

August 31, 2026

Interim Report

As reported on October 20, 2026



CITY OF
FORT SASKATCHEWAN
ALBERTA

Interim Report | August 2026

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OPERATING HIGHLIGHTS

Despite an evolving economic landscape, the City continues to move forward with thoughtful decisions, active community investment, and long-term planning. 2026 is also a year of unique budget circumstances, as the new aquatics facility and the Helmuth Ritter Fire Station both take on new debenture financing in the same year. Here is an update on the eight months ended August 31, 2026:

GROWTH AND DEVELOPMENT

- **New Aquatics Facility – Construction Underway** – Construction began in spring 2026 on the new Aquatics facility at the Dow Centennial Centre, following completion of detailed design.
- **Helmuth Ritter Fire Station – Construction Approved** - Council approved a \$28,901,000 addition to Capital Project 25025 to authorize construction of the new fire station, funded by debenture. Borrowing Bylaw C24-26 received first reading July 7 and second and third readings August 25, clearing the way for construction to proceed.
- **New Arena – DCC Planning & Construction** - Council approved \$200,000 from the Capital Projects Reserve to advance conceptual design of the new arena (Project 29008) in 2026.
- **Mirigal Neighbourhood Structure Plan and East Mirigal District** – Following a public hearing, Council gave second and third readings to Bylaw C13-26, amending the Pointe Aux Pins Area Structure Plan to adopt the Mirigal Neighbourhood Structure Plan, and Bylaw C17-26, adding the East Mirigal Special District to the Land Use Bylaw and redistricting associated lands.
- **Heavy Industrial Redistricting** – Council gave unanimous first reading to Bylaws C32-26, C33-26, and C34-26, redistricting lands in the Josephburg Road North and Alberta's Industrial Heartland areas to Heavy Industrial and related designations.
- **Fort Mall Redevelopment District** – Following a public hearing, Council gave second and third readings to Bylaw C20-26, adding "Education (Public)" as a discretionary use in the C5 – Fort Mall Redevelopment District.

RECENT APPROVALS AND UPDATES

- **Aquatics Facility** – Council approved a \$72 million budget in 2025 to design and build the new aquatics facility at the Dow Centennial Centre. The project is funded through borrowing authorized under Bylaw C16-25 and contributions from Dow. With detailed design complete, construction began in spring 2026, and a 2029 opening is expected.
- **City Entrance Signs** – Council added \$200,000 to Project 25028 for construction of three new City entrance signs, funded from the Capital Projects Reserve.
- **Industrial Wastewater Extension** – Council added \$2,500,000 to Project 25024, funded through the Utility Infrastructure and Equipment Reserve (\$1,076,628), the Southfort Levy (\$535,102), and the Light/Medium Industrial Levy (\$888,270).
- **Storm Pond Aeration Project** – Council approved the transfer of \$65,000 to the 2026 Capital Budget for installation of a storm pond aeration system in the Southfort neighbourhood.
- **Procurement Policy FIN-020-C** – Council approved the amended Procurement Policy FIN-020-C.
- **Community Standards and Emergency Management Bylaws** – Council approved the new Community Standards Bylaw C6-26 and the Emergency Management Bylaw C22-26, modernizing the City's enforcement and emergency management frameworks.
- **Parkland Bylaw** – the new Parkland Bylaw C5-26 was approved as part of the July 7 Consent Agenda, replacing the former Town of Fort Saskatchewan Open Space Bylaw.

TRENDS TO WATCH

1. Well-Planned Community and Resilient Economy

- Downtown revitalization advanced with amendments to the Downtown Development Incentives Policy FIN-015-C as part of the Downtown Development Strategy Final Report.

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- The comprehensive new Land Use Bylaw (C14-26) remains under deliberation, with first reading postponed allowing further discussion.

2. Strategically Managed Infrastructure

- Major infrastructure milestones reached this period include full funding approval and borrowing authorization for the Helmuth Ritter Fire Station, and approval to begin conceptual design of a new arena.
- Additional capital investments were approved for the Industrial Wastewater Extension and new City Entrance Signs, alongside 10-Year Capital Plan updates incorporating the Heritage Trail Park, respraying Cemetery Expansion Phase I funding across 2028–2030 and adding funding consideration for the Harbour Pool decommissioning or refurbishment.

3. Welcoming, Compassionate, and Active Community

- Council approved the RCMP Community Prioritization Plan for 2026–2027, setting local policing priorities around intelligence-led reduction of drug and property crime, persons crime and victim safety, and police-community engagement.
- The new Community Standards Bylaw C6-26 modernizes the City's approach to community standards enforcement, while planned changes to the Grants to Organizations Policy point to more targeted, financially accountable community funding going forward.

4. Financial Stewardship

- Significant new capital commitments this period – including the \$72 million aquatics facility (funded by borrowing and Dow contributions), debenture-funded fire station construction (\$28.9 million), the industrial wastewater extension (\$2.5 million), and entrance signage (\$200,000) – highlight the City's continued reliance on reserves, levies, and debt financing to fund growth-related infrastructure.

5. Operational Excellence and Continuous Improvement

- The Procurement Policy FIN-020-C amendments concluded with Council's approval on August 25.
- The new Parkland Bylaw C5-26 was finalized and adopted on July 7, replacing the former Open Space Bylaw
- The Public Works Yard Needs Assessment is now set to return to Council for formal debate and approval later in 2026.

FINANCIAL RESULTS FROM OPERATIONS

Expressed in \$000's	Eight months ended August 31, 2026			Year ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Operating Revenue						
Property Taxes	67,563	67,543	(20)	67,563	67,543	(20)
Utility User Rates	18,253	18,598	345	26,789	27,161	372
User Fees & Charges	6,398	10,281	3,883	9,369	13,619	4,251
Investment Income	2,316	2,455	139	3,176	3,384	208
Government Transfers - Operating	749	806	57	2,094	2,176	82
Fines and Penalties	704	1,294	590	1,010	1,636	626
Other Revenue	651	865	214	673	915	242
Total Operating Revenue	96,634	101,842	5,208	110,674	116,434	5,760
Operating Expenses						
Salaries, Wages, and Benefits	(27,985)	(26,913)	1,071	(42,407)	(42,075)	332
Purchases from Other Governments	(15,492)	(15,046)	446	(22,991)	(22,553)	438
Contracted Services	(4,846)	(5,624)	(778)	(8,392)	(8,889)	(497)
Materials and Supplies	(2,820)	(2,831)	(11)	(4,265)	(4,383)	(118)
Utilities	(2,526)	(2,375)	151	(3,711)	(3,643)	68
Service Maintenance Contracts	(2,404)	(2,322)	82	(3,539)	(3,429)	110
Transfers to Organizations and Individuals	(1,374)	(1,325)	49	(2,050)	(1,951)	99
General Administration	(683)	(566)	117	(986)	(872)	114
Training and Development	(622)	(507)	115	(957)	(859)	98
Interest on Long Term Debt	(286)	(289)	(3)	(2,033)	(2,028)	5
Insurance	(486)	(460)	26	(739)	(704)	34
Advertising and Printing	(356)	(199)	157	(587)	(399)	189
Other Expenses	(428)	(212)	216	(653)	(437)	216
Total Operating Expenses	(60,307)	(58,669)	1,638	(93,310)	(92,222)	1,089
Operating Budget Surplus before Other Items	36,327	43,173	6,846	17,363	24,212	6,849
Other Items						
Transfers to Reserves	(17,493)	(17,533)	(40)	(18,393)	(18,475)	(82)
Transfers from Reserves	2,924	3,091	167	3,879	3,697	(182)
Repayment of Long-Term Debt	(1,145)	(1,133)	12	(2,849)	(2,850)	(1)
Net Other Items	(15,714)	(15,575)	139	(17,363)	(17,628)	(265)
Operating Budget Surplus	20,613	27,598	6,985	-	6,584	6,584

