

2025

ANNUAL REPORT

For the year ended
December 31, 2025

City of Airdrie
Alberta, Canada



Oki, Âba wathtech, Danit'ada, Tânsi, Tawnshi and Hello!

The City of Airdrie is located on Treaty 7 territory. We acknowledge this land as the traditional home of the Blackfoot Confederacy, including the Siksika, Piikani, and Kainai, the Tsuut'ina Nation and Stoney Nakoda Nations, comprising of the Goodstoney, Chiniki, and Bearspaw Nations. We also recognize that this land is home to the Métis Nation of Alberta, located within Rocky View Métis District 4.

Airdrie is at the start of a very long and continuous journey towards solidifying relationships with the Indigenous community and we're taking small but significant steps towards achieving those co-created goals.



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This Annual Report has been prepared
and compiled by the City of Airdrie
Accounting Services department with
support from other civic departments.

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The image shows a circular room with a complex ceiling structure. The ceiling features a central circular hub from which numerous long, thin, rectangular beams radiate outwards, creating a starburst or sunburst effect. Two recessed circular lights are visible on the ceiling. The walls are composed of large, light-colored rectangular panels. The floor is a smooth, light-colored surface. The entire image is overlaid with a semi-transparent orange color.

INTRODUCTION

MESSAGE FROM THE MAYOR

On behalf of City Council, I am pleased to present the City of Airdrie's 2025 Annual Report. This report outlines how our Council for 2023-2026 term and Administration invested taxpayer dollars in 2025, highlights the accomplishments achieved throughout the year and reflects the progress made within our identified focus areas.

The previous City Council, that I was part of as a Councillor, had established six focus areas to guide our decision making from 2023-2026: leisure, recreation and culture advocacy, caring community, economic prosperity, environmental protection, informed and engaged community and transportation. Identifying priorities help ensure we direct our efforts and resources toward initiatives that best serve Airdrie residents.

In 2025, Airdrie's population surpassed 90,000 residents, reflecting nearly 5 per cent annual growth and continuing to position our city as one of Alberta's fastest-growing communities. We also advanced important initiatives that strengthened our community, including ongoing investments in infrastructure, housing and environmental sustainability. Public safety remains a top priority, with Airdrie maintaining one of the lowest Crime Severity Index scores in Alberta and achieving a 91.7 per cent fire response rate within 8 minutes.

Council passed a \$500 million municipal budget in October that focused on maintaining core services while investing in the future.

We opened two key recreation and public spaces that support recreation, culture and connection. The Northeast Regional Park experienced its first full year of activity following its initial opening in fall 2024, offering residents new outdoor opportunities through its walking trails and seasonal skating loop. Airdrie's bold new multi-use facility and library, Inspire, also opened in October 2025, creating a vibrant hub in our downtown for learning, creativity and community gatherings. We also saw continued planning for the SW Recreation Centre, with design work underway and the first phase anticipated to open in 2029.

We strengthened our local business community by issuing 110 new commercial and industrial business licences.

Advocating for Airdrie has been and will continue to be a top priority for Council and Administration. We met with the Government of Alberta reinforcing important relationships and advocating for infrastructure needs such as water and wastewater systems resulting in a \$50 million towards the Sanitary Trunk Main to Calgary and the \$29 million towards the 40 Avenue Interchange.

We also partnered with the Province to support our downtown with a Community Revitalization Levy that redirects the provincial education tax from increased assessment in the downtown back into downtown projects.



Looking ahead, Council recently completed our Strategic Priority Workshop to set direction for 2026-2030. Those priorities will be shared publicly in March 2026 and shape the direction of work for City Council and Administration over the next four years.

We are working on updating Airdrie's Municipal Development Plan that will guide us toward a population of 180,000, expanding both Yankee Valley Boulevard, Veterans Boulevard to be six lanes and 24th Street to four lanes. And we will continue to work towards affordable housing options for our residents by increasing contributions of land, cash and certainty – which are the components required for affordable housing.

Later in 2026, will be opening our fourth fire hall and hiring 24 new firefighters, advancing the new southwest recreation facility that will be built over the next several years, and investing in critical infrastructure such as a new wastewater line to support growth.

We have also added four new policing positions and begun rolling out the black cart program, which more than 75 per cent of surveyed residents supported to help reduce windblown waste and keep neighbourhoods clean.

I would like to extend my sincere appreciation to Airdrie residents, businesses, staff and Council. Your continued collaboration and commitment help ensure Airdrie remains an exceptional place to live and work.

Mayor Heather Spearman
City of Airdrie

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the City of Airdrie's 2025 Annual Financial Report. The completion and publication of the annual report plays an important role in demonstrating compliance and governance and provides information to all members of the public about the City's 2025 financial performance. Administration is responsible for the preparation of financial statements that are objective, accurate and in compliance with Canadian Public Sector Accounting Standards. The Municipal Government Act of the Province of Alberta identifies requirements for the preparation and audit of the annual statements and City Council is responsible for approving these statements. As a key part of maintaining public confidence through transparency, these statements show the City's financial health, provide information on changes in financial position, report on performance and demonstrate how tax dollars and government funds are used.

KPMG LLP have been appointed by City Council to audit the consolidated financial statements and have provided the accompanying Independent Auditor's Report outlining their professional opinion on the statements. The management's discussion and analysis that follows should be read in conjunction with the accompanying financial statements.

This report describes some of the City's major financial policies, assesses its general economic condition and highlights some of our accomplishments. Airdrie remained one of Alberta's fastest growing cities, reaching a population of 90,044 in 2025 (a 4.9 per cent increase), which drove strong construction activity and growth in building-permit and property-tax revenues. Utility revenues remained stable, supported by ongoing population growth, and Recreation Centre services continued to operate at or near capacity as demand for programs and facilities remained high.

The City remains committed to the highest standards of financial reporting, and we are confident that the 2025 Annual Report continues to meet those standards.



Shannon Schindeler, BBA, CPA, CGA
Director of Corporate Services and CFO

CITY COUNCIL



Councillor
Ron Chapman

Councillor
Simisola Obasan

Councillor
Chad Stewart

Mayor
Heather Spearman



Councillor
Candice Kolson

Councillor
Chris Glass

Councillor
Kristen Shima

ORGANIZATIONAL STRUCTURE



COUNCIL FOCUS AREAS

Council established Focus Areas at the start of their term for 2023 – 2026. For our City to grow into a well-planned, welcoming, safe and healthy City with its own identity, a focused strategy is essential. Council's focus areas guide Council when weighing decisions, direct Administration on where to focus energy and resources and inform the community on what Council plans to achieve on their behalf.

Advocacy

A focus on advocacy means that residents will be able to see the actions that Council and Administration are taking to advocate for Airdrie on a variety of issues and the results that follow. Healthcare infrastructure and mental health supports are of high importance under advocacy.

Key objectives:

- Airdrie has effective partnerships with other levels of government to address the issues affecting quality of life for our residents and businesses
- Citizens understand what services the City provides and how they can advocate for services provided by other levels of government
- Citizens will be able to see what actions Council and Administration are taking to advocate for Airdrie on a variety of issues



2025 Update

Increased advocacy efforts, communications and awareness

Operationalized in 2025, the following were continued efforts completed during Q1 to Q4 2025:

- Advocacy efforts focused on obtaining a \$50M provincial contribution to Airdrie's wastewater infrastructure upgrade.
- Efforts resulted in a public funding announcement with Minister Dreeshen on July 31, 2025.
- In Q2 & Q3, Government Relations & Grants hosted Council advocacy booths at both the Home & Lifestyle Show and AirdrieFEST. These booths provided opportunities to educate residents on the responsibilities of various government levels and provided Council members with an opportunity to engage directly with the community.
- Continuous efforts were made to advance Council's key advocacy priorities for Airdrie through meetings with ministers and senior government officials.
- Extensive staff support was also dedicated to participating in the Mid-sized Cities Mayors Caucus, the Alberta Municipalities policy resolution process and attendance at the Convention to support new Council members.

Strengthen intergovernmental relationships

Operationalized in 2025, the following were continued efforts completed during Q1 to Q4 2025:

- The Administration held a total of 29 meetings with Ministers & 49 meetings with senior government officials.
- Advocacy for Airdrie's priorities included meetings with key ministers in Health, Advanced Education, Education, Infrastructure, Transportation, Housing, Children & Family Services, Municipal Affairs as well as Treasury Board members.
- Efforts focused on supporting the new wastewater pipeline and accompanying infrastructure, involving meetings with Cabinet Ministers, Airdrie MLA Angela Pitt, and Calgary region elected officials.
- The Government Relations & Grants department continued support for provincial engagement opportunities, winding down of the Calgary Metropolitan Region Board (CMRB), standing up of the Regional Municipal Collaboration group and a wide variety of other inter-municipal initiatives.

Caring Community

A focus on caring community is one where all residents feel a sense of belonging in Airdrie. This focus will ensure there is support and care for residents who experience social vulnerability to enhance social well-being and access to resources here in Airdrie so people can stay in our community.

Key objectives:

- All residents feel a sense of belonging in our community
- Advocate for enhanced social well-being
- Create an environment where all residents can access housing based on their income and accessibility needs
- All residents can access opportunities and participate in activities
- Stronger community connections with all multinational residents and cultures, including Indigenous connections



2025 Update

Enhanced social well-being

- The Social Needs Assessment is complete and a final “What We Heard” report will be presented to the Community Safety & Social Services committee on February 10, 2026.
- **Family and Community Support Services (FCSS) Funding Strategy:**
 - In Feb/March of 2026, CSSS will be presented with an overview of the three grant streams (Youth Engagement Fund, Community Engagement Fund, and Capacity Building).
- **Equity, Diversity and Inclusion (EDI) Path Forward:**
 - Social Planning wrapped up a successful 2025 year by approving seven Building Belonging Microgrants in the community. 2026 will be a continuation of the EDI path forward’s next steps and continuation of the microgrants.
- **Increase civic engagement for youth:**
 - The 2025 youth grant saw four successful youth projects implemented in the community. The youth grant will continue in 2026.

Stronger community connections with all multinational residents and cultures, including Indigenous connections

- **Municipal Indigenous Relations Action Plan**
 - Following Council’s review of the draft Indigenous Relations Framework and Action Plan in Q3 2025, the City advanced reconciliation through increased Indigenous participation in civic, cultural, and planning initiatives.
 - Outcomes include Elder involvement in major City events, Indigenous engagement in the NE Regional Park and Social Needs Assessment, cultural representation at Bert Church Theatre, and City support for National Indigenous Peoples Day and the National Day for Truth and Reconciliation.

Access to housing, affordable housing update

- In 2025, the City successfully completed the requirements of the Airdrie Housing Accelerator Fund (HAF) Action Plan, resulting in the second installment of the federal HAF contribution aimed at supporting housing initiatives.
 - To date, the City has received \$12.4M of \$24.M in HAF funds.
 - The City is on track to receive the third installment in March of 2026.
- A priority on transparency is guiding efforts for increased public awareness of Airdrie’s affordable housing program, including clarifying the purpose of engagement and how feedback informs plans and actions (example – Homelessness 101 Workshop in 2025). A public reporting dashboard is in progress and will be available in Q1.
- The Airdrie Affordable Housing Investment Plan (CIP) was released and endorsed by the Airdrie Housing Limited Board in 2025. The CIP lays out a roadmap for targeting local investment in affordable housing towards a financially sustainable program that opens new non-market homes over 10 years. The CIP remains available for Council review and comment.

- The Affordable Housing department drives collaboration on housing initiatives through connection with affordable housing providers (Airdrie Housing Limited and Rocky View Foundation), coordination with City departments, and sectoral counterparts at the regional, provincial, and federal level.
 - Efforts are directed to align and refine municipal tools and expand impact as outlined in Airdrie’s 2024 - 2030 Affordable Housing Principled Action Plan. The plan includes a target of 300 new affordable homes opened or planned by 2030 (both market delivered and non-market).
 - In 2025, market-based policy tools included the new Multi-Unit Incentive Policy.
 - Non-market tools included the new Non-Market Land Disposition Policy, a one-time allocation to the Affordable Housing Reserve Fund (AHRF), and use of the AHRF to support the Habitat for Humanity Bayview project. The Habitat project also benefited from Airdrie’s Housing Incentive Program.

Economic Prosperity



A focus on economic prosperity will allow us to shift the tax base away from reliance on residential taxation. This will also help keep jobs in the community and foster a place where residents can work, live and play right here in Airdrie, supporting residents’ needs both financially and socially.

Key objectives:

- Improve the non-residential to residential assessment ratio
- Create opportunities for owners to revitalize Downtown
- Attract, retain and grow business
- Grow Airdrie’s visitor economy
- Investment Readiness

2025 Update

Attract, retain and grow business

- Recorded \$589 million in investment in 2024 (construction values), including \$86 million in non-residential development.
- Secured \$262,950 in grant funding from the Northern & Regional Economic Development (Provincial) and CanExport (Federal) programs for project execution between 2025-2028.
- 110 new commercial/industrial business licenses issued (includes sub-leases).
- Business Retention and Expansion
 - Economic Development hosted 50 events and workshops for local businesses attended by 900 companies/entrepreneurs and exhibited at four events.
 - Sponsored four local business events including the Amazing Airdrie Women entrepreneur award and Airdrie Regional Chamber of Commerce leadership conference.
 - Launched project to develop a Shop Local Strategy to be completed in 2026 Q2.
 - Initiated work on a business retention and expansion action plan.

Tourism

- Completed a Sport Tourism Strategy including engagement with 33 local sport organizations (presentation to Council in 2026 Q1).
- Sponsored and/or supported several sports events including The Grizzly Classic (gymnastics international event), March Madness Jamboree (basketball), and Airdrie Disc Golf inaugural tournament, drawing thousands of athletes, spectators and officials.
- Executed summer and winter destination marketing campaigns focused on family experiences, hidden gems, arts and culture, and festivals.
- Supported local and international film makers and continued work on Film Friendly policies.

Business and investment attraction

- Signed a Memorandum of Understanding with 7 regional municipalities to form Invest Greater Calgary. The group's mandate is to work collaboratively on regionally significant investment opportunities.
- Executed marketing strategy including promoting Airdrie at industry shows such as International Council of Shopping Centres, World Agri-tech Conference, Vancouver and Edmonton Real Estate Forums, and site selector events.
- Completed Retail Demand Analysis & Commercial Forecast Report which included an extensive Consumer Survey. Engaged a retail recruitment firm to attract new retail.
- Finalized a target sector identification and investment attraction action plan.
- New investments included FortisAlberta's Operations Centre, Global Citrus Group distribution centre, Blue Bird Storage, South Point Village Commercial (phase one), and a five-bay commercial building in Kingsview Market.

Revitalize downtown

- In 2025, downtown revitalization focused on strengthening experiences, public spaces and collaboration to support a vibrant and prosperous city centre.
- The Downtown Incentive Program continued to support businesses, property owners and local organizations, while the launch of a banner program added colour and visual interest to downtown streets.
- Progress was made in policy and planning through the creation of a Brownfield Development Guide to support redevelopment of underused land, the drafting of a policy to guide growth along the CPKC rail line, and the completion of a downtown parking study to better understand current and future needs.
- Work advanced to plan improvements to pathways, landscaping and public spaces along the Nose Creek corridor.
- A downtown marketing plan was created to guide future promotion of downtown, alongside early efforts to support the formation of a downtown business association focused on strengthening collaboration.
- Continued efforts to engage businesses and create more activity downtown:
 - Organized four activations to generate foot traffic downtown: Cocoa Trail, Open for Canada Day, Trick-or-Treat Downtown, and Countdown to Santa. 84 businesses participated, drawing hundreds of people downtown.
 - Celebrated the opening of Inspire with a business preview event.
 - Hosted lunch and learns and meetings with business owners to share information and gather their feedback.
 - 120+ downtown business owners and managers engaged through business walks and visits.

Environmental Protection

A focus on environmental protection will ensure that through necessary infrastructure, water conservation measures, alternative energy solutions and energy-efficient transportation options we reduce harmful environmental impacts in our City.

Key objectives:

- Implement sustainable environmental practices
- Explore infrastructure opportunities that support the transition of the City's operations towards increased use of renewable energy

2025 Update

Implement sustainable environmental practices

- Water Conservation, Efficiency and Productivity Plan has been updated.
- The average monthly per capita daily usage of potable water was significantly below the normal range for the months of January through June. As at end of the year, the average usage was 237.1 liters. The overall reduction in water consumption is likely attributable to higher levels of rainfall and adoption of water conservation best practices during 2025.



