

2026

QUARTERLY CORPORATE REPORT

FOR THE QUARTER ENDED MARCH 31, 2026



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About the Corporate Quarterly Report

The Corporate Quarterly Report is produced three times per year to provide updates on key corporate activities, progress on Council’s strategic priorities, and the Town’s financial position for the reporting period.

Activities reported in this document are guided by Town Council’s Strategic Plan. The previous strategic plan concluded in Q4 2025, and the 2025–2029 Strategic Plan was approved by Council in early Q2 2026. As a result, this report reflects a transition period, capturing activities undertaken in support of ongoing operations and Council direction prior to full alignment with the new Strategic Plan.

Future Corporate Quarterly Reports will be structured to align directly with the 2025–2029 Strategic Plan and will report on progress toward its established priorities.

The report contains the following sections:

1. Key Activities
2. Strategic Plan Reporting (Contextual Update)
3. Grant Funding Activity
4. Capital Plan Implementation Highlights
5. Financial Reporting

Key Activities

Bringing Municipal Governance to Life: Grade 6 Mock Council

On January 20, 2026, and February 3, 2026, Grade 6 students from W.G. Murdoch School participated in mock Council meetings with the Town of Crossfield as part of their government and politics unit. Students also held a mock election, where their peers elected a Mayor, six Councillors, and a Chief Administrative Officer.

During the sessions, students practiced making motions, reviewing administrative reports for





consideration, and asking questions of Town Administration, gaining hands-on experience in how local government decisions are made. Students then attended public Council meetings, where they delivered presentations to Council and observed the formal proceedings.

Municipal governance forms part of the Grade 6 curriculum, and with the support of their teacher, Ms. Masters, students were able to put their learning into action through this hands-on experience. The Town appreciates Ms. Masters' leadership in organizing this initiative and commends the students for their engagement and participation.

Community Policing Plan – Phase 1 Initiated

On January 20, 2026, Administration presented a proposed framework to Council for the development of a Community Policing Plan for the Town of Crossfield. The framework outlined a five-phase approach to guide the plan's development, including data collection, stakeholder and public engagement, and Council review.

Council approved the framework and authorized Administration to proceed with Phase 1. Work has since commenced, focusing on initial project scoping and preparation for data collection.

The Community Policing Plan will define priorities for municipal enforcement, strengthen coordination with the RCMP, and improve transparency and public understanding of local policing efforts. The plan is being developed in-house using existing staff resources and does not change current policing services or commit Council to additional staffing.

Active Transportation Engagement Supporting Future Planning

On March 9, 2026, the Town launched a community survey on active transportation, followed by an Open House on March 24 to gather additional input and connect with residents.

Engagement was strong, with 287 survey responses and in-person participation. Feedback confirmed regular use of sidewalks and pathways and strong support for continued investment.

Key priorities identified include improving connectivity, addressing gaps in sidewalks and pathways, enhancing safety at key locations, and improving winter maintenance for year-round use. Residents also noted the importance of amenities such as lighting, benches, and landscaping.

This input will inform the development of the Town’s Active Transportation Plan, which is underway and expected in late Q3, and will guide future active transportation infrastructure planning and investment.

Public Engagement Results:



Updated Bylaws

During Q1 2026, several bylaws were updated to improve clarity, consistency, and service delivery.

- The Fees & Rates Bylaw was amended to incorporate fees related to the Amery Park Community Garden plots.
- A new Fire Services Bylaw was adopted, consolidating multiple existing bylaws, including the Fire Permit Bylaw, into a single, comprehensive framework. This update streamlines regulations and improves administrative efficiency.
- The Land Use Bylaw also received targeted textual amendments following a Public Hearing held on March 17, 2026. These amendments address identified gaps and include the designation of the Town’s Peace Officer as an enforcement authority, the addition of offence provisions and associated penalties, and the allowance of shipping containers on a temporary, case-by-case basis. Further consideration of shipping containers will be addressed as part of the Land Use Bylaw renewal scheduled to begin in summer 2026.

Snow Removal Activities

During Q1 2026, the Public Works/Operations crew removed approximately 7,997 tonnes of snow over 12 active hauling days, completing a total of 727 loads, with an average of 61 loads per day. Daily productivity varied depending on conditions, peaking at 118 loads removed in a single day. Operations were scaled based on demand, with crews utilizing between two and four trucks during snow removal efforts.

Crews conducted snow and ice control activities throughout the quarter, including a significant winter weather event on February 17, 2026. During this event, Operations crews worked closely with office staff, who acted as a central hub for resident concerns and

service requests. This coordination enabled crews to identify high-priority areas where vehicles were becoming stuck and respond in real time to maintain mobility across the community until conditions improved.

Development & Building Permit Activities

Development Permits	2023 (full year)	2024 (Q1)	2025 (Q1)	2026 (Q1)
Received	50	31	32	9
Issued	115	31	32	9
New Home Start Permits	--	18	22	3
Fees (100% to Town)	--	\$4,535	\$7,165	\$1,840
Building Permits	2023 (Q1)	2024 (Q1)	2025 (Q1)	2026 (Q1)
Issued	17	29	42	24
Est. Construction Value	\$2,284,500	\$5,941,436	\$7,834,522	\$509,537
Fees (30% to Town)	\$13,467	\$35,184	\$41,335	\$6,673
Safety Codes Permits	2023 (Q1)	2024 (Q1)	2025 (Q1)	2026 (Q1)
Electrical	23	38	66	33
Gas	14	25	34	10
Plumbing	10	23	33	19
Total Fees (30% to Town)	\$6,304	\$23,188	\$25,753	\$11,223

In Q1 2026, the Town continued to experience a slowdown in Development and Building Permit activity compared to previous years, marking the third consecutive quarter of decline. Development Permit issuances decreased compared to the same time last year, including fewer new home starts, reflecting effects of the wastewater capacity constraints and possibly softer real estate market conditions in Alberta.

Building Permit activity also declined compared to Q1 2025, with fewer permits issued, resulting in lower estimated construction values and associated fees.

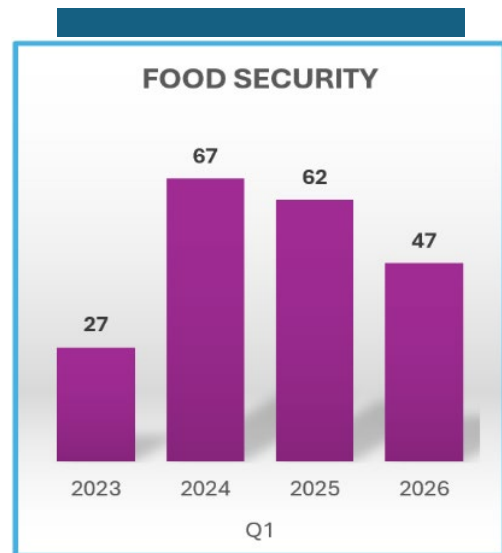
This trend was similarly reflected in Safety Codes activity, which also declined compared to Q1 2025, with fewer permits and inspections completed and lower associated fee revenue, consistent with the overall decrease in construction and development activity.

