



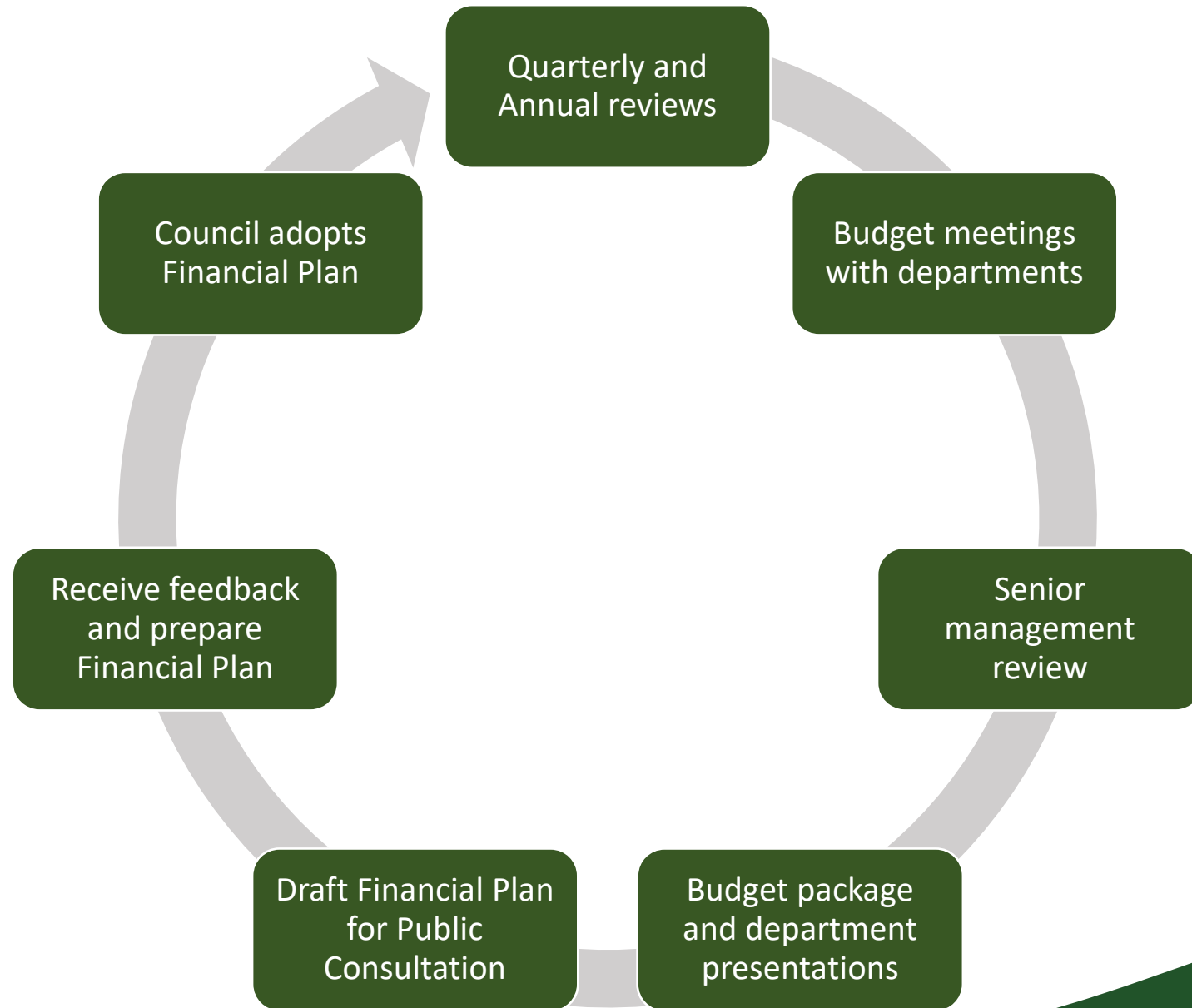
2026-2030 General Operating
and Capital Draft Budget

