OSL Update

Developer Engagement Meeting – April 23, 2026

Meeting Intent | Objectives

- Share complete Off-Site Levy package with Industry and draft rates
- Receive feedback related to draft rates
- Share timeline to bring Off-Site Levy Bylaw to Council

Okotoks

Meeting Intent | Objectives

- **Where we are started from**
  - Off-Site Levy update initiated in November 2024
  - Recognition from the Town that the current approach to financing and funding infrastructure needed to change through the Off-Site Levy update
    - Limited financial capacity through the delivery of growth-related, major infrastructure (i.e., Regional Water Line, Wastewater Treatment Plant)
- **Where we are trying to go**
  - Shared risk model around the financing of growth-related infrastructure
  - Creating an alternative model that:
    - Works within the Town's financial capacity,
    - shares front-ending risk, where possible, and
    - creates a structure of cost recovery for front-enders

Consultation To-Date

- **November 21, 2024**
  - OSL update kick-off – overview of scope
- **March 13, 2025**
  - Considerations / questions related to Town's Infrastructure Delivery Philosophy (approach to financing, funding and delivery)
- **May 15, 2025**
  - Sharing of growth assumptions and introduction of proposed finance and funding approach
- **July 11, 2025**
  - Proposed Project List and cost recovery approach to oversized infrastructure
- **December 11, 2025**
  - Cost recovery approach to oversized infrastructure

Consultation to-date reflects meetings held with Industry related to the Off-Site Levy update, offering an opportunity:

- to share background information, analysis, and methodology, and
- an opportunity for Industry to provide feedback throughout the update process.

Additional consultation has occurred throughout the process with individual developers/landowners.

Update Approach

Forecast Growth
What development are we planning for?

Determine Infrastructure Needs
What infrastructure is needed to serve growth?

Develop Infrastructure Delivery Philosophy
Who builds what?

Cost Recovery Methodology | Allocation of Benefit
How much of the project can be charged to growth and how will it be recovered?

Create Financial Model
How do we allow for inflation interest and debt costs?

Determine Charge Structure
How will the charge be applied to development?

GROWTH NEEDS

LEVY PROGRAM

LEVY CALCULATION

Okotoks

Update Approach

Forecast Growth
What development are we planning for?

Determine Infrastructure Needs
What infrastructure is needed to serve growth?

Develop Infrastructure Delivery Philosophy
Who builds what?

Cost Recovery Methodology | Allocation of Benefit
How much of the project can be charged to growth and how will it be recovered?

Create Financial Model
How do we allow for inflation interest and debt costs?

Determine Charge Structure
How will the charge be applied to development?

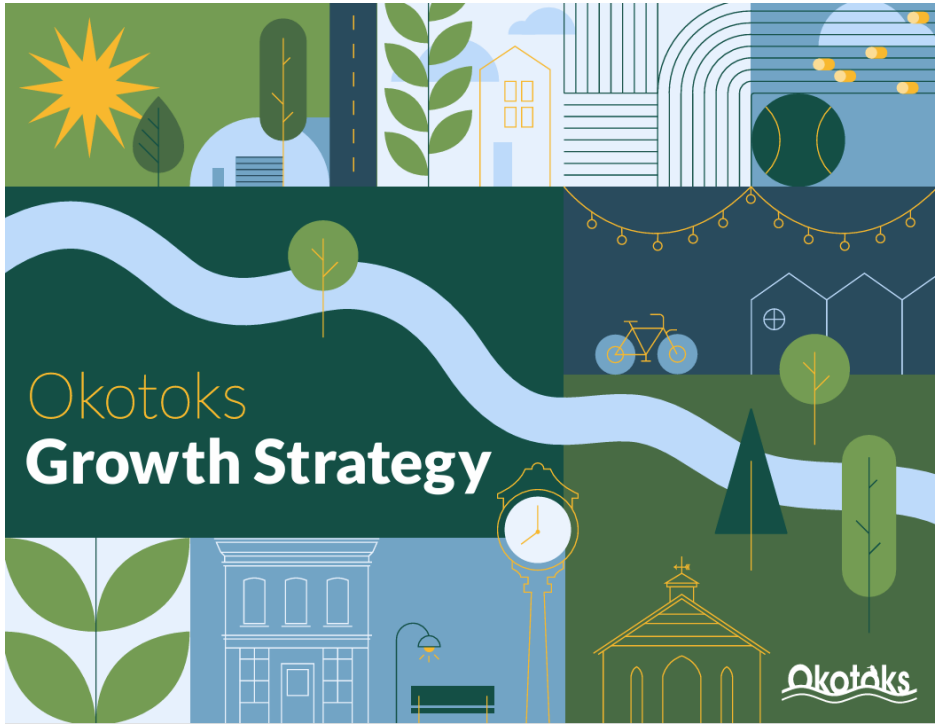
GROWTH NEEDS

LEVY PROGRAM

LEVY CALCULATION

Okotoks

Forecast Growth



Okotoks

Forecast Growth

Assumed Average Annual Growth Rate
(Over 25yr Period)

3.0%

~28 ha/yr
(Currently 15ha/yr)