Social Needs

The **Food Security** chart illustrates the number of Crossfield and Madden residents who accessed the Crossfield-Madden Food Bank during January, February and March 2026. Eligible residents may access a food hamper once every 30 days, subject to program guidelines.

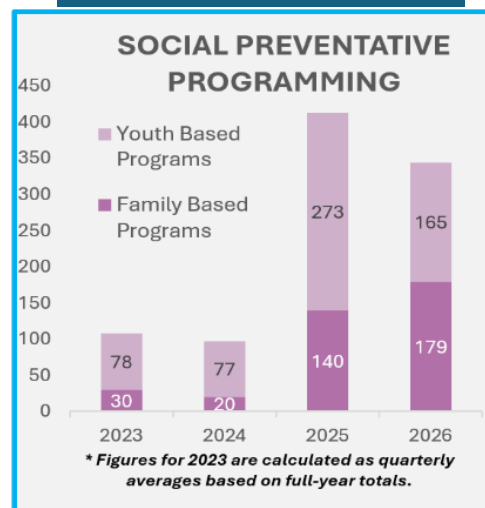
During Q1 2026, 47 households accessed food hampers through the food bank, representing a 24% decrease compared to the same period in 2025. In addition to the hampers, 215 households received supplementary top-ups to assist with ongoing food needs. These top-ups are provided independently of the hamper program and may not have been received by the same households.

2023 volumes were provided by the Airdrie Food Bank, while 2024 to 2026 volumes are from the Crossfield Madden Food Bank.



Social Preventative Programming is available to families and youth in Crossfield, supporting overall community well-being. The data reflects the total number of families and youth engaged in these programs on a quarterly basis. It is important to note that youth-based programs vary each quarter depending on seasonal offerings and initiatives.

For consistency in reporting, it is important to note that 2023 to 2025 Social Preventative Programming data was previously tracked as year-to-date totals and have been averaged into quarterly figures by evenly distributing annual volumes across four quarters.



Youth and Family Program participation remained strong in Q1 2026. Youth participation totalled 165, while slightly down from 2025 levels, were still above historical averages. Family Based Programs continued to grow, reaching 179 participants. These results were achieved despite the FCSS Coordinator position being vacant for part of the quarter, with recruitment currently underway.

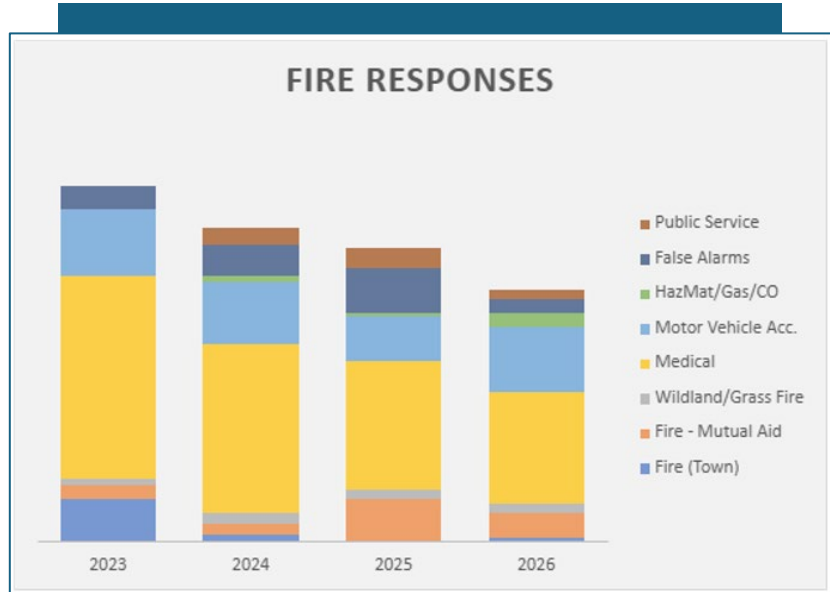
The Town continues to provide inclusive and responsive youth and family programming aimed at enhancing community well-being and fostering social connections throughout the year.

Family-based programs include Crossfield Mom Co. (formerly Mothers of Preschoolers), Parent and Tot Playgroup, Story Hour, Family Movie Days, etc., while **youth-based programs** include Craft Club, Lego Club, Adulting 101 Workshops, After-School Youth programs, Crossfield Summer Adventures Day Camp, etc.

Protective Services

The following outlines key Q1 activities related to Fire Services and Municipal Enforcement.

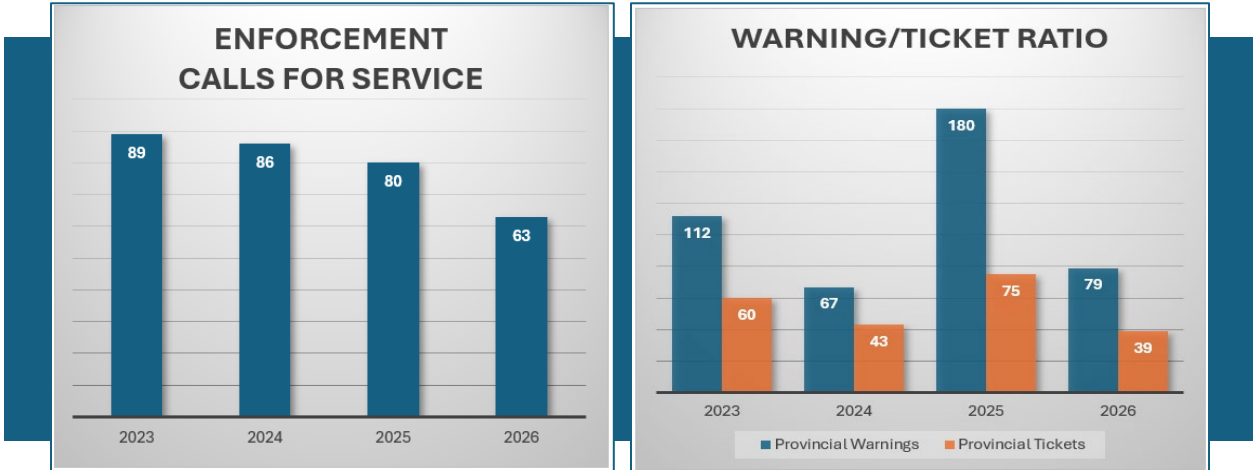
The **Fire Department** continued to provide vital fire protection services to safeguard life, property, and the environment through timely emergency response. In Q1 2026, total response incidents decreased overall by 14% compared to Q1 2025. Medical calls remained the leading call type, declining by 13.5% and continuing a downward trend following a peak in 2023. All medical responses were classified as Charlie, Delta, or Echo, indicating higher-acuity, priority medical incidents.