2026 Budget Overview

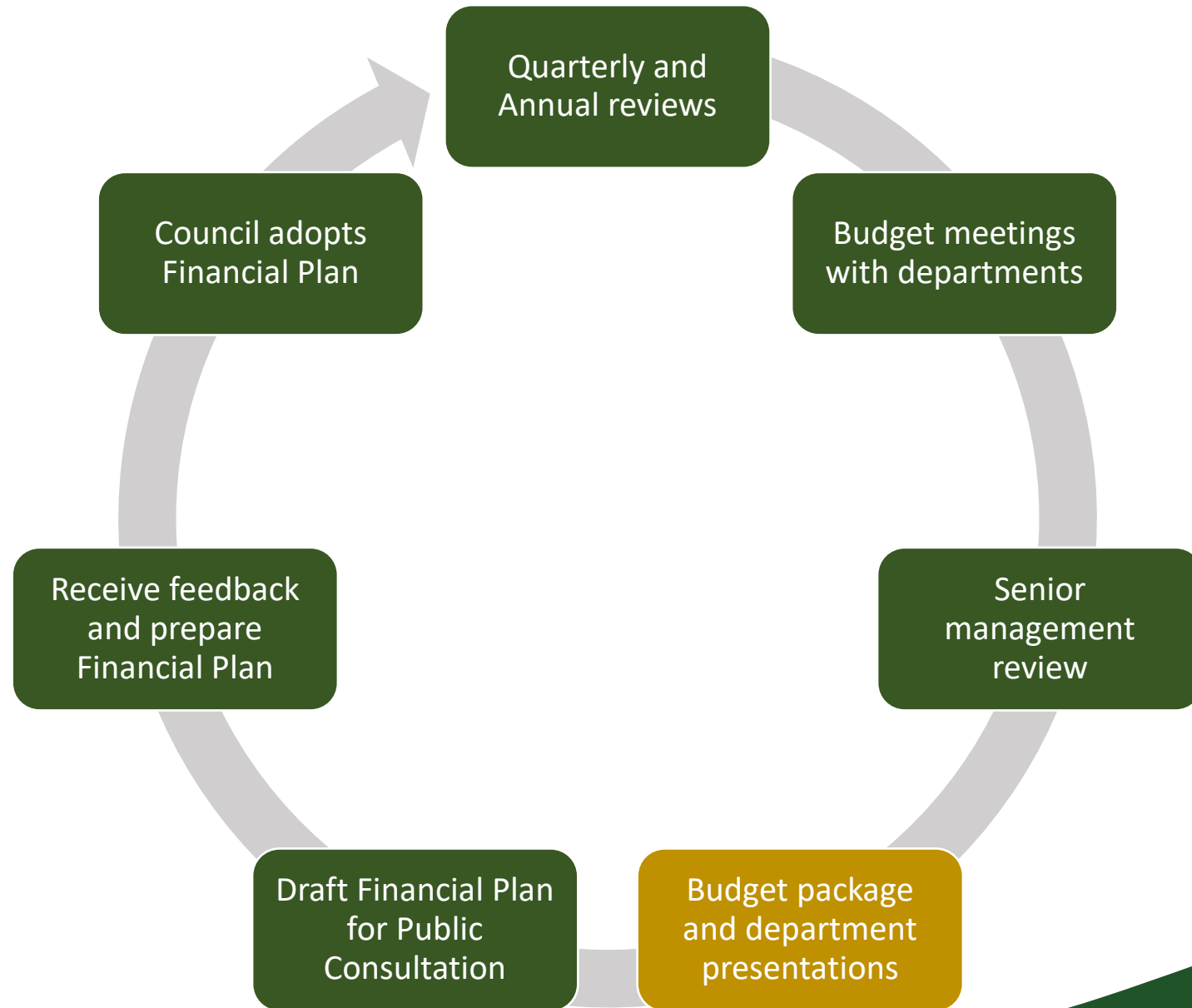
January 9, 2026

A dark green, wavy graphic element that spans the width of the slide, positioned at the bottom.

Financial Planning Process



Financial Planning Process



Key Dates

Nelson Hydro	Water, Sewer	Resource Recovery	Organics
Rates Dec 2 2025	Rates Jan 6 2026	Rates Jan 6 2026	Workshop Feb 6 2026
General	General	General	General
Workshops Fridays Jan 9 – Feb 6	Public Engagement Feb 13 – Feb 20	Present Feedback Mar 3	Financial Plan Apr 14 May 12

