corporate records and process management. Staff engagement was completed at the end of 2025, and the next steps are expected to unfold throughout 2026 to 2028 in parallel with the ERP transition. The 2025 ERP Phase 1 project is complete. Phase 2 of the project started in 2026 and will continue to 2028. The 2025 Cyber Security Enhancements are complete.

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Appendix 3 - Capital Projects

CAPITAL PROJECTS

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion	Comments
Engineering Structures							
19008	Neighbourhood Rehabilitation	18,370	18,247	123	-	Complete	
19010	450 mm Water Main	1,000	1,150	-	(150)	Complete	Off-Site Levy Project
19018	Sump Pump Retrofit Program	5,700	5,059	641	-	On-Going	
21034	TWP Road 542 Culvert Replacement	1,325	898	58	369	Complete	
23002	Traffic Calming	1,700	1,501	28	171	Complete	
23011	Secondary/Alternative Water Source	1,700	488	1,212	-	Dec 2028	
24011	100 Ave / Legacy Park Road Enhancements	1,100	922	44	134	Complete	
24200	Neighbourhood Rehabilitation (2024)	4,745	2,152	2,593	-	Dec 2026	
25008	Water Tower Refurbishment	1,415	59	1,356	-	Dec 2026	
25024	Industrial Wastewater Extension	500	161	339	-	Dec 2026	
25100	Local Road Rehab (2025)	3,374	2,430	-	944	Complete	
25200	Neighbourhood Rehab (2025)	5,220	4,311	909	-	Dec 2026	
26030	Southfort Drive and Southfort Blvd Widening Design	675	-	675	-	Dec 2027	
26032	Point Aux Pins Storm Pond 11	589	-	589	-	Dec 2026	Off-Site Levy Project
26100	Local Road Rehab (2026)	2,860	-	2,860	-	Dec 2026	
26200	Neighbourhood Rehab (2026)	5,711	80	5,631	-	Dec 2026	
Total Engineering Structure		55,984	37,458	17,058	1,468		

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Appendix 3 - Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion	Comments
Vehicles, Machinery & Equipment							
20001	Protective Services Equipment Lifecycle Replacement	70	49	22	-	Dec 2026	
20047	Dow Centennial Centre Equipment Lifecycle Replacement	175	22	153	-	Dec 2026	
21014	Asset Management Software	175	141	34	-	Dec 2026	Transferred to operations
22012	Fire Services Equipment Lifecycle Replacement	2,700	886	1,814	-	Apr 2028	
24014	Project Portfolio Management Software Replacement	125	77	48	-	Dec 2026	Transferred to operations
25010	Fleet Addition - New Local Transit Buses	480	-	480	-	Dec 2027	
25023	Fleet Addition -Utilities Growth Plan	190	82	108	-	Dec 2026	
25036	Two Radio System Replacement	650	569	81	-	Apr 2026	
25300	IT Equip. Replacement (2025)	147	150	(3)	-	Dec 2025	
25400	Fleet & Equip. Replacement (2025)	1,028	725	304	-	Dec 2026	
25500	Facilities Lifecycle Program (2025)	350	342	8	-	Dec 2026	Transferred from Operations
19006	Culture Equipment Lifecycle Replacement (2026)	112	-	112	-	Dec 2026	
26003	Roads Growth Plan	434	-	434	-	Dec 2026	
26004	Parks Growth Plan	75	10	65	-	Dec 2026	
26013	Enterprise Resource Planning Implementation	174	38	136	-	Dec 2028	
26018	Utilities Growth Plan	93	-	93	-	Dec 2026	
26023	Municipal Enforcement In-Car Video Replacement	160	-	160	-	Dec 2026	
26024	Municipal Enforcement Body-Worn Camera Equipment	79	-	79	-	Dec 2026	
26300	IT Equipment Lifecycle Replacement	305	129	176	-	Dec 2026	
26400	Fleet and Equipment Lifecycle Replacements (2026)	2,165	69	2,096	-	Dec 2026	
26600	Fire Equipment Lifecycle Replacement	3,000	-	3,000	-	Dec 2026	
Total Vehicles, Machinery & Equipment		12,687	3,287	9,400	-		

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Appendix 3 - Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion	Comments
Buildings							
22100	Jubilee Recreation Centre Modernization	17,819	17,712	107	-	Complete	
24016	Aquatics Planning / Construction	72,000	6,728	65,272	-	Dec 2028	
25025	New Fire Station Planning	2,089	374	1,715	-	Dec 2026	
25031	City Hall Security Project	20	27	(7)	-	Dec 2028	
26022	Walter Thomas Fire Station Securement Fencing	185	-	185	-	Dec 2026	
26500	Facility Lifecycle Program	1,158	34	1,124	-	Dec 2026	
Total Buildings		93,271	24,875	68,396	-		

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion	Comments
Land Improvements							
21023	Heritage Trails Park - Phase 1	1,650	1,486	164	-	Dec 2026	
23030	92 Street Trail Conversion	150	140	-	10	Dec 2026	
25020	Bike Skills Park	497	54	442	-	Dec 2026	
25021	Playground Equipment Lifecycle Replacement	350	350	-	-	Dec 2026	
25022	Materials Handling Site	130	24	106	-	Dec 2026	
25028	City Entrance Signs Design	100	-	100	-	Dec 2026	
25029	Park Signage -Rename Sienna Park to Don Westman Park	20	-	20	-	Dec 2026	
25030	Park Signage - Rename Forest Ridge Park to Petroski Park	20	-	20	-	Dec 2026	
26011	Transit Bus Stop Improvements	350	-	350	-	Aug 2026	
26014	Parks Naming Signs	60	-	60	-	Aug 2026	
26016	West River's Edge Dogpark Modifications	245	9	236	-	Dec 2026	
26019	Playground Equipment Lifecycle	40	-	40	-	Dec 2026	
Total Land Improvements		3,612	2,063	1,538	10		