Annual population growth rate between 2% - 4.5%

Okotoks

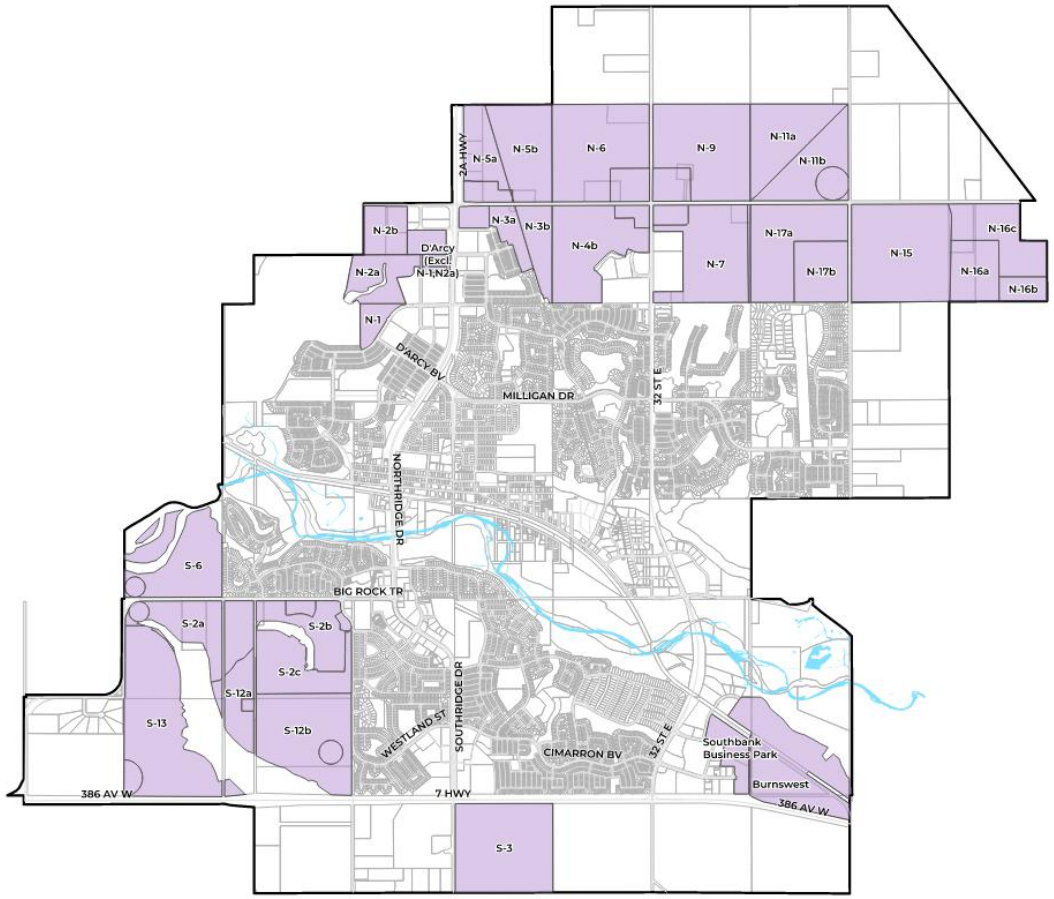
Forecast Growth

	Year	Population Growth Rate	Residential Population	Annual Population Growth	Annual Employment Growth	Annual Residential Hectare Growth (ha)	Annual Employment Hectare Growth (ha)	Annual total (ha)	Cumulative total (ha)
	2025	4.63%	33,482	1,549	934	19.03	9.55	28.58	0.00
	2026	4.42%	35,031	1,549	934	19.03	9.55	28.58	28.58
	2027	4.23%	36,580	1,549	934	19.03	9.55	28.58	57.16
	2028	4.06%	38,129	1,549	934	19.03	9.55	28.58	85.74
	2029	3.90%	39,678	1,549	934	19.03	9.55	28.58	114.32
	2030	3.76%	41,227	1,549	934	19.03	9.55	28.58	142.90
	2031	3.62%	42,776	1,549	934	19.03	9.55	28.58	171.48
	2032	3.49%	44,325	1,549	934	19.03	9.55	28.58	200.06
	2033	3.38%	45,874	1,549	934	19.03	9.55	28.58	228.64
	2034	3.27%	47,423	1,549	934	19.03	9.55	28.58	257.22
	2035	3.16%	48,972	1,549	934	19.03	9.55	28.58	285.80
	2036	3.07%	50,521	1,549	934	19.03	9.55	28.58	314.38
	2037	2.97%	52,070	1,549	934	19.03	9.55	28.58	342.96
	2038	2.89%	53,619	1,549	934	19.03	9.55	28.58	371.54
	2039	2.81%	55,168	1,549	934	19.03	9.55	28.58	400.12
	2040	2.73%	56,717	1,549	934	19.03	9.55	28.58	428.70
	2041	2.66%	58,266	1,549	934	19.03	9.55	28.58	457.28
	2042	2.59%	59,815	1,549	934	19.03	9.55	28.58	485.86
	2043	2.52%	61,364	1,549	934	19.03	9.55	28.58	514.44
	2044	2.46%	62,913	1,549	934	19.03	9.55	28.58	543.02
	2045	2.40%	64,462	1,549	934	19.03	9.55	28.58	571.60
	2046	2.35%	66,011	1,549	934	19.03	9.55	28.58	600.18
	2047	2.29%	67,560	1,549	934	19.03	9.55	28.58	628.76
	2048	2.24%	69,109	1,549	934	19.03	9.55	28.58	657.34
	2049	2.19%	70,658	1,549	934	19.03	9.55	28.58	685.92
25yr Window	2050	2.15%	72,207	1,549	934	19.03	9.55	28.58	714.50
	2051	2.10%	73,756	1,549	934	19.03	9.55	28.58	743.08

*Note, 2026 hectares have been adjusted to reflect active applications.

Okotoks

Forecast Growth

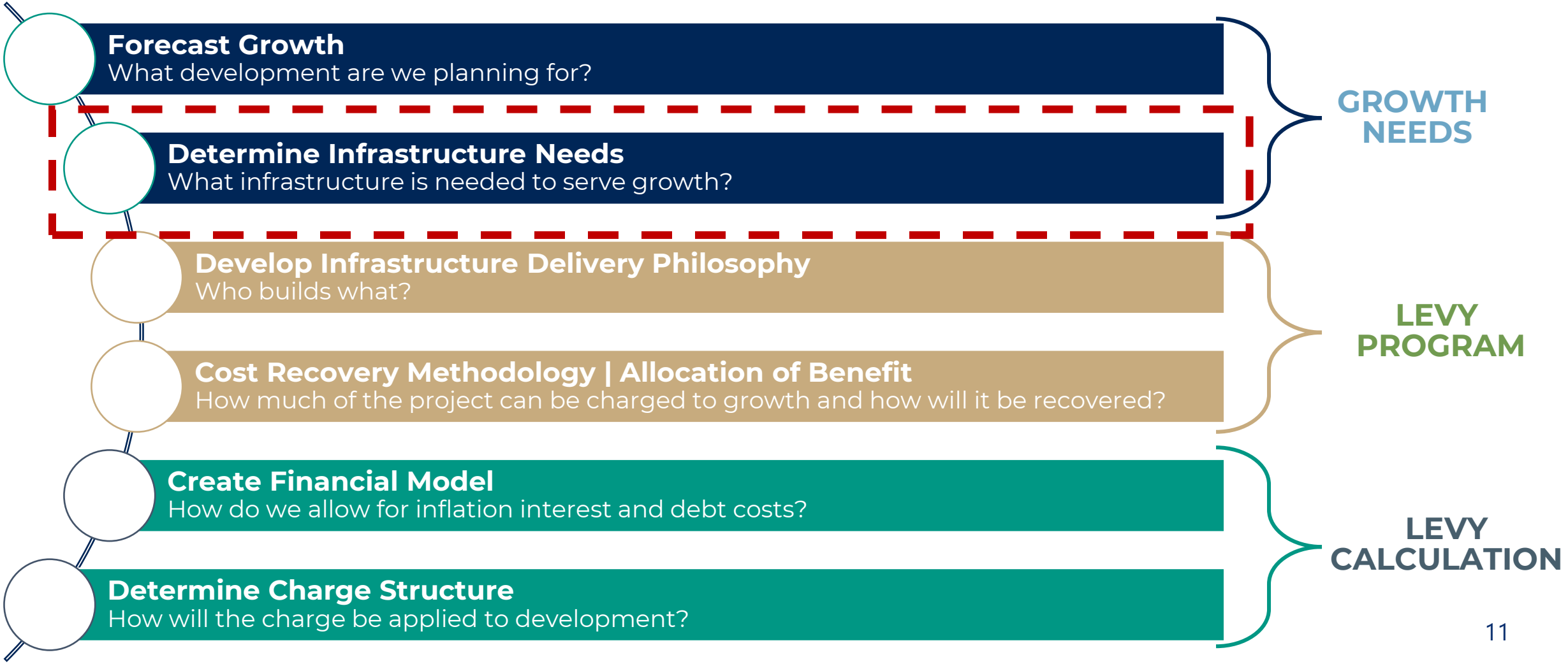


Approach

- Contiguous Growth
- Infrastructure Optimization
- Policy Alignment
- Strategic Priorities

Okotoks

Update Approach



Determination of Infrastructure Needs

Infrastructure Categories Identified Based on Forecasted Growth:

- Water Supply
- Water Storage
- Water Distribution
- Sanitary Collection
- Sanitary Treatment and Disposal
- Transportation
- Community Recreation Facility

Key changes to consider:

- Advancement of the Regional Water Line (e.g., estimated project cost and grant updates)
- Further conceptual work completed on south reservoir (e.g., infrastructure need, timing and estimated project costs)
- Sanitary collection extension to new growth areas
- Updates to WWTP improvements (e.g., understanding of project costs and phasing)
- General updates to project costs

Determination of Infrastructure Needs

Project Information

- Project Name and Description
- Estimated Project Costs ($2026)
- Anticipated Timing (start and end year)
- Project Identification – source of project identification and analysis

Assumptions

- Estimated project costs inflated to 2026 dollars
    - 2.5% annual increase for all infrastructure, save for recreation, as per Town's budget policy
    - 5% annual increase for recreation
- Project cost contingencies
    - Contingency related to projects is related to project stage (i.e., Conceptual, preliminary, etc.)

Project Stage	Contingency (%)
Conceptual	50
Preliminary Design	30
Detailed Design	15
Tendered	0

Determination of Infrastructure Needs

Total Infrastructure Need Identified

Infrastructure Category	Total Project Costs ($2026)
Water Distribution	$4,882,144
Water Storage	$21,088,464
Water Supply	$115,864,809
Sanitary Treatment and Disposal	$18,584,435
Sanitary Collection	$48,484,624
Transportation	$112,364,826
Community Amenities	$85,085,438
Total	**$406,354,738**

Total Infrastructure Included in Current OSL Bylaw

- 2020: $147mil
- 2022: $70mil (addition of Community Amenities)

Update Approach

Forecast Growth
What development are we planning for?

Determine Infrastructure Needs
What infrastructure is needed to serve growth?

Develop Infrastructure Delivery Philosophy
Who builds what? Who finances, funds and delivers the infrastructure?

Cost Recovery Methodology | Allocation of Benefit
How much of the project can be charged to growth and how will it be recovered?

Create Financial Model
How do we allow for inflation interest and debt costs?

Determine Charge Structure
How will the charge be applied to development?

GROWTH NEEDS

LEVY PROGRAM

LEVY CALCULATION

Okotoks

Infrastructure Delivery Philosophy

- The **Town's financial capacity is limited** with major infrastructure (W supply and WW treatment) underway and other infrastructure (recreation, etc.) on the horizon
- **New off-site infrastructure has been identified** through new growth areas
- **Alternative approach** to financing and funding growth related infrastructure needs to be established

Alternative Approach:

- Identifies what infrastructure the Town does not have the financial capacity to front-end
- Identifies what portion of infrastructure (front-ended by others) that is to be funded by local developer and what portion is to be funded by the Off-Site Levy
- Creates a structure of cost recovery (Off-Site Levy) for the front-ender

Infrastructure Delivery Philosophy

- **Finance:** Who front-ends the infrastructure
- **Fund:** Who ultimately pays for the infrastructure

Infrastructure Category	Financing	Funding
Water Distribution	Town | Industry	OSL
Water Storage	Industry	OSL
Water Supply and Treatment	Town	OSL
Sanitary Treatment and Disposal	Town	OSL
Sanitary Collection	Town | Industry	OSL
Transportation	Town | Industry	OSL
Community Amenities	Town	OSL

Infrastructure Delivery Philosophy

What Infrastructure does the Town not have Financial Capacity to Finance?