2026 Assessed Values: Residential

Market
Increase
2.07%



New
Construct
0.43%

Total
2.50%

\$681,000

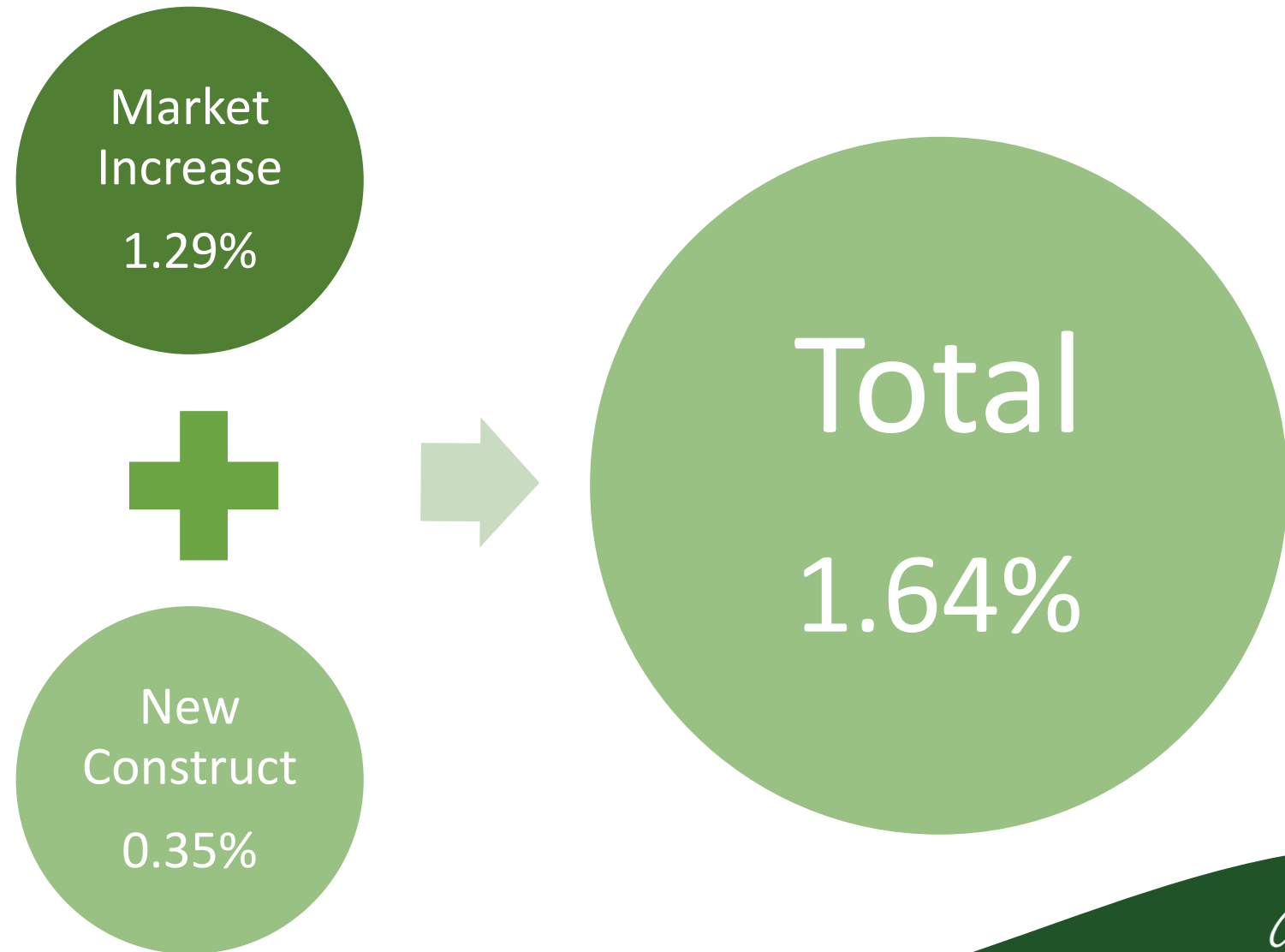
\$694,000

Preliminary: Mid-November NMC, BC Assessment

City of
NELSON

Visit: letstalk.nelson.ca

2026 Assessed Values: Business



New Taxation Revenue

2024

\$60,000,000
\$200,000 tax

2025

\$43,000,000
\$140,000 tax

2026*

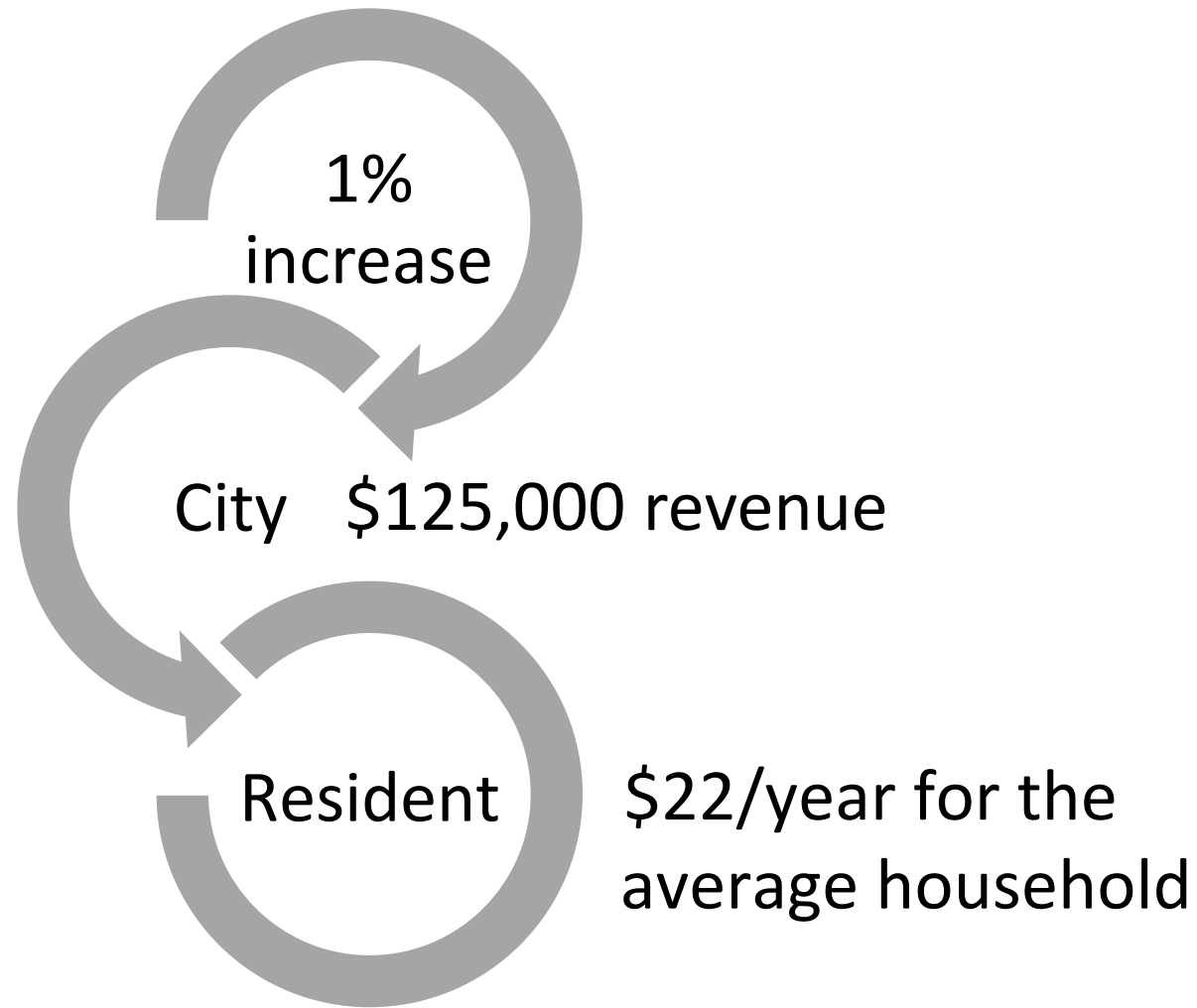
\$15,000,000
\$50,000 tax

** Preliminary: Mid-November NMC, BC Assessment*

City of