Explore infrastructure opportunities that support the transition of the City's operations towards increased use of renewable energy

- Endorsed in late 2023, the City's Energy and GHG Reduction Strategy exceeded its inaugural goals of a 5% reduction by achieving in 2024 a 7% reduction in corporate emissions through facility upgrades and operational improvements.
 - This commitment to efficiency includes a new policy to build facilities, such as the Southwest Recreation Centre, to National Energy Code of Canada for Buildings (NECB) Tier 2 standards to ensure a 25% reduction in energy use compared to minimum building code requirements.
- Additionally, the City launched the Clean Energy Improvement Program in 2025 with over \$6.4 million in funding, already supporting 15 completed residential projects with 250 more anticipated over four years.
- The Green Fleet Strategy was formally endorsed in 2025. With this endorsement, Administration will now focus on delivering the short, medium, and long-term goals outlined in the plan. Implementation efforts will be guided by our commitment to continuous improvement.

Informed and Engaged Community

A focus on an informed and engaged community will ensure a wide scope of representation from residents with varying interests, backgrounds and demographics are represented in the City's citizen engagement processes. In addition to this, residents will have access to valuable information to get involved in and be informed of City activities and projects.



Key objectives:

- Increased public participation in engagement opportunities
- Community stakeholders feel heard and that their input has been considered in decision-making
- Citizens will have access to information about civic events, service updates, City advocacy efforts and opportunities to get involved

2025 Update

Increased public participation in engagement opportunities

- Involve Airdrie had its first full year in 2025 and saw 52,839 views on the platform with 30,501 visitors.
- Large engagement projects in 2025 included the SW Recreation Centre, Parking Study, Winter Maintenance, RCMP Community Survey, Airdrie Transit Master Plan, Resident Satisfaction survey and Budget Engagement. 68.3% of visitors were first time visitors in 2025.
- The language translation tool was used to translate into French, Filipino and Spanish.

Community stakeholders feel heard and that their input has been considered in decision making

- "What We Heard" reports, such as those for the SW Rec Centre were viewed more in 2025 than in 2024 with 717 people downloading the SW Rec Centre "What we Heard" Report and 1,648 people downloading the Indoor and Outdoor Recreation Needs Assessment Study. 518 people downloaded the Accessory Suites "What We Heard" Report as well.

Citizens will have access to information about civic events, service updates, City advocacy efforts and opportunities to get involved

- This objective was completed in 2023 with additional information streams created and all are continually updated.

Leisure, Recreation and Culture

A focus on leisure, recreation and culture will meet the demands of Airdrie's growing population with four-season opportunities for recreation and social connection through events and arts & culture, all of which are highly valued by our community and enhance residents' quality of life.

Key objectives:

- 4-season opportunities for recreation and social connection
- Community facilities and amenities meet the needs as Airdrie grows

2025 Update

Inspire Multi-Use Facility and Library

- The Inspire facility reached substantial completion on August 15, 2025, and officially opened to the public on September 24, 2025.
- The project was delivered \$4.5M under budget. Deficiency corrections are underway and lessons from the project will help inform future capital projects.



Southwest Recreation Facility

- Design is underway following selection of the prime consultant team in October 2025, with the Concept Design Report scheduled for Council endorsement in March 2026.
- Early benchmarking and consultant engagement are supporting informed design and cost control, and the project remains on schedule and within budget.

Northeast Regional Park

- Phase 1 implementation continues, with Phase 1A complete, Phase 1B is scheduled to start construction in the spring of 2026, and Phase 2 design is in progress.
- A long term, seven phase development plan allows the park to expand in alignment with servicing availability.

FrancoSud School Expanded Gymnasium for Community Use

- Early planning is underway, with internal departmental interviews scheduled to begin identifying operational requirements and cross department dependencies.

Artificial Turf Field

- The artificial turf field opened to the public in September 2024, increasing field capacity by an estimated 615 additional prime time hours annually.

DID YOU KNOW?

Airdrie was named after a village northeast of Glasgow, Scotland. The name means "The King's Height".





Transportation

A focus on transportation will meet our residents' desire to move around Airdrie safely in a variety of ways. By removing barriers in transportation, more businesses will be enabled to set up in Airdrie; this will generate more non-residential taxes and revenue for municipal services to our community.

Key objectives:

- Enhance mobility and economic growth through improved transportation infrastructure

2025 Update

Enhance mobility and economic growth through improved transportation infrastructure

- The audible crosswalks along Main Street were installed in June 2025 and are fully operational. The remaining 18 intersections will be upgraded over the next two years.
- Yankee Valley improvements design and modelling work is ongoing. Construction of grade separation under the CPKC rail line has now been moved to 2029 as per the 10-year capital plan. Staff continues to evaluate the timing of scheduled improvements as part of an overall approach to upgrades on major arterials.
- The Transportation Master Plan is complete and was presented to the Community Infrastructure & Strategic Growth Stand Committee (CISG) for information in June 2025. Suggested improvements are also included in the Off-Site Levy for major roadways.
- 40th Avenue interchange has been completed and was opened in the fall of 2023.
- Intersection safety audit for high collision intersections has been completed. Recommendations are being reviewed for potential inclusion into future programs and/or budget requests.





AIRDRIE AT A GLANCE

A City Defined by Growth and Opportunity

2025 POPULATION



90,044

total population



4.90%

population growth



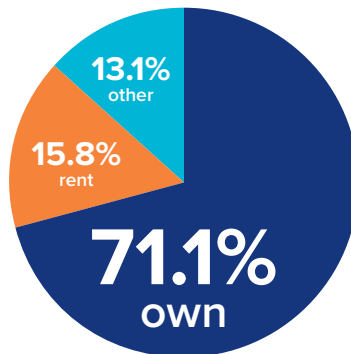
2.83

average residents
per dwelling



31,848

total dwellings
in Airdrie

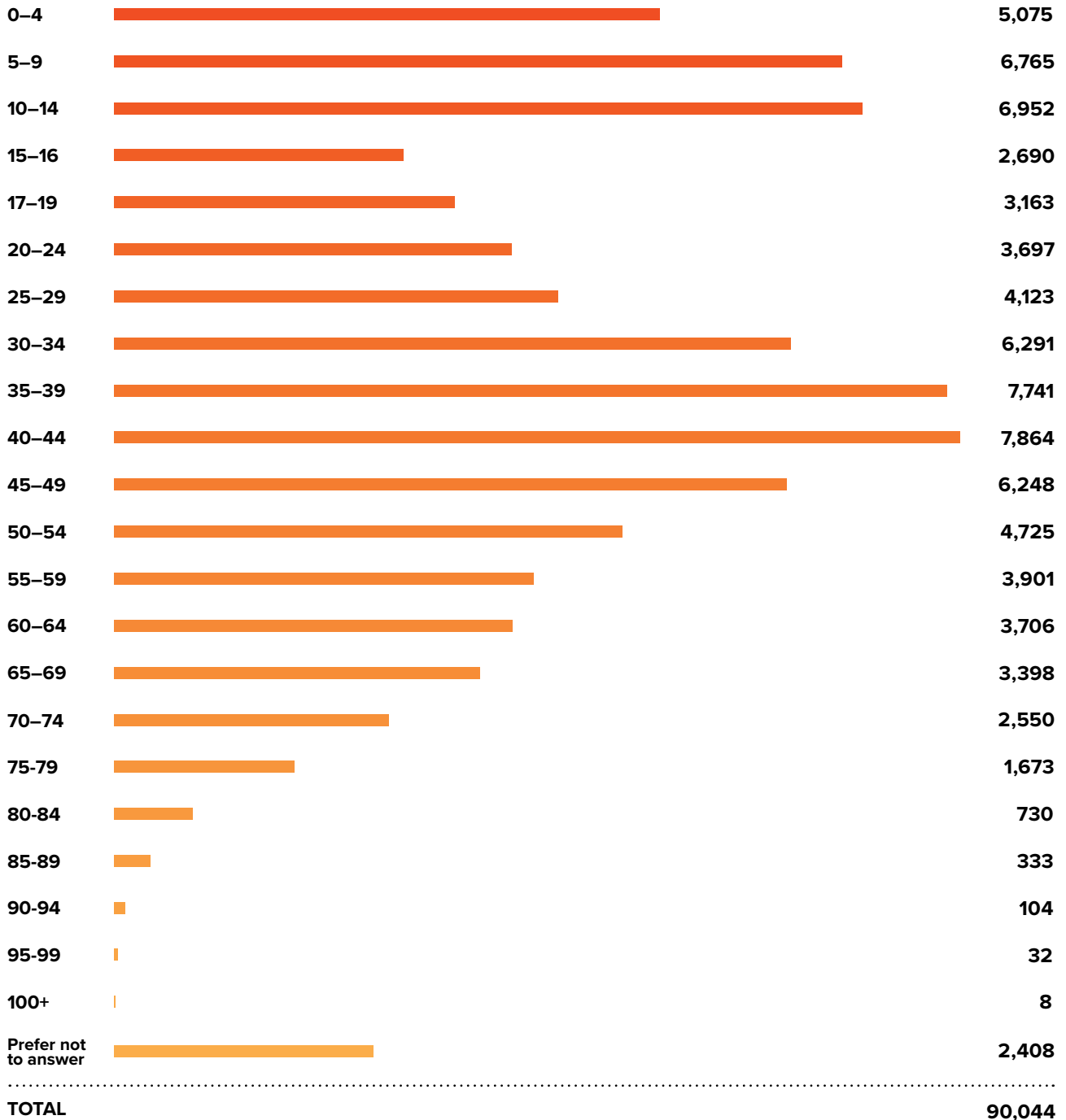


Residence owned vs rented

Source: 2025 City of Airdrie Census Results

Airdrie's Growing Community

POPULATION BY AGE



Source: 2025 City of Airdrie Census Results



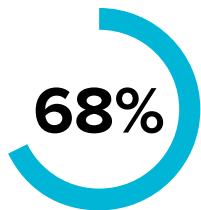
DID YOU KNOW?

Airdrie welcomed over 4,200 new residents in 2025, the equivalent of adding a small town in a single year.

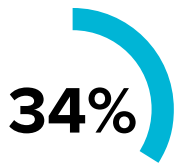
RESIDENT SATISFACTION SURVEY

In support of the City’s commitment to ensuring a positive quality of life and dedication to resident satisfaction with municipal services, the City conducts a resident satisfaction survey every two years. The most recent survey was completed in 2025, with input from 400 randomly selected residents and an additional 806 participants in an open online survey.

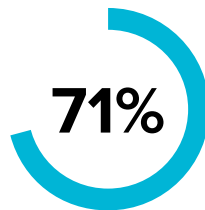
QUALITY OF LIFE



RATED **QUALITY OF LIFE** IN AIRDRIE AS A 4 OR 5 OUT OF 5



RATED THE **VALUE** THEY RECEIVE FROM THEIR **PROPERTY TAX** AS GOOD OR VERY GOOD.



CONSIDER AIRDRIE A **SAFE PLACE TO LIVE.**



NEARLY

5 OUT OF 10

WOULD RECOMMEND AIRDRIE AS A **PLACE TO LIVE**

HIGH QUALITY OF LIFE IS ATTRIBUTED TO:

- THE OVERALL AVAILABILITY OF SERVICES AND AMENITIES
- PARKS, GREEN SPACES, WALKING TRAILS
- SAFETY



CITY SERVICES WITH THE HIGHEST SATISFACTION RATINGS INCLUDED:



AIRDRIE FIRE (91%)



RECYCLE DEPOT PROGRAMS (75%)



BERT CHURCH THEATRE (72%)



CURBSIDE RECYCLING COLLECTION (76%)



CURBSIDE ORGANICS COLLECTION (77%)



RESIDENTIAL GARBAGE COLLECTION (70%)

DID YOU KNOW?

Utility-supported services include curbside recycling and organics programs, which have diverted over 63,000 metric tons of waste from landfills – enough to fill 55 Olympic-sized swimming pools.



ECONOMIC PROSPERITY

Alberta is known for its entrepreneurial spirit, and Airdrie continues to be one of the province’s strongest centers for small business growth. In 2025, Airdrie’s business community expanded alongside rapid population growth and sustained development activity.

Airdrie’s diverse business ecosystem includes a significant home-based sector, reflecting both the city’s strong entrepreneurial culture and its supportive regulatory environment. In 2025, 5,087 businesses held an active license in Airdrie, an increase from the prior year.

2025 Airdrie Business Licenses by Category

Category	Number of business licenses	Percentage of all businesses	Percentage of all Airdrie-based businesses
Commercial or industrial business	1,312	25.8%	38.2%
Home-based business	2,122	41.7%	61.8%
Non-resident (out-of-town) business	1,653	32.5%	N/A
Total	5,087		

(Source: City of Airdrie – Economic Development, 2025)

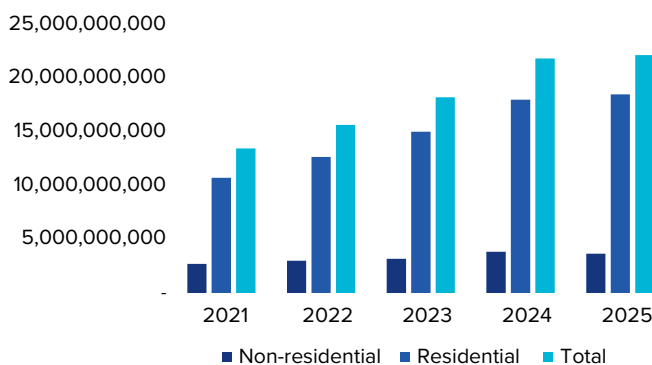
PROPERTY ASSESSMENT & TAXATION

Assessment growth continued for residential properties in 2025 but slowed for non-residential properties. Residential properties contributed 83.4% of the total taxable assessment base while non-residential properties contributed 16.6%. In 2025, there were a total of 35,701 taxable properties.

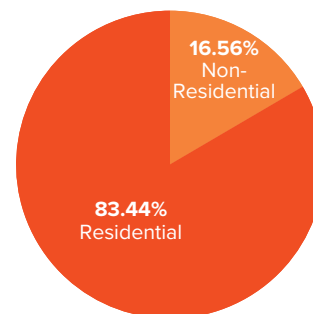
Overall Assessment Value

Tax Year	2025	2024	YoY Change
Non-Residential	\$ 3,670,904,590	\$ 3,834,836,950	\$ (163,932,360)
Residential	\$ 18,491,878,270	\$ 18,004,470,350	\$ 487,407,920
TOTAL	\$ 22,162,782,860	\$ 21,839,307,300	\$ 323,475,560

Taxable Assessment Growth



Proportion of Residential and Non-residential Assessed Value in 2025



CORPORATE SUCCESSES

COMMUNITY SERVICES



OPENED **INSPIRE:**
AIRDRIE'S NEW
MULTI-USE FACILITY AND
LIBRARY (SEPT 2025)

COMPLETED THE
SOUTHWEST
RECREATION
FACILITY
MASTER
PLAN AND
FUNCTIONAL PROGRAM
(Q2 2025)



COMPLETED
THE
VETERAN'S
MEMORIAL
PROJECT
(SEPT 2025)



DEVELOPED AN **EXECUTIVE LEADERSHIP TEAM OPERATIONAL PLAN** TO ALIGN SENIOR LEADERSHIP PRIORITIES AND IMPROVE ORGANIZATIONAL FOCUS

CITY COUNCIL & CITY MANAGER'S OFFICE

INTRODUCED A **MORE**
EFFICIENT
GOVERNANCE
STRUCTURE WITH
NEW STANDING
COMMITTEES AND
MORE FOCUSED
COUNCIL MEETINGS



CONSOLIDATED
36 BYLAWS
AND POLICIES
INTO A SINGLE
UPDATED
FRAMEWORK,
MAKING
AIRDRIE'S FEE
STRUCTURE
CLEARER, MORE
TRANSPARENT
AND EASIER TO
NAVIGATE