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

Operating Performance: The City is reporting a \$6.98 million operating budget surplus to date. A majority of this surplus has been driven by higher than budgeted heavy industrial permit revenue combined with lower than anticipated Operating Expenditures.

- Looking ahead, the City is forecasting a year-end surplus, inclusive of Other Items totaling \$6.58 million. This includes:

- A \$5.62 million surplus from municipal operations
- A \$963,000 surplus from utility operations

The projected favorable results are primarily driven by higher-than-expected revenues totaling \$5.76 million related to user fees, fines, and penalties along with utility user rates. Combined with higher than anticipated revenues, annual Operating Expenses and Other Items are projected to be \$1.08 million lower than budget; driven largely by lower Salaries, Wages and Benefits and Purchases from Other Governments

- **Capital Projects:** The City has 56 active capital projects in 2026. At August 31, 2026, six projects were completed, while the remaining 50 were in progress. Significant projects include ongoing construction on the new Aquatics facility, refurbishment of the water tower, and Neighbourhood Rehabilitation projects.¹
- **Financial Position:** The City's net financial assets increased to \$88.5 million, compared to \$58.78 million at the end of 2025 and \$76.41 million at August 31, 2025. The City's balance of net financial assets is typically highest in August after property taxes are levied in May.²

ANALYSIS OF SIGNIFICANT VARIANCES

USER FEES AND CHARGES

User fees and charges were \$3,883,000 higher than budget in the first eight months of 2026 and is forecast to reach \$4,251,000 above budget by year-end based on current trending.

The variance is driven almost entirely by Planning and Development activity. Increased industrial development has led to higher than usual permitting revenue and related construction service fees.

Key drivers

- **Permits (Higher than budget by \$3.5 Million):** The favourable variance reflects a higher than anticipated development and building permits submitted to date, including two large heavy industrial building permits, continued growth in industrial project and development permit activity. Permit revenues are expected to moderate as these major projects progress toward completion. The City is on track for one of the strongest years of residential housing units built.
- **Service fees (Higher than budget by \$381,000):** Service fees rose with the same development and construction activity.

¹ See Appendix 3,

Capital Projects

² See page 9, Financial Position Highlights

Financial Report for the eight months ended August 31, 2026 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

PURCHASES FROM OTHER GOVERNMENTS

Expressed in \$000s	Eight months ended August 31, 2026			Year Ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Wastewater Management Services	7,428	7,787	359	10,737	11,096	359
Policing Services	4,771	4,076	(695)	7,366	6,671	(695)
Water Supply Services	2,578	2,420	(158)	3,808	3,651	(158)
Commuter Transit Services	347	341	(5)	516	512	(4)
Assessment Services	319	335	15	480	495	15
Other	50	88	38	83	128	45
Total Purchases from Other Governments	15,492	15,046	(446)	22,991	22,553	(438)

Purchases from Other Governments were \$446,000 below budget during the first eight months of 2026 and based on a conservative approach, expected to result in a \$438,000 favorable variance for the full year. Wastewater Management services were \$359,000 above budget, primarily due to higher-than-anticipated sewage volumes sent to the waste commission attributable to higher consumption and growth. Water Supply services are conservatively forecasted to be \$158,000 below budget, due to lower less water being purchased. Policing services are forecast to be \$695,000 below budget by year-end, primarily due to RCMP staffing vacancies.

SALARY, WAGES AND BENEFITS

Expressed in \$000s	Eight months ended August 31, 2026			Year Ended December 31, 2026		
	Budget	Actual	Variance	Budget	Forecast	Variance
Compensation	22,517	21,295	(1,222)	34,286	33,390	(897)
Benefits	5,474	4,836	(637)	8,210	7,650	(560)
Overtime	667	782	114	972	1,086	114
Budgeted Vacancy / Rate Allowance	(674)	-	674	(1,061)	(51)	1,011
Net Staff Surplus	27,984	26,913	(1,071)	42,407	42,075	(332)

Salaries, Wages, and Benefits were \$1,071,000 lower than budget in the first eight months of 2026 and are forecasted with annual allowances, to be \$332,000 under budget by the end of the year. Much of this year-to-date favourable variance is due to budgetary timing differences, along with several staffing vacancies throughout the organization, particularly within Fire Services, People Services, Planning and Development, and Legislative Services. This favorable variance is partially offset by higher temporary/casual support and overtime costs to date.

OTHER VARIANCES

REVENUES

- Fines and penalties are \$590,000 favourable year-to-date, primarily due to higher-than-expected court fine revenue. The City also collected more penalties on overdue property taxes and on industrial utility accounts in arrears.
- Utility user rates are \$345,000 above budget year-to-date. Higher-than-budgeted consumption-based billing for construction water and wastewater.

- Other revenue is \$214,000 favourable year-to-date due to unbudgeted donations and grants. These include funding for a liaison position and for fire services from various organizations and funding partners.
- Investment income is above budget due to higher cumulative interest yield on the principal protected notes than planned.

EXPENSES

- Contracted services are \$778,000 over budget year-to-date. Snow-hauling and snow-clearing contracts account for approximately half of this since the winter had more snowfall events than budgeted. Additional legal and planning-related work accounts for the balance variances to date.
- Utilities expense is \$151,000 favourable. Primarily associated with energy savings from LED lighting retrofits and rooftop unit replacements, partly offset by higher electricity costs.
- Training and development is \$115,000 favourable, largely as a result of budgeted timing differences. Emergency management training is expected later this year and there are plans for advanced procurement training across the organization.
- Advertising and printing is \$158,000 favourable. The City is using lower-cost channels, consolidated purchasing, and has reduced advertising spend. Budget adjustments are being made to account for this in future years.
- General administration is \$117,000 favourable due to lower than anticipated spending in the City Manager's Office budget. Prepaid membership dues have resulted in a year-to-date timing difference expected to minimize throughout the year.
- Other expenses are \$216,000 favourable. Changes to the City's banking arrangements have lowered banking and payment processing fees. The timing of line-of-credit draws for the Aquatics facility also contributed to the lower bank costs.
- A detailed explanation of the variances by division and department is provided in the "Explanation of the Net Operating Budget Variances" section of this report.