Water Distribution

- Watermain extensions in new growth areas.

Water Storage

- Water storage reservoirs and/or associated pumping in new growth areas.

Sanitary Collection

- Sanitary sewer extensions in new growth areas.

Transportation

- Arterial roads in new growth areas.

- Capacity expansions in these infrastructure categories within the Established Area are anticipated to be financed by the Town, as budget approvals allow.

Okotoks

Infrastructure Delivery Philosophy

Mechanics – Infrastructure Financed by Industry

What Infrastructure is Considered?

- Watermain extensions in new growth areas.

What Infrastructure Is Included In OSL?

- Watermains if the internal diameter of the watermain and valves exceeds 300 millimeters.
- If a Pressure Reducing Valve (PRV) is included in a water main that qualifies for oversizing, the PRV is also eligible for 100% cost recovery.

How are the project costs included in the OSL determined?

- City of Calgary Development Agreement rates (City of Calgary DA rate of infrastructure size to be front-ended and built less the 300mm posted DA rate will determine the amount to be included in the OSL).

Infrastructure Delivery Philosophy

Mechanics – Infrastructure Financed by Industry

What Infrastructure is Considered?

- Water storage reservoirs and/or associated pumping in new growth areas.

What Infrastructure Is Included In OSL?

- All water storage reservoirs and/or associated pumping in new growth areas.

How are the project costs included in the OSL determined?

- Project costs estimates allocated to growth will be included in OSL.

Okotoks

Infrastructure Delivery Philosophy

Mechanics – Infrastructure Financed by Industry

What Infrastructure is Considered?

- Sanitary sewer extensions in new growth areas.

What Infrastructure Is Included In OSL?

- Sanitary sewer if the internal diameter of the sanitary sewer pipe exceeds 375 millimeters.
- Pipe Depth and Dual Systems – When sanitary sewer mains are installed deeper than six (6) meters and a dual sanitary system is required to service adjacent lots.

How are the project costs included in the OSL determined?

- City of Calgary Development Agreement rates (City of Calgary DA rate of infrastructure size to be front-ended and built less the 375mm posted DA rate will determine the amount to be included in the OSL).

Okotoks

Infrastructure Delivery Philosophy

Mechanics – Infrastructure Financed by Industry

What Infrastructure is Considered?

- Arterial roads in new growth areas.

What Infrastructure Is Included In OSL?

- Arterial Roads and Arterial to Arterial intersections.

How are the project costs included in the OSL determined?

- Functional Study OPC and City of Calgary Development Agreement rates (Functional Study cost estimate less City of Calgary Development Agreement collector rates will determine amount included in OSL).

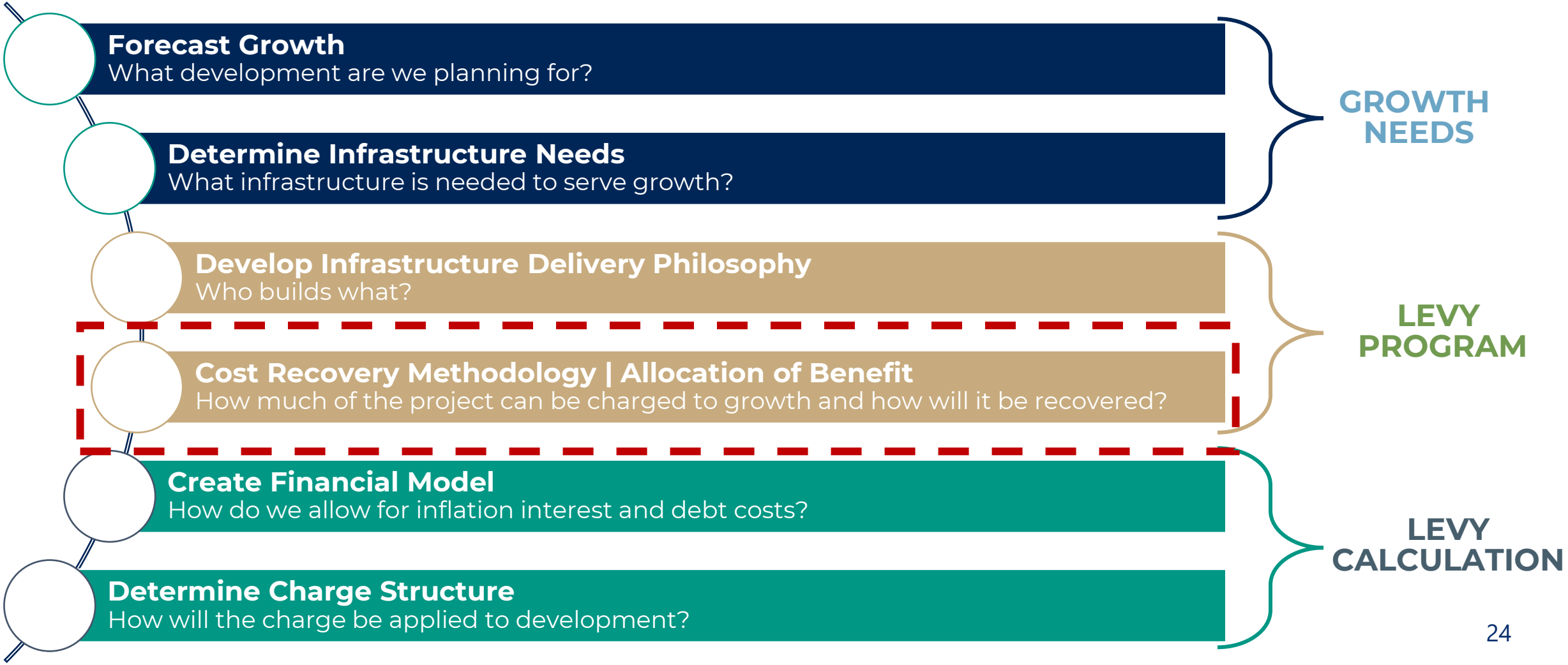
Okotoks

Infrastructure Delivery Philosophy

Infrastructure Category	Total Project Costs ($2026)	Total Project Costs in Off-Site Levy ($2026)	Infrastructure Financed by Town ($2026)	Infrastructure Financed by Others ($2026)
Water Distribution	$4,882,144	$4,882,144	$4,882,144	
Water Storage	$21,088,464	$17,718,384		$17,718,384
Water Supply	$115,864,809	$57,967,926	$57,967,926	
Sanitary Treatment	$18,584,435	$16,379,423	$16,379,423	
Sanitary Collection	$48,053,867	$48,053,867	$32,132,696	$15,921,171
Transportation	$112,364,826	$83,936,368	$23,046,981	$60,889,387
Community Amenities	$85,085,438	$52,180,087	$52,180,087	
Total	**$405,923,982**	**$281,118,199**	**$186,589,257**	**$94,528,942**

Okotoks

Update Approach



Cost Recovery Methodology

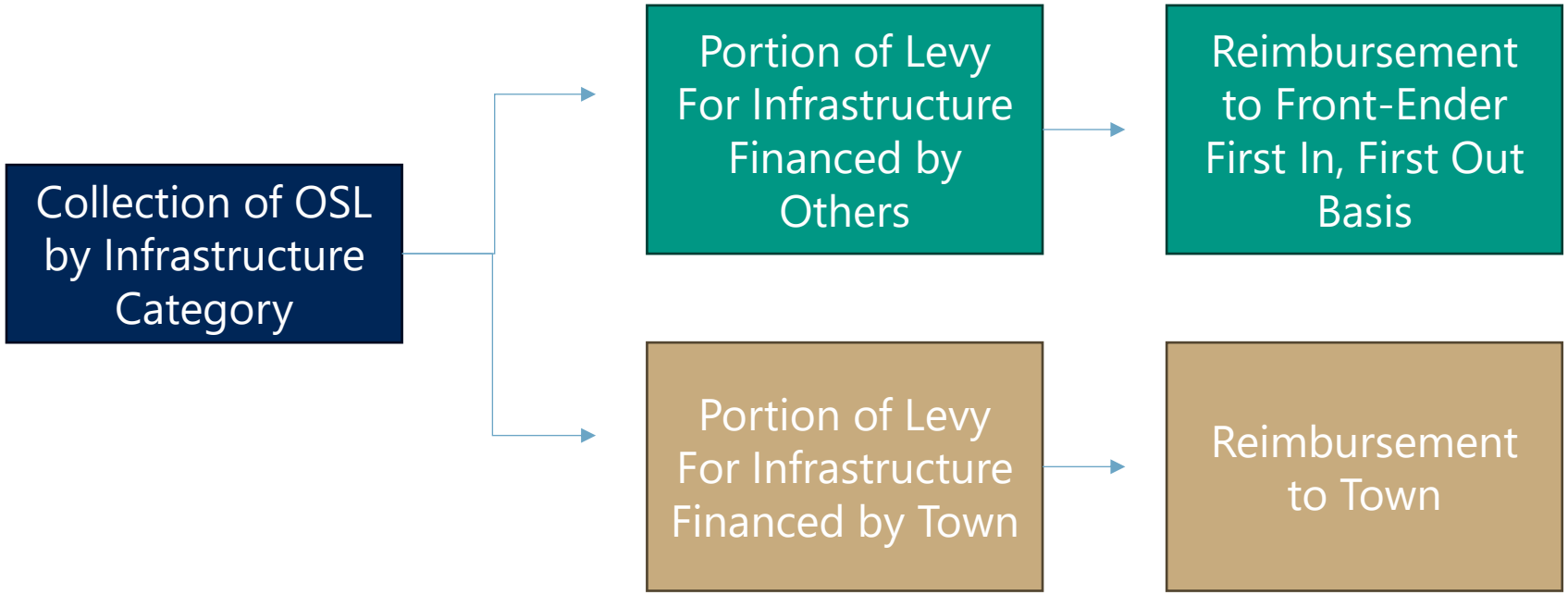
Infrastructure Category	Recovery Approach		Benefitting Population/Time
Water Supply	Capacity Based	Town-Wide	24,500 new population
Water Storage	Revolving Window	Town-Wide	25yrs
Water Distribution	Revolving Window	Town-Wide	25yrs
Sanitary Collection	Revolving Window	Town-Wide	25yrs
Sanitary Treatment and Disposal	Capacity Based	Town-Wide	72,277 Total Population
Transportation	Revolving Window	Town-Wide	25yrs
Community Recreation Facility	Capacity Based	Town-Wide	60,000 Total Population