Responses to motor vehicle accidents increased from 13 in Q1 2025 to 19 in Q1 2026, a 46% rise, potentially driven by higher traffic volumes and winter driving conditions. Fire-related incidents, including town fires, mutual aid, and wildland responses, decreased by approximately 27%.

Cold weather contributed to an increase in hazardous materials and gas/CO calls, with 4 incidents in Q1 2026 compared to 1 in Q1 2025. False alarm responses also declined from 13 to 4, suggesting positive impact of public education and fire alarm awareness initiatives led by the Fire Chief and crews.

The **Municipal Enforcement** department delivers professional and effective services through a balanced approach that emphasizes education and regulatory compliance. Its focus includes enforcing municipal bylaws, upholding community standards and public safety, promoting traffic safety, and protecting Town infrastructure to ensure Crossfield remains a safe and secure place to live, work, and play.



Officers responded to 63 **calls for service** in Q1 2026, a 21% decrease compared to the same period in 2025. This reflects the proactive and targeted approach to enforcement, with increased emphasis on education, compliance, and priority-based response. Focused efforts on snow removal and parking enforcement, along with time dedicated to complex files such as serious dog attacks and community standards violations, supported improved outcomes in key areas of community safety.

The department issued 79 warnings and 39 tickets under provincial statutes, with tickets issued in approximately 33% of all related encounters, roughly **one ticket for every two warnings**. Education remained the primary approach, with an emphasis on voluntary compliance through awareness and engagement. Enforcement action continued to be applied in cases involving repeat offences or public safety risks.

Officers addressed several high-risk driving behaviours during Q1 2026, including excessive speeding, careless driving, and suspended drivers. Ongoing concerns observed during patrols, such as speeding, failure to stop, distracted driving, and non-compliant behaviour, reinforce the continued need for targeted enforcement and public education to support community safety.

Following Council’s approval in Q4 2025 to add a full-time Bylaw Enforcement Officer position, **recruitment activities** were actively undertaken in Q1 2026, with the goal of strengthening departmental capacity and enhancing service delivery in the community.

Peace Officers and Bylaw Officers do not have the authority to handle Criminal Code matters. Their role focuses on bylaw enforcement, traffic enforcement, public education, and community engagement to maintain peace and enhance resident quality of life.

Customer Engagement

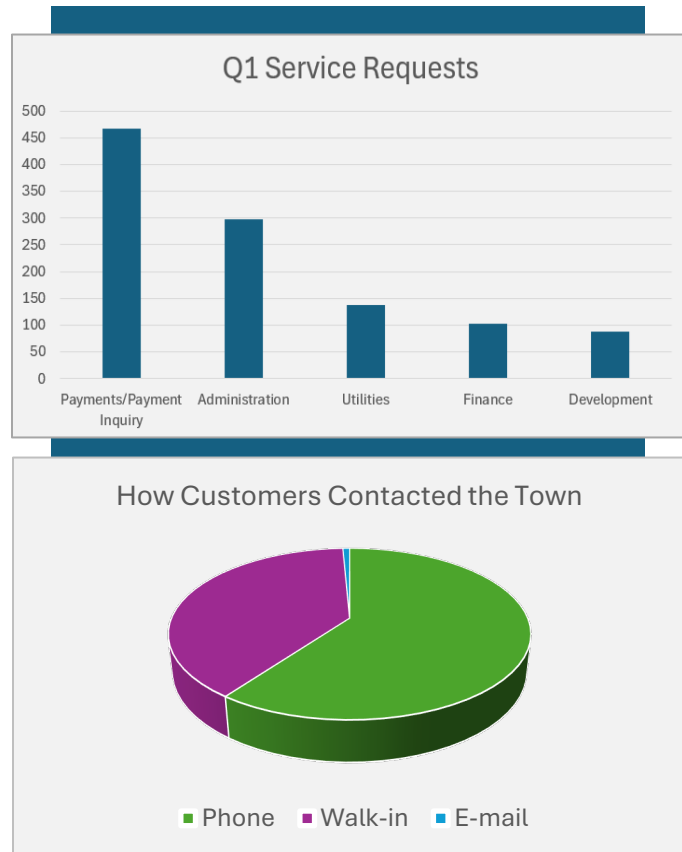
In Q1 2026, the Town received 1,251 customer inquiries across a wide range of municipal services. Of these, 750 were phone calls, 492 were walk-in inquiries, and 9 were received by email, reflecting a continued preference for direct, real-time interaction with staff. Overall, the Town experienced a 12% increase in customer inquiry volumes compared to Q1 2025, reflecting a moderate rise in demand.

The most common inquiries during the quarter related to Payments and Payment Inquiries, Administration, Utilities, Finance, and Development.

Payment-related inquiries represented the largest share of interactions, primarily driven by utility payments, business licence and dog licence renewals, along with community program and tax-related payments. Administration inquiries covered a broad range of front-counter services, including general information requests, hall bookings, and waste and recycling inquiries.

Utilities inquiries were largely related to utility account management, including account inquiries, new account setup, and move-out requests. Finance inquiries were predominantly tied to property tax accounts and the TIPPS program, while Development inquiries were primarily general in nature, with residents seeking information on permitting, requirements, and processes prior to submitting applications.