UPDATED THE
ORGANIZATIONAL
STRUCTURE
TO **IMPROVE**
COLLABORATION
AND **SPEED UP**
DECISION-MAKING
ACROSS CITY
SERVICES

CONDUCTED A
LEGISLATIVELY
COMPLIANT
2025 MUNICIPAL
ELECTION



99.9%

CENSUS
COLLECTION
RATE



TRANSITIONED **LEGAL COUNSEL** SERVICES TO AN **IN-HOUSE MODEL**

STRATEGIC GROWTH & INVESTMENT



SECURED **\$50M**
IN PROVINCIAL
FUNDING FOR
THE REGIONAL
SANITARY
WASTEWATER LINE



ADOPTED STATUTORY PLANS
FOR **~5,500 ACRES** OF
FUTURE GROWTH
AREAS

DOWNTOWN
REDEVELOPMENT AND CRL
INITIATIVES
HELPED
INCREASE
DOWNTOWN
PROPERTY
VALUES BY
~\$65M



ENVIRONMENTAL SERVICES

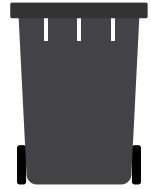


UPDATED THE **MASTER SERVICING AGREEMENT** (2023–2026) TO SUPPORT RELIABLE REGIONAL WATER AND WASTEWATER SERVICES

COMPLETED THE **ASSESSMENT OF THE MAIN WATER SUPPLY LINE** BETWEEN AIRDRIE AND CALGARY



COUNCIL APPROVED CHANGES TO THE **BLACK CART PROGRAM** TO MODERNIZE WASTE SERVICES AND BETTER ALIGN COSTS AND CAPACITY



COMMUNITY SAFETY & SOCIAL SERVICES



SECURED **\$24.8M** CMHC HOUSING ACCELERATOR FUND (HAF) TO **ACCELERATE AFFORDABLE HOUSING DELIVERY**



COMPLETED THE **2025 SOCIAL NEEDS ASSESSMENT**, BUILDING ON THE 2023 SOCIAL WELL-BEING SURVEY



CONSTRUCTION STARTED ON **HIGHLAND PARK FIRE STATION** IN NORTHEAST AIRDRIE

COMMUNITY INFRASTRUCTURE



UPDATED THE **TRANSPORTATION MASTER PLAN** (2025) FOR A FUTURE POPULATION OF 265,000 RESIDENTS



COMPLETED A **HIGH-COLLISION INTERSECTION SAFETY AUDIT**, IDENTIFYING SAFETY IMPROVEMENT ACTIONS



INTRODUCED **PEDESTRIAN ACCESSIBILITY ENHANCEMENTS**, INCLUDING TACTILE PAVERS, COUNTDOWN SIGNALS, AND AUDIBLE CROSSINGS



MODERNIZED MUNICIPAL ENFORCEMENT SERVICE DELIVERY (24/7 CALL ANSWERING, NEW CAD SYSTEM, E-TICKETING, BODY-WORN CAMERAS)



FINANCIAL INFORMATION

MANAGEMENT’S DISCUSSION AND ANALYSIS

FINANCIAL POSITION

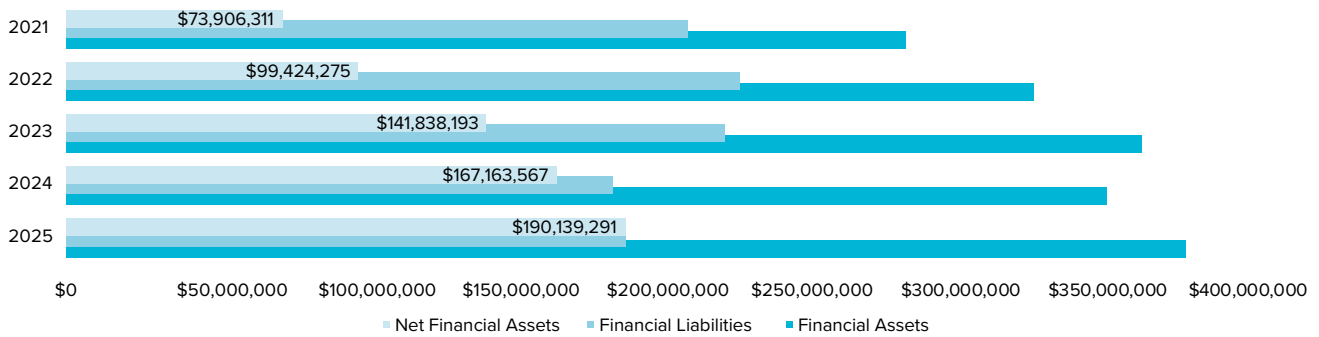
The Statement of Financial Position presents the City’s resources and obligations at year end. The key indicators of financial capacity are net financial assets, accumulated surplus, and cash and investments. Together they show how the City managed taxpayer resources in 2025, as well as the capacity to maintain and grow services in the years ahead.

Net Financial Assets

Net financial assets increased to \$190.1 million at December 31, 2025, an improvement of approximately 13.7% from 2024. This indicates that after paying all liabilities, the City retains \$190.1 million in financial resources to support future operations, and that current year revenues were sufficient to fund both operating activities and capital acquisitions.

The position is anchored by cash and investments of \$335.2 million, offset by long term debt of \$61.3 million, deferred revenue of \$55.3 million, and accounts payable and accrued liabilities of \$32.1 million. These amounts are discussed in more detail below.

The following graph shows the increasing trend of the City’s net financial assets over the past five years:



Accumulated Surplus

Accumulated surplus represents the City’s net financial position since inception. At December 31, 2025, accumulated surplus was \$1.289 billion, an increase of \$107.8 million year-over-year. Accumulated surplus includes non-financial assets, primarily the value of infrastructure used to deliver services. Readers should note that accumulated surplus is not cash. Under PSAS accrual accounting, capital assets are recognized on the Statement of Financial Position and expensed through amortization over their useful lives. Therefore, it is important to consider cash flow and net financial assets alongside annual results.

Of the \$1.289 billion accumulated surplus, \$1.098 billion relates to non-financial assets, leaving \$190.1 million in net financial assets to finance future operations.

Cash Flow and Liquidity

The City’s cash consists of cash and temporary investments that mature within three months and is held as cash-on-hand to ensure the City can pay for upcoming expenditures.

Cash from operations was \$102.8 million, reflecting strong cash generation from service delivery and growth. Cash applied to capital transactions was \$(93.0) million, cash applied to investing transactions was \$(18.7) million, and financing provided \$1.6 million. The net change in cash was \$(7.5) million, resulting in \$21.8 million cash on hand at year end. The cash position, together with investments, supports timely delivery of capital projects and day-to-day liquidity.

Receivables

Receivables increased by approximately \$3.5 million, driven mainly by developers’ levies receivable, with smaller increases in taxes and trade receivables. An additional \$0.4 million loan receivable was also recorded in the year. Development levies fund growth-related infrastructure, which helps reduce reliance on the tax base for new development.

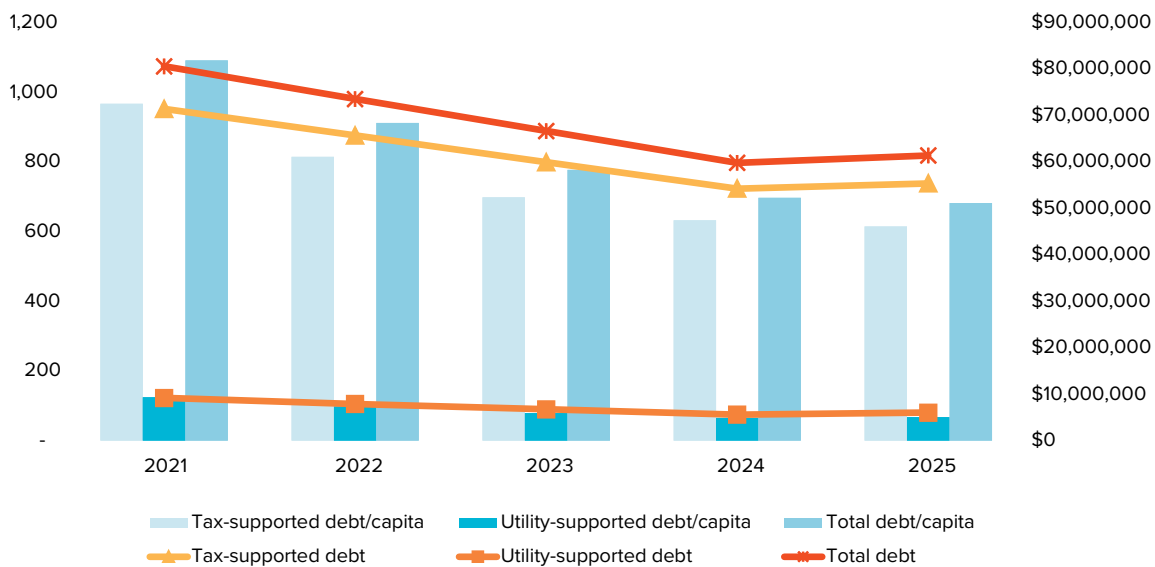
Investments

At December 31, 2025, the City held \$313.5 million in investments, consisting of short-term notes, government and corporate bonds, and principal-protected notes (PPNs). Portfolio yields ranged from 1.05% to 7.35%, with maturities from 2027 to 2048. Restricted investment balances totaled \$40.8 million, designated to support future approved capital infrastructure and eligible operating projects. PPNS are measured at fair value in accordance with PSAS. During the year, the portfolio recorded \$10.1 million in unrealized gains, with \$3.5 million of previously unrealized gains reclassified to revenue upon disposition. The City maintains a laddered structure across short-, medium-, and long-term maturities to manage liquidity requirements and preserve capital. To manage interest rate exposure associated with 2025 variable-rate borrowing, the City entered into amortizing interest rate swaps. The swaps resulted in an immaterial fair value liability at year-end.

Long-Term Debt

Long term debt was \$61.3 million at year end, which equates to \$681 per capita. The debt limit was \$377.9 million, with 16.2% utilized. The debt service limit was \$63.0 million, with 12.6% utilized. The City remains well below provincial limits, preserving capacity for priority infrastructure while maintaining affordability for residents. Debt is used only for major capital projects and is not used to fund operations.

The City’s organizations that are owned or controlled (Airdrie Housing Limited and Airdrie Library Board) held no long-term debt. Airdrie Housing repaid its mortgage payable that was previously included within the total long-term debt of the City during the year.



Organizational changes

Airdrie Mainstreet Square Real Estate Inc. (AMSQ), a fully consolidated municipal entity, was dissolved in 2025 and its net assets transferred to the City. Because AMSQ was already consolidated, the dissolution had no impact on the City’s consolidated financial position or annual surplus but does affect comparability of segmented results due to the elimination of inter-entity balances and transactions.

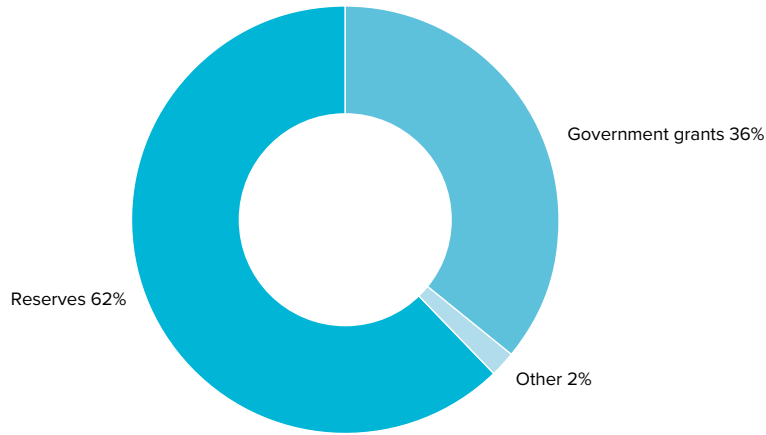
Non-Financial Assets

The City's non-financial assets primarily comprise the book value of tangible capital assets (TCAs). TCAs are the physical assets that enable service delivery. At December 31, 2025, TCAs totaled \$1.098 billion, an increase of \$84.8 million. In 2025, capital activity included \$93.6 million in City-funded acquisitions, \$32.7 million in developer-contributed assets, and \$56.9 million in other non-cash additions such as asset retirement obligation costs and transfers from assets under construction. These additions were partially offset by \$40.8 million in amortization and \$0.7 million in asset disposals at net book value. Overall, these investments reflect the City's continued focus on sustaining existing infrastructure while supporting growth-driven service needs.

Infrastructure Investment Ratio: In 2025, the City's infrastructure investment ratio based on City-funded capital additions was 2.3 \times , meaning the City invested more than twice the amount of annual amortization in its core infrastructure. When all tangible capital asset additions are considered, including developer-contributed infrastructure, asset retirement obligation costs, and transfers from assets under construction, total capital additions were approximately \$183.2 million, representing an overall investment ratio of 4.5 \times relative to annual amortization. This indicates that total infrastructure growth significantly exceeded asset consumption during the year.



How capital investment was funded in 2025



Why this matters: This shows how the City funds major infrastructure - mainly through reserves and government grants - limiting reliance on debt and supporting long-term financial sustainability

Reserves

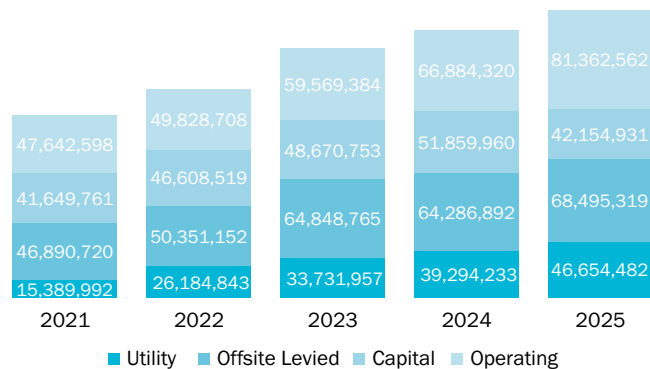
Reserves provide financial resilience, enable long-term planning, and help maintain predictable tax rate changes.

- Operating reserves totaled \$81.4 million: \$39.6 million General Operating Reserve, \$33.3 million Tax Stabilization Reserve, and \$8.5 million other operating reserves. The General Operating Reserve fund equaled approximately 23% of the tax supported operating budget, which is consistent with the City’s three-month working capital target. The Tax Stabilization Reserve is intended to smooth tax impacts as new facilities and services enter operation.
- Capital reserves totaled \$42.2 million, including \$8.0 million externally restricted capital reserves that can only be used for specific purposes. Capital reserves support the repair, replacement, upgrading, and construction of new capital assets, as well as lifecycle requirements for existing infrastructure.
- Offsite levy reserves totaled \$68.5 million and are collected from developers to fund infrastructure required for growth. These reserves are restricted for specific capital purposes and must comply with the City’s Debt Policy, which requires that growth-related projects be financed with no more than 50% debt, and reserves maintain minimum balances sufficient to cover four years of debt servicing costs for applicable projects. These requirements ensure growth pays for growth while maintaining debt affordability for taxpayers.
- Utility reserves totaled \$46.7 million and support water, wastewater, and waste management infrastructure, along with related capital and operating projects. They also stabilize utility rates and provide capacity to respond to unexpected infrastructure or service needs. Funding for these reserves is derived from annual utility operating budgets and, where approved by Council, from operating surpluses.

Forward view of reserve use

Over the next five years, material operating impacts are expected as the Highland Park Fire Station opens in 2026 and Phase 1 of the Southwest Recreation Centre advances. The Tax Stabilization Reserve is intended to help mitigate sharp changes to municipal tax rates as these facilities are commissioned.

Why this matters: reserves protect rate stability, fund lifecycle for infrastructure, and ensure growth pays for growth.



■ Utility ■ Offsite Levied ■ Capital ■ Operating

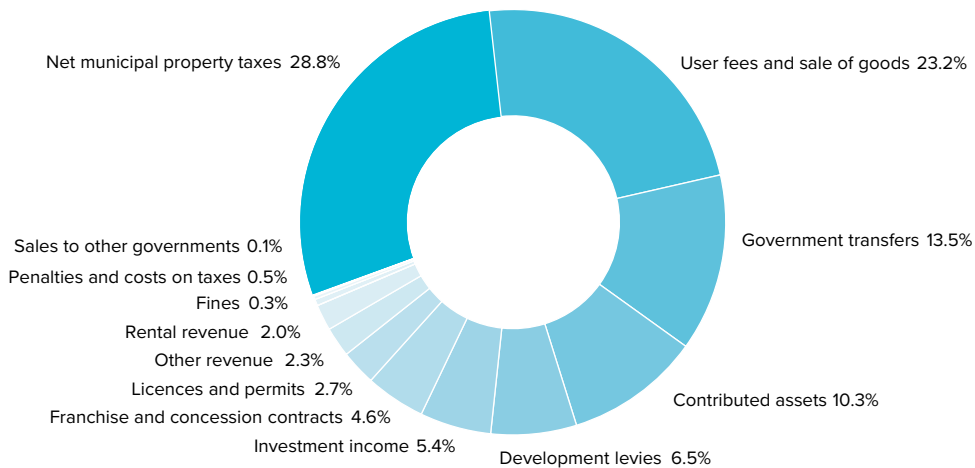
STATEMENT OF OPERATIONS

Results for the Year

- Total revenue was \$318.3 million, up 2.8% from 2024, reflecting higher net municipal property taxes and investment income. Actual revenue was approximately \$14.6 million above budget, largely due to some amounts not being budgeted offset by in-year government transfers recognized than planned.
- Total expenses were \$218.7 million, an increase of \$12.2 million year-over-year. Actual expenses were approximately \$13.7 million below budget, primarily due to timing and lower contracted services and materials than budgeted.
- The annual surplus was \$99.6 million. This surplus includes the City’s operating and capital activity as well as financial operations of the organizations owned or controlled by the City: Airdrie Mainstreet Square Real Estate Inc (up to date of dissolution), the City of Airdrie Library Board and Airdrie Housing Limited.
- Operating Surplus Ratio (2025): 31% — For every \$1.00 in revenue, the City generated \$0.31 to support capital investment, replenish reserves, and maintain long-term financial resiliency.