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Rounded to the nearest thousand dollars, except where otherwise stated

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.

Eight months ended August 31, 2026						
<i>Expressed in \$000s</i>	Budget	Water Service	Sewer Service	Solid Waste	Total Utilities	Variance
Revenue						
Utility User Rates	18,253	5,697	10,808	2,092	18,598	345
Other Revenue	837	460	74	595	1,129	292
Expenses						
Salaries, Wages, and Benefits	(2,054)	(934)	(350)	(582)	(1,866)	188
Commission charges	(10,006)	(2,420)	(7,817)	-	(10,237)	(231)
Contracted services	(2,272)	(390)	(397)	(1,341)	(2,128)	144
Other expenses	(490)	(329)	(56)	(25)	(410)	80
Reserve transfers and debt repayment	(5,665)	(2,546)	(2,517)	(535)	(5,598)	67
	(1,397)	(462)	(255)	204	(514)	885

Year ended December 31, 2026						
<i>Expressed in \$000s</i>	Budget	Water Service	Sewer Service	Solid Waste	Total Forecast	Forecast Variance
Revenue						
Utility User Rates	26,789	8,476	15,535	3,150	27,161	372
Other Revenue	1,112	622	30	771	1,423	311
Expenses						
Salaries, Wages, and Benefits	(3,098)	(1,375)	(621)	(891)	(2,887)	211
Commission charges	(14,546)	(3,651)	(11,139)	-	(14,790)	(244)
Contracted services	(3,550)	(741)	(497)	(2,098)	(3,336)	214
Other expenses	(774)	(615)	(83)	(49)	(747)	27
Reserve transfers and debt repayment	(5,933)	(2,579)	(2,725)	(557)	(5,861)	72
	-	137	500	326	963	963

The City's utility operations had a \$885,000 surplus compared to budget in the first eight months of 2026 and is forecast to close the year with a \$963,000 surplus for the year.

The primary drivers of the year-to-date favourable variance were slightly higher consumption and growth in utility accounts than expected along with higher associated Commission expenditures and water purchases, offset by lower-than-budgeted salaries, wages and benefits costs, and reduced contractor spend.

CAPITAL BUDGET HIGHLIGHTS

The 2026 Capital Program included 22 new projects and 34 multi-year projects that were carried forward from 2025. At August 31, 2026, the City had completed 6 capital projects and 50 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	13,535	21,723	(3,137)	(17,074)	1,512
Vehicles, Machinery & Equipment	3,588	6,502	10,090	(2,009)	(8,064)	18
Buildings	70,326	30,444	100,770	(11,820)	(88,957)	(7)
Land Improvements	441	1,329	1,770	(144)	(1,617)	10
Total	82,543	51,810	134,353	(17,110)	(115,712)	1,533

AQUATICS FACILITY

In 2025, Council approved a \$72 million budget to design and build a new aquatics facility at the Dow Centennial Centre, funded through borrowing (Bylaw C16-25) and contributions from Dow. Detailed design is complete and the project is now in construction, which began in spring 2026, with a 2029 opening expected. The roughly 4,880 m² facility will include a 10-lane lap pool, leisure and tot pools, hot and cold plunge pools, sauna, steam room, lazy river, water slides, diving boards, and a climbing wall. It will also have multipurpose rooms, viewing areas, and full accessibility. Site work includes a new lobby corridor, two new parking lots with at least 145 stalls, and a ring road around the northwest lot. The Dow Centennial Centre remains open during construction, and Harbour Pool will operate until the new facility opens.

WATER TOWER REFURBISHMENT

The City is refurbishing the Water Tower to extend its structural life and preserve it as a City landmark. Work began in July 2026 and includes structural refurbishment, repainting, installation of a new lighting system, a new tank vent cover, and restoration of the mural at the top of the tower. The tower has been fully wrapped in scaffolding as crews continue the work.

LOCAL TRANSIT BUS STOPS IMPROVEMENT

Council approved advancing this project independently of the Canada Public Transit Fund approval, with spending limited to \$210,000. The initial phase is expected to be complete this fall, and full completion will proceed once the grant is approved. On July 23, 2026, the Minister of Housing and Infrastructure confirmed approval in principle of the City's Capital Plan under the Canada Public Transit Fund Baseline stream.

NEIGHBOURHOOD REHABILITATION

The 2026 project is on 102 Street between 98 Avenue and 99 Avenue. The design consultant was awarded in January, construction tender closed in March, and the contract was awarded in April. Construction began in late May and work at the 102 Street and 98 Avenue intersection was complete as of mid-July. Lane reductions and weekend closures at the 99 Avenue intersection were scheduled around this work. Two further blocks are in design, with construction deferred to 2027: 104 Street from 98 to 99 Avenue, and 109 Street from 100 to 101 Avenue, which was originally planned for 2026.

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 August 2026, the City's net financial assets totaled \$88.52 million, reflecting a seasonal peak following the annual property tax levy in May. This balance represents a 16% increase over August 2025 and a 38% increase over August 2024, continuing a multi-year trend of strengthening financial position.

Net financial assets refer to the financial assets of the City less all liabilities, including long- and short-term debt and the August high point is consistent with historical patterns, as revenues from property taxes temporarily increase financial assets to fund expenditures in subsequent months.

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 August 31, 2026, the City had \$72,145,000 in various operating accounts (December 31, 2025 - \$36,322,000) held at a weighted average rate of return of 2.25% (December 31, 2025 – 3.78%).

INVESTMENTS

	August 31, 2026 Carrying Value \$000	December 31 2025 Carrying Value \$000
Investment Measured at Cost or Amortized Cost		
Short Term Portfolio (a)	10,000	10,000
Long Term Portfolio (b)	25,526	24,786
	35,526	34,786
Investment Measured at Fair Value		
Principal Protected Notes (c)	15,552	14,782
Others	191	169
Total Investments	51,269	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 long-term portfolio is comprised of corporate and government bonds that have effective interest rates of 3.58% to 6.60% (2025: 4% to 6.60%), with maturity dates between 2027 and 2035. These investments are comprised of both marketable and non-marketable securities. Marketable securities in this category have an aggregate fair value of \$24,872,000 as at August 31, 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 2031 and 2036.

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 Bank Administration Bylaw C19-25.