Cost Recovery Methodology

Cost Recovery Timing							
Infrastructure Category	**Sanitary Treatment and Disposal**	**Recreation**	**Water Supply**	**Water Storage - 25 Year Revolving**	**Water Distribution - 25 Year Revolving**	**Sanitary Collection - 25 Year Revolving**	**Transportation - 25 Year Revolving**
Contributing Hectares	**715.79**	**489.27**	**452.03**	**714.50**	**714.50**	**714.50**	**714.50**
2026	18.68	18.68	18.68	18.68	18.68	18.68	18.68
2027	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2028	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2029	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2030	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2031	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2032	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2033	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2034	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2035	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2036	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2037	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2038	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2039	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2040	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2041	28.58	28.58	28.58	28.58	28.58	28.58	28.58
2042	28.58	28.58	4.65	28.58	28.58	28.58	28.58
2043	28.58	13.32	0.00	28.58	28.58	28.58	28.58
2044	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2045	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2046	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2047	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2048	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2049	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2050	28.58	0.00	0.00	28.58	28.58	28.58	28.58
2051	11.20	0.00	0.00	9.90	9.90	9.90	9.90
2052	0.00	0.00	0.00	0.00	0.00	0.00	0.00

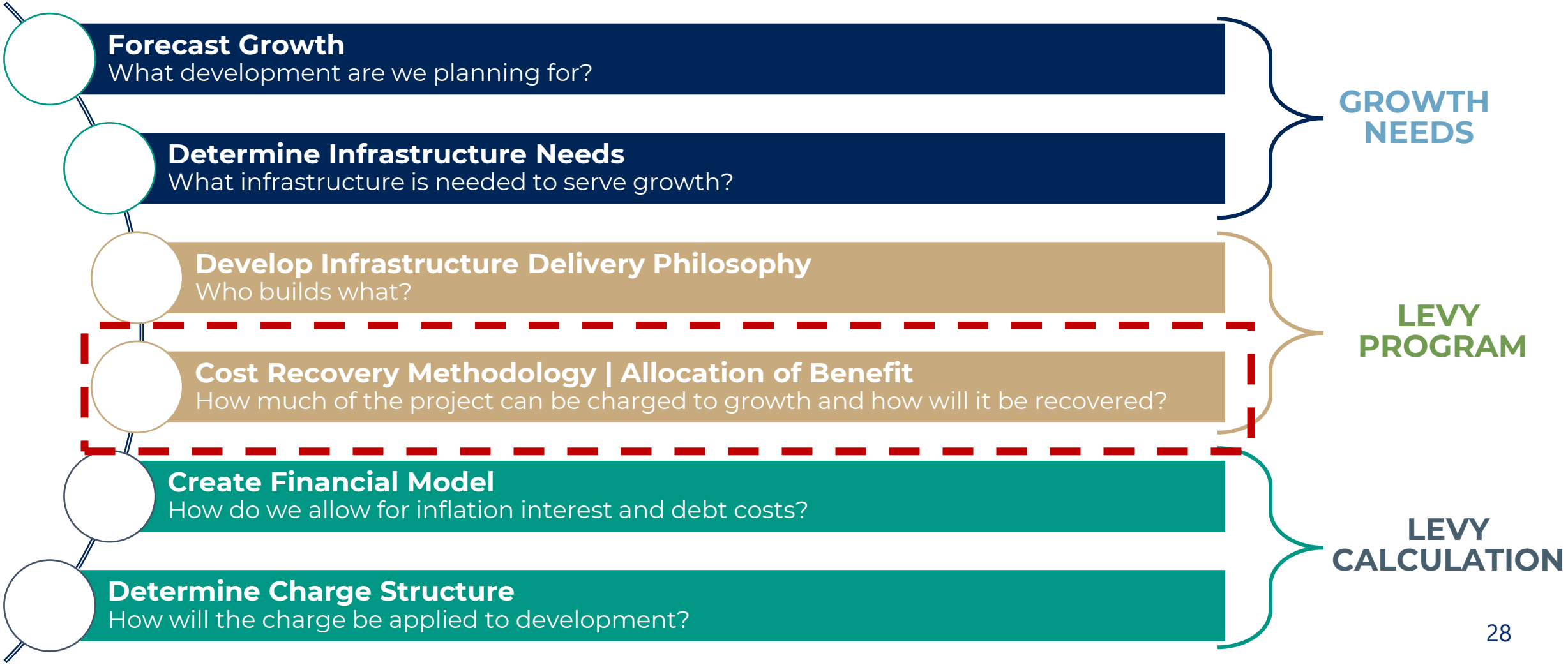
Cost Recovery Methodology

Mechanics – Levy Collection and Reimbursement



Okotoks

Update Approach



Allocation of Benefit

Capacity

Compliance
(i.e., upgrades to meet regulatory requirements)

Condition
(i.e., asset renewal of an existing system, and/or improved levels of service)

Okotoks

Allocation of Benefit

Infrastructure Category	Determination of Allocation of Benefit
Water Supply	Infrastructure specific assessment
Water Storage	Infrastructure specific assessment
Water Distribution	Infrastructure specific assessment
Sanitary Collection	Infrastructure specific assessment
Sanitary Treatment and Disposal	Infrastructure specific assessment
Transportation	Network Approach
Community Recreation Facility	Infrastructure specific assessment

Allocation of Benefit

Project Specific Examples

Infrastructure Category	Project Description			Financing and Funding		Benefit		Allocation of Benefit Rationale
	Code	Name	Description	Financing	Funding	Benefit to Growth	Benefit to Existing	
Water Storage	4A	South Okotoks Reservoir Phase 1 (8,100 m3)	South Okotoks Reservoir Phase 1 (8,100 m3) (S-2)	Others	OSL	100%	0%	Existing system storage requirements are adequately addressed by the current reservoir infrastructure at the Water Treatment Plant. The Phase 1 reservoir includes only growth driven storage required to service proposed development.
	12	South Okotoks Reservoir Supply Pump Station	South Okotoks Reservoir Supply Pump Station (S-2)	Others	OSL	56%	44%	This first phase of the pump station supports both future growth in the Short-Term scenario, and the existing system. The relative share for growth areas was determined through residential unit counts, and residential unit equivalents for ICI areas, benefitting from the pump station (1800 units for growth area out of a total 3200 units, 56%)
	8A	450 mm South Okotoks Twin Supply Mains	450 mm South Okotoks Twin Supply Mains and Upgraded Network (S-2, S-12, Big Rock Trail/Sheepriver Drive intersection - Woodhaven Drive/Woodbend Way Intersection)	Town	OSL	71.1%	28.9%	The proposed supply lines are considered to be fully driven by growth, however the supply lines are being oversized to accommodate the existing system. As such, the existing areas should be responsible for the oversize portion on supply lines. In the no oversize scenario the supply lines are sized as 300mm (at $1.82M capital cost). The lines have been upsized to 450mm to accommodate the existing system (at $2.56M). The additional $0.74M for upsizing is allocated to existing areas (28.9%).