Revenue Composition

Revenues consist of the following major categories:



Why this matters: shows how services are funded across taxes, fees, transfers, levies, investments, and contributed assets.

Contributed assets

Public Sector Accounting Standards require municipalities to recognize contributed assets as revenue in the year in which final acceptance certificates are issued to developers and subdivisions become the responsibility of the City. Tracking and valuing these contributed assets is critical to future capital planning for eventual replacement and to operational planning for maintenance and repairs. In 2025, contributed assets of \$32.7 million were recognized as revenue, including roads, pathways, parks and playgrounds, and engineered structures such as sanitary, storm, and water systems.

Property taxes

The City collects property taxes for municipal services and on behalf of other entities. In 2025, total property taxes levied were \$142.6 million, including \$51.0 million in requisitions (primarily provincial education and Rocky View Senior’s Foundation), resulting in net municipal property taxes of \$91.7 million. Net municipal property taxes are the City’s primary source of funding for municipal services and represented 28.8% of total revenue in 2025, up from approximately 27.2% in 2024.

User fees

User fees are derived from almost all areas of the City’s operations and include revenue from utility operations (water, sewer and waste management fees), recreation fees, transit fares and fire and alarm response fees. User fees totaled \$73.9 million in 2025 and made up 23.2% of the City’s total revenue.

Development levies

Revenue from development levies is collected as subdivisions are approved, pursuant to subdivision servicing agreements. These funds are restricted to specific growth-related infrastructure. Development levies totaled \$20.7 million in 2025, up from \$19.0 million in 2024.

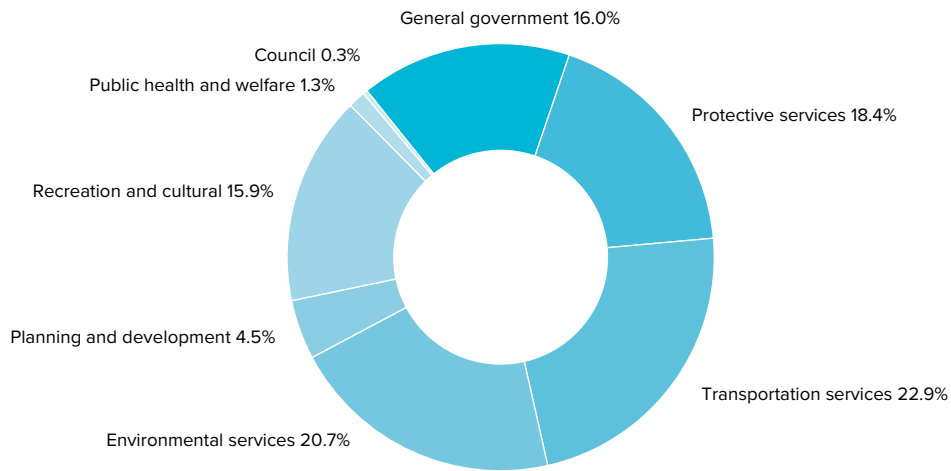
Expenses

Expenses rose by \$12.2 million year-over-year. The largest functional areas of spend were transportation, environmental services, protective services, recreation and culture, and general government. Year-over-year increases were led by:

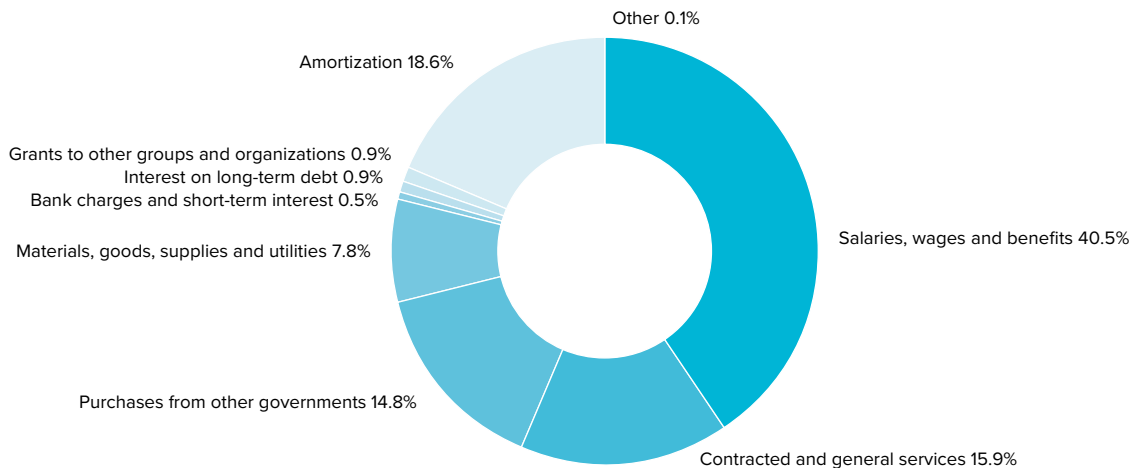
- Salaries, wages and benefits, up \$4.2 million, reflect staffing to maintain service levels for a growing population and to support expanded services.
- Amortization, up \$3.0 million, as new assets entered service.
- Materials, goods, supplies and utilities, up \$1.8 million.
- Contracted and general services, up \$1.3 million.

Government financial statements look quite different from those of a business due to reporting requirements as prescribed by Public Sector Accounting Standards. Expenses are grouped by function, such as protective services, transportation services and recreation and culture, to provide accountability for the total costs of services for each major City function. This enables readers of the financial statements to identify the City’s priorities based on the percentage of revenue used for each service and the total cost of providing each service.

The following two graphs show where the money went in 2025, first by function and then by category:



Why this matters: translates spending into service areas residents recognize (transportation, utilities, protective services, recreation).



Expenses as a Percentage of Revenue

Spending patterns align with community priorities identified in the 2025 Resident Satisfaction Survey, which identified the community's top issues as infrastructure and traffic, healthcare access, and recreation amenities. In 2025, functional spending as a share of revenue was:

- Transportation services 15.7%
- Environmental services 14.3%
- Protective services 12.6%
- General government 11.0%
- Recreation and culture 10.9%
- Planning and development 3.1%
- Public health and welfare 0.9%
- Council 0.2%

While healthcare is the responsibility of the Province, the City continues to advocate for expanded local healthcare services. When reviewing the City-provided services, spending patterns demonstrate a strong alignment with what residents say matters most. The allocation of municipal resources, particularly to transportation, utilities, and recreation, demonstrates focus on the services the City provides that most directly align with those priorities. Together, these areas show that the City is directing a substantial portion of its available revenues toward the very services and infrastructure residents have identified as critical to their quality of life.

GROWTH AND DEMAND FOR SERVICES

Population reached 90,044 in 2025. Growth increases demand for protective services, transportation networks, water and wastewater capacity, recreation amenities, parks, and community supports. Growth also expands the assessment base and user fee revenue, which helps to fund the service and infrastructure required by new residents. The City's reserve strategy and capital planning framework are designed to keep pace with growth while maintaining affordability and financial sustainability.

RISKS, SENSITIVITIES, AND OUTLOOK

- **Transfer volatility:** Government transfers can vary from budgeted levels, affecting timing of capital projects and operating grants. The City mitigates this risk through conservative budgeting, the use of reserves, and by sequencing projects based on confirmed funding. 2025 results reflected lower in-year transfers recognized than budget.
- **Construction inflation and timing:** Construction cost volatility and market capacity can affect project scope and timing. The City continues to phase projects, apply value-for-money procurement, and maintain contingency strategies within the 10-year plan to manage risks to schedule and budget.
- **Interest rate environment:** Investment income improved with higher interest rates, although rates can move. Investment portfolios are diversified by duration and issuer quality to manage reinvestment risk while preserving capital and liquidity for planned capital and operations.
- **Service commissioning:** Opening of major facilities, such as the Highland Park Fire Station and Phase 1 of the Southwest Recreation Centre, will increase ongoing operating costs. The Tax Stabilization Reserve is intended to smooth these operating impacts to protect rate stability. Subsequent to year end, Council approved the 2026 budgets with a 4.6% municipal tax adjustment, reflecting commissioning of the Highland Park Fire Station, advancement of the Southwest Recreation Centre, and key utility capacity work.

WHAT THIS MEANS FOR RESIDENTS AND STAKEHOLDERS

- The City ended 2025 with a stronger net financial asset position, healthy reserves, and ample debt capacity, which together support reliable service delivery and continued investment in infrastructure.
- Operating performance generated sufficient cash to fund capital work while maintaining liquidity, which helps the City deliver projects on time and manage timing differences in external funding.
- Spending is aligned with resident priorities for mobility, utilities, and amenities, as shown by the share of revenue devoted to transportation, environmental services, and recreation.
- Looking ahead, the City is positioned to manage growth and the commissioning of new facilities without sudden tax changes by using the Tax Stabilization Reserve and by sequencing capital within a multi-year planning approach.



**CONSOLIDATED
FINANCIAL
STATEMENTS**

MANAGEMENT'S REPORT

April 21, 2026

The consolidated financial statements of The City of Airdrie are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards. The financial statements are not precise since they include amounts that are based on the best estimates and judgement of management. Management has determined such amounts on a reasonable basis to ensure that the financial statements are presented fairly, in all material respects.

Management maintains systems of accounting and administrative controls to provide reasonable assurance that transactions are appropriately authorized, accurately recorded, assets are properly accounted for and safeguarded and that the financial statements fairly represent the City's operating and financial results.

City Council has approved the financial statements.

KPMG LLP was appointed by City Council to audit the consolidated financial statements and has provided the accompanying Independent Auditor's Report outlining their professional opinion on the statements.



Shannon Schindeler, BBA, CPA, CGA
Director of Corporate Services and CFO



INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the City of Airdrie

Opinion

We have audited the consolidated financial statements of the City of Airdrie (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated cash flows, and its consolidated changes in net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Annual Report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants

Calgary, Canada

Date

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025, with comparative information for 2024

	2025	2024
FINANCIAL ASSETS		
Cash (Note 4)	\$ 21,759,950	\$ 29,261,245
Receivables		
Taxes and grants-in-place of taxes (Note 5)	4,523,004	3,796,286
Trade and other receivables	14,706,052	13,859,386
Developers' levies receivable	25,047,215	23,170,054
Loans receivable	417,563	-
Investments (Note 6)	313,461,716	283,220,110
Other financial assets	288,321	97,815
	380,203,821	353,404,896
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	32,084,784	29,341,770
Deposit liabilities	554,502	2,903,124
Deferred revenue (Note 8)	55,313,763	56,032,054
Employee benefit obligations (Note 9)	2,865,295	3,107,983
Other liabilities (Note 10)	7,427,209	6,427,400
Deferred developers' levies	25,047,215	23,170,054
Contaminated site liability (Note 11)	2,757,002	2,875,139
Long-term debt (Note 12 and 13)	61,332,646	59,768,001
Asset retirement obligations (Note 14)	2,682,114	2,615,804
	190,064,530	186,241,329
NET FINANCIAL ASSETS	\$ 190,139,291	\$ 167,163,567
NON FINANCIAL ASSETS		
Tangible capital assets (Schedule 1 and Note 15)	1,098,184,886	1,013,373,928
Prepaid expenses	292,406	263,207
	1,098,477,292	1,013,637,135
ACCUMULATED SURPLUS		
Accumulated operating surplus (Schedule 2 and Note 17)	\$ 1,278,548,869	\$ 1,178,972,718
Accumulated remeasurement gains	10,067,714	1,827,984
	\$ 1,288,616,583	\$ 1,180,800,702

Contingent assets and contingent liabilities (Note 22 and 23)
 Contractual rights and contractual obligations (Note 24 and 25)
 Subsequent events (Note 29)

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2025, with comparative information for 2024

	2025 Budget (Note 28)	2025	2024
REVENUE (Schedule 6)			
Net municipal property taxes (Schedule 3)	\$ 91,143,950	\$ 91,653,047	\$ 84,308,271
User fees and sale of goods	73,719,773	73,925,065	71,218,498
Government transfers (Schedule 4)	84,283,147	42,963,316	48,318,357
Contributed assets (Note 15)	-	32,686,403	38,373,418
Development levies	15,078,514	20,730,533	18,958,706
Investment income	2,948,315	17,264,530	10,679,673
Franchise and concession contracts	14,700,000	14,506,865	14,196,203
Licenses and permits	9,639,119	8,543,969	8,552,820
Other revenue	3,332,484	7,247,977	5,822,500
Rental revenue	6,121,907	6,304,183	6,281,087
Penalties and costs on taxes	1,240,000	1,571,583	1,380,136
Fines	1,078,500	821,641	1,062,613
Sales to other governments	425,000	188,645	445,328
Loss on disposal of tangible capital assets	-	(131,498)	(43,664)
	303,710,709	318,276,259	309,553,946
EXPENSES (Schedule 5 and 6)			
Transportation services	52,706,722	50,036,519	48,675,182
Environmental services	47,492,534	45,397,257	44,143,117
Protective services	43,447,512	40,188,075	39,199,406
General government	35,885,583	34,931,366	31,589,025
Recreation and cultural	35,570,608	34,665,170	29,838,599
Planning and development	13,480,223	9,879,853	9,548,813
Public health and welfare	3,025,964	2,844,979	2,752,048
Council	808,159	756,889	770,417
	232,417,305	218,700,108	206,516,607
OPERATING SURPLUS	71,293,404	99,576,151	103,037,339
Accumulated Operating Surplus, Beginning of Year	1,178,972,718	1,178,972,718	1,075,935,379
Accumulated Operating Surplus, End of Year	\$ 1,250,266,122	\$ 1,278,548,869	\$ 1,178,972,718

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended December 31, 2025, with comparative information for 2024

	2025		2024	
ACCUMULATED REMEASUREMENT GAINS, BEGINNING OF YEAR	\$	1,827,984	\$	(6,155,915)
Unrealized gains (losses) attributable to:				
Portfolio investments		11,789,894		7,983,899
Derivatives (Note 10 and 26)		(32,446)		-
Amounts reclassified to the Statement of Operations				
Portfolio investments (Note 6)		(3,517,718)		-
Net Remeasurement gains for the year		8,239,730		7,983,899
ACCUMULATED REMEASUREMENT GAINS, END OF YEAR	\$	10,067,714	\$	1,827,984

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2025, with comparative information for 2024

	2025 Budget (Note 28)	2025	2024
OPERATING SURPLUS	\$ 71,293,404	\$ 99,576,151	\$ 103,037,339
Acquisition of tangible capital assets	(273,675,631)	(93,557,896)	(79,142,127)
Tangible capital assets received as contributions	-	(32,686,403)	(38,373,418)
Proceeds on disposal of tangible capital assets	-	543,274	255,957
Amortization of tangible capital assets	40,113,658	40,758,568	37,748,824
Loss on disposal of tangible capital assets	-	131,498	43,664
	(233,561,973)	(84,810,959)	(79,467,100)
Acquisition of prepaid expenses	-	(292,406)	(227,339)
Use of prepaid expenses	-	263,208	154,490
Net remeasurement gain	-	8,239,730	7,983,899
	-	8,210,532	7,911,050
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(162,268,569)	22,975,724	31,481,289
Net Financial Assets, Beginning of Year	167,163,567	167,163,567	135,682,278
Net Financial Assets, End of Year	\$ 4,894,998	\$ 190,139,291	\$ 167,163,567

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025, with comparative information for 2024