SHORT AND LONG-TERM DEBT

Projects	Weighted Average Interest Rate	Aug 31, 2026 \$000	Dec 31, 2025 \$000	Fully Repaid
Debentures				
Sewer Service Reline	2.327%	503	686	December 2029
City Hall	3.308%	6,433	6,869	December 2033
100 Avenue Rehab	3.571%	3,074	3,262	September 2035
Protective Services Building	3.136%	6,012	6,318	December 2036
Pointe Aux Pins Waterline	4.990%	129	132	December 2042
Total Debentures		16,151	17,267	
Capital Leases:				
Capital Lease Obligations	14.677%	41	57	December 2028
Total Long-term Debt		16,192	17,325	
Temporary Loans		5,000	2,000	
Total Debt		21,192	19,325	

The City borrows money to fund capital projects by issuing debentures and entering into capital leases. The total debt outstanding at August 31, 2026, is \$21,192,000. During the first eight months of the year, the City paid \$1,116,000 in principal and \$285,000 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 August 31, 2026, the City was at 14% of its provincial Debt Limit (December 31, 2025 – 11%) and 4% of its provincial Service on Debt Limit (December 31, 2025 –10%). Capital leases are generally not included in the Province's calculation of municipal debt and debt service limits unless the arrangement is considered borrowing under the Municipal Government Act and associated regulations.

FINANCIAL RESERVES

At August 31, 2026, the City had \$85,359,000 in financial reserves, of which \$15,823,000 is committed to various capital and operating projects. The current uncommitted balance is \$69,536,000.

At August 31, 2026, stabilization and contingency reserves and infrastructure lifecycle reserves were \$2,593,000 and \$2,385,000 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)

	August 31, 2026	December 31, 2025	August 31, 2025
	\$000s	\$000s	\$000s
Financial Assets			
Cash and Cash Equivalents	72,145	36,322	69,604
Revenues Receivable			
Property Taxes Receivable	13,221	1,326	9,577
Government Transfers Receivable	1,100	1,816	912
Trade and Other Receivables	9,577	9,979	7,100
Inventory Held for Resale	1,462	1,462	1,461
Investments	51,269	49,737	39,770
Total Financial Assets	148,774	100,642	128,424
Liabilities			
Accounts Payable and Accrued Liabilities			
Trade Payables	(21,609)	(8,181)	(18,870)
Employee Benefit Obligations	(3,569)	(3,378)	(3,298)
Payroll and Remittances	52	(363)	40
Interest Payable	(85)	(85)	(95)
Temporary loans payable	(5,000)	(2,000)	-
Deposits on Account	(2,589)	(2,551)	(2,514)
Deferred Revenue	(5,790)	(2,670)	(3,628)
Liability for Contaminated Sites	(1,405)	(1,405)	(1,381)
Asset Retirement Obligations	(4,028)	(3,903)	(3,842)
Long-Term Debt	(16,192)	(17,325)	(18,425)
Total Liabilities	(60,215)	(41,861)	(52,013)
Net Financial Assets	88,559	58,781	76,411
Other Assets			
Tangible Capital Assets	582,976	566,009	548,833
Prepaid Expenses	980	1,494	1,041
Inventories of Supplies	834	702	644
Total Other Assets	584,790	568,205	550,518
Accumulated Surplus			
Accumulated Operating Surplus	673,180	626,817	626,929
Accumulated Remeasurement Gains	169	169	-
Total Accumulated Surplus	673,349	626,986	626,929

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)

	Eight months ended August 31		
	2026	2026	2025
<i>Expressed in \$000s</i>	Budget	Actuals	Actuals
Operating Revenue			
Property Taxes	67,563	67,543	61,498
Utility User Rates	18,253	18,598	16,349
User Fees and Charges	6,398	10,280	8,756
Investment Income	2,316	2,455	2,381
Government Transfers - Operating	749	806	734
Fines and Penalties	704	1,293	1,034
Other Revenue	651	865	1,366
Total Operating Revenue	96,634	101,840	92,118
Operating Expenses			
Infrastructure & Planning Service			
Public Works	(18,439)	(14,416)	(12,969)
Fleet, Facilities, & Engineering	(9,028)	(7,461)	(7,608)
Planning & Development	(1,829)	(1,801)	(1,671)
Economic Development	(629)	(561)	(674)
Sustainability	(111)	(83)	(22)
	(30,036)	(24,322)	(22,944)
Community and Protective Services			
Protective Services	(7,313)	(6,404)	(5,772)
Culture & Recreation Services	(5,931)	(5,578)	(5,430)
Fire Services	(4,527)	(4,282)	(4,096)
Family & Community Support Services	(1,099)	(972)	(975)
	(18,870)	(17,236)	(16,273)
Corporate Services Division			
Information Technology	(3,509)	(2,797)	(2,528)
People Services	(2,056)	(1,311)	(1,395)
Financial Services	(1,406)	(1,366)	(1,162)
Legislative Services	(1,321)	(1,363)	(1,189)
Corporate Communications	(692)	(710)	(612)
	(8,984)	(7,547)	(6,886)
Senior Leadership	(1,567)	(1,685)	(1,554)
Elected Officials	(409)	(394)	(338)
Fiscal Services	298	(2,256)	(2,410)
Utilities	(17,443)	(16,562)	(14,277)
Total Operating Expenses	(77,011)	(70,002)	(64,682)
Surplus before Other Items	19,623	31,838	27,436
Other Items			
Contributed Tangible Capital Assets	19,100	7,488	2,522
Government Transfers – Capital	6,523	1,731	1,610
Developer Agreements and Offsite Levies	-	432	3,086
Community Capital Funding	2,165	1,360	1,407
Net Other Items	27,788	11,011	8,625
Operating Surplus	47,411	42,849	36,061

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Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

NET OPERATING BUDGET VARIANCES BY DIVISION

<i>Expressed in 000's</i>	Eight months ended August 31, 2026			Year ended December 31, 2026		
	Budget	Actuals	Variance	Budget	Forecast	Variance
Infrastructure & Planning Division						
Public Works	(7,511)	(7,819)	(308)	(11,065)	(11,419)	(354)
Fleet, Facilities & Engineering	(7,663)	(7,336)	328	(10,556)	(10,309)	247
Planning & Development	(244)	3,138	3,382	(557)	3,184	3,741
Economic Development	(304)	(204)	100	(599)	(491)	108
Sustainability	-	(19)	(19)	-	-	-
Total Infrastructure & Planning Division	(15,722)	(12,240)	3,483	(22,777)	(19,035)	3,742
Community & Protective Services Division						
Culture & Recreation Services	(2,963)	(3,064)	(101)	(4,067)	(4,087)	(20)
Protective Services	(6,926)	(5,580)	1,346	(9,907)	(8,478)	1,429
Fire Services	(4,759)	(4,195)	564	(7,038)	(6,571)	467
Family & Community Support Services	(351)	(256)	95	(774)	(637)	137
Total Community & Protective Services Division	(14,999)	(13,095)	1,904	(21,786)	(19,773)	2,013
Corporate Services Division						
Information Technology	(3,330)	(3,137)	193	(4,577)	(4,378)	199
Legislative Services	(1,314)	(1,311)	3	(2,008)	(1,996)	12
People Services	(2,031)	(1,285)	746	(3,096)	(2,927)	169
Financial Services	(1,294)	(1,295)	(1)	(1,943)	(1,941)	2
Corporate Communications	(692)	(709)	(16)	(1,114)	(1,110)	4
Total Corporate Services Division	(8,661)	(7,737)	925	(12,738)	(12,352)	386
Senior Leadership	(1,295)	(1,236)	59	(2,015)	(1,951)	64
Elected Officials	(409)	(394)	15	(615)	(595)	20
Fiscal Services	63,096	62,811	(285)	59,931	59,663	(268)
Utilities	(1,397)	(513)	884	-	963	963
Operating Budget Surplus	20,613	27,596	6,985	-	6,584	6,584