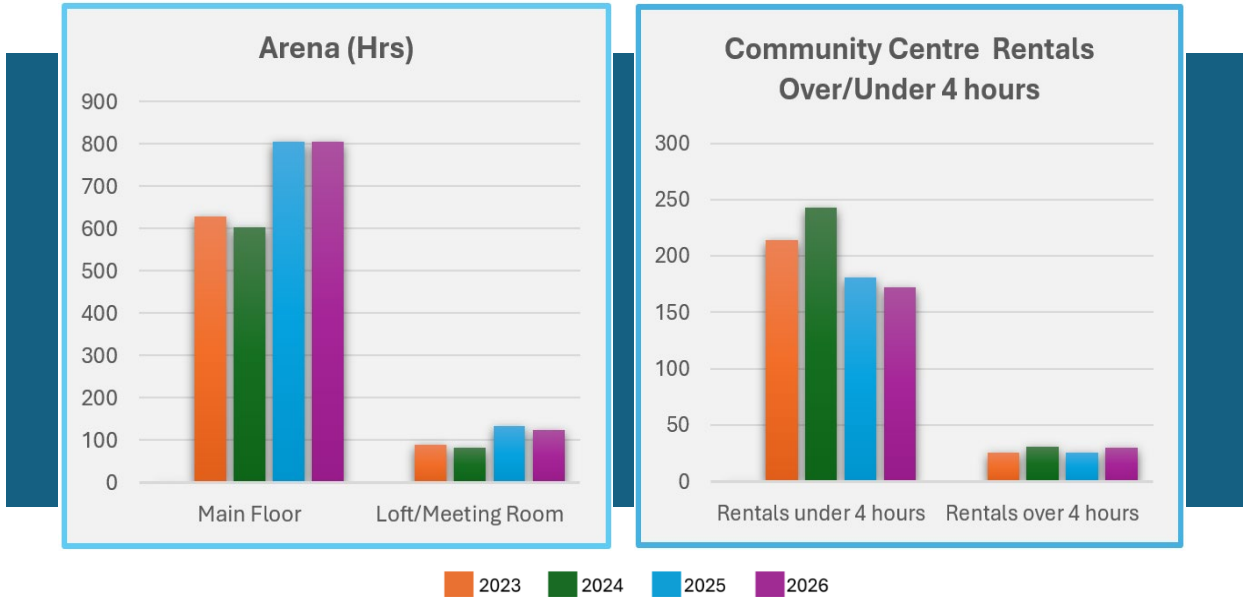
The overall increase in service request volume aligns with continued community growth and resident engagement, particularly in high-touch service areas such as payments, utilities, and general inquiries. The volume and nature of inquiries also highlight the importance of maintaining accessible customer service channels, while presenting



opportunities to further enhance digital services, online information, and self-serve options to support efficiency and meet evolving resident expectations.

Facility/ Amenity Statistics and Trends

The Town of Crossfield operates 2 main facilities and 6 athletic fields that are available for public rental. Rentable spaces include the Pete Knight Arena, the Crossfield & District Community Centre, 4 baseball diamonds and 2 green spaces dedicated for soccer use. Utilization stats for the Pete Knight Memorial Arena and the Crossfield & District Community Centre for Q1 over the past 4 years are presented in the charts below.



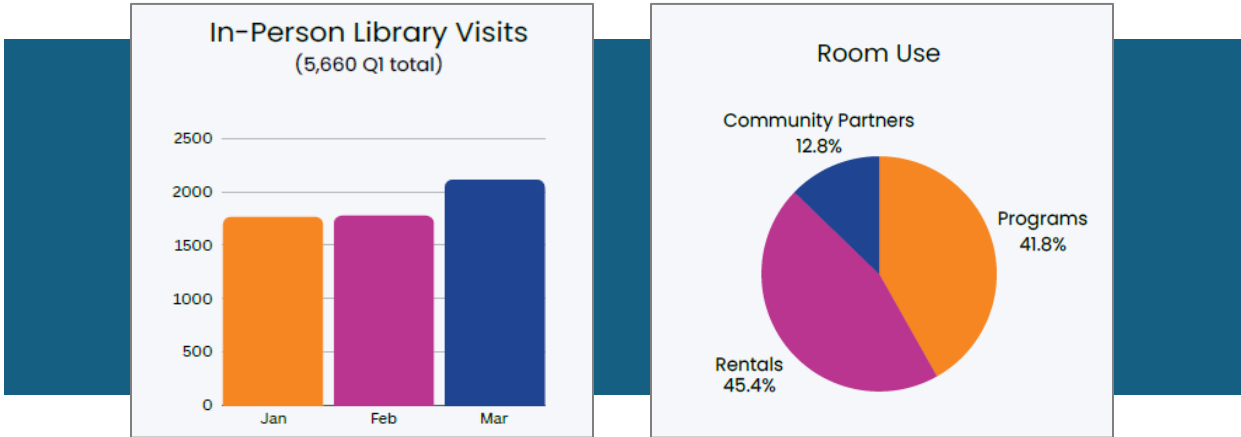
Usage at the **Pete Knight Memorial Arena** remained stable in Q1 2026 compared to the same period in 2025. The main floor recorded 806.5 hours of bookings, consistent with the previous year, indicating continued strong demand for ice time and recreational use. Notably, a greater proportion of bookings in Q1 2026 were private rentals (*bookings by individuals, families, or independent groups rather than organized leagues or associations*) reflecting a slight shift in usage patterns while maintaining overall utilization levels. The Arena loft/meeting room saw a slight decrease in bookings, with 125 hours recorded in Q1 2026 compared to 133 hours in Q1 2025. This modest decline reflects reduced demand for meeting, birthday party and recreational space.

Usage at the Crossfield & District Community Centre also remained relatively consistent in Q1 2026 compared to the same period in 2025. Short-duration rentals (under 4 hours) totalled 172 bookings, a slight decrease from 181 in Q1 2025, while longer-duration rentals (over 4 hours) increased modestly to 30 bookings from 26 the previous year. Minor

fluctuations in bookings were influenced by scheduling adjustments, including some exercise classes being cancelled to accommodate larger events, one regular user group taking an extended holiday period in February, and an increase in larger meetings and seminars hosted by local businesses. Overall, the facility continues to support a balanced mix of community programming and event-based use.

Usage of the soccer fields and baseball diamonds is seasonal, with no activity during Q1 2026. Reporting on these amenities will resume in Q2 2026 when bookings and community programs recommence.

The **Crossfield Municipal Library** also contributes to the Town’s overall facility and amenity use, supporting community well-being, literacy, and access to resources. Locally governed by a Board appointed by Council and supported through the Marigold Library System, residents benefit from expanded collections, digital services, and shared resources beyond what a local library could provide independently.



In Q1 2026, the Library recorded 32 new cardholders, and had 5,660 in-person visitors, consistent with Q1 2025. A total of 6,420 physical items, including books, DVDs, and other materials, were circulated, representing a modest decline compared to the same period last year. Programming activity increased, with 59 programs delivered in Q1 2026, up from 51 in Q1 2025, reflecting continued investment in community programming.

Youth program participation totalled 144 attendees over 35 sessions, while adult programming included one session with 13 participants. Family-focused programming also remained strong, with approximately 110 families participating in programs such as Story Hour, Homeschool Zone, and Community Junction.

The Library also coordinates the use of two community spaces within the facility: the **Program Room**, which accommodates up to 50 people and supports a range of programming and community uses, and the **Boardroom**, which accommodates up to 12

people and is primarily used as a meeting space. These spaces are used for Library programming, external fee-based rentals, and by Community Partners. In Q1 2026, 45.4% of room bookings were fee-based, 12.8% were used by Community Partners, and 41.8% were allocated to Library programming.