	2025	2024
OPERATING		
Operating surplus	\$ 99,576,151	\$ 103,037,339
Non-cash items included in operating surplus		
Amortization of tangible capital assets	40,758,568	37,748,824
Loss on disposal of tangible capital assets	131,498	43,664
Gain on sale of Principal Protected Notes	(3,517,718)	-
Tangible capital assets received as contributions	(32,686,403)	(38,373,418)
Changes in non-cash working capital balances		
Taxes and grants-in-place of taxes	(726,718)	(427,300)
Trade and other receivables	(846,666)	(286,290)
Developers' levies receivable	(1,877,161)	2,223,571
Prepaid expenses	(29,199)	(72,849)
Other financial assets	(190,506)	2,191
Accounts payable and accrued liabilities	2,743,014	(6,744,894)
Deposit liabilities	(2,348,622)	232,672
Deferred revenue	(718,291)	(26,314,424)
Employee benefit obligations	(242,688)	398,687
Other liabilities	967,363	(798,492)
Deferred developers' levies	1,877,161	2,554,431
Contaminated site liability	(118,137)	(320,989)
Asset retirement obligation	66,310	324,289
Cash provided by operating transactions	102,817,956	73,227,012
CAPITAL		
Acquisition of tangible capital assets	(93,557,895)	(79,142,127)
Proceeds on disposal of tangible capital assets	543,274	255,957
Cash applied to capital transactions	(93,014,621)	(78,886,170)
INVESTING		
Purchases of investments	(143,443,450)	(97,870,544)
Sales of investments	124,991,738	92,405,140
Loan receivable issued	(417,563)	-
Cash applied to investing transactions	(18,869,275)	(5,465,404)
FINANCING		
Long-term debt issued	9,134,403	-
Long-term debt repaid	(7,569,758)	(6,845,692)
Cash provided by (applied to) financing transactions	1,564,645	(6,845,692)
CHANGE IN CASH	(7,501,295)	(17,970,254)
Cash, Beginning of Year	29,261,245	47,231,499
Cash, End of Year	\$ 21,759,950	\$ 29,261,245

See accompanying notes to the consolidated financial statements

Schedule 1

CONSOLIDATED TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2025, with comparative information for 2024

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Assets Under Construction	2025	2024
COST									
Balance, beginning of year	\$ 140,871,476	\$ 107,279,868	\$ 188,319,317	\$ 863,472,374	\$ 44,758,474	\$ 27,479,002	\$ 69,881,571	\$ 1,442,062,082	\$ 1,327,183,138
Add: acquisitions during the year	-	11,081,158	67,979,129	63,426,501	10,919,877	3,357,165	26,404,818	183,168,648	132,072,820
Less: disposals during the year	-	102,310	1,133,440	373,532	1,893,746	681,344	-	4,184,372	2,636,601
Other – change in assets under construction	-	-	-	-	-	-	(56,264,680)	(56,264,680)	(14,585,988)
Revaluation of asset and adjustments	-	22,000	26,438	(722,731)	14,623	-	-	(659,670)	28,713
Balance, end of year	\$ 140,871,476	\$ 118,280,716	\$ 255,191,444	\$ 925,802,612	\$ 53,799,228	\$ 30,154,823	\$ 40,021,709	\$ 1,564,122,008	\$ 1,442,062,082
ACCUMULATED AMORTIZATION									
Balance, beginning of year	\$ -	\$ 42,101,901	\$ 49,996,503	\$ 297,339,537	\$ 22,644,764	\$ 16,605,449	\$ -	\$ 428,688,154	\$ 393,276,310
Add: amortization	-	4,673,591	4,419,656	25,912,783	4,016,815	1,735,723	-	40,758,568	37,748,824
Less: amortization on disposals	-	85,644	894,291	205,875	1,642,446	681,344	-	3,509,600	2,336,980
Balance, end of year	\$ -	\$ 46,689,848	\$ 53,521,868	\$ 323,046,445	\$ 25,019,133	\$ 17,659,828	\$ -	\$ 465,937,122	\$ 428,688,154
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 140,871,476	\$ 71,590,868	\$ 201,669,576	\$ 602,756,167	\$ 28,780,095	\$ 12,494,995	\$ 40,021,709	\$ 1,098,184,886	\$ 1,013,373,928

See accompanying notes to the consolidated financial statements

Schedule 2

CONSOLIDATED SCHEDULE OF CHANGE IN ACCUMULATED OPERATING SURPLUS

For the Year Ended December 31, 2025, with comparative information for 2024

	Unrestricted Surplus		Reserves		Equity in Tangible Capital Assets		2025	2024
Balance, Beginning of Year	\$	1,379,559	\$	226,429,705	\$	951,163,454	\$ 1,178,972,718	\$ 1,075,935,379
Operating surplus		99,576,151		-		-	99,576,151	103,037,339
Unrestricted funds designated for future use		(86,060,370)		86,060,370		-	-	-
Restricted funds used for operations		9,142,355		(9,142,355)		-	-	-
Restricted funds used for tangible capital assets		-		(56,329,427)		56,329,427	-	-
Current year funds used for tangible capital assets		(37,228,468)		-		37,228,468	-	-
Contributed tangible capital assets		(32,686,403)		-		32,686,403	-	-
Disposal of tangible capital assets		674,772		-		(674,772)	-	-
Amortization of tangible capital assets		40,758,568		-		(40,758,568)	-	-
Long-term debt related to tangible capital assets issued		6,969,123		-		(6,969,123)	-	-
Long-term debt related to tangible capital assets repaid		(2,591,597)		(4,978,161)		7,569,758	-	-
Asset retirement obligations incurred		66,310		-		(66,310)	-	-
Change in accumulated operating surplus		(1,379,559)		15,610,427		85,345,283	99,576,151	103,037,339
Balance, End of Year	\$	-	\$	242,040,132	\$	1,036,508,737	\$ 1,278,548,869	\$ 1,178,972,718

See accompanying notes to the consolidated financial statements



Schedule 3

CONSOLIDATED PROPERTY TAXES LEVIED

For the Year Ended December 31, 2025, with comparative information for 2024

	2025 Budget (Note 28)	2025	2024
TAXATION			
Real property taxes	\$ 141,761,898	\$ 141,075,724	\$ 124,426,274
Linear property taxes	8,137	947,197	863,015
Community revitalization levy (CRL)	513,600	509,140	441,388
Government grants in place of property taxes	-	105,906	75,863
	142,283,635	142,637,967	125,806,540
REQUISITIONS			
Alberta School Foundation Fund	45,423,431	45,258,905	36,342,310
Calgary Catholic Separate School Division	4,445,555	4,455,876	3,846,234
Rocky View Senior's Foundation	1,262,562	1,262,583	1,301,976
Designated industrial property	8,137	7,556	7,749
	51,139,685	50,984,920	41,498,269
NET MUNICIPAL PROPERTY TAXES	\$ 91,143,950	\$ 91,653,047	\$ 84,308,271

Provincial education taxes collected on incremental tax revenue with the Community Revitalization Levy ("CRL") are retained to offset relevant costs in the related area.

As at December 31, 2025, the City has one active CRL in the Downtown area. The CRL taxes collected include property taxes, revenue in lieu of taxes and other taxes. In 2025, \$509,140 (2024: \$441,388) in incremental tax levies was collected including \$168,228 (2024: \$129,702) in education taxes.

See accompanying notes to the consolidated financial statements

Schedule 4

CONSOLIDATED GOVERNMENT TRANSFERS

For the Year Ended December 31, 2025, with comparative information for 2024

	2025 Budget (Note 28)	2025	2024
FEDERAL TRANSFERS			
Shared-cost agreements and grants	\$ 13,124,766	\$ 14,263,915	\$ 23,331,109
PROVINCIAL TRANSFERS			
Shared-cost agreements and grants	69,999,431	27,491,477	23,764,019
Entitlements	940,000	978,974	978,974
	70,939,431	28,470,451	24,742,993
LOCAL GOVERNMENT TRANSFERS			
Shared-cost agreements and grants	218,950	228,950	244,255
TOTAL GOVERNMENT TRANSFERS	\$ 84,283,147	\$ 42,963,316	\$ 48,318,357

See accompanying notes to the consolidated financial statements

Schedule 5

CONSOLIDATED EXPENSES BY OBJECT

For the Year Ended December 31, 2025, with comparative information for 2024

	2025 Budget (Note 28)	2025	2024
CONSOLIDATED EXPENSES			
Salaries, wages and benefits	\$ 87,133,431	\$ 88,516,586	\$ 84,367,420
Amortization of tangible capital assets	40,113,658	40,758,568	37,748,824
Contracted and general services	42,758,948	34,669,842	33,400,073
Purchases from other governments	34,746,272	32,283,437	30,497,955
Materials, goods, supplies and utilities	20,758,039	17,089,071	15,265,252
Grants to other groups and organizations	2,562,260	2,023,061	1,763,967
Interest on long-term debt	2,824,332	1,945,851	1,973,220
Bank charges and short-term interest	1,188,040	1,119,719	1,119,429
Other	332,325	293,973	380,467
TOTAL CONSOLIDATED EXPENSES	\$ 232,417,305	\$ 218,700,108	\$ 206,516,607

See accompanying notes to the consolidated financial statements

Schedule 6

CONSOLIDATED SEGMENTED DISCLOSURE

For the year ended December 31, 2025

	Council	General Government	Protective Services	Transportation Services	Environmental Services	Planning and Development	Recreation and Culture	Public Health and Welfare	2025
REVENUE									
Net municipal property taxes	\$ 613,615	\$ 27,096,909	\$ 25,152,480	\$ 20,800,238	\$ -	\$ 3,759,732	\$ 13,288,841	\$ 941,232	\$ 91,653,047
User fees and sales of goods	-	791,244	514,446	1,996,417	64,044,563	615	6,339,031	238,749	73,925,065
Government transfers	-	1,079,478	1,714,074	10,316,583	-	3,036,109	25,186,032	1,631,040	42,963,316
Contributed assets	-	-	-	18,781,422	10,627,567	-	3,277,414	-	32,686,403
Development levies	-	-	-	13,071,102	5,351,883	946,748	1,360,800	-	20,730,533
Investment income	-	14,765,674	-	1,398,471	458,790	114,667	526,928	-	17,264,530
Other revenues	-	1,814,872	1,166,403	1,635,923	2,603,356	3,064,872	5,717,105	-	16,002,531
Franchise and concession contracts	-	14,506,865	-	-	-	-	-	-	14,506,865
Licenses and permits	-	-	6,120,510	-	-	2,423,459	-	-	8,543,969
	613,615	60,055,042	34,667,913	68,000,156	83,086,159	13,346,202	55,696,151	2,811,021	318,276,259
EXPENSES									
Salaries, wages and benefits	595,528	24,439,992	22,380,317	10,973,858	5,831,159	6,538,201	16,735,608	1,021,923	88,516,586
Amortization of tangible capital assets	-	2,199,059	1,444,838	23,459,174	4,943,197	430,379	8,277,574	4,347	40,758,568
Contracted and general services	123,447	6,982,586	1,774,378	8,500,694	9,570,048	2,362,904	5,170,150	185,635	34,669,842
Purchases from other governments	-	9,119	13,730,501	-	18,543,817	-	-	-	32,283,437
Materials, goods, supplies and utilities	37,914	169,620	687,787	6,257,149	5,803,993	182,332	3,941,235	9,041	17,089,071
Grants to other groups and organizations	-	369,077	-	-	-	-	31,792	1,622,192	2,023,061
Interest on long-term debt	-	-	137,081	845,644	241,277	333,427	388,422	-	1,945,851
Other expenses	-	761,913	33,173	-	463,766	32,610	120,389	1,841	1,413,692
	756,889	34,931,366	40,188,075	50,036,519	45,397,257	9,879,853	34,665,170	2,844,979	218,700,108
2025 OPERATING (DEFICIT) SURPLUS	\$ (143,274)	\$ 25,123,676	\$ (5,520,162)	\$ 17,963,637	\$ 37,688,902	\$ 3,466,349	\$ 21,030,981	\$ (33,958)	\$ 99,576,151

See accompanying notes to the consolidated financial statements

Comparative information for 2024

	Council	General Government	Protective Services	Transportation Services	Environmental Services	Planning and Development	Recreation and Culture	Public Health and Welfare	2024
REVENUE									
Net municipal property taxes	\$ 591,159	\$ 23,508,776	\$ 26,458,118	\$ 16,251,726	\$ -	\$ 3,562,317	\$ 13,118,362	\$ 817,813	\$ 84,308,271
User fees and sales of goods	-	816,456	461,451	1,898,320	61,176,613	(604)	6,610,757	255,505	71,218,498
Government transfers	-	980,900	1,632,381	2,055,867	76,123	4,827,173	37,114,873	1,631,040	48,318,357
Development levies	-	-	-	19,198,535	9,412,122	-	9,762,761	-	38,373,418
Contributed assets	-	-	-	13,433,243	2,952,031	787,352	1,786,080	-	18,958,706
Franchise and concession contracts	-	1,780,928	1,474,528	2,160,830	673,860	3,039,385	5,818,469	-	14,948,000
Other revenues	-	14,196,203	-	-	-	-	-	-	14,196,203
Licenses and permits	-	7,573,851	-	1,670,135	562,329	203,931	669,427	-	10,679,673
Investment income	-	-	6,419,806	-	-	2,133,014	-	-	8,552,820
	591,159	48,857,114	36,446,284	56,668,656	74,853,078	14,552,568	74,880,729	2,704,358	309,553,946
EXPENSES									
Salaries, wages and benefits	568,464	23,724,763	21,549,790	10,749,911	5,495,368	5,818,426	15,516,121	944,577	84,367,420
Amortization of tangible capital assets	-	2,115,553	1,288,329	22,604,570	4,790,235	448,115	6,497,675	4,347	37,748,824
Purchases from other governments	172,096	5,048,222	2,016,672	8,348,451	11,275,926	2,485,697	3,887,874	165,135	33,400,073
Contracted and general services	-	8,525	13,180,685	-	17,308,745	-	-	-	30,497,955
Materials, goods, supplies and utilities	29,857	171,906	956,859	6,128,380	4,537,456	224,456	3,205,664	10,674	15,265,252
Grants to other groups and organizations	-	-	94,136	843,870	242,517	374,977	417,720	-	1,973,220
Interest on long-term debt	-	-	4,000	-	-	61,000	76,441	1,622,526	1,763,967
Other expenses	-	520,056	108,935	-	492,870	136,142	237,104	4,789	1,499,896
	770,417	31,589,025	39,199,406	48,675,182	44,143,117	9,548,813	29,838,599	2,752,048	206,516,607
2024 OPERATING (DEFICIT) SURPLUS	\$ (179,258)	\$ 17,268,089	\$ (2,753,122)	\$ 7,993,474	\$ 30,709,961	\$ 5,003,755	\$ 45,042,130	\$ (47,690)	\$ 103,037,339



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2025, with comparative information for 2024

1. NATURE OF BUSINESS

Airdrie was established as the Village of Airdrie in 1909 and was incorporated as the City of Airdrie (“the City”) in 1985. The City is legislated under the Alberta Municipal Government Act and its principal activities include the provision of local government services to its citizens. These include administrative, protective, transportation, environmental, planning and development, recreation and culture and public health and welfare.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City (hereafter referred to as the “financial statements”) are the representations of management and are prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board and as published by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the City are as follows:

Reporting entity

The consolidated financial statements represent the assets, liabilities, revenues and expenditures, changes in fund balances and changes in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations owned or controlled by the City and are therefore accountable to the City Council for the administration of their affairs and resources. The City of Airdrie Library Board (“Library”) and Airdrie Housing Limited (“Airdrie Housing”) are controlled by the City and are therefore consolidated into these financial statements.

The schedule of property taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services are performed or the tangible capital assets are acquired.

Use of estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from these estimates.

Financial statement areas requiring the use of management estimates include:

- useful lives of carrying value of tangible capital assets;
- accrued liabilities;
- accrued receivables;
- liabilities for contaminated sites;
- collection of receivables;
- fair value of contributed tangible capital assets;
- asset retirement obligations.

Cash

Cash is comprised of deposits held within Canadian chartered banking institutions.

Investments

Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized using the straight-line method over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

The City's investments in Principal Protected Notes ("PPNs") meet the requirements of a financial instrument that has an embedded derivative included in the financial instrument. The City has elected to measure its entire investment in PPNs at fair market value in accordance with PS 3450 Financial Instruments. Unrealized changes in fair value of PPNs are recognized in the Consolidated Statement of Remeasurement Gains and Losses. When the PPN is disposed of, the accumulated gains or losses are reclassified to the Consolidated Statement of Operations.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the operating surplus, provides the consolidated change in net financial assets for the year.

a) *Tangible Capital Assets*

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

	Years
Land improvements	10 – 75
Buildings	30 – 50
Building Components	8 – 50
Engineered structures	
Roadway systems	5 – 60
Water systems	25 – 80
Wastewater systems	25 – 80
Storm systems	15 – 80
Fibre optics	30
Machinery and equipment	3 – 20
Vehicles	10 – 20

No amortization is charged in the year of acquisition and a full year of amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

b) Contribution of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt and are also recorded as revenue.

c) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

d) Cultural and Historical Tangible Capital Assets

Works of art for display are not recorded as tangible capital assets but are disclosed in Note 15.

Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Asset retirement obligations are measured at current costs without discounting due to the uncertainty of the timing of estimated future retirement. Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the current costs required to retire tangible capital assets. The City does not apply discounting in measuring asset retirement obligations; accordingly, no accretion expense is recognized.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized by increasing the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the estimated useful life of the related asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

At each financial reporting date, the City reviews the carrying amount of the asset retirement obligation. Revisions in estimated costs, timing or scope of asset retirement activities are recognized prospectively as a change to the liability. When the related tangible capital asset remains in productive use, the corresponding adjustment is capitalized as part of the asset's carrying amount and amortized over the remaining useful life of the asset. When the related asset is no longer in productive use, revisions in estimates are expensed in the period.

The City continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Requisition Over-Levy and Under-Levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

Deferred Developers' Levies

Offsite levies are collected from developers upon the execution of a development agreement as per the levy bylaw. These funds are restricted to fund the construction of specific infrastructure and are recognized as revenue once the infrastructure has been built and according to executed agreements between developers and the City.

Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be determined.

Employee Future Benefits

The City is a member of a defined contribution multi-employer pension plan covering substantially all of its employees. Pension contributions are accounted for using defined contribution accounting, wherein contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities for contaminated sites are measured using discounted cash flows reflecting the time value of money and are recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the City is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the financial statement date. The City recognizes all foreign exchange gains and losses in the Consolidated Statement of Operations in the period in which they arise.

Interest Rate Swaps

Interest Rate swaps are classified as derivative financial instruments. They are measured at fair value at each reporting date using quoted prices for similar assets and liabilities in accordance with Level 2 valuation techniques under PS 3450 Financial Instruments. Unrealized gains and losses arising from changes in fair value of interest rate swaps are recognized in the Consolidated Statement of Remeasurement Gains and Losses until the financial instrument is settled. Upon settlement or maturity, the cumulative gain or loss is reclassified to the Consolidated Statement of Operations.

Revenue Recognition

Revenues are recognized in the period in which the transactions or events occur, when the City has the authority to record the inflow and the amount can be measured reliably. For transactions within the scope of PS 3400, Revenue, the City distinguishes between exchange transactions (those with performance obligations) and non-exchange transactions (those without performance obligations). Revenue from exchange transactions is recognized as performance obligations are satisfied; revenue from non-exchange transactions is recognized when the City has the authority to record the inflow and a past event gives rise to an asset. Significant judgements include determining (i) whether a transaction includes one or more performance obligations and (ii) the timing of satisfaction of those obligations (point in time versus over time).

Net municipal property taxes consist of annual levies for municipal services. Net municipal property taxes are recognized as revenue in the year they are levied. Levies imposed by other taxing authorities are not recorded as taxes for municipal purposes. Supplementary assessments that add or reduce the current-year levy are recognized when awarded.

User fees and sale of goods include utility charges (water, wastewater, waste management), transit fares, program fees, rentals and other fees. Revenue is recognized as the related goods or services are provided and the City satisfies the associated performance obligations.

Government transfers are recognized as revenue in the period the transfer is authorized, eligibility criteria (if any) have been met, and the amount can be reasonably estimated. Amounts received in advance of these conditions are recorded as deferred revenue.

Development levies (off-site levies) are assessed under bylaw and collected upon execution of a development agreement. These amounts are restricted to specified infrastructure and are recognized as revenue as the underlying infrastructure is constructed and in accordance with executed agreements.

Franchise and concession contract revenue is recognized as the City provides the contracted right or service to the counterparty (exchange transaction), generally over time in line with the contract terms.

Licenses and permits include transactions with and without performance obligations.

- Where a distinct good or service is provided to an identified payor (e.g. building permits, development permits, land-use amendment fees), revenue is recognized as the performance obligation is satisfied.
- Where no performance obligation exists (e.g. animal licenses, some compliance/administrative fees), revenue is recognized when the City has the authority to record the inflow and a past event gives rise to an asset.

Rental revenue is recognized over the term of the rental as the City provides access to the asset (exchange transaction).

Investment income includes interest and realized/unrealized gains/losses recognized in accordance with PS 3450 (Financial Instruments). Remeasurements of financial instruments designated at fair value are recognized in the Statement of Remeasurement Gains and Losses and reclassified to operations upon disposal/settlement.

Other revenue includes transactions with and without performance obligations:

- With performance obligations (e.g. event booth sales, specific cost recoveries), revenue is recognized as the related good or service is provided.
- Without performance obligations (e.g. insurance proceeds, certain administrative recoveries, credit-card surcharges), revenue is recognized when the City has the authority to record the inflow and a past event gives rise to an asset.

Fines and penalties (including penalties on taxes) are recognized when the City has the authority to assess/retain the inflow and the past event giving rise to the amount has occurred (non-exchange).

Sales to other governments are recognized as the related goods or services are provided to the counterparty (exchange transaction).

3. FUTURE ACCOUNTING POLICIES

The Public Sector Accounting Board (PSAB) has issued a new Conceptual Framework for Financial Reporting in the Public Sector and a new financial statement presentation standard, PS 1202 Financial Statement Presentation. These standards are effective for fiscal years beginning on or after April 1, 2026, with early adoption permitted only if both the Conceptual Framework and PS 1202 are adopted together.

Management is currently assessing the impact of the conceptual framework and the standard on the financial statements.

4. CASH

	2025	2024
Cash	\$ 21,759,950	\$ 29,261,245

The City had an operating line of credit with a Canadian chartered bank in 2024 which was cancelled in February of 2025 (2024: \$1,304,625).

5. TAXES AND GRANTS-IN-PLACE OF TAXES

	2025	2024
Current taxes and grants in place of taxes	\$ 3,615,166	\$ 3,184,384
Arrears taxes	907,838	611,902
	\$ 4,523,004	\$ 3,796,286

6. INVESTMENTS

	2025		2024	
	Carrying Value	Market Value	Carrying Value	Market Value
Carried at amortized cost				
Short-term notes and deposits	\$ 31,344,193	\$ 28,806,717	\$ 11,402,964	\$ 11,340,742
Government and government-guaranteed bonds	80,885,890	79,748,040	78,684,363	77,395,775
Corporate bonds	41,587,573	41,600,205	59,463,576	59,046,058
Carried at fair value				
Principal protected notes	159,644,060	159,644,060	133,669,207	133,669,207
	\$ 313,461,716	\$ 309,799,022	\$ 283,220,110	\$ 281,451,782

The short-term notes and deposits have effective interest rates of 1.07% to 5.65% per annum (2024: 1.76% to 5.02% per annum). Government and government-guaranteed bonds have effective interest rates of 1.05% to 5.75% per annum (2024: 1.05% to 5.75% per annum) with maturity dates from June 01, 2027 to December 1, 2048. Corporate bonds have effective interest rates of 1.67% to 7.35% per annum (2024: 1.07% to 7.35% per annum) with maturity dates from February 16, 2027 to August 9, 2046.

Included in short-term notes and deposits is a Guaranteed Investment Certificate ("GIC") in the amount of \$12,796,973 (2024: \$nil), which was initially held as a deposit for a land acquisition. As the purchase was not finalized as of December 31, 2025, the funds remain invested in short-term investments and are internally restricted for the future settlement of the land acquisition.

The City also owns Principal Protected Notes with maturity dates ranging from February 16, 2027 to August 09, 2046. An unrealized gain of \$10,067,714 (2024 - \$1,827,984) has been recognized in the Consolidated Statement of Remeasurement Gains and Losses. In 2025, realized gains of \$3,517,718 (2024 - \$nil) were reclassified to the Consolidated Statement of Operations.

Included in investments is a restricted amount of \$40,414,304 (2024: \$53,331,189) received from Provincial and Federal programs and \$338,723 (2024: \$310,000) received from donors held exclusively for approved capital infrastructure projects and eligible operating projects.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Trade accounts payable	\$ 12,347,008	\$ 19,228,228
Accrued liabilities	14,349,109	5,177,043
Payroll and remittances	4,810,817	4,505,010
Other government	577,850	431,489
	\$ 32,084,784	\$ 29,341,770

8. DEFERRED REVENUE

	2025	2024
Deferred government transfers ⁽¹⁾	\$ 40,372,574	\$ 53,330,199
Deferred revenue	14,899,459	2,700,865
Deferred grants	41,730	990
	\$ 55,313,763	\$ 56,032,054

(1) Deferred government transfers consist of the following:

	2024	Grants received including interest earned	Government transfer revenue	2025
Municipal Sustainability Initiative & Basic Municipal Transportation Grant	\$ 38,685,071	\$ 822,246	\$ (22,132,834)	\$ 17,374,483
Canada Community Building Fund	14,388,442	14,580,940	(7,535,254)	21,434,128
Other Grants	256,686	14,602,505	(13,295,228)	1,563,963
	\$ 53,330,199	\$ 30,005,691	\$ (42,963,316)	\$ 40,372,574

Deferred revenue represents amounts received or receivable which will be taken into revenue in the period in which they are earned and corresponding expenditures are incurred. Also included in deferred revenue are front-ending contributions from developers to be applied towards ongoing and new developments but for which the terms and conditions of the Subdivision Servicing Agreements were not finalized as at December 31, 2025.

The use of the Municipal Sustainability Initiative Grant, the Basic Municipal Transportation Grant and the Canada Community Building Fund are restricted to eligible capital projects as approved by the Province of Alberta, which are scheduled for completion in the future.

Unexpended funds related to advances of restricted capital and operating grants are supported by investments of \$40,414,304 (2024: \$53,331,189) held exclusively for these projects (Note 6).

9. EMPLOYEE BENEFIT OBLIGATION

	2025	2024
Vacation and banked overtime	\$ 2,865,295	\$ 3,107,983

The vacation and banked overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

10. OTHER LIABILITIES

	2025	2024
Development agreement bonds	\$ 4,745,149	\$ 4,414,522
Supplier holdbacks	2,649,562	2,012,825
Derivative – interest swaps (Note 26)	32,446	-
Prepaid lease	52	53
	\$ 7,427,209	\$ 6,427,400

11. CONTAMINATED SITE LIABILITY

Contaminated site liability consists of the following:

	2024	Reclamation costs expended	Reclamation accrued	2025
Waste transfer site and former landfill	\$ 2,875,139	\$ (132,407)	\$ 14,270	\$ 2,757,002

Testing samples at the current City waste transfer site and the former City landfill site have been found to exceed environmental standards. Contamination at this site may be caused by the former City landfill. It has been recommended that additional reclamation work be performed at the former landfill to ensure the site complies with the current Standard for Landfills in Alberta. It is estimated that post reclamation activities will be required for a minimum of 25 years from the date the reclamation work is completed.

Contaminated site liability includes the estimated reclamation and post reclamation costs required for the current City waste transfer site and former City landfill site, reduced by reclamation work that was done in 2025. The total estimated liability for these costs is based on the sum of discounted future cash flows for reclamation and post-reclamation costs using a discount rate of 4.468% (2024: 3.996%) and annual inflation of 1.7% (2024: 1.9%). The reported liability is based on estimates and assumptions with respect to events using the best information available to management. Future events, such as changes in regulatory requirements or changes in cost estimates, may result in significant changes to the estimated total expenses and will be recognized prospectively as a change in estimate when applicable.

12. LONG-TERM DEBT

	2025	2024
Tax-supported debentures	\$ 31,002,471	\$ 33,857,932
Offsite supported debentures	21,173,277	24,804,542
Bank loans (Note 26)	6,661,079	-
Federation of Canadian Municipalities (FCM)	2,165,280	-
Solar Project loan payable	330,539	363,605
Airdrie Housing – mortgage	-	741,922
	\$ 61,332,646	\$ 59,768,001

The current portion of long-term debt amounts to \$6,071,240 (2024: \$6,586,872).

Principal and interest repayments on long-term debt are as follows:

	Principal	Interest	Total
2026	\$ 6,071,240	\$ 1,859,620	\$ 7,930,860
2027	6,045,429	1,676,337	7,721,766
2028	5,899,949	1,505,106	7,405,055
2029	6,105,288	1,310,759	7,416,047
2030	5,250,887	1,133,133	6,384,020
Thereafter	31,959,853	5,342,997	37,302,850
	\$ 61,332,646	\$ 12,827,952	\$ 74,160,598

Debenture debt is repayable to the Province of Alberta and bears interest at rates ranging from 2.151% to 4.569% per annum, before Provincial subsidy, and matures in periods 2026 through 2047. Debenture debt is issued on the credit and security of the City at large.

The Solar Project loan is repayable in monthly installments of \$3,191 including principal and interest at 1.5% due March 1, 2035. The Solar Project loan is secured by a general assignment of property taxes receivable.

The FCM loan for the Clean Energy Improvement Program (CEIP) bears interest at 2.0% and is repayable through semi-annual blended payments. Principal repayment begins in 2029, with the loan maturing December 20, 2044. The loan is secured by a general assignment of Clean Energy Improvement Program property tax receivable.

During 2025, Airdrie Housing fully repaid its mortgage to TD Financial Group, resulting in an outstanding balance of \$nil at December 31, 2025 (2024: \$741,922).

Long-term debt used to facilitate the purchase of City owned tangible capital assets is \$58,994,035 (2024: \$59,594,670).

Interest on long-term debt for the fiscal year 2025 was \$1,945,851 (2024: \$1,973,220).

13. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the City be disclosed as follows:

	2025	2024
Total debt limit	\$ 377,935,323	\$ 343,752,042
Total debt	61,332,646	59,768,001
Total debt under limit by	\$ 316,602,677	\$ 283,984,041
Service on debt limit	\$ 62,989,221	\$ 57,292,007
Service on debt	7,930,860	8,370,008
Service on debt under limit by	\$ 55,058,361	\$ 48,921,999

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

Pursuant to section 6(1) of the Regulation, The City has elected to include revenue, total debt and debt service costs of controlled agencies in its debt limit and debt service limit calculations. The controlled agencies that have been included are the Library and Airdrie Housing.

14. ASSET RETIREMENT OBLIGATIONS

The City's asset retirement obligations, recognized under PS 3280 – Asset Retirement Obligations, are comprised of the following:

Waste transfer station obligation

The City owns and operates a waste transfer station. Regulations require the City to undergo decommissioning and restoration procedures upon closure of the waste transfer station. These procedures include soil and groundwater remediation of any contamination found, removal of all structures and equipment unless intended for another purpose, and restoration of the site, including grading to ensure proper drainage and replacement of sub-soil and topsoil. Although timing of the waste transfer station decommissioning and restoration is conditional on the transfer site no longer being in use, regulations create an existing obligation for the City to decommission and restore the site when asset retirement activities occur. The estimated liability is based on a third party cost estimate. Third party assessments and professional judgement of the City's environmental specialists were used to determine the extent of the work needed to comply with all decommissioning regulations.

Underground storage tank obligation

The City owns and operates several underground storage tanks which represents a risk of ground contamination due to potential leaks and corrosion. Regulations require the City to remove the tanks and remediate the surrounding soil if contamination is found. Although timing of the tanks removal is conditional on the tanks no longer being in use, regulations create an existing obligation for the City to remove the tanks when asset retirement activities occur. The estimated liability is based on a third party cost estimate. Third party assessments and professional judgement of the City's environmental specialists were used to determine the extent of the work needed to comply with all retirement regulations.

Asbestos obligation

The City has asset retirement obligations to remove hazardous asbestos fibre containing materials from its buildings. Regulations require the City to handle and dispose of the asbestos in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although timing of the asbestos removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the City to remove the asbestos when asset retirement activities occur. The estimated liability is based on presently known obligations obtained through third party assessments and City staff's professional judgement as well as asbestos abatement rates based on present market conditions. Third party assessments, building schematics, and professional judgements were used in determining the square meters containing asbestos.

Water wells obligation

The City owns and operates a number of production and monitoring water wells. Regulations require the City to reclaim the water wells once they are no longer in use. Although timing of the water wells removal is conditional on the wells no longer being in use, regulations create an existing obligation for the City to reclaim the water wells when asset retirement activities occur. The estimated liability is based primarily on current costs the City incurred when reclaiming wells and other third party cost estimates.

Ammonia in ice plants obligation

The City uses ammonia as part of the refrigeration process in its ice plants that are part of its ice arenas. Regulations require the City to handle and dispose of the ammonia in a prescribed manner when arenas are demolished. Although timing of the ammonia removal is conditional on the arenas being demolished, regulations create an existing obligation for the City to remove the ammonia when asset retirement activities occur. The estimated liability is based primarily on third party cost estimates.

The timing of settlement of asset retirement obligations is currently unknown. During the year ended December 31, 2025, the City completed limited retirement-related activities, resulting in a partial settlement of the obligation. The remaining liability continues to reflect estimated future retirement costs. No recoveries were recognized during the year (2024: \$nil).