EXPLANATION OF THE NET OPERATING BUDGET VARIANCES

• Infrastructure & Planning Division:

- Planning & Development: Surplus of \$3,382,000, caused by a significant volume of development and building permits submitted during the reporting period.
- Fleet, Facilities & Engineering: Surplus of \$328,000, primarily from energy savings following LED lighting retrofits and rooftop unit replacements. A small portion is attributable to a senior position being backfilled by a temporary employee during a secondment.
- Public Works: Deficit of \$308,000, driven by extended winter season snow clearing and related services.
- Sustainability: Fully grant funded operations, overall revenue and expenses nil. Year to date actuals to be re-classified for year end.

• Community & Protective Services Division:

- Protective Services: Significant surplus of \$1,346,000, primarily resulting from higher fine revenue totaling \$378,000 and open RCMP positions totaling \$695,000.
- Fire Services: Of the \$564,000 surplus, approximately \$247,000 is attributable to higher fire permitting revenues from industry and \$159,000 reflects staffing-related savings due to the timing of hiring for new positions.

• Corporate Services Division:

- People services reflects a surplus of \$746,000, primarily driven by year-to-date budgeted timing differences pending the finalization of the City's union agreements, deferred training and onboarding expenditures. In addition to these timing differences, unplanned vacancies, including the Director position for the first five months of the year as well and Compensation and Recruitment Advisor (New Business Partner) for three months within this reporting period contributed to the favorable results to date. The variance is expected to minimize to \$169,000 by years end.
- Information Technology showed a surplus of \$193,000 due to lower employee costs relative to budget, along with timing changes in hardware replacement purchases and project scheduling.

• **Fiscal Services:** Deficit of \$285,000, primarily due to the timing of the DOW grant, which is now expected in March 2027. The deficit was partially offset by higher-than-expected interest income on investments.

• **Utilities:** Surplus of \$884,000, driven by higher-than-budgeted growth and consumption-based billing for water, wastewater, and solid waste, along with higher associated Commission expenditures and water purchases, offset by lower Salaries and benefits and Contract Services spending to date.

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			Aug 31 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	-	(2,657)	15,820	1,144	14,674	16,061	(1,387)
Snow and Ice Removal	367	-	-	-	367	-	367	1,573	(1,206)
Total Stabilization and Contingency	12,644	6,200	-	(2,657)	16,187	1,144	15,041	17,634	(2,593)
Projects									
Municipal Operating Projects	822	433	-	(219)	1,036	1,378	(343)	854	(1,197)
Utility Operating Projects	224	65	-	(26)	263	67	197	114	83
Future Facility Operating	984	1,101	-	-	2,085	-	2,084	-	2,084
Capital Projects	13,682	5,429	-	(3,804)	15,307	3,613	11,693	2,769	8,924
Land Purchases	2,044	27	-	-	2,071	-	2,071	-	2,071
Total Projects	17,756	7,055	-	(4,049)	20,762	5,058	15,702	3,737	11,965
Infrastructure Lifecycle									
Municipal Infrastructure and Equipment	14,552	3,253	355	(1,295)	16,865	3,955	12,910	25,313	(12,403)
Facility Lifecycle and Maintenance	1,863	1,003	55	(582)	2,339	183	2,156	1,876	280
Utilities Infrastructure and Equipment	16,869	6,359	457	(1,244)	22,441	5,026	17,415	7,677	9,738
Total – Infrastructure Lifecycle	33,284	10,615	867	(3,121)	41,645	9,164	32,481	34,866	(2,385)
Specific Purpose									
Art in Public Places	231	20	-	-	251	150	101	-	101
Economic Development	794	28	-	(31)	791	-	791	750	41
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	137	-	(31)	2,686	264	2,422	750	1,672
Restricted Reserves									
Contributions in Lieu of Municipal Reserve Land	570	6	12	-	588	-	589	-	589
Access for Everyone Endowment	739	543	33	-	1,315	-	1,316	-	1,316
Youth Drug and Safety Education	18	-	-	-	18	-	18	-	18
Fire Waterline	773	-	-	-	773	-	773	-	773
Perpetual Care	810	60	17	-	887	-	887	1,558	(671)
Westpark Estates Community Enhancement	550	-	-	(52)	498	193	307	-	307
Total - Restricted Reserves	3,460	609	62	(52)	4,079	193	3,890	1,558	2,332
Total Reserves	69,724	24,616	929	(9,910)	85,359	15,823	69,536	58,545	10,991

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Appendix 2 - Strategic Plan Update

STRATEGIC PLAN UPDATE

In June 2022, the City adopted a strategic plan for 2023 – 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 August 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.	The Land Use Bylaw was presented for first reading on August 25, 2026. Council postponed the Bylaw to a future meeting for additional deliberation and discussion. First reading is now scheduled for October 13.
Undertake downtown initiatives to attract visitors, new development, and increase the vibrancy of downtown.	- The final report for the Downtown Development Strategy was presented to Council on July 7, 2026. Notable outcomes of the Downtown work include the reduction in commercial vacancy and the increase in residential units in downtown. Between 2024 and 2026, the downtown vacancy rate decreased from 15.7% to 9.1%, while the number of vacant storefront units decreased from 30 units to 19 units. - As part of the annual downtown report, a review was completed of the Downtown Development Incentives. On July 7, 2026, Council approved amendments to the Downtown Development Incentives Policy FIN-015-C to remove the Old Hospital Site from eligibility, as well as add the eligibility requirement that a project must not be exempt from municipal property taxes.
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.	- New Land Use Bylaw project is nearing completion. 5-year Update to the Municipal Development Plan is planned for presentation to Council before the end of 2026. - 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 provide information often compiled through an Open Spaces Master Plan.