Communication Statistics



Strategic Plan Reporting

Following the conclusion of the 2021–2025 Strategic Plan, Council initiated development of its 2025–2029 Strategic Plan in Q1 2026. On February 10, 2026, Council participated in a strategic planning session facilitated by an external consultant, focused on identifying key priorities in response to current community needs, emerging challenges, and future opportunities.

The 2025–2029 Strategic Plan was approved by Council on April 7, 2026. Administration has since commenced development of an Operational Business Plan to support implementation and ensure alignment across departmental work plans and budgets.

As the Strategic Plan was approved at the end of the reporting period, formal progress reporting is not included in this quarter. Updates on implementation and performance will be incorporated into future Corporate Quarterly Reports.

Grant Funding

The following section provides an overview of the Town’s grant funding activity for Q1 2026, including funding received and applications currently under review. Definitions of formula-based and competitive grants are included for context, alongside tables that outline how each grant supports municipal programs, services, and capital projects within the 2025–2029 Council term.

Grant Funding Definitions

The Town receives grant funding through a mix of programs, which generally fall into two main categories:

Formula-Based Grants are funds allocated based on a predetermined formula, such as population, service levels, or demonstrated need. These grants provide predictable and ongoing funding to support municipal programs and services.

Competitive Grants are funds awarded through an application process, where proposals are evaluated against set criteria and program priorities. These funds are less certain, as they depend on available funding and program demands.

Funding Status & Activity

To date during the 2025-2029 Council term, the Town of Crossfield has secured **\$77,799**.

Approved Grant Funding				
Funding Source	Funding Type	Grant Name	Amount Awarded	Use of Funds
Province of Alberta	Formula-Based	Family and Community Support Services (FCSS) Program	\$18,884	Supports community services and outreach
Canadian Mental Health Association	Competitive	Rural Mental Health Project	\$15,000	Supports Crossfield Wellness Network’s “Connected & Capable” workshop series
Rocky View County	Competitive	Recreation & Culture Capital Assistance Grant	\$43,315	Supports Bike Skills and Pump Track Project (25% of total cost)
Province of Alberta	Competitive	National Volunteer Week Enhancement Fund	\$600	Supports National Volunteer Week recognition and appreciation advertising
Total =			\$77,799	

Grant Funding Applications Pending Decision				
Funding Source	Funding Type	Grant Name	Requested Funding Amount	Intended Use of Funds
Government of Canada	Competitive	Active Transportation Grant	\$87,900	Supports walking, cycling, and other non-motorized transportation infrastructure
Province of Alberta	Competitive	Alberta Municipal Water & Wastewater Partnership Grant	\$3,393,488	Supports the construction of the Lagoon polishing system to increase wastewater capacity
Province of Alberta	Competitive	Strategic Transportation Infrastructure Program (STIP) Grant	\$328,725	Supports repairs to culvert bridge on Western Drive crossing Nose Creek
Fortis	Competitive	Fortis Alberta Tree Planting Program	\$2,500	Supports tree planting at Murdoch Park to enhance green space
Alberta Blue Cross	Competitive	Community Wellbeing Grant	\$1,000	Supports senior's chair yoga sessions to promote health and wellbeing
Total =			\$3,813,613	

Capital Plan Implementation Highlights

Parks & Open Spaces

Bike Skills Park and Pump Track

In Q1 2026, Council approved the preferred concept design for the Bike Skills Park and Pump Track to be constructed in Murdoch Park. Following review of multiple design options, Council endorsed a concept that includes both a beginner track and an intermediate track, providing a well-rounded facility that accommodates riders of all ages and skill levels.

The approved design features a separated beginner loop and an intermediate track, allowing younger or less experienced riders to develop skills in a safe and comfortable environment, while also supporting more advanced users. This approach responds directly to community feedback, which identified the need for an inclusive, multi-skill facility. Council also approved an increased total project budget of \$218,315, inclusive of a 15% contingency, to support both design and construction. Funding for the project includes contributions from the Town's Capital Budget, the Crossfield Recreation Board, and a grant from Rocky View County.

Administration will continue working with the contractor to refine the detailed design within the approved budget, with construction anticipated to proceed in mid Q2 2026.

Fleet and Equipment

Street Sweeper Replacement

In March 2026, the Town took delivery of a new street sweeper ahead of spring road clean-up activities, replacing the existing 2013 Tymco unit that had reached the end of its service life.

The replacement is a used 2016 Elgin Pelican mechanical sweeper designed for municipal roadway maintenance. It improves safety and operational efficiency by allowing multi-position operation without travelling against traffic, while

increased operating speed enables crews to cover more of the road network in less time.

The new unit also significantly reduces dust during operation compared to the previous sweeper, improving air quality and visibility for both operators and residents—an improvement expected to be noticeable to the public.

This investment supports enhanced service levels and operational efficiency as the community continues to grow. The total cost was \$194,052 including delivery, coming in \$5,948 under budget.



Procurement Activity

Represents procurement awarded between January 1 – March 31, 2026, over a value of \$25,000.

Description	Awarded Vendor	# of Bids/ Quotes	Local Vendor	Awarded Value
Municipal Engineering Services (3-year contract)*	McElhanev Ltd	9	N	\$200,000
Property Assessment Services (3-year contract)*	Wild Rose Assessment Services Inc.	2	N	\$150,000

*Awarded on highest evaluated proposal.