NELSON

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Taxation Impact (2026)



Our Economy is
Thriving and
Inclusive

We Foster a Healthy
Built and Natural
Environment

Our Community
is Diverse and
Connected

VISION

Nelson is a prosperous and resilient community with robust ecosystems and safe, welcoming neighbourhoods where diversity, history and culture is celebrated.

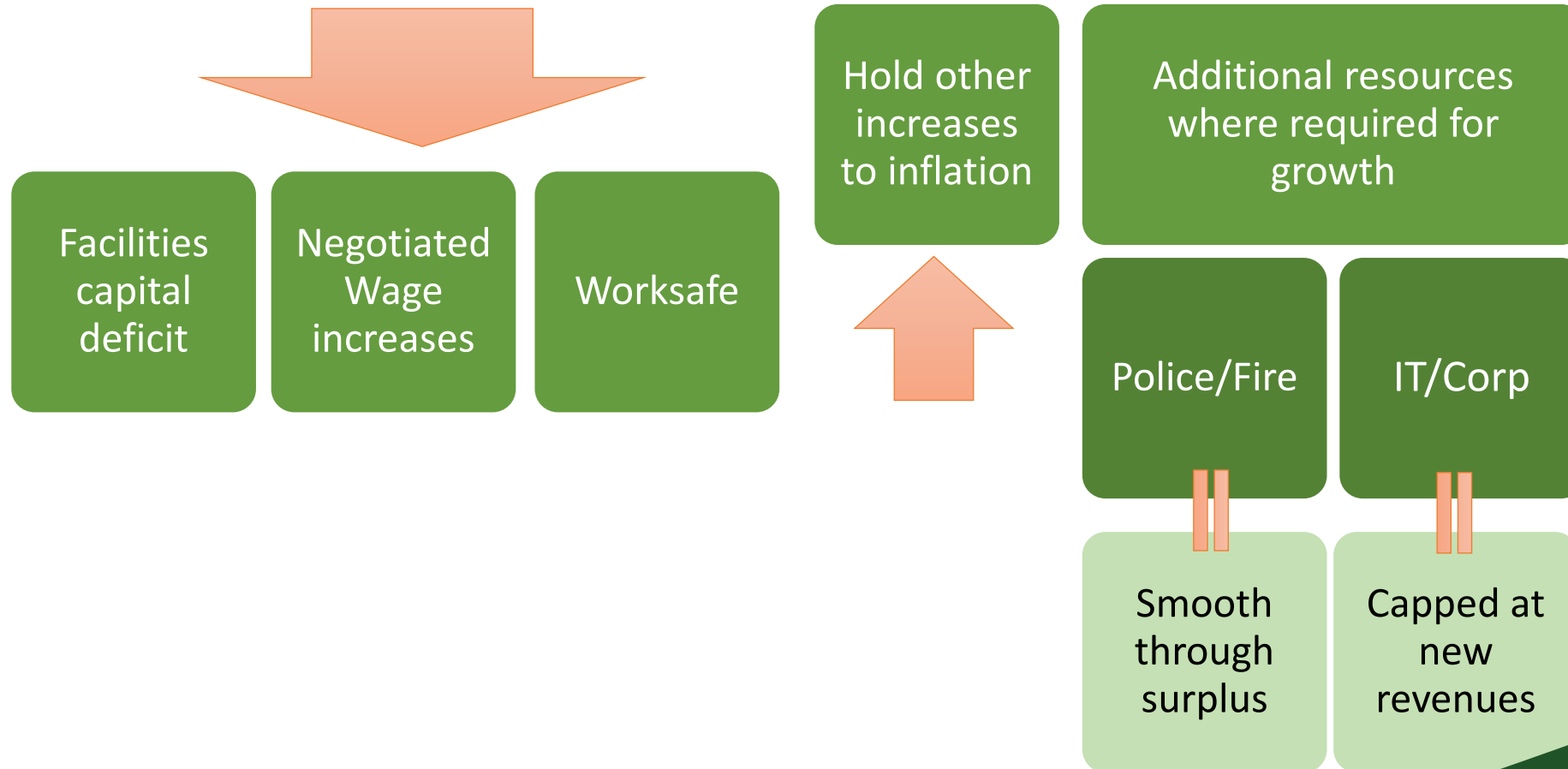
City Services and
Infrastructure are
Future-Ready