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Strategic Initiatives	Progress in the Period
Participate in regional economic development initiatives with strategic and economic benefit for the City.	- Administration continues active engagement as a shareholder and member municipality with AIHA, quarterly Stakeholder meetings, as well as quarterly Economic Development Team meetings. - 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. - In May, Administration joined AIHA at a petrochemical conference in Japan, supporting the regional booth and engaging with Asian businesses. Discussions indicated that parts of the petrochemical market are nearing saturation, while methanol demand continues to grow among Chinese firms. - Follow-up meetings in Tokyo with federal Trade Commissioners and Invest Alberta promoted the City's value proposition in Asian markets. - In late June, Administration attended the AIHA conference, connecting with regional businesses and prospective investors while monitoring petrochemical market and geopolitical trends. - In July, Administration attended AIHA and Invest Alberta events, engaging both existing and prospective Fort Saskatchewan businesses. - AIHA is collaborating with its Members in a review of the Heartland Incentive Program, including rates, effectiveness, and overall impact. In parallel, Administration is reviewing the City's incentive Bylaw to identify any clarifications or adjustments required. The Regional Supply Chain Forum is being planned for November 3, 2026. This year will be hosted by Strathcona County.
Prioritize potential and current industrial development expansions and opportunities, including Dow Chemical Canada's Path2Zero project and other major projects.	- Work on the Industrial Area Structure Plan is advancing. Targeted stakeholder engagement is scheduled for late September/early October. - On May 25, Pembina sanctioned the new Heartland Extraction Plant in Fort Saskatchewan, a 750 million cubic feet per day (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 in Fort Saskatchewan 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. - KFS Frac II debottleneck project was brought into service in early June. This project represents a \$75 million investment in Fort Saskatchewan. - KFS Frac III is under construction. This project represents an estimated \$490 million investment in Fort Saskatchewan and is expected to be in service in 2028. - 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. Construction is currently underway.

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Appendix 2 - Strategic Plan Update

Strategic Initiatives	Progress in the Period
Development of growth/annexation area servicing plans and levy plans to prepare lands for future use	- A Servicing Design Brief for the Annexed Lands was completed in 2023. - The Pointe Aux Pins Area Structure Plan was approved in January 2025, and the Neighbourhood Structure Plan was approved in July 2026. - 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.
Work with Alberta's Industrial Heartland Association members to update the financing model to reflect the current economic climate.	In May, the AIHA Board approved a Dues Cap Proposal, effective January 1, 2027, capping total dues payable by each member at \$2.0 million. Initially, this only impacts Strathcona County but will likely impact Sturgeon County in the next few years as well.
Coordination for designated industrial zone policy and development permit processes with Alberta Industrial Heartland Association to manage and encourage sustainable industrial growth.	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.
Create a new assessment class for derelict properties within the downtown.	Council approved the new Community Standards Bylaw on June 23, 2026. The bylaw establishes timelines for addressing boarded and derelict properties. Enforcement Orders have been issued for two properties, requiring compliance within 24 months.
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	- The Joint Use Planning Agreement (JUPA) was finalized in September of 2025. This agreement clarifies expectations for the next five years. - The first annual Operating Committee meeting required through the JUPA was hosted in June.

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Appendix 2 - Strategic Plan Update

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.	- 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 2027 to confirm next steps.
Undertake a Wastewater System Master Plan to support wastewater service and system planning.	- 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.	- 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. - Asset management updated scheduled for October 20, 2026 Committee of the Whole meeting.
Ongoing review and refinements to 10-year Capital Plan content, process and supporting documentation.	- 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 was presented to Council for feedback on June 16, 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.	- Amendments to the Reserve Policy were approved by Council in August 2025 to enable saving for future storm pond and major culvert refurbishment projects. - At the May 19 Committee of the Whole, Public Works presented a report on Stormwater Facilities Maintenance Program and a Proposed Reserve Contribution. The report outlined the need for a dedicated reserve and proposed funding strategy. Administration will bring forward a funding request through the 2027 budget deliberations as part of the Reserve Contribution recommendation.

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Appendix 2 - Strategic Plan Update

Strategic Initiatives	Progress in the Period
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.	• 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. Administration continues to watch for appropriate sites, but limited opportunities for non-serviced land within Fort Saskatchewan have arisen. Administration is now watching for opportunities within surrounding areas. • 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 peak 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 three years. • The Borrowing bylaw for the new Firehall was passed in August 2026. Detailed design is underway with construction expected to begin in Spring 2027.

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Appendix 2 - Strategic Plan Update

Strategic Initiatives	Progress in the Period
Continued use and implementation of Vision Zero strategies and the Safe Systems Model with resultant changes to roadway infrastructure and traffic safety culture.	The City through the partnership of the RCMP and MES advanced the Vision Zero goal during this reporting period. There were no fatal or major injury collisions, strong impaired driving enforcement results, extensive traffic safety education initiatives, and continued partnerships between RCMP and MES to improve roadway safety for all users. Collisions: A number of collisions were reported between May 1 and August 30, 2026. • The collision types included property damage collisions, hit-and-run collisions, and injury collisions • No fatal collisions or major injury collisions were reported during the reporting period. • A few vulnerable road users were involved in collisions including bicyclists, e-scooters, and pedestrians. Enforcement: A substantial amount of traffic violations were issued from May – Aug. The RCMP and MES issued several tickets and warnings, including warnings for traffic-related offences. • RCMP officers removed a few impaired drivers from local roadways through criminal charges or Immediate Roadside Sanctions. • Some Traffic Enforcement Noise and Speed Offence Reduction (TENSOR) operations were conducted. • MES and RCMP members completed a number of additional joint traffic enforcement operations. Enforcement efforts remained focused on high-risk driving behaviours, including impaired driving, excessive speed, and vehicle noise concerns. Education and Awareness: Traffic safety education continued to support Vision Zero by promoting safer driving behaviours and increasing public awareness. • MES delivered the Option 4 Traffic Safety Program targeting vehicle equipment violations: several violations were issued with an opportunity for drivers to correct deficiencies and have tickets withdrawn. Compliance rates remained low, with a few of participants correcting the violation and majority electing to pay the ticket. • MES hosted the annual Bike Rodeo, providing hands-on bicycle safety education for youth. • Bicycle safety presentations were delivered in local elementary schools. • Educational videos addressing vehicle noise, trail etiquette, and trail safety were developed and shared through social media channels. • MES conducted a child car seat installation clinic for residents. • Back-to-School education initiatives were completed in late August to remind motorists of school zone safety requirements. Commercial Vehicle Enforcement: MES completed several commercial vehicle inspections. • Several violations were identified and enforced during inspections. • Officers participated in a large Joint Force Commercial Vehicle Enforcement operation involving a number of participants from several neighbouring law enforcement agencies.
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.	• Funding to update the Transportation Master Plan was approved through the 2026 budget process. • The selected consultant is gathering data and beginning to formulate the report. Work is expected to be presented to Council in the first half of 2027.