Financial Reporting

Operations Variance Report



TOWN OF CROSSFIELD Operating Variance Report From January to March 2026

	2026 Budget	2026 Actuals	Variance \$	Variance %	2026 YE Forecast
REVENUE					
Net municipal taxes	5,893,268	1,510,688	(4,382,580)	74%	5,893,268
Government transfers for operating	424,711	18,885	(405,826)	96%	424,711
Sales and user fees	4,009,778	1,043,535	(2,966,243)	74%	4,009,778
Franchises and concessions	960,000	260,225	(699,775)	73%	960,000
Investment income	312,500	108,345	(204,155)	65%	312,500
Penalties income	149,000	40,923	(108,077)	73%	149,000
Other income	177,437	129,036	(48,400)	27%	177,437
Licences and permits	182,250	34,464	(147,786)	81%	182,250
	<u>12,108,943</u>	<u>3,146,101</u>	<u>(8,962,843)</u>		<u>12,108,943</u>
EXPENSES					
Salaries, wages & benefits	3,882,555	814,623	(3,067,932)	79%	3,882,555
Contracted & general services	2,351,370	331,142	(2,020,229)	86%	2,351,370
Materials, goods, supplies & utilities	2,869,126	616,073	(2,253,053)	79%	2,869,126
Transfer to local boards and agencies	306,304	121,625	(184,679)	60%	306,304
Bank charges and short-term interest	24,000	3,757	(20,243)	84%	24,000
Interest on capital long-term debt	193,516	66,172	(127,344)	66%	193,516
Provision for allowances	4,500	-	(4,500)	100%	4,500
	<u>9,631,371</u>	<u>1,953,391</u>	<u>(7,677,980)</u>		<u>9,631,371</u>
EXCESS (SHORTFALL) BEFORE OTHER	2,477,572	1,192,710	(1,284,863)		2,477,572
OTHER					
Add:					
Transfer from Reserves	50,700	-	(50,700)	100%	50,700
Less:					
Debt Repayment	676,047	175,388	(500,659)	74%	676,047
Transfer to Reserves	1,852,226	75,000	(1,777,226)	96%	1,852,226
	<u>(2,477,572)</u>	<u>(250,388)</u>	<u>2,227,184</u>		<u>(2,477,572)</u>
NET SURPLUS (DEFICIT)	-	942,322	942,322		-

Operating Variances

At the end of Quarter 1, it is generally expected that approximately 25% of annual revenues will have been collected and about 25% of expenditures committed. However, revenues and expenditures do not always occur evenly throughout the year due to seasonal factors, timing of grant receipts, and the scheduling of major projects or operational activities.

As a result, variances identified at this stage are often timing-related and may not be indicative of year-end outcomes. To improve comparability and accuracy, Administration may apply accruals to recognize revenues and expenses in the period in which they are earned or incurred, ensuring a more consistent representation of the Town's financial position.

Administration continues to monitor trends and assess whether variances are temporary or indicative of emerging pressures or opportunities that may impact the year-end forecast.

The following provides explanations for several of the more significant variances.

	Variance %	Explanation
REVENUE		
Government Transfers	96%	Unfavorable – due to timing of government transfer payments.
Investment Income	65%	Favorable - investment income is trending higher than expected, impacted primarily due to timing of cash outflows required for capital expenditures.
Licences & Permits	81%	Unfavorable – development permit activity has slowed compared to this time last year.
Other Income	27%	Favorable – unbudgeted Fortis streetlight rebates along with proceeds from the sale of 1999 International Pumper Truck.
EXPENDITURES		
Salaries, Wages & Benefits	79%	Favorable – salary and benefit costs are below budget due to position vacancies and timing of recruitment for newly budgeted positions and summer student activity in Q2 & Q3.
Contract & General Services	86%	Favorable – due to timing and seasonality of expenditures. For example, engineering services contract signed in late Q1 with expected costs to occur in Q2 and thereafter, and 911 dispatch services are billed in Q4.
Materials, Goods, Supplies & Utilities	80%	Favorable – due to timing and seasonality of expenditures. For example, most outdoor repair and maintenance programs (such as roads, playgrounds and splash park) occur in Q2 & Q3.
Transfer to Local Boards and Agencies	60%	Unfavorable – due to timing of payments, specifically referencing the annual transfer to the Crossfield Library Board. Anticipate to be on budget at year end.

2026 Year End Forecast

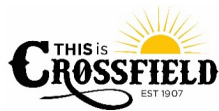
Included with the operating variance report is Administration’s year-end forecast, which reflects informed assumptions, professional judgement, and current operating trends to project anticipated revenues and expenditures as of December 31, 2026.

Administration has reviewed first-quarter financial results alongside operational performance to identify any potential material variances from the approved annual operating budget. At this stage, financial performance remains largely consistent with budget expectations.

Administration will continue to monitor financial and operational trends throughout the year and will refine the forecast as additional information becomes available.

Capital Budget Variance

At the end of the first quarter, it is typical for many capital projects to show limited progress or to have not yet commenced. This is primarily due to a combination of seasonal factors, the procurement process, and project planning timelines, which together influence when capital work can realistically begin. Activity is expected to increase substantially in Q2 and Q3 as weather improves, and projects move into the execution phase.



2026 CAPITAL BUDGET SUMMARY From January to March 2026

Project Description	2026 Budget	2026 Actual	Budget Remaining	% Complete	Project Status
Carry Forward Projects					
Active Transportation Plan	7,600	400	7,200	75%	Public Engagement complete. "What we Heard" report has been sent to Derek at MPE to incorporate into the plan.
Amery Park Rink Upgrades (2024)	18,300	18,300	-	95%	Construction complete - Peregrine finished their portion. Separate contractor to apply rubberized coating on exposed steel in Q2, when weather warms and dries out.
Amery Park Rink Upgrades (2025)	93,000	35,700	57,300	95%	See above
Dog Park Improvements	10,000	-	10,000		Hydroseed applied in fall 2025. Waiting to see how it did over the winter. Will re-apply seed where needed to ensure good coverage & strong catch on grass before opening.
Banta Park Revitalization Design	50,000	-	50,000		Not started yet. RFP needs to be issued
Bike Skills Park/Pump Track	100,000	3,000	97,000	10%	Preliminary design complete. Final design & construction expected in Q2
Effluent Storage Cell Invasive	100,000	-	100,000	15%	Preliminary engineering design has been prepared. Town looking at other options.
Fire Services Master Plan	17,972	14,956	3,016		BEHR is collecting information and compiling the report. Final report expected in late Q2 or early Q3.
Asphalt Overlay Program	180,000	-	180,000	15%	Priority repair areas identified. RFQ to be issued for contractor in Q2.
Laut Ave Reconstruction & Deep Utilities + Bulk Water Station Improvements	1,072,931	19,910	1,053,022	15%	RFP issued to select contractor for Q2/Q3 construction.
Water & Wastewater Main Replacement	25,000	-	25,000	95%	Major construction completed in 2025, minor adjustments needed in 2026 to close-out project.
2026 Capital Projects	1,674,803	92,265	1,582,538		