City Governance
Supports Innovation
and Inclusivity

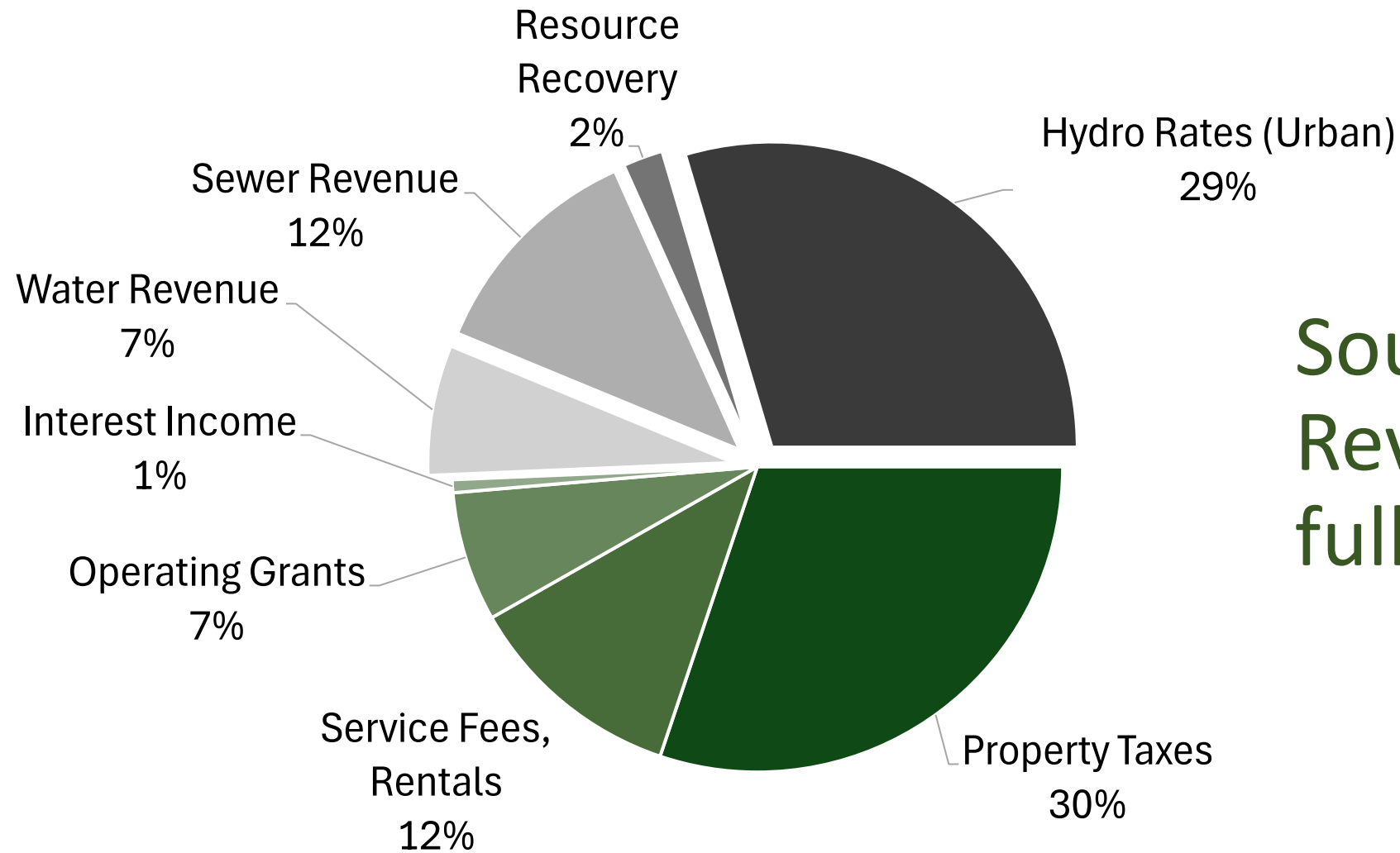
City of
NELSON