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Appendix 2 - Strategic Plan Update

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.	- A large number of residents attended Village Social: An Alberta Day Celebration at the Fort Heritage Precinct. Residents stepped back in time with blacksmith demonstrations, square dancing, traditional field games, and historical village interpretation. Attendees enjoyed the petting zoo, free freshly popped popcorn, and the Sheep Shack activation. Funding for the event was provided by the Government of Alberta. - The Fort Heritage Precinct had busy summer. This summer, the Precinct also welcomed more daycare groups, giving hundreds of children the opportunity to play, explore, and learn through hands-on history experiences. Programming included four sold out Crime Tours, the debut of the Escape Room program, the Thrifty Cooking programming series, outreach programming at local seniors' centers, and Specialty Tours every Saturday throughout the summer. These tours explored a variety of topics, ranging from historic architecture to local flora and fauna. - Despite the rain, the community continued to support the midweek celebration of Canada Day and its related activities. With expanded breakfast hours, a new parade route, and "Ride the Vibe" (stunt motorcycles), overall daytime attendance numbers continue to increase annually. However, due to the weather forecast, there was smaller evening entertainment crowd but those in attendance enjoyed Wide Mouth Mason, The Buckleys and Sarah Vanderzon. Fireworks went ahead despite the rain. - Legacy Park Family Festival has another year of growth in attendance and community group participation. Community members enjoyed over 30 community group engagements while taking in performances and fun activating the whole of Legacy Park. - The Shell Theatre saw great support from the community for its programming. A diverse season that saw Glass Tiger, Jess Moskaluke, and Ballet Kelowna grace the stage. Bif Naked brought a special engagement with a documentary about her life followed by an acoustic performance. - Special Event Permitting saw collaboration with Strathcona county for the Alberta Summer Games on our trails, The Edmonton Symphony Orchestra in addition to core community events such as, car shows, and Farmer's Markets (every Thursday). - Summer programming included regular camps with one-day, week-long and kinder camps and Leaders in Training options, as well as sport camps delivered in partnership with Sports ball, Level Up and local Golf Club camps. There were some community swims at the Harbour Pool such as for Mother's and Father's Days, Wild West Day Public Swim, Water Safety Day Public Swim. In addition, Harbour Pool in June had the Out of School Bash and concluded with the Back to School Bash. - Bike Skills Park construction began in July but due to rain progress was slow. To date the site has been stripped, rough graded and site amenities have been ordered. The required specialized clay material required for the pump tracks has been difficult to source. Alternate material sources or options to mix material are being explored and construction is expected to resume in mid-September with competition anticipated for the end of October. Material from the aquatics project has been hauled and graded for the future second phase. - Tourism Hosting grant awarded two events; Wild Rose Old Time Fiddle Festival and Grand North American Old Time Fiddle Championships and Minor Baseball Provincials both held in July.

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Appendix 2 - Strategic Plan Update

	Through collaboration with Strathcona County, the Alberta Summer Games Mountain Bike event was held at West River's Edge July 16-19, using the Pavilion and surrounding single-track multi-use river valley trails. The site supported key event operations, including athlete and volunteer areas, bike storage, food service, medical support, admissions, results, security, and course support City staff and the Fort Saskatchewan Trail Alliance. There were minor access impacts or residents during the event including restricted trail access during training and competitions and temporary disc golf course closure for the weekend.
Undertake Jubilee Recreation Centre modernization.	Completed in July 2025.
Diversity, Equity, and Inclusion Action Plan continued implementation with emphasis on community accessibility of City venues and community and employee mental health and wellness.	- 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.	- Heritage Trails Park (formerly Fort Centre Park) development is complete. The grand opening ceremony was hosted in June of 2025. As per Council's direction, phase II of Heritage Trails Park will be incorporated into the 2027-2036 10-Year Capital Plan. - 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.	- As National Indigenous Peoples Day fell on Father's Day this year, the celebration was expanded into a month-long series of activities recognizing National Indigenous History Month. In partnership with Creating Hope Society, Indigenous programming was brought directly to community members where they already gathered. Activities included cultural programming at the Bridge Wellness Hub, storytelling and cultural sharing opportunities at a local seniors' residence, an Indigenous takeover at the Fort Saskatchewan Farmers' Market featuring performances and bannock, a tea and bannock gathering delivered in partnership with the Fort Saskatchewan Public Library, and a community medicine walk and talk. By delivering programming in spaces already frequented by youth, seniors, families, and the broader community, we were able to reach audiences who may not otherwise have participated in traditional event-based programming. This approach met residents where they were, increase accessibility, and provide meaningful opportunities for people of all ages to learn, connect, and celebrate Indigenous histories, cultures, and perspectives. - The Hear Our Voices: Michel People & Residential Schools exhibition opened this summer with an opening ceremony held in partnership with the Friends of Michel Society. Since opening, the exhibition has been available free of charge during regular museum operating hours, providing residents and visitors with an opportunity to engage with the histories and experiences of the Michel people and the lasting impacts of residential schools. Through a compelling and thought-provoking series of videos totaling approximately 50 minutes in length, visitors are invited to learn and reflect on these important stories. This exhibit was also supported by members of the Fort Saskatchewan Historical Society volunteering on select Saturdays, helping welcome visitors and support the exhibition throughout its run. - In partnership with ANEW Centre for Healing, the Fort Heritage Precinct hosted local Indigenous families for a tipi teaching and the raising of the Healing Hands of Reconciliation Tipi at the Fort Heritage Precinct. The event provided an opportunity for cultural learning, and the sharing of traditional knowledge.

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Appendix 2 - Strategic Plan Update

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.	Administration has been preparing for Phase 2 of the Extended Producer Responsibility program, which will be implemented on October 1, 2026. Phase 2 will see an expanded list of accepted materials at the Eco Station and in the Blue Bag program. As part of the transition, the Eco Station will transition to mixed recyclable bins which eliminates the need for users to separate their recyclables on site.
Prepare an Urban Forest Protection and Enhancement Plan to further improve and add to existing assets while also preventing unnecessary or premature loss.	The City has received funding from Federation of Canadian Municipalities for the 2025/2026 tree planting program. To date, approximately 450 trees has been planted in specific locations as part of this program. The remaining 150 trees will be planted in the fall of 2026.
Investigate usage of satellite City maintenance yards for efficiencies and to reduce travel distances for City vehicles and equipment.	- 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.	- 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.	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. However, damage to a single-track trail in the West River's Edge area was located at the outfall of the Wetland storm ponds. Public Works initiated discussion with the Fort Saskatchewan Trail Alliance to restore the trail. A plan is in place and restoration should be completed by the fall. A detour is currently in place while trail repairs is being addressed.