Allocation of Benefit

Project Specific Examples

Infrastructure Category	Project Description		Financing and Funding		Benefit		Allocation of Benefit Rationale
	Code	Name	Financing	Funding	Benefit to Growth	Benefit to Existing	
Sanitary Collection - Oversize	43C	1050 mm (Crystal Green Lane to 610m into undeveloped land)	Others	OSL	100%	0%	Improvements are either new extensions connecting new development to the sanitary collection system or upgrades to existing infrastructure to accommodate additional capacity for new development, allocation of benefit is 100% to new development.
	47	375 mm Forcemain	Others	OSL	100%	0%	
	48	900 mm Gravity Sewer	Others	OSL	100%	0%	
	50A	675 mm Gravity Sewer	Others	OSL	100%	0%	
	50B	675 mm Gravity Sewer	Others	OSL	100%	0%	
	51	450 mm Gravity Sewer	Others	OSL	100%	0%	
	53A	525 mm Gravity Sewer	Others	OSL	100%	0%	
	53B	525 mm Gravity Sewer	Others	OSL	100%	0%	
	55	450 mm Gravity Sewer	Others	OSL	100%	0%	
	59	600 mm Gravity Sewer	Others	OSL	100%	0%	
	65	675 mm Gravity Sewer	Others	OSL	100%	0%	
	68	250 mm Siphon	Others	OSL	100%	0%	
	69	525 mm Gravity Sewer	Others	OSL	100%	0%	

Allocation of Benefit

Transportation Approach

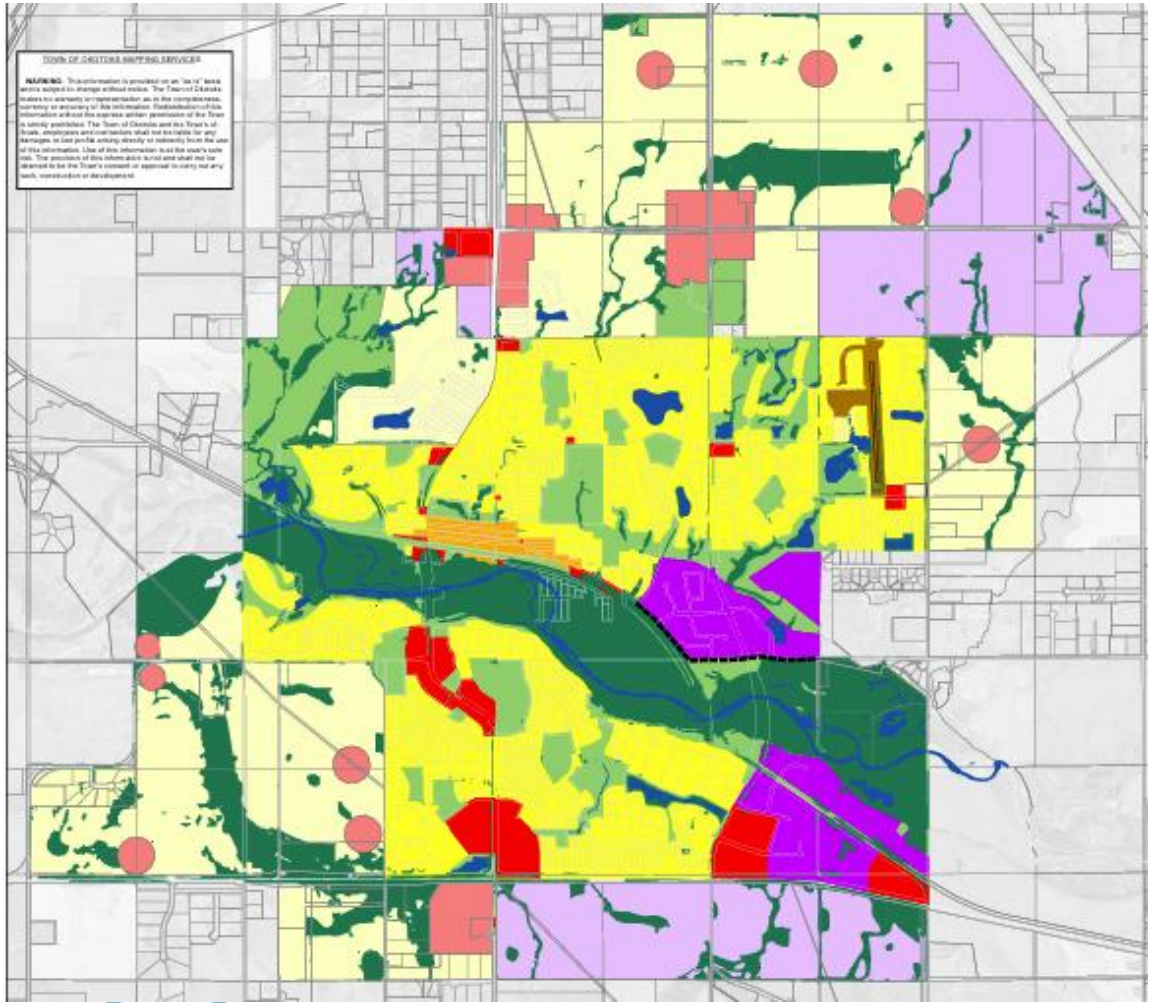
- Benefit of transportation infrastructure is allocated based on land in different areas:
  - Greenfield Areas that have already paid levies and/or are exempt (levied lands).
  - Greenfield Areas that have not yet paid levies (unlevied lands).
  - The Established Area

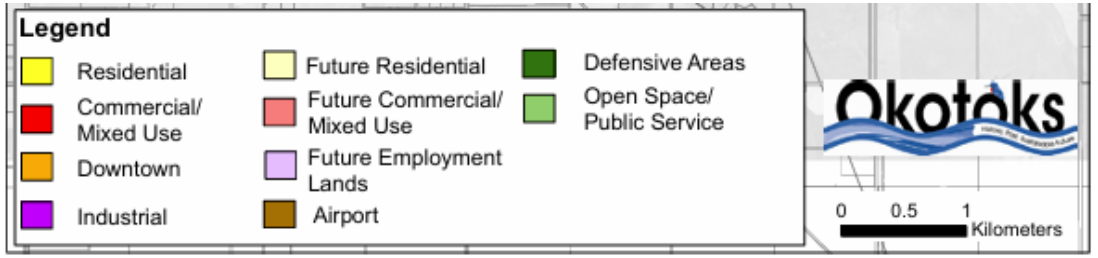
- Land equates to population and jobs which impact the transportation network.
- The utilization of land is a repeatable approach that does not rely on transportation modelling that will continually evolve as land uses, densities and travel patterns adjust over time.

- Allocation of benefit is based on the assumed buildout of the Town.
- Given that the transportation projects included in the Off-Site Levy benefit large areas opposed to individual parcels, allocation of benefit is applied network wide and is based on a project's location within the overall network.