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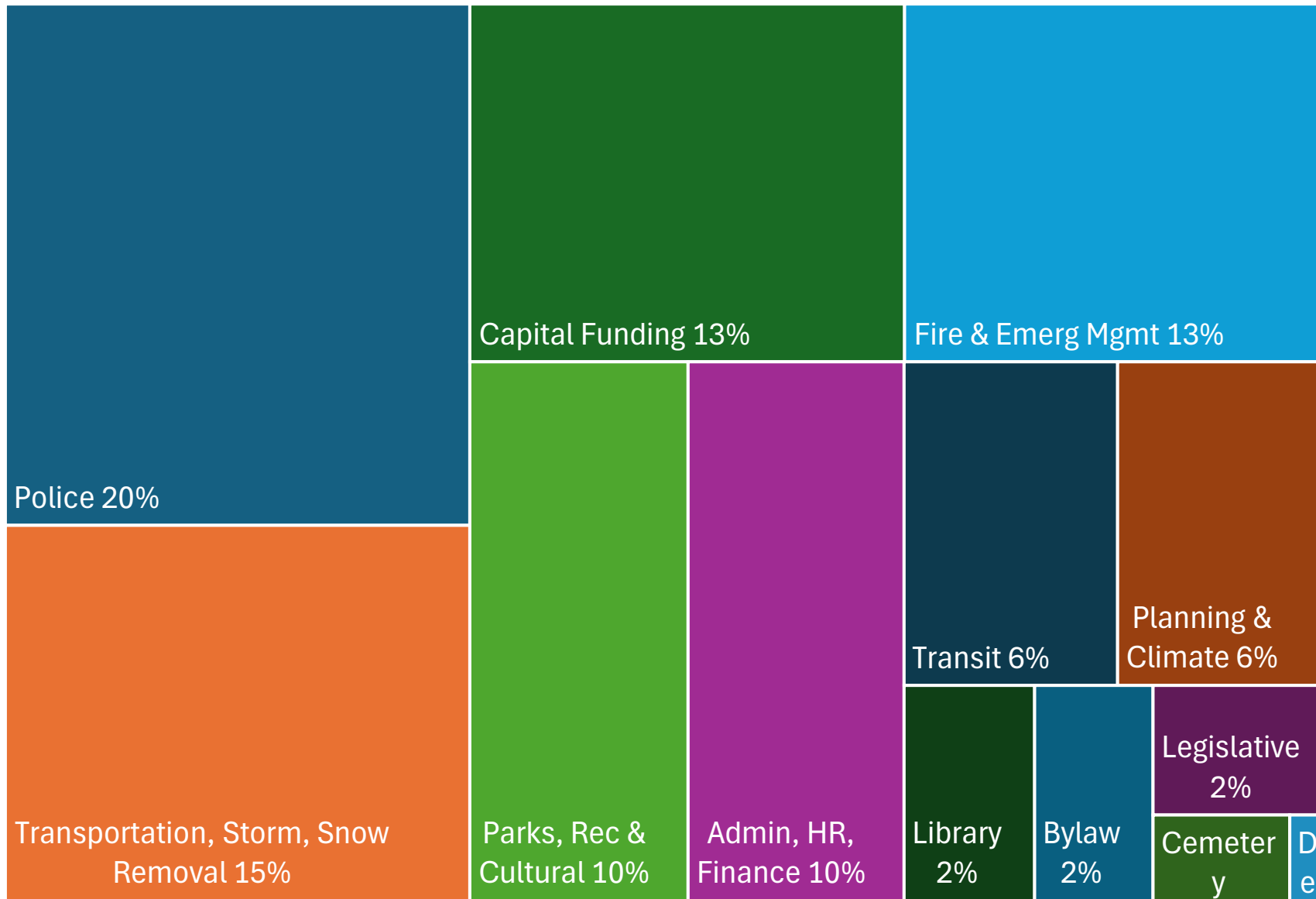
2026 Budget Objectives