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Appendix 2 - Strategic Plan Update

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.	- The City continues to train summer and winter 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.	- 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.	- 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.	- The City continues to monitor intergovernmental matters and provide updates to Council as new information is available. - The 2027 – 2030 Strategic Plan provides direction to advance the City's priorities through intergovernmental advocacy. A draft Advocacy Strategy, including the City's advocacy priorities, will be presented to Council on October 13, 2026.. - 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 2027. - AIHA has organized an External Relations Municipality Working Group to discuss advocacy and intergovernmental relations. Administration is working with AIHA and this group to advance advocacy regarding funding for the Veteran's Way widening . - Administration has developed an Advocacy Plan in consultation with AIHA regarding a request for provincial support for the widening of Veteran's Way. Specifically, the ask is \$6 million (60% of the cost) of the first phase of the widening, from 101 Street to the Highway 15/21 intersection, from four to six lanes. As part of this plan, a webpage with information on the project is being developed, and letters of support from AIHA member municipalities and major industry have been requested.
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.	- 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). The City participated in the Municipal Realities session on October 1. - The Regional Mayors Table was successful in securing a provincial grant to support ongoing intergovernmental work. - The Regional Transit Group continues its collaboration to improve serve across the region.

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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.	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.	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.	- Administration has transitioned this work into broader corporate planning improvements that support implementation of Council's Strategic Plan and the Corporate Business Plan, with oversight provided by the Leadership Team. - Process improvements have been identified across Leadership Team, Finance, Legislative Services, and Communications functions to strengthen corporate planning and reporting. - Administration will bring the Corporate Business Plan to Council on October 20, 2026, for information and feedback. The Plan will help guide future corporate planning and will serve as a key input into the 2028 budget cycle, while also informing elements of the 2027 budget process.
Ensure programs are in place to support corporate culture and values, staff retention/attraction, leadership, and mental health.	- The City hosted Leadership Training Sessions for staff in May 2026 and have scheduled Employee Development Training Sessions for September 2026. The sessions reached maximum capacity, indicating strong interest and engagement from staff. - The City launched a new benefits program for health, dental, and insurance in February 2026. This included a more fulsome Employee and Family Assistance Program for mental health support. - City employees participated in the Edmonton and Area Corporate Challenge during May – June 2026 on personal time as a way to connect and build relationships with coworkers. - The City's Social Committee hosted the annual summer BBQ in June 2026 that saw employees come together for engaging activities that foster employee connection across the organization, including fundraising for United Way. - The City launched an internal Health and Safety App in June 2026 to provide all City employees with centralized access to key health and safety resources, including incident reporting, hazard identification, physical demands analysis, and hazard assessments.
Develop a recommendation for the future of the Citywide Emergency siren System.	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.	- 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 and a Current State Report was completed, and the development of a SharePoint architecture is underway. The complete migration is expected to take place 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
Engineering Structures						
19008	Neighbourhood Rehabilitation	18,370	18,247	-	123	Complete
19010	450 mm Water Main	1,000	1,150	-	(150)	Complete
19018	Sump Pump Retrofit Program	5,700	5,079	621	-	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	539	1,161	-	Dec 2028
24011	100 Ave / Legacy Park Road Enhancements	1,100	946	21	134	Dec 2026
24200	Neighbourhood Rehabilitation (2024)	4,745	2,152	2,593	-	Dec 2026
25008	Water Tower Refurbishment	2,015	830	1,185	-	Dec 2026
25024	Industrial Wastewater Extension	3,000	169	2,831	-	Dec 2026
25100	Local Road Rehab (2025)	3,374	2,509	-	865	Complete
25200	Neighbourhood Rehab (2025)	5,220	4,439	781	-	Dec 2026
26030	Southfort Drive and Southfort Blvd Widening Design	675	88	587	-	Dec 2027
26032	Point Aux Pins Storm Pond 11	589	-	589	-	Dec 2026
26100	Local Road Rehab (2026)	2,860	7	2,853	-	Dec 2026
26200	Neighbourhood Rehab (2026)	5,711	1,945	3,766	-	Dec 2026
Total Engineering Structures		59,084	40,499	17,074	1,512	

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Appendix 3 - Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion
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
22012	Fire Services Equipment Lifecycle Replacement	2,700	886	1,814	-	Apr 2028
24014	Project Portfolio Management Software Replacement	125	77	48	-	Dec 2026
25010	Fleet Addition - New Local Transit Buses	480	60	420	-	Dec 2027
25023	Fleet Addition -Utilities Growth Plan	190	86	104	-	Dec 2026
25036	Two Radio System Replacement	650	664	(14)	-	Apr 2026
25300	IT Equip. Replacement (2025)	147	150	(3)	-	Dec 2025
25400	Fleet & Equip. Replacement (2025)	1,028	725	304	-	Dec 2026
19006	Culture Eqp. Life Cycle Replacement	112	94	-	18	Aug 2026
26003	Roads Growth Plan	434	-	434	-	Dec 2026
26004	Parks Growth Plan	75	82	(7)	-	Dec 2026
26013	Enterprise Resource Planning Implementation	174	123	51	-	Dec 2028
26018	Utilities Growth Plan	93	-	93	-	Dec 2026
26023	Municipal Enforcement In-Car Video Replacement	160	94	65	-	Aug 2026
26024	Municipal Enforcement Body-Worn Camera Equipment	79	59	20	-	Dec 2026
26300	IT Equipment Lifecycle Replacement	305	321	(16)	-	Dec 2026
26400	Fleet and Equipment Lifecycle Replacements (2026)	2,165	623	1,542	-	Jun 2027
26600	Fire Equipment Lifecycle Replacement	3,000	-	3,000	-	Dec 2026
Total Vehicles, Machinery & Equipment		12,337	4,256	8,064	18	

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		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion
Buildings						
22100	Jubilee Recreation Centre Modernization	17,819	17,782	36	-	Aug 2026
24016	Aquatics Planning / Construction	72,000	14,499	57,501	-	Dec 2028
25025	Helmuth Ritter Fire Station	30,990	896	30,094	-	Dec 2028
25031	City Hall Security Project	20	27	-	(7)	Complete
26022	Walter Thomas Fire Station Securement Fencing	185	-	185	-	Dec 2026
26500	Facility Lifecycle Program	1,158	217	941	-	Dec 2026
29008	New Arena DCC Planning & Construction	200	-	200	-	Dec 2027
Total Buildings		122,372	33,421	88,957	(7)	
		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Variance \$000s	Estimated Completion
Land Improvements						
21023	Heritage Trails Park - Phase 1	1,650	1,486	164	-	Dec 2026
23030	92 Street Trail Conversion	150	140	-	10	Apr 2026
25020	Bike Skills Park	497	91	406	-	Dec 2026
25021	Playground Equipment Lifecycle Replacement	350	350	-	-	Dec 2026
25022	Materials Handling Site	130	27	103	-	Dec 2026
25028	City Entrance Signs Design	300	-	300	-	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 Dog Park Modifications	245	53	192	-	Dec 2026
26019	Playground Equipment Lifecycle	40	38	2	-	Dec 2026
Total Land Improvements		3,812	2,185	1,617	10	
City and Developer Capital Projects		197,605	80,361	115,712	1,533	