Allocation of Benefit

Transportation Approach

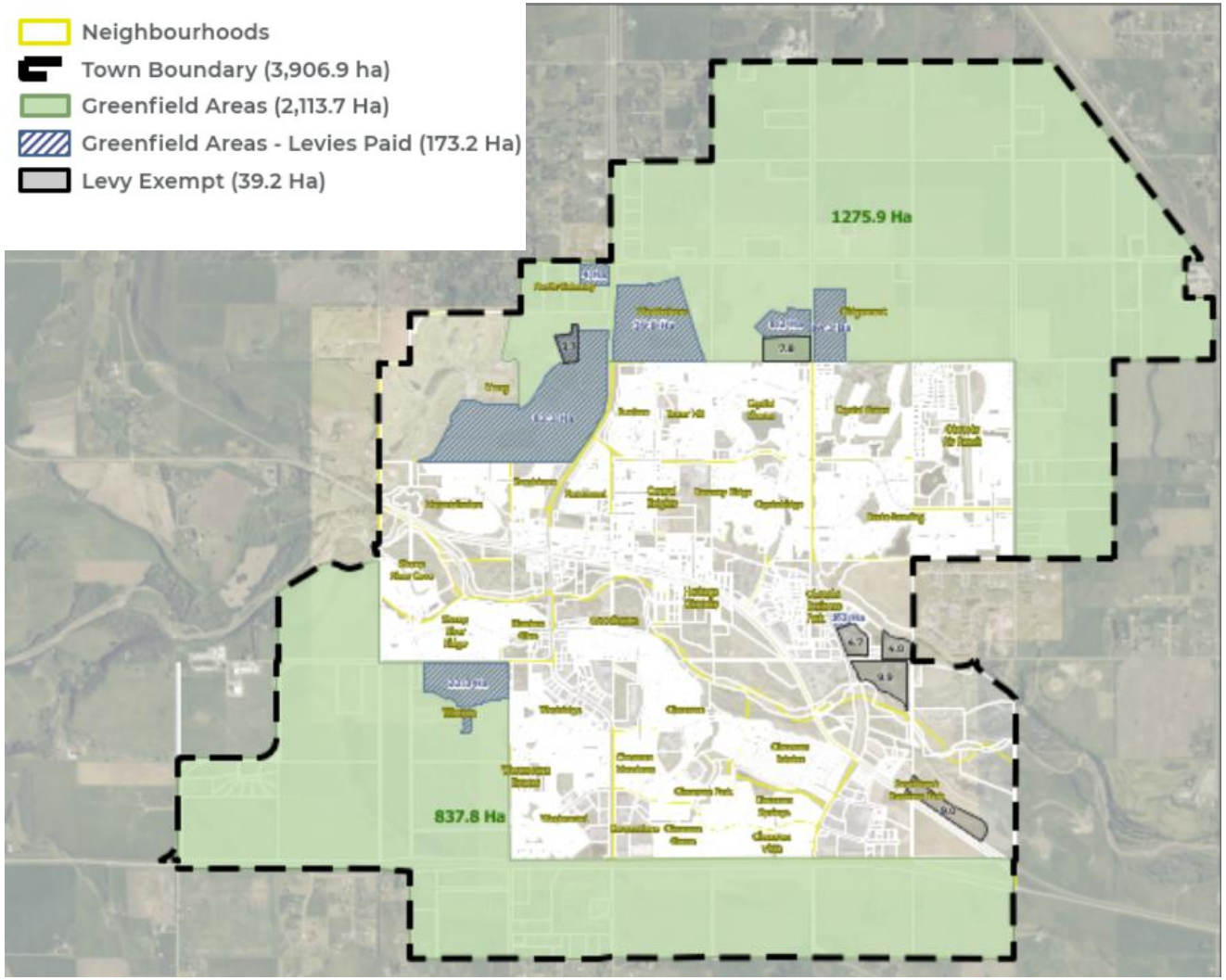




- **Greenfield Areas** = Future Residential / Non-Residential
- **Established Area** = Existing Residential / Non-Residential

Allocation of Benefit

Transportation Approach



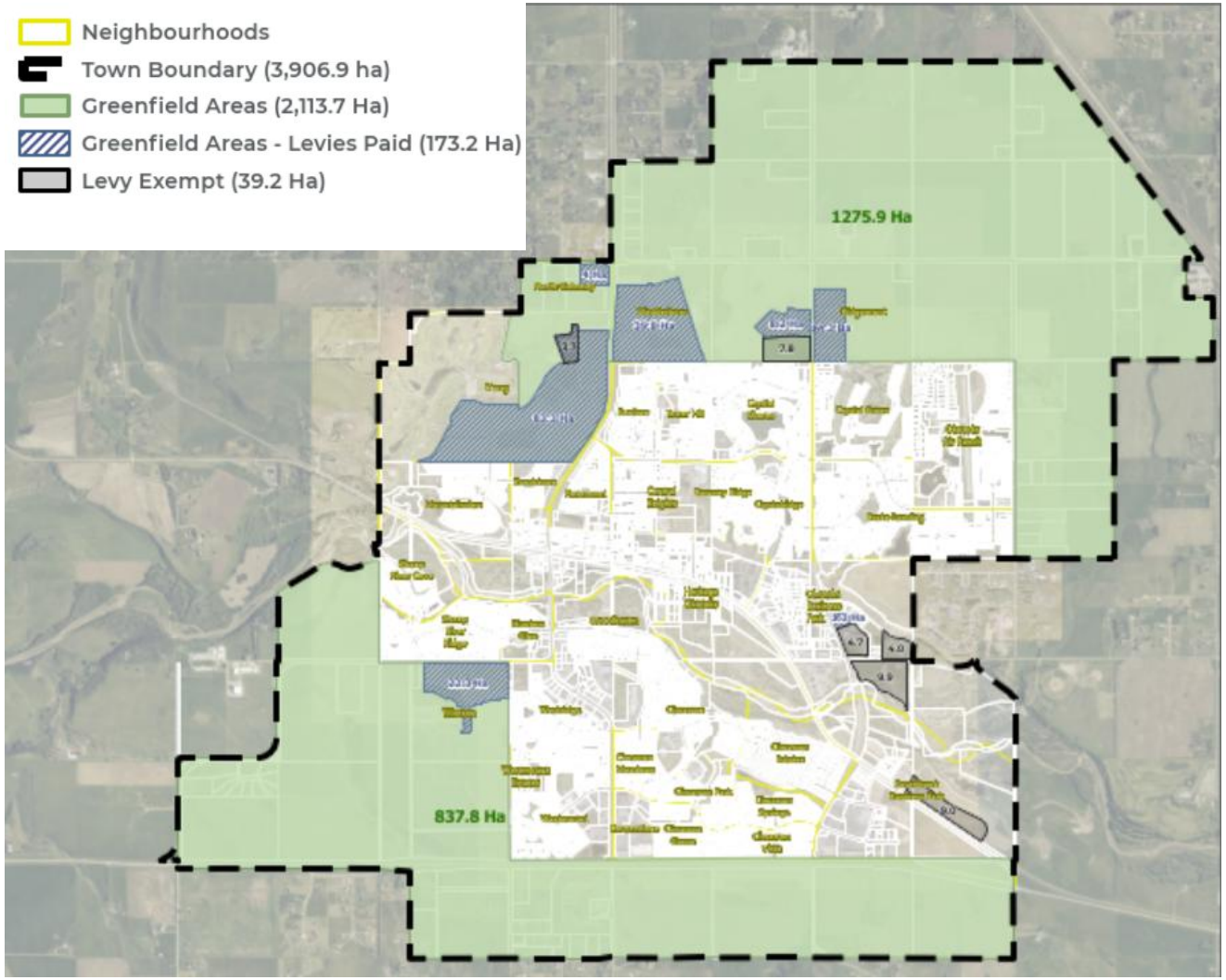
- **For infrastructure located in the greenfield areas**, does not provide improved reliability, quality or service level to the Established Area.
- As such one hundred percent of the benefit is allocated between levied and unlevied lands in the Greenfield Areas.
- This allocation is based on the proportion of unlevied lands within the Greenfield Area.
- Unlevied lands reflect those lands that have not been levied and/or that assumed to be exempt from levies.

Allocation:

- **91.5%** to Growth
- **8.5%** to Existing

Allocation of Benefit

Transportation Approach



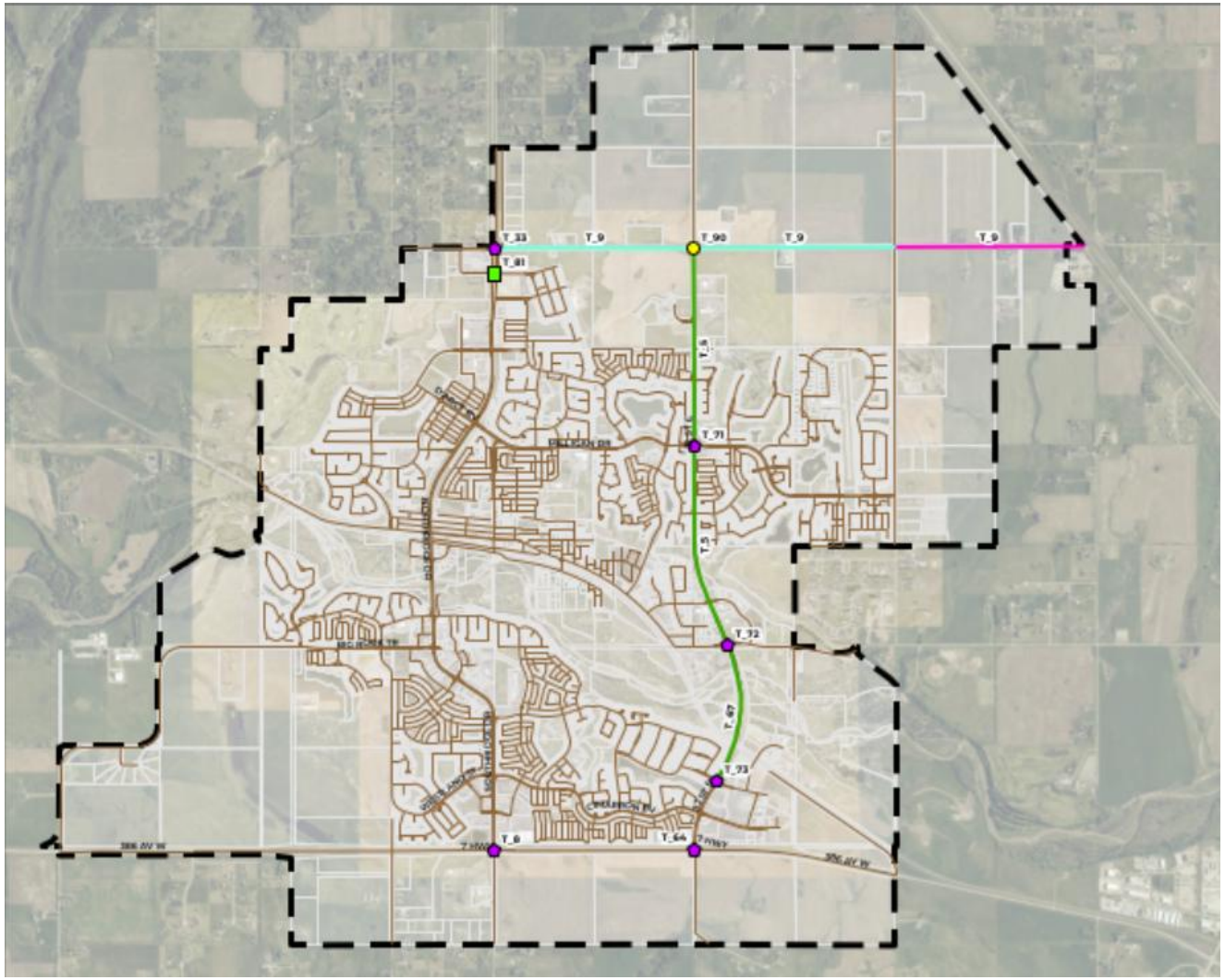
- **For infrastructure located in the Established Area**, that provides benefit to lands outside the Established Area (i.e., Greenfield Area), a shared benefit approach is utilized to allocate benefit.
- One hundred percent of the benefit is allocated among Greenfield levied, Greenfield unlevied, and Established Area lands.
- The allocation to growth is based the proportion of unlevied greenfield lands to total Town lands.