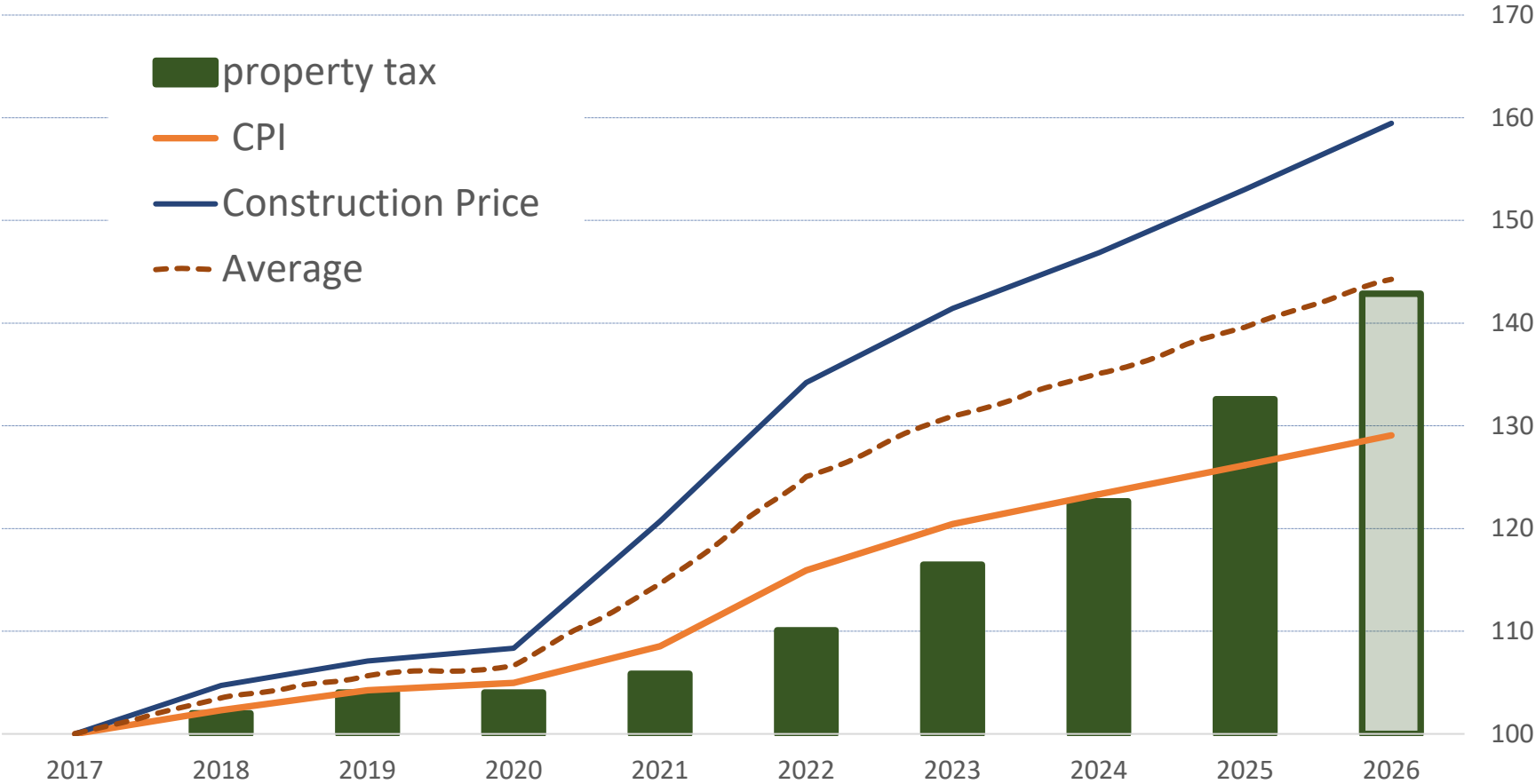
Sources of Revenue - full budget



General Fund Expenditures



Inflation



Key Budget Drivers – Operations

Expenditures	\$ Amount	Gross Impact on Taxation	
Municipal			
Wages and benefits	392,996	3.10%	
WorkSafe BC	120,554	0.95%	
Supplies and Services	155,261	1.22%	
Fire Protection - Increase staffing and dispatch outsource	326,172	2.57%	
Transit - Municipal share	30,169	0.24%	8.09%
Police Board			
Operating increase	312,088	2.46%	
Additional admin support	82,928	0.65%	
WorkSafe BC	26,955	0.21%	3.33%
Library Board			
Operating increase	36,929	0.29%	0.29%
	1,484,052	11.70%	

Key Budget Drivers – Operations

		Gross Impact on Taxation
Revenues	\$ Amount	
Hydro Dividend (operations)	(137,605)	-1.09%
Other taxes	(73,000)	-0.58%
Rental and services revenue increases	(265,812)	-2.10%
Use of Surplus (net change from PY)	(70,793)	-0.56%
	(547,210)	-4.32%
Mitigation Initiatives		
Reallocation of snow removal to parks & utilities	(81,000)	-0.64%
	(81,000)	-0.64%
Expenditure Increases	1,484,052	11.70%
Net Impact - Starting Point	855,842	6.75%

Key Budget Drivers – Growth

Supplementary Items - Growth

\$ Amount

Additional FTE resources in 2026 are limited to new revenues from assessment growth

Expenditures

Administration - Increase FTE	38,000
Administration - Decrease contracts (records management)	(25,000)
Information Technology - IT/GIS Manager	37,000
	50,000

Funding

New taxation from assessment (estimate)	(50,000)
	(50,000)