	2024	Liability Incurred (Settled)	Revisions in Estimates	2025
Land Improvements (Waste Transfer Station)	\$ 1,000,000	\$ -	\$ 22,000	\$ 1,022,000
Buildings (Asbestos)	930,884	-	19,938	950,822
Machinery & Equipment (Underground Storage Tanks)	628,425	-	13,825	642,250
Machinery & Equipment (Water Wells)	36,245		797	37,042
Buildings (Ammonia in Ice Plants)	20,250	(6,750)	16,500	30,000
Asset Retirement Obligations, Ending	\$ 2,615,804	\$ (6,750)	\$ 73,060	\$ 2,682,114

15. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	2025		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 140,871,476	\$ -	\$ 140,871,476
Land improvements	118,280,716	46,689,848	71,590,868
Buildings	255,191,444	53,521,868	201,669,576
Engineered structures	925,802,612	323,046,445	602,756,167
Machinery and equipment	53,799,228	25,019,133	28,780,095
Vehicles	30,154,823	17,659,828	12,494,995
Assets under construction	40,021,709	-	40,021,709
	\$ 1,564,122,008	\$ 465,937,122	\$ 1,098,184,886

	2024		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 140,871,476	\$ -	\$ 140,871,476
Land improvements	107,279,868	42,101,901	65,177,967
Buildings	188,319,317	49,996,503	138,322,814
Engineered structures	863,472,374	297,339,537	566,132,837
Machinery and equipment	44,758,474	22,644,764	22,113,710
Vehicles	27,479,002	16,605,449	10,873,553
Assets under construction	69,881,571	-	69,881,571
	\$ 1,442,062,082	\$ 428,688,154	\$ 1,013,373,928

During the year there were no write downs of tangible capital assets (2024: \$nil). Land, land improvements and engineered structures contributed to the City totaled \$32,686,403 (2024: \$38,373,418). These assets were capitalized at their estimated fair market value.

The City owns various pieces of original artwork that are on permanent display at Bert Church Theatre, Genesis Place, City Hall, Nose Creek Park, Chinook Winds Firehall and the Community of Ravenswood. These artworks were donated to the City and have significant cultural and historical value in perpetuity. These artworks are not recorded as tangible capital assets in the financial statements and are not amortized, because a reasonable estimate of future benefits associated with these properties cannot be made.

Included in tangible capital assets are \$2,682,114 (2024: \$2,615,804) of asset retirement costs and \$1,640,547 of related accumulated amortization (2024: \$1,554,686).

16. RESTRUCTURING TRANSACTION

Effective August 20, 2025, Airdrie Mainstreet Square Real Estate Inc. ("AMSQ"), a controlled subsidiary of the City, was dissolved. As part of this restructuring transaction, AMSQ's assets, liabilities, and related program responsibilities were transferred to the City, including the development and management of commercial real estate supporting civic uses within the City. The restructuring transaction was accounted for in accordance with Public Sector Accounting Standard PS 3430, Restructuring Transactions. As AMSQ was fully consolidated into the City's financial statements prior to its dissolution, the transaction did not result in any change to the consolidated financial position, annual surplus, or accumulated surplus of the City. The assets and liabilities transferred were measured at their carrying amounts at the date of dissolution. No consideration was exchanged, and no restructuring gain or loss was recognized in the consolidated financial statements.

The following assets and liabilities were reallocated within the consolidated reporting entity as part of the restructuring:

	2025		
	AMSQ Carrying Amount	Inter-entity Reclassification	Consolidated Reporting Entity
Assets			
Tangible capital assets	\$ 5,004,774	\$ -	\$ 5,004,774
Cash	2,435,405	-	2,435,405
Accounts receivable	18,212	-	18,212
Investment in subsidiary	-	-	-
Prepaid expenses	2,086	-	2,086
	7,460,477	-	7,460,477
Liabilities			
Accounts payable	244,380	194,156	50,224
Deposit liabilities	15,377	-	15,377
	259,757	194,156	65,601
Net assets reallocated	\$ 7,200,720	\$ 194,156	\$ 7,394,876



17. ACCUMULATED OPERATING SURPLUS

RESERVES	2025	2024
Operating fund reserves		
General operations	\$ 39,565,093	\$ 32,038,810
Tax stabilization	33,279,991	27,816,779
Affordable housing	2,490,228	779,850
Snow maintenance	1,876,077	1,712,538
Operating carryforward	1,427,747	1,452,355
Downtown revitalization	1,416,267	1,783,968
Insurance and risk management	1,100,000	1,100,000
Cemetery	196,999	182,584
Twinning	10,160	17,436
	81,362,562	66,884,320
Capital fund reserves		
General capital	\$ 13,072,422	\$ 24,429,435
Roads capital	4,859,954	2,998,582
Building reserve	3,694,346	3,712,986
Genesis place	3,087,087	3,357,927
Fleet asset management	2,911,619	4,047,188
Transit	2,778,918	1,805,319
General recreation	2,495,360	3,539,627
High school land assembly	2,397,530	1,450,782
Cash-in-lieu	2,250,776	2,182,042
Parks	1,948,624	2,342,900
Technology	1,509,563	1,281,580
Community revitalization	1,148,732	711,592
	42,154,931	51,859,960
Offsite levied fund reserves		
Roads offsite	46,272,203	37,228,763
Water offsite	12,088,231	12,353,131
Recreation offsite	7,030,466	7,965,380
Enhanced landscaping offsite	3,098,485	2,750,601
Land offsite	506,638	468,650
Storm Offsite	25,654	-
Wastewater offsite ¹	(526,358)	3,520,367
	68,495,319	64,286,892
Utility fund reserves		
Wastewater	19,987,044	14,967,438
Waste management	10,362,142	7,220,462
Water	7,384,416	6,886,733
General utility	4,785,631	4,041,673
Utility rate stabilization	3,556,402	5,407,056
Utility carryforward	578,847	770,871
	46,654,482	39,294,233
Airdrie Housing	2,490,996	3,076,593
Library	881,842	1,027,707
Total reserves	\$ 242,040,132	\$ 226,429,705
AMSQ (Note 16)	-	1,379,559
Equity in tangible capital assets	1,036,508,737	951,163,454
Accumulated operating surplus	\$ 1,278,548,869	\$ 1,178,972,718

1. Certain offsite levy reserve balances may be in a deficit position as at December 31, 2025 as eligible infrastructure costs have been incurred in advance of levy collections and are expected to be funded by future levies.

18. EQUITY IN TANGIBLE CAPITAL ASSETS

	2025	2024
Tangible capital assets (Schedule 1 and Note 15)	\$ 1,098,184,886	\$ 1,013,373,928
Long-term debt related to tangible capital assets (Note 12)	(58,994,035)	(59,594,670)
Asset retirement obligation (Note 14)	(2,682,114)	(2,615,804)
Equity in tangible capital assets	\$ 1,036,508,737	\$ 951,163,454

19. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials, the Chief Administrative Officer and as required by Alberta Regulation 313/2000 is as follows:

	No. of Persons	Salary ¹	Benefits & Allowances ^{2,3}	2025	2024
Municipal Officials					
Mayor P. Brown (former)	1	\$ 113,104	\$ 15,492	\$ 128,596	\$ 143,172
Mayor H. Spearman	1	71,766	14,027	85,792	70,257
Councillor R. Chapman	1	61,156	11,435	72,591	70,255
Councillor C. Kolson	1	61,156	11,435	72,591	70,255
Councillor T. Petrow (former)	1	53,159	10,051	63,210	70,771
Councillor D. Belyk (former)	1	53,159	9,932	63,091	70,255
Councillor A Jones (former)	1	53,159	9,932	63,091	70,255
Councillor K. Shima	1	9,409	1,936	11,344	-
Councillor C. Stewart	1	9,409	1,929	11,338	-
Councillor C. Glass	1	9,409	1,929	11,338	-
Councillor O. Obasan	1	9,409	1,929	11,338	-
	11	\$ 504,295	\$ 90,027	\$ 594,322	\$ 565,220
Chief Administrative Officer	1	\$ 311,045	\$ 68,839	\$ 379,884	\$ 360,895
Designated Officers ⁴	2	\$ 341,873	\$ 74,507	\$ 416,380	\$ 396,720

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

2. Employer's share of all employee benefits and contributions or payments made on behalf of employees include pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, savings plan payments, professional memberships and tuition.

3. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

4. There are two Designated Officer positions in the City.

20. LOCAL AUTHORITIES PENSION PLAN

The City participates in the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pensions Plan Act. LAPP serves 316,938 people and 453 employers. It is financed by employer and employee contributions and investment earnings of the LAPP fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The City is required to make current service contributions to LAPP of 8.45% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings (YMPE) and 11.65% on pensionable salary above this amount. Employees of the City are required to make current service contributions of 7.45% up to the YMPE and 10.65% above this amount.

Total current and past service contributions by the City to LAPP in 2025 were \$5,822,625 (2024: \$5,622,252). Total current and past service contributions by the employees of the City to LAPP in 2025 were \$5,220,868 (2024: \$5,027,343).

At December 31, 2024, which is the most recent actuarial assessment, LAPP disclosed an actuarial surplus of \$19.6 billion (2023: surplus of \$15.0 billion).

21. APEX SUPPLEMENTARY PENSION PLAN

The APEX supplementary pension plan, an Alberta Urban Municipalities Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pension Plans Act, commenced on January 1, 2003 and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the LAPP.

Contributions are made by the prescribed class of employees and the City. Employees and the City are required to make current service contributions to APEX of 2.42% and 2.96% respectively of individual pensionable earnings up to \$187,833 (2024: \$180,500).

Total current service contributions by the City to APEX were \$983,709 (2024: \$931,664). Total current service contributions by the employees of the City were \$804,238 (2024: \$761,697).

The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement age of employees. The costs of post-retirement benefits are fully funded.

22. CONTINGENT ASSETS

The City is a plaintiff in a legal proceeding arising in the normal course of business. The outcome of this matter cannot be determined at this time, and any potential recovery cannot be reasonably estimated. No contingent asset has been recognized in the consolidated financial statements.

23. CONTINGENT LIABILITIES

The City is involved in one ongoing legal claim. The outcome of this matter is uncertain and no amount can be reasonably estimated; therefore, no provision has been recorded in these financial statements.

The City is engaged in collective bargaining with the Airdrie Professional Firefighters Association (IAFF). As at December 31, 2025, negotiations had not concluded and the final settlement, if any, could differ from management's current estimates. The City has recognized liabilities to the extent that an obligation related to services rendered existed at December 31, 2025 and the amount could be reasonably estimated. Any additional obligations that may arise from the conclusion of bargaining cannot be reasonably estimated at this time and, accordingly, no further liability has been recognized. The financial effect, if any, will be recognized in the period when determinable.

24. CONTRACTUAL RIGHTS

Contractual rights are rights of the City to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	Operating leases & other contracts
2026	\$ 1,638,167
2027	1,369,830
2028	1,277,258
2029	1,123,495
2030	792,490
Thereafter	1,683,395
	\$ 7,884,635

The City has entered into a number of property development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground networks. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution, which cannot be determined with certainty at this time.

25. CONTRACTUAL OBLIGATIONS

The City has contractual obligations that will result in liabilities in the future when the terms of the contracts are met.

The following are the City's significant capital contractual obligations:

	Committed Amount 2025
Highland Park Fire Station	\$ 19,855,784
Wildflower Booster Pump Station	3,819,530
Arterial Roadway Rehabilitation	2,237,982
Southwinds Boulevard to Cobblestone Boulevard	1,813,766
40 Avenue Interchange to QEII	1,631,537
Highland Park Reservoir Upgrade	1,473,235
Lift Station	1,288,573
Traffic Signals	1,270,604
Multi-Use Facility and Library	1,201,638
Lift Station Upgrades	1,024,346
	\$ 35,616,995

The following are the City's significant operating contractual obligations estimated for the next 3 years as there is limited information to estimate the obligations with reasonable accuracy past this date.

RCMP Contract

The City pays 90% of the operating costs for RCMP services through to March 31, 2032. The total estimated contract cost for the next three years is \$56,126,878.

ENMAX Contract

In 2022, the City entered into an agreement with ENMAX Energy Corporation to supply electricity to the City through to June 30, 2028. The total estimated contract cost for the next three years is \$16,285,337.

Access Gas Contract

In 2019, the City entered into an agreement with Access Gas Services Inc. to supply natural gas to the City through to October 31, 2027. The total estimated cost for the next two years is \$1,399,967.

City of Calgary Contract

The City has an agreement with the City of Calgary to supply potable water and provide wastewater servicing to the City through to December 31, 2035. Current rates have been established until the end of December 31, 2028. The total estimated contract cost for the next three years is \$59,595,229.

Liquid Chemicals (Sewer Pre-Treatment) Contract

The City has an agreement with USP Technologies Canada ULC to supply liquid chemical goods to the City. The total estimated contract cost for the next year is \$1,087,355.

Recycling Collection and Disposal Contracts

In 2017 and 2024, the City entered into several agreements with various third parties to provide recycling collection and disposal services to the City and its residents. Recycling disposal is now managed under the extended producer responsibility program meaning the City will no longer be responsible for this service. The total estimated contract cost for recycling collection for the next year is \$340,500.

Waste and Organics Collection and Disposal Contracts

In 2018, the City entered into agreements with third-party contractors to provide waste and organics collection and disposal services through April 1, 2026. In 2025, a new contract with BluPlanet Recycling Inc. was signed to provide automated waste and organics collection, hauling, disposal and processing from April 6, 2026 to March 31, 2031. The City's estimated contractual obligations for waste and organics for the next three years are \$15,685,177.

Transit Contracts

In 2024, the City entered into an agreement with First Transit Canada Inc. to provide transit services to the City and its residents through to July 31, 2027. The total estimated contract cost for the next two years is \$8,056,882.

Emergency Dispatch Services Contract

In 2021, the City entered into an agreement with the City of Red Deer to provide emergency dispatch services to the City and its residents through to December 31, 2026. The total estimated contract cost for the next year is \$496,150.

Fuel Services Contract

In 2020, the City entered into an agreement with Jepson Petroleum to provide fuel services to the City and its residents through to December 31, 2026. The total estimated contract cost for the next year is \$756,102.

Insurance

In 2024, the City entered into an agreement with Marsh Canada Limited to provide insurance services to the City. The total estimated contract cost for the next year is \$1,548,923.

Janitorial Services

In 2019, the City entered into an agreement with OneSource Facility Services Inc. to provide janitorial services to the City. The total estimated contract cost for the next year is \$49,697.

Microsoft Enterprise Contract

The City has an agreement with Insight Canada Inc. to provide Microsoft enterprise licenses for the City and its employees. The total estimated contract cost for the next year is \$518,550.

Security Contract

In 2024, the City entered into an agreement with Airdrie Alarm to provide security services to the City through to October 31, 2028. The total estimated contract cost for the next three years is \$1,155,325.

Community Links Program Funding

In 2022, the City entered into an agreement with North Rocky View Community Links Society where the City will provide program funding to December 31, 2026. The total funding to be granted for the next year is \$1,631,527.

Conseil Scolaire Francosud

The City has entered into a funding agreement with Conseil scolaire FrancoSud to provide grant funding toward the construction of a second gymnasium at École secondaire d'Airdrie. Under the agreement, the City has committed to contribute toward the incremental design and construction costs of the gymnasium, payable in installments and subject to project milestones. As at December 31, 2025, the estimated funding commitment remaining over the next two years is \$5,500,000.

26. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the City becomes a party to a financial instrument contract. Unrealized gains and losses from changes in the fair value of the financial assets and liabilities, if any, are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The City's financial assets and liabilities consist of cash, receivables, investments, other financial assets, accounts payable and accrued liabilities, deposit liabilities, employee benefit obligations, other liabilities, contaminated site liability and long-term debt.

It is management's opinion that the City is not exposed to significant interest rate risk or currency risk arising from these financial instruments as the City conducts almost all business in Canadian dollars and financial assets and liabilities are transacted and settled in Canadian dollars.

Credit risk arises from the possibility that taxpayers and entities to which the City provides services may experience financial difficulty and be unable to fulfill their obligations. The City is subject to credit risk with respect to taxes and grants-in-place of taxes receivables, trade receivables and other receivables. The large number and diversity of taxpayers and customers minimizes the credit risk. Under the Municipal Government Act, the City has the authority to offer the parcel for sale at a public auction to recover taxes. If the parcel is not sold at the public auction, the City may become the owner, resulting in very little risk in this area.