Allocation:

- **50.3%** to Growth
- **49.7%** to Existing

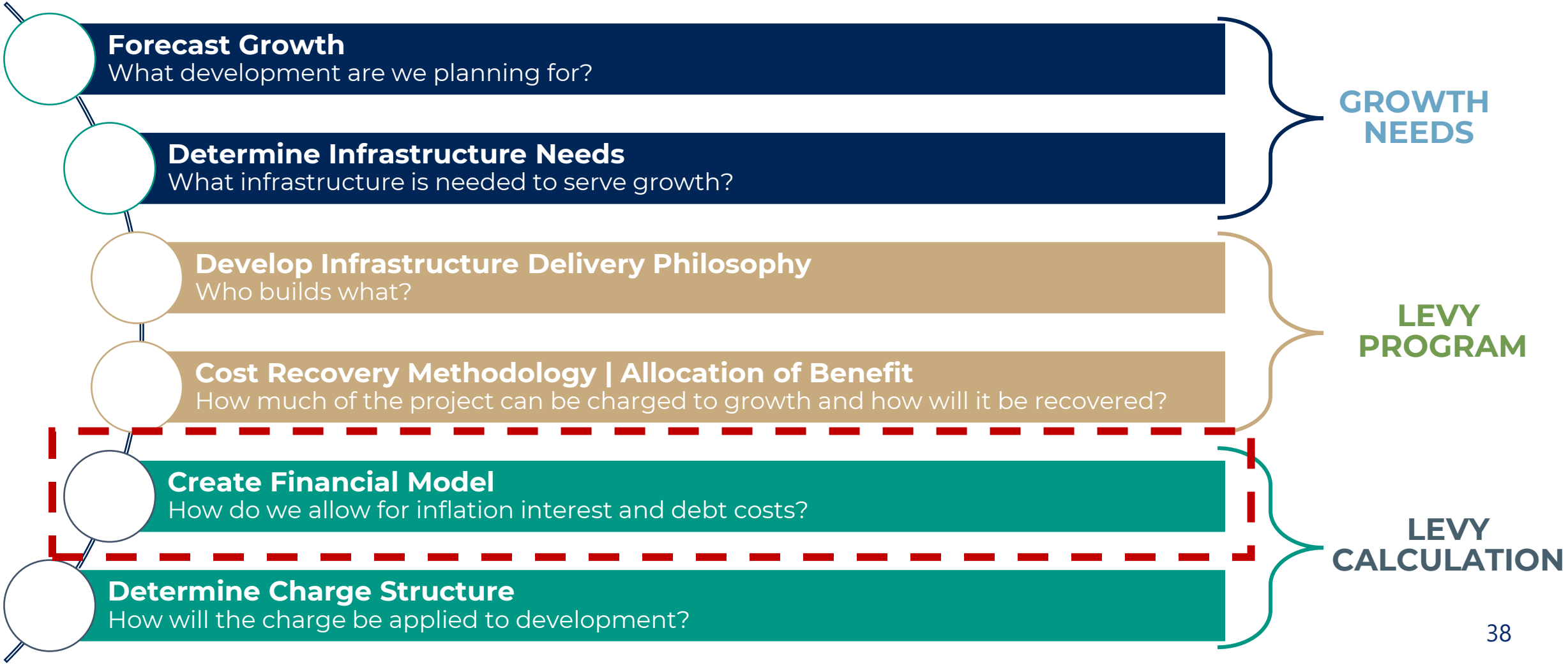
Allocation of Benefit

Transportation Approach



- **338th Avenue** – Growth Area improvements
- **All other transportation infrastructure identified in** – Established Area improvements

Update Approach



Financial Model

Financial Modelling Assumptions

Assumption	Approach	Rational
Interest Earned	2.64%	Based on 5yr average of interest earned on positive fund balances from Town of Okotoks
Town Borrowing Rates on Advanced Debentures	Varies	Based on actual debentures executed
Town Projected Borrowing Rates	4.13%	Based on 5yr average of Alberta Capital Finance Debenture Rates (25yr)
Levy Inflation Rate	2%	Based on targeted rate by Bank of Canada

Financial Model

Financial Modelling Assumptions

Grants

Application of the grants within the off-site levy program will vary depending on the type of grant.

- **Project specific grants –** applied to the total project cost. Both the Town and developers will share the benefit of these grants based upon the allocation of benefit of the project.
  - Project specific grants have been assumed for Regional Water and WWTP Improvements only.

- **Discretionary grants –** applied to the Town's portion of the project costs. These grants are discretionary in nature, and the Town can choose which projects to apply this funding to.

Financial Model

Model Overview – Projecting Future Project Costs

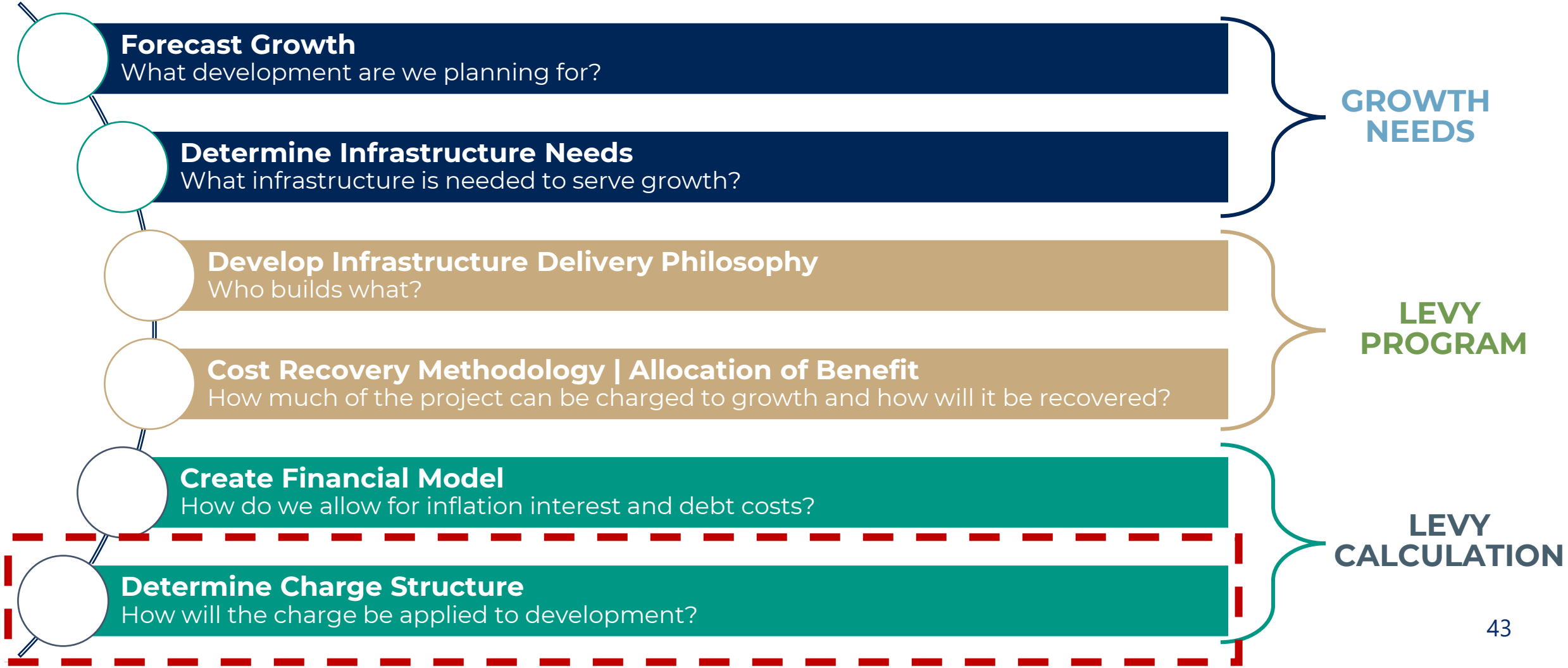
Project #	Category and Project Description	Timing			Net Project Cost	Benefit to New Development	Benefit to Exisitng Development	Off-site Levy Recoverable					
		Start Year	End Year	Years	(2026 $s)			(2026 $s)	2026	2027	2028	2029	2030
5	Twinning of 32 Street from North Railway Street to 338 Avenue	2036	2045	10	$13,068,724	50.3%	50%	$6,573,568					
8	Intersection Improvements - Southridge Drive and HWY 7	2028	2035	8	$3,103,546	50.3%	50%	$1,561,084			$205,014	$210,140	$215,393
33	Northridge Drive and 338 Avenue	2040	2042	3	$241,644	50.3%	50%	$121,547					
64	Intersection Improvements - 32 Street and HWY 7	2028	2030	3	$1,670,494	50.3%	50%	$840,258			$294,265	$301,622	$309,163
67	Twinning 32 Street from Southbank Road to North Railway Street	2036	2045	10	$24,815,763	50.3%	50%	$12,482,329					
71	Milligan Drive and 32 Street	2027	2028	2	$220,631	50.3%	50%	$110,978		$56,876	$58,298		
72	North Railway Street/32 Street	2040	2041	2	$588,350	50.3%	50%	$295,940					
73	Southbank Road and 32 Street	2040	2041	2	$451,769	50.3%	50%	$227,240					
81	Northridge Drive and Northgate Circle Storm Contribution	2029	2030	2	$787,969	50.3%	50%	$396,348				$213,412	$218,747
90	338 Ave and 32 Street Intersection Improvements	2027	2028	2	$870,158	50.3%	50%	$437,690		$224,316	$229,924		
9A	338 Avenue Expansion from Northridge Drive to Highway 2 - Functional Plan & Detailed Design	2025	2026	2	$96,109	75.0%	25%	$72,082	$36,041				
					$45,915,157			**$23,119,063**	**$36,041**	**$281,192**	**$787,501**	**$725,174**	**$743,303**