Net Tax Impact

-

Key Budget Drivers – Capital

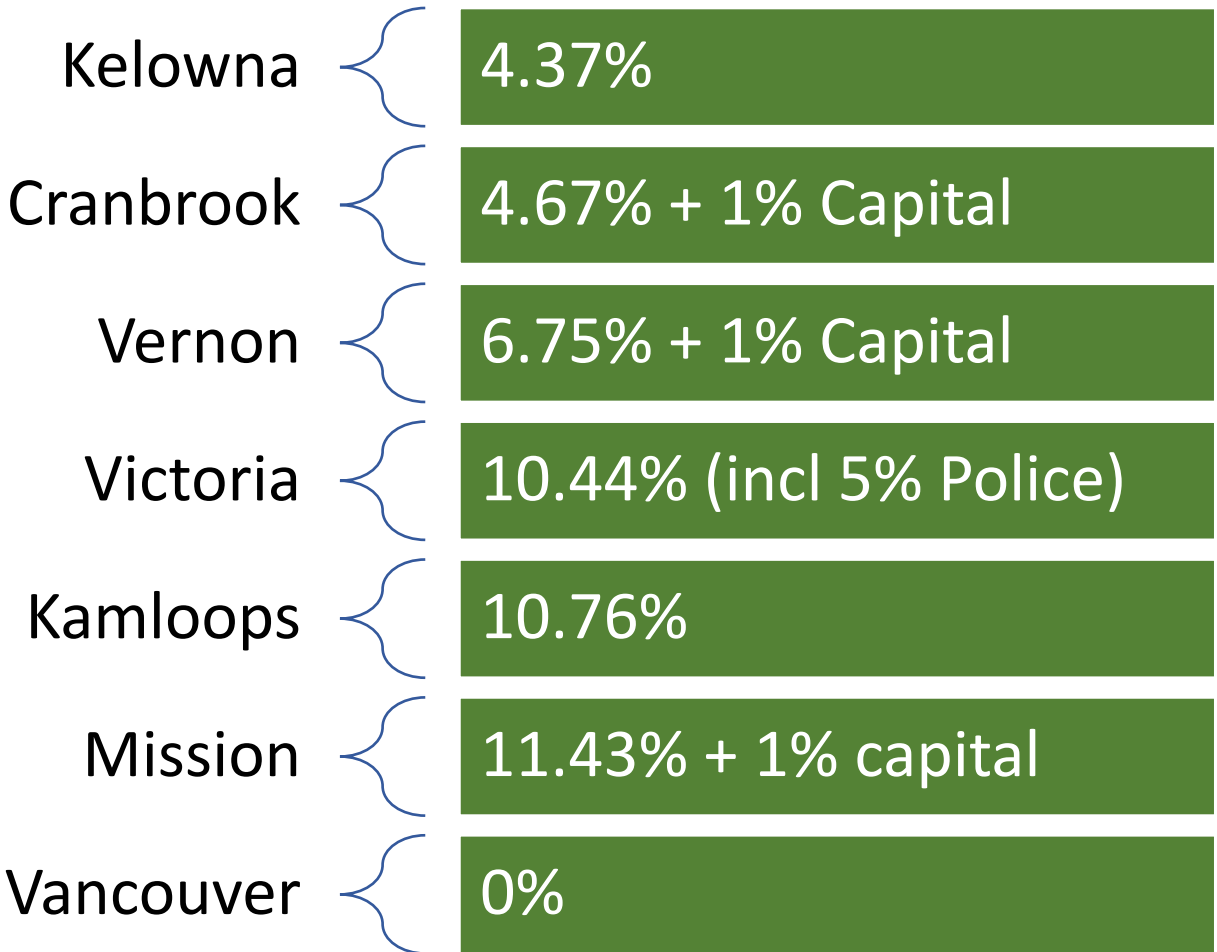
- Continue 1% additional taxation for capital reserve contributions.
- Increase funding from Nelson Hydro return on investment by \$650,000, allocated to capital reserves.
- Redirect \$250,000 existing contributions to Facilities
- Equates to funding of \$2.1M for Facilities in 2026, with annual budgeted increases of \$100K.
- **Half day Facilities budget session: Jan 30th**

Key Budget Drivers

	2025	2026	change
Expenses	29,282,485	30,661,204	4.71%
Allocation to Reserves	3,613,719	4,221,055	16.81%
Fees, Charges, Grants Revenue	- 18,559,801	- 19,434,026	4.71%
Property Taxes	14,336,403	15,448,233	7.75%

Early Indication –

Other Municipalities provisional increases



Forward Looking

	2026	2027	2028	2029	2030
Operations	6.75%	5.64%	4.79%	3.66%	3.21%
Capital	1.00%	1.00%	1.00%	1.00%	1.00%
Debt	-	1.86%	1.71%	2.84%	1.29%
Total	7.75%	8.50%	7.50%	7.50%	5.50%
Average tax	\$2,375	\$2,577	\$2,770	\$2,978	\$3,142
<i>Increase</i>	<i>\$171</i>	<i>\$202</i>	<i>\$193</i>	<i>\$208</i>	<i>\$164</i>

Today

- HomeSave
- Information Technology
- Youth Centre / Campground / Farmers Market