2026 CAPITAL BUDGET SUMMARY
From January to March 2026

Project Description	2026 Budget	2026 Actual	Budget Remaining	% Complete	Project Status
Asset Assessment					
Fire Services Master Plan	36,000	-	36,000	50%	BEHR is collecting information and compiling the report. Final report expected in late Q2 or early Q3
Asset Improvement					
Arena Front Door And Bleacher Accessibility Improvements	25,000	-	25,000		Gathering quotes to submit a CFEP grant application in partnership with the Skating Club. Grant application is due May 15 with notification expected in November.
West Lift Station New Pump + Digester	100,000	-	100,000	10%	Lift station under review internally by staff.
Cemetery Expansion Design, Build	100,000	-	100,000	0%	RFP to be issued later in 2026 for cemetery expansion design.
Tymco Sweeper Conversion	15,000	-	15,000	0%	New project, no progress as of Q1.
Twp Rd 284A Resurfacing - Hwy 2A To Industrial Park (730 M)	50,000	-	50,000	5%	New Town Engineer to review Twp Rd 284A surfacing options.
Asset Maintenance					
Arena Dressing Room Shower & Vanity Updates	72,000	-	72,000		Seeking quotes to begin project in Q2.
Pathway Repair & Replacement	50,000	-	50,000		RFQ to be issued to select contractor in Q2.
Sidewalk Repair & Replacement Program	50,000	-	50,000		RFQ to be issued to select contractor in Q2.
Wastewater Facility - Desludging	175,000	-	175,000		RFQ to be issued to select contractor in Q2.
Asset Replacement					
Peace Officer Patrol Vehicle Dash Camera	21,850	-	21,850		Seeking quotes
Computer Purchase & Replacement Program	17,000	9,327	7,673		Purchases align with budget
Street Sweeper	200,000	192,750	7,250	50%	Street sweeper selected, delivery end of March.
Mccaskill Drive Reconstruction - Maple Ave To Iron Landing (185 M)	500,000	-	500,000	5%	New Town Engineer to prepare design in Q2/Q3.
Bridge File 75095	450,000	-	450,000	15%	Preliminary design complete. Final design and tender in
Portable Industrial Steam Cleaner	20,000	18,023	1,977	100%	New steam cleaner procured.
Laut Ave Reconstruction & Deep Utilities + Bulk Water Station Improvements	3,580,000	19,910	3,560,091	15%	Design complete. RFP issued to select contractor for Q2/Q3 construction.
New Asset					
Afracs Radio System Upgrade	11,000	6,400	4,600	75%	Radios purchased and being programmed
Recycling & Waste Cart Procurement	26,000	-	26,000	0%	Cart procurement as needed in response to growth.
Water Meter Procurement	36,000	18,093	17,907	50%	Water meters procured as needed.
Lagoon Polishing System + Aeration Cell Transfer Pump	330,000	-	330,000	0%	Wastewater master planning complete. New Town Engineer to conduct technology review in Q2, then Town to issue RFP for design/build in Q3 for 2027 construction.
Vista Crossing Phase 5 - Sanitary Sewer Oversizing Cost Recovery To Developer	30,000	-	30,000	0%	Awaiting construction completion of sanitary sewer.
New Project/Initiative					
Safe Roads Improvement Program	30,000	-	30,000	0%	Town to select crosswalk to enhance for 2026.
New Land Use Bylaws	150,000	-	150,000	0%	RFP to be issued in early Q2 for consultant to prepare new Land Use Bylaw.
Infrastructure Master Planning Update & Off-Site Levy Review	150,000	-	150,000	0%	Town to work with new Town Engineer in Q2 to determine targeted updates to master plans.
Totals:	6,224,850	264,503	5,960,347		

Long-Term Debt & Debt Servicing

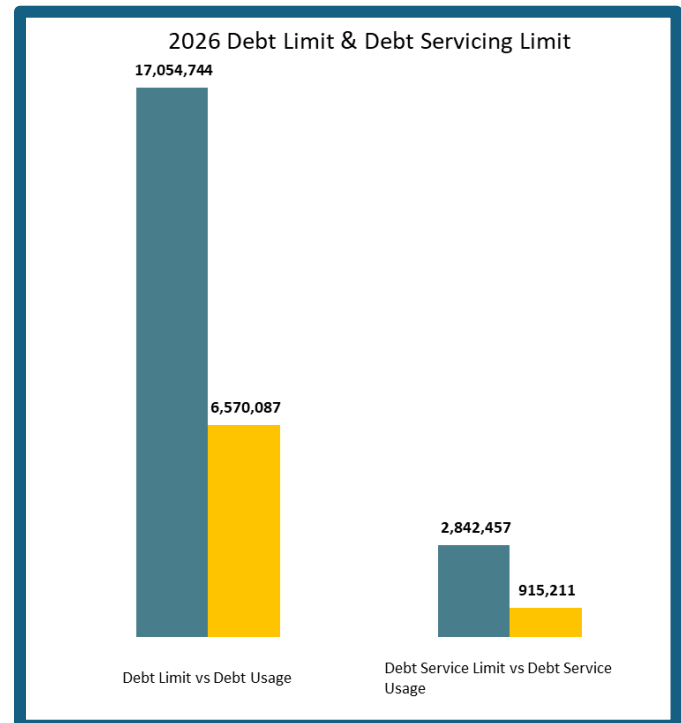
The Town of Crossfield recognizes that high debt levels reduce flexibility and can impair financial sustainability and thus works to maintain a balance between financial needs and minimizing undue pressure on future revenue requirements. Some of the ways the Town does this is by only using debt financing for major capital projects and by ensuring that provincially imposed debt limits are strictly adhered to.

The provincial debt limit, as defined in Alberta Regulation 255/2000, is calculated at 1.5 times the revenue of the municipality while the debt service limit is 0.25 times such revenue.

The Town has \$6.570M debt outstanding which relates to:

- **Water Reservoir:** \$2.272M (expiring in 2032)
- **Railway Street Revitalization:** \$3.681M (expiring in 2039)
- **Fire Engine 155:** \$553K (expiring in 2030)
- **Equipment leases:** \$175K (expiring in 2027)

The Town has \$915K in debt servicing payments, which is considerably lower than the provincial limit.



Reserves

Council’s commitment to long-term financial sustainability is supported through the deliberate use of both operating and capital reserves. These reserves play a critical role in stabilizing annual operations, funding future infrastructure needs, and ensuring the Town is well-positioned to respond to unforeseen pressures. Maintaining appropriate reserve levels enables Council to balance current service delivery with long-term asset management, while reducing reliance on debt and minimizing impacts to taxpayers over time.

The reserve balance as of March 31, 2026 is \$6.52 million, of which:

- 17% = property tax stabilization and contingency funding
- 81% = replacement of existing equipment, infrastructure and future capital projects
- 2% = externally restricted

2026 Reserve Schedule

Reserve Type	Balance at Dec. 31, 2025	Additions 2026	Reductions 2026	Balance at Mar. 31, 2026
Municipal Stabilization & Contingency	972,000	-	-	972,000
Operating Carry Forward	49,485	-	-	49,485
Health & Safety	4,949	-	-	4,949
RCMP Policing Cost Reserve	-	75,000	-	75,000
Capital Project	2,858,940	-	-	2,858,940
Capital Carry Forward	335,272	-	-	335,272
Cemetery Perpetual Care	75,000	-	-	75,000
Infrastructure Lifecycle Management	2,008,450	-	-	2,008,450
Externally Restricted*	156,231	-	(15,000)	141,231
	6,460,326	75,000	(15,000)	6,520,326

* \$75,000 committed to the Bike Skills Park per motion 110-2025, \$15,000 contribution made to support Whoo’s Crew Playground

The Town’s reserves are organized into specific categories, each with a defined purpose to ensure funds are used strategically and in alignment with community needs.