Financial Model

Model Overview – Determining Levy

Year Beginning	Off-site Levy Fee Reserve Fund Opening Balance	Debenture Principal Advanced Remaining +	Existing Debenture Payments (Growth Portion Only) -	Growth-related Expenditures -	Hectares per year	Levy Inflation Rate Annually	$29,723 starting 2026	Anticipated Fee Revenue + [6 x 7]	Cumulative Surplus (Deficit) [2+3-4-5+8]	Reserve Fund Interest Accural + 2.6%	 - 4.13%	Off-site Levy Fee Reserve Fund Closing Balance [9+10+11]
2026	-$575,007	$0	$0	$36,041	18.68	2%	$29,723	$2,517,578	$1,906,530	$50,332	$0	$1,956,862
2027	$1,956,862	$0	$0	$281,192	28.58	2%	$30,317	$2,432,688	$4,108,358	$108,461	$0	$4,216,819
2028	$4,216,819	$0	$0	$787,501	28.58	2%	$30,924	$875,132	$4,304,449	$113,637	$0	$4,418,087
2029	$4,418,087	$0	$0	$725,174	28.58	2%	$31,542	$892,634	$4,585,547	$121,058	$0	$4,706,606
2030	$4,706,606	$0	$0	$743,303	28.58	2%	$32,173	$910,487	$4,873,790	$128,668	$0	$5,002,458
2031	$5,002,458	$0	$0	$0	28.58	2%	$32,816	$928,697	$5,931,155	$156,582	$0	$6,087,737
2032	$6,087,737	$0	$0	$226,297	28.58	2%	$33,473	$947,271	$6,808,710	$179,750	$0	$6,988,460
2033	$6,988,460	$0	$0	$231,955	28.58	2%	$34,142	$966,216	$7,722,721	$203,880	$0	$7,926,601
2034	$7,926,601	$0	$0	$237,754	28.58	2%	$34,825	$985,540	$8,674,388	$229,004	$0	$8,903,392
2035	$8,903,392	$0	$0	$243,697	28.58	2%	$35,521	$1,005,251	$9,664,945	$255,155	$0	$9,920,100
2036	$9,920,100	$0	$0	$2,439,316	28.58	2%	$36,232	$1,025,356	$8,506,140	$224,562	$0	$8,730,702
2037	$8,730,702	$0	$0	$2,500,299	28.58	2%	$36,957	$1,045,863	$7,276,267	$192,093	$0	$7,468,360
2038	$7,468,360	$0	$0	$2,562,806	28.58	2%	$37,696	$1,066,780	$5,972,334	$157,670	$0	$6,130,004
2039	$6,130,004	$0	$0	$2,626,876	28.58	2%	$38,450	$1,088,116	$4,591,244	$121,209	$0	$4,712,452
2040	$4,712,452	$0	$0	$3,119,415	28.58	2%	$39,219	$1,109,878	$2,702,915	$71,357	$0	$2,774,272
2041	$2,774,272	$0	$0	$3,197,401	28.58	2%	$40,003	$1,132,076	$708,948	$18,716	$0	$727,664
2042	$727,664	$0	$0	$2,889,004	28.58	2%	$40,803	$1,154,718	-$1,006,623	$0	-$41,574	-$1,048,196
2043	-$1,048,196	$0	$0	$2,899,580	28.58	2%	$41,619	$1,177,812	-$2,769,965	$0	-$114,400	-$2,884,364
2044	-$2,884,364	$0	$0	$2,972,070	28.58	2%	$42,451	$1,201,368	-$4,655,066	$0	-$192,254	-$4,847,320
2045	-$4,847,320	$0	$0	$3,046,371	28.58	2%	$43,300	$1,225,395	-$6,668,296	$0	-$275,401	-$6,943,696
2046	-$6,943,696	$0	$0	$0	28.58	2%	$44,167	$1,249,903	-$5,693,793	$0	-$235,154	-$5,928,947
2047	-$5,928,947	$0	$0	$0	28.58	2%	$45,050	$1,274,901	-$4,654,045	$0	-$192,212	-$4,846,257
2048	-$4,846,257	$0	$0	$0	28.58	2%	$45,951	$1,300,399	-$3,545,858	$0	-$146,444	-$3,692,302
2049	-$3,692,302	$0	$0	$0	28.58	2%	$46,870	$1,326,407	-$2,365,894	$0	-$97,711	-$2,463,606
2050	-$2,463,606	$0	$0	$0	28.58	2%	$47,807	$1,352,936	-$1,110,670	$0	-$45,871	-$1,156,541
2051	-$1,156,541	$0	$0	$0	9.90	2%	$48,763	$924,642	-$231,899	$0	-$9,577	-$241,476
2052	-$241,476	$0	$0	$0	0.00	2%	$0	$241,476	$0	$0	$0	$0

Update Approach



OSL Rates

Draft OSL Levy Summary	Current Levy ($2026)	DRAFT Levy ($2026)
Infrastructure Type		
Sanitary Treatment and Disposal	**$44,082**	**$45,029**
Sanitary Collection	**$37,126**	**$55,173**
Town Financed		$43,621
Financed by Others		$11,552
Water Supply and Treatment	**$41,559**	**$143,890**
Water Storage and Distribution	**$12,574**	**$42,485**
Town Financed		$3,856
Financed by Others		$38,630
Transportation	**$83,940**	**$98,107**
Town Financed		$29,723
Financed by Others		$68,384
Recreation	**$65,806**	**$77,859**
Proposed Levy	**$285,087**	**$462,543**

Key Changes

- **Sanitary Collection**
  - Inclusion of sanitary collection extensions into new growth areas and inclusion of infrastructure in existing areas to service growth in south and southwest
- **Water Supply and Treatment**
  - Recognition of increased costs for Regional Water Supply line (+/- $35mil to $115mil)
- **Water Storage and Distribution**
  - Reflects increased projected costs for South Reservoir (+/- $3mil to $18mil)
- **Transportation**
  - Reflects increased projected costs, specifically for 338th Avenue (+/- $48mil included in OSL)
- **Recreation**
  - Inflated estimated project costs

OSL Rates

Key Changes

- **Sanitary Collection**
  - Inclusion of sanitary collection extensions into new growth areas and inclusion of infrastructure in existing areas to service growth in south and southwest
- **Water Supply and Treatment**
  - Recognition of increased costs for Regional Water Supply line
- **Water Storage and Distribution**
  - Reflects increased projected costs for South Reservoir
- **Transportation**
  - Reflects increased projected costs, specifically for 338th Avenue
- **Recreation**
  - Inflated estimated project costs

Next Steps

- Week of April 27
  - Finalization of Background Report and Distribution to Industry for Feedback
- May 8 - Feeback by Industry
- May 11 – 1st Reading with Council