Municipal Stabilization and Contingency - Provides funding for non-recurring, one-time expenditures and helps offset the annual impact of infrequent events such as elections or major weather incidents.

Operating and Capital Carry-Forward - Preserves unspent budget allocations for specific projects or expenditures, allowing them to be carried over from one fiscal year to the next.

Health and Safety - Supports enhancements to the Town’s employee health and safety program, including initiatives and, when necessary, capital expenditures.

New in 2026: RCMP Policing Cost Reserve - Proactively manage the financial impact of increased municipal policing costs associated with population growth. Funds are

accumulated over time to offset the step-change in RCMP funding requirements once the Town reaches the applicable population threshold (5,000 residents), helping to stabilize the tax impact on residents and ensure a gradual, predictable transition in funding levels.

Capital Project – Allocates funding for specific capital purposes as outlined in the policy, with the flexibility to establish new reserves to meet emerging needs.

Infrastructure Lifecycle, Maintenance and Replacement – Provides dedicated funding for the upkeep, renewal, and replacement of the Town’s existing infrastructure and assets, ensuring these needs are met without creating sudden tax impacts.

Cemetery Perpetual Care – Sets aside funding for future one-time operating or capital projects within the Crossfield cemetery.

Externally Restricted – Contains funds designated for specific purposes as required by third parties, such as the Recreation Board or developers.

Together, these reserve categories provide a structured and transparent framework for managing municipal funds, ensuring resources are available when needed while supporting the Town’s long-term financial sustainability.

Investments

Council’s commitment to prudent financial management extends to the strategic investment of municipal funds, balancing liquidity needs with opportunities for long-term growth. A structured investment approach has been established, with funds allocated between a professionally managed investment portfolio and high-interest savings accounts to ensure both stability and accessibility.

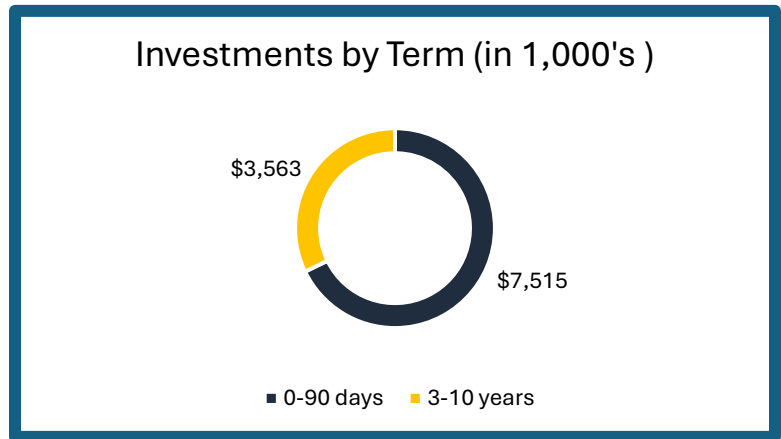
The investment portfolio, initiated in late 2025, enables the Town to generate returns on funds not immediately required for operations, while maintaining alignment with Council’s risk tolerance and long-term financial objectives. At the same time, holdings in high-interest savings accounts ensure sufficient liquidity is available to meet short-term obligations and operational requirements.

Together, this approach supports responsible stewardship of public funds, enhances financial resilience, and positions the Town to maximize the value of its financial assets over time. As of March 31, 2026, the Town has \$11.1 million in cash and investments and earned \$108,345 in investment income.

The main objectives of the Town of Crossfield’s Investment Policy C 303-25 are:

Maintenance of Liquidity

To support the objective of maintaining liquidity, the Town manages its investment portfolio to align with ongoing cash flow requirements. Funds are strategically allocated between short- and long-term investments to ensure sufficient liquidity is available to meet anticipated operational needs while optimizing returns on surplus funds.



Rate of Return

To support the objective of achieving a reasonable rate of return, the Town’s investment portfolio is managed to optimize earnings within an acceptable level of risk. Portfolio performance is measured against relevant benchmarks, such as Bank of Canada treasury bill and bond rates, to ensure returns remain competitive and aligned with market conditions.

Type	Term	Crossfield Average Portfolio Rate	Bank of Canada T-Bill & Bond Rates
Cash & Short-term Investments	0-90	2.76%	2.27%
Long-Term Investments	>3-10 years	4.84%	3.37%

Mayor and Council Expenditures

As part of the Town’s ongoing commitment to transparency and accountability, the following summary outlines expenditures incurred by the Mayor and Council in 2026. This includes costs related to remuneration, travel, training, and other activities undertaken in the service of the community.

All expenditures are incurred in accordance with approved Council policies and budgets and are subject to established internal controls and review processes. Where applicable,

travel and training activities support Council’s ability to effectively govern, make informed decisions, and advocate on behalf of the community.

Administration monitors these expenditures throughout the year to ensure alignment with budget, and any material variances or notable items will be highlighted as part of quarterly reporting.

Operating Budget Summary - Mayor & Council				
From January to March				
	2026	2026	2026	Budget
	Actual YTD	Budget	\$ Variance	% Variance
Remuneration	29,515	128,217	98,702	77%
Travel, Training & Meetings	777	17,775	16,998	96%
Total Expenditures	30,292	145,992	115,700	79%

Operating Summary - Mayor & Council
From January to March

Mayor Harris		Councillor Benson	
	2026 Actual YTD		2026 Actual YTD
Remuneration	5,554	Remuneration	3,833
Travel, Training & Meetings	700	Travel, Training & Meetings	-
Total Expenditures	6,254	Total Expenditures	3,833
Councillor Brennan		Councillor Cosh	
	2026 Actual YTD		2026 Actual YTD
Remuneration	4,028	Remuneration	4,028
Travel, Training & Meetings	-	Travel, Training & Meetings	-
Total Expenditures	4,028	Total Expenditures	4,028
Councillor Gustafson		Councillor Knight	
	2026 Actual YTD		2026 Actual YTD
Remuneration	4,028	Remuneration	4,028
Travel, Training & Meetings	-	Travel, Training & Meetings	-
Total Expenditures	4,028	Total Expenditures	4,028
Councillor Nielsen			
	2026 Actual YTD		
Remuneration	4,018		
Travel, Training & Meetings	77		
Total Expenditures	4,095		

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