The credit risks on investments are held as follows:

Credit Ratings (DBRS)	2025		2024	
	Consolidated Investments	Investment Mix %	Consolidated Investments	Investment Mix %
Money Market Funds				
R1	\$ 394,306	0.1%	\$ 547,056	0.2%
Canadian Fixed Income				
AAA	18,095,169	5.8%	18,343,303	6.5%
AA	238,240,041	76.0%	199,665,008	70.5%
A	56,732,200	18.1%	64,664,743	22.8%
Total	\$ 313,461,716	100%	\$ 283,220,110	100%

Liquidity risk is the risk the City will encounter difficulty in meeting financial obligations as they come due. The City manages its liquidity risk through the management of its capital structure and existing financing facilities as discussed in notes 12 and 13. It also continuously monitors its expected cash position to its actual cash position and monitors the timing of payments to lenders, ensuring that sufficient funds are available when payments come due. City Council reviews and approves any material transactions out of the ordinary course of business. The City is not exposed to any significant liquidity risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City's debt portfolio is primarily based on fixed interest rates, or has been effectively fixed through the use of interest rate swap agreements; therefore, changes in market interest rates will not cause significant fluctuation in interest payments and cash flows. Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income investments held by the City. The City is not exposed to any significant interest rate risk.

The maturity dates of interest bearing investments are as follows:

Maturity	2025		2024	
	Consolidated Investments	Maturity %	Consolidated Investments	Maturity %
< 1 year	\$ 34,486,003	11.0%	\$ 14,160,329	5.0%
1 – 5 years	93,304,741	29.8%	109,814,190	38.8%
> 5 years	185,670,972	59.2%	159,245,591	56.2%
Total	\$ 313,461,716	100%	\$ 283,220,110	100%

The City minimizes these risks by managing cash flows to minimize utilization of its debt and by investing in a portfolio comprised of high quality fixed income products that have typically demonstrated a low degree of risk or loss of principal value.

The City has entered into two amortizing interest rate swap agreements with The Toronto-Dominion Bank to manage exposure to variability in cash flows on Canadian Overnight Repo Rate Average ("CORRA")-based borrowings. Under the swaps, the City pays a fixed rate and receives a variable rate based on CORRA plus 0.90%. The swaps are used solely for risk management purposes and not for trading.

As of December 31, 2025, the City's derivative positions are as follows:

	Notional Principal	Fixed Rate	Maturity Date	Floating Rate Index	Net Fair Value (liability)
Roads programs	\$ 4,266,307	3.9%	4/1/2040	CORRA+0.90%	\$ (33,204)
Fire program	2,394,772	3.7%	4/1/2034	CORRA+0.90%	\$758
Total	\$ 6,661,079				\$ (32,446)

Fair value measurement hierarchy:

For fair value measurements recognized in the consolidated statement of financial position, the City is required to disclose the classification of such financial instruments in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- Level 1: when valuation can be based on quoted prices in active markets for identical assets and liabilities;
- Level 2: when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable; and
- Level 3: when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is observable.

Fair value inputs are taken from observable markets where possible, but if they are unavailable, judgement is required in establishing fair value. All financial instruments measured at fair value, including principal protected notes and interest rate swap agreements, are classified as Level 2 within the fair value hierarchy. The classification for disclosure purposes has been determined in accordance with generally accepted pricing models, based on discounted cash flow analysis, with the most significant inputs being the contractual terms of the instrument and the market discount rates that reflect the credit risk of counterparties. There were no significant transfers between fair value hierarchy levels during the year.

The carrying values of cash, receivables, other financial assets, accounts payable and accrued liabilities, deposit liabilities, employee benefit obligations, and other liabilities approximate their fair values due to their short term to maturity. The carrying value and fair value of the City's investments (classified as Level 2 instruments) are disclosed in note 6.

The swaps are measured at fair value in accordance with PS 3450 – Financial Instruments. At December 31, 2025, the swaps had a combined fair value of \$32,446, representing a liability, based on TD Securities' mark-to-market report as at December 31, 2025. This amount is included on the Statement of Financial Position within other liabilities. The change in fair value during the year is recognized in the Consolidated Statement of Remeasurement Gains and Losses.

27. SEGMENTED DISCLOSURE

General Government

General government is comprised of City Manager's Office, Communications, Engagement and Marketing, Customer Experience, Information Technology, Budget and Financial Planning, Accounting Services, Taxation and Assessment, Procurement, Payroll, Human Resources, Learning, Engagement and Change Management, Legislative Services, Government Relations and Grants, Information Governance and Management, Insurance and Risk Management, Corporate Strategy, and Treasury.

Protective Services

Protective services include RCMP Administration and Operations, Fire, Emergency Management, Bylaw Enforcement, Business Licensing, Animal Control and Building Inspections.

Transportation Services

Transportation services include Engineering Services, Roads Operations, Transit and Active Transportation, Fleet Services, Storm Water, Capital Projects, Asset Management, Building Maintenance and Transportation and Training.

Environmental Services

Environmental services include Utility Administration, Water Supply and Distribution, Wastewater Treatment and Disposal, and Waste and Recycling services.

Planning and Development

Planning and development includes Economic Development and Tourism, Current Planning, Policy Planning, Growth Application Services, Downtown Revitalization, Corporate Properties, Affordable Housing, Corporate Leasing and Airdrie Housing.

Recreation and Culture

Recreation and culture includes Parks Operations, Recreation services, Culture and Heritage, Arts Programs and Events, Town and Country Centre and Library.

Public Health and Welfare

Public health and welfare includes Family and Community Support Services (FCSS), Cemeteries and Social Planning.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segments and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those followed in the preparation of the non-consolidated financial statements as disclosed in Note 2. For additional information see the Non-Consolidated Schedule of Segmented Disclosure (Schedule 6).

28. BUDGETED ANNUAL SURPLUS

The reported budget information has been derived from the budget that was approved by Council on November 19, 2024. This note reconciles the Council approved budgeted annual surplus to the reported budgeted annual surplus presented in the financial statements.

Annual surplus as per Council approved budget	\$	-
Add back:		
Capital government transfers		75,953,466
Transfer to reserves		29,266,723
Contributed assets		-
Development levies		15,078,514
Debt principal repayments		7,297,736
Internal charges		368,500
Contributed to capital		226,020
Expenses to AMSQ		746,141
Grant to Library		2,656,137
Grant to Airdrie Housing		269,943
Subsidiary budget - AMSQ		451,597
Remove:		
New debt proceeds		-
Amortization of tangible capital assets		(40,000,000)
Transfer from reserves		(16,307,346)
Internal recoveries		(368,500)
Subsidiary budget - Library		(2,911,012)
Revenues from AMSQ		(1,215,172)
Subsidiary budget - Airdrie Housing		(157,059)
Revenues from Airdrie Housing		(62,284)
Consolidated Statement of Operations Annual Surplus	\$	71,293,404

29. SUBSEQUENT EVENTS

Land purchase

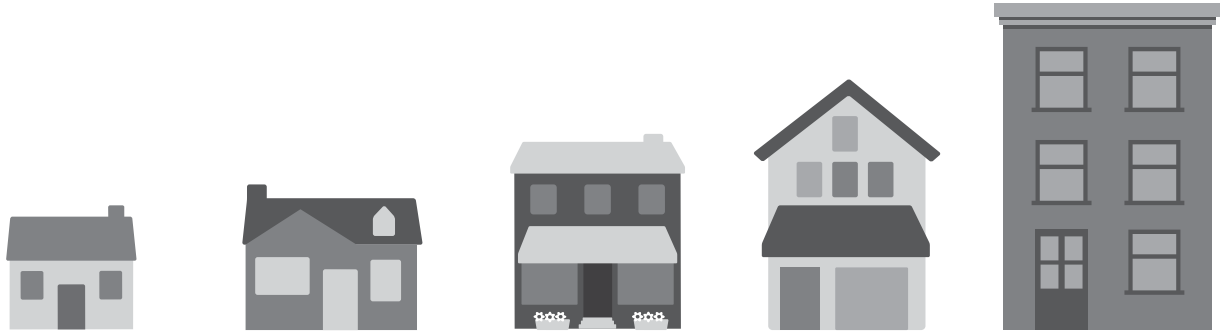
Subsequent to December 31, 2025, the City finalized an agreement to purchase approximately 160 acres of land from Westside Land Corporation, located at SE-11-27-29 W4M, for a total consideration of \$12.8 million. The transaction closed on March 5, 2026. As the agreement was executed and the transaction closed after the reporting date, no amounts related to this acquisition have been recognized in the consolidated financial statements as at December 31, 2025. This transaction is disclosed as a non-adjusting subsequent event.



STATISTICAL INFORMATION

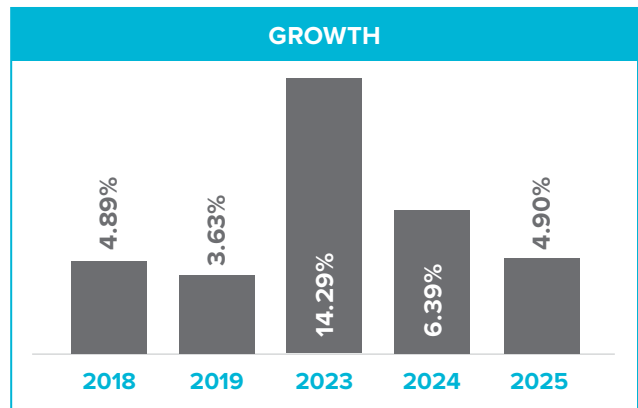
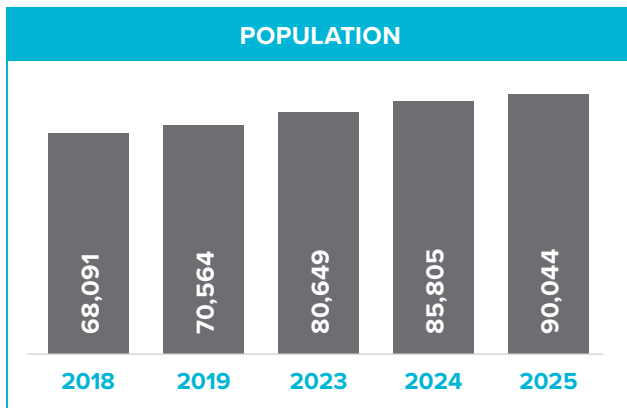
POPULATION AND OTHER STATISTICS

Why it matters: Population growth drives service demand, affects the assessment base, and influences user fee and transit volumes. Airdrie’s steady growth continues to attract major employers and business investment. A simple 5-year view helps readers see trend and scale.



POPULATION GROWTH OVER THE LAST 40 YEARS

10,431	14,506	27,069	58,690	90,044
1985	1995	2005	2015	2025



For the years ended December 31, 2021 to 2025 (unaudited)

	2021	2022	2023	2024	2025
Population	73,850	77,687	80,649	85,805	90,044
Full Time Employees					
City of Airdrie	538	558	569	547	606

Largest Employers in the City

- Rocky View Schools
- Propak Systems
- City of Airdrie
- Fortis Alberta
- Costco Wholesale

Source: Airdrie Economic Development July 2025

VALUE OF TAXATION AND ASSESSMENT

Why it matters: The assessment base (residential/non-residential split) is the foundation for municipal property taxation. Presenting rates and parcels alongside assessed values helps residents see how the base has changed over time.

- Total taxable assessment (2025): \$22.163B; Residential 83.4%, Non-residential 16.6%.
- Municipal tax rates (mills) continue to trend lower over the period shown.
- Parcels increased to 35,701 in 2025 (residential 33,924; non-residential 1,777).

For the years ended December 31, 2021 to 2025 (unaudited)

	2021	2022	2023	2024	2025
Tax rates					
Residential	4.84559	4.72588	4.48106	4.26832	4.04869
Non-residential	10.17584	9.92508	9.41019	8.96364	8.50739
Parcels					
Residential	28,986	29,859	31,227	32,241	33,924
% of total	94.80%	94.84%	95.05%	94.84%	95.02%
Non-residential	1,591	1,623	1,627	1,753	1,777
% of total	5.20%	5.16%	4.95%	5.16%	4.98%
Total parcels	30,577	31,482	32,854	33,994	35,701
Live assessed values					
Residential	\$ 10,737,188,480	\$ 12,665,311,470	\$ 15,029,857,230	\$ 18,004,470,350	\$ 18,491,878,270
% of total	79.76%	80.86%	82.45%	82.44%	83.44%
Non-residential	2,724,280,130	2,997,825,680	3,198,771,530	3,834,836,950	3,670,904,590
% of total	20.24%	19.14%	17.55%	17.56%	16.56%
Total assessment	\$ 13,461,468,610	\$ 15,663,137,150	\$ 18,228,628,760	\$ 21,839,307,300	\$ 22,162,782,860
Municipal tax levies					
Residential	\$ 47,549,402	\$ 49,977,268	\$ 55,506,294	\$ 63,606,375	\$ 70,456,892
% of total	73.59%	72.26%	73.39%	75.84%	77.30%
Non-residential	17,061,654	19,188,866	20,128,836	\$20,260,508	\$20,687,015
% of total	26.41%	27.74%	26.61%	24.16%	22.70%
Total municipal tax levy	\$ 64,611,056	\$ 69,166,134	\$ 75,635,130	\$ 83,866,883	\$ 91,143,907
Requisition tax levies					
Residential	\$ 24,526,134	\$ 25,737,349	\$ 27,582,208	\$ 32,676,721	\$ 40,805,954
Non-residential	7,432,975	7,702,749	7,706,965	8,821,548	10,178,967
Total requisitions	\$ 31,959,108	\$ 33,440,098	\$ 35,289,173	\$ 41,498,269	\$ 50,984,920
Total taxes levied	\$ 96,570,164	\$ 102,606,232	\$ 110,924,303	\$ 125,365,152	\$ 142,128,827
% of total taxes					
Residential	74.64%	73.79%	74.91%	76.80%	78.28%
Non-residential	25.36%	26.21%	25.09%	23.20%	21.72%
Appeals					
LARB (Local Assessment Review Board)	3	1	1	4	4
% of total	14%	20%	33%	57%	67%
CARB (Composite Assessment Review Board)	18	4	2	3	2
% of total	86%	80%	67%	43%	33%
Total appeals	21	5	3	7	6

CONSOLIDATED REVENUES (5-YEAR TREND)

Why it matters: This shows how the City funds services and infrastructure, balanced among taxes, user fees, transfers, levies, investment income, and contributed assets.

- 2025 total revenue: \$318.3M (rounded). Mix includes net taxes \$91.7M, user fees \$73.9M, government transfers \$42.96M (including operating and capital recognized), development levies \$20.7M, investment income \$17.3M, contributed assets \$32.7M, and other smaller sources.

Table: Revenue by Source (2021–2025)

	2021	2022	2023	2024	2025
Revenue					
Net municipal property taxes	\$ 64,611,058	\$ 69,166,135	\$ 75,635,130	\$ 84,308,271	\$ 91,653,047
User fees and sale of goods	51,824,291	59,557,818	68,139,990	71,218,498	73,925,065
Government transfers	27,722,560	31,899,225	42,872,077	48,318,357	42,963,316
Contributed assets	28,019,536	17,198,064	15,260,079	38,373,418	32,686,403
Development levies	8,077,753	17,622,815	25,209,227	18,958,706	20,730,533
Investment income	4,085,103	2,671,594	4,308,284	10,679,673	17,264,530
Franchise and concession contracts	10,948,053	12,762,151	12,840,907	14,196,203	14,506,865
Licences and permits	6,927,101	6,645,083	8,688,328	8,552,820	8,543,969
Other revenue	1,812,819	3,460,289	1,875,649	5,822,500	7,247,977
Rental revenue	3,991,572	5,210,758	5,720,552	6,281,087	6,304,183
Penalties and costs on taxes	697,468	1,039,869	1,126,654	1,380,136	1,571,583
Fines	957,889	919,157	1,345,112	1,062,613	821,641
Sales to other governments	609,410	295,438	596,393	445,328	188,645
Gain (loss) on disposal of tangible capital assets	12,068	-	3,124,597	(43,664)	(131,498)
	\$ 210,296,681	\$ 228,448,396	\$ 266,742,979	\$ 309,553,946	\$ 318,276,259

CONSOLIDATED EXPENSES (5-YEAR TREND)

Why it matters: Grouping by function helps residents see where dollars are spent (protective, transportation, environmental services, recreation & culture, etc.).

- 2025 total expenses: \$218.7M (rounded). Largest functions: Transportation \$50.0M, Environmental \$45.4M, Protective \$40.2M, General Government \$34.9M, Recreation & Culture \$34.7M.

Table: Expenses by Function (2021–2025)

	2021	2022	2023	2024	2025
Council	\$ 593,709	\$ 674,259	\$ 658,859	\$ 770,417	\$ 756,889
General government	22,662,723	23,930,383	27,938,550	31,589,025	34,931,366
Protective services	35,346,378	33,967,540	36,076,850	39,199,406	40,188,075
Transportation services	36,394,022	39,574,850	41,503,244	48,675,182	50,036,519
Environmental services	34,737,723	34,873,350	38,333,403	44,143,117	45,397,257
Planning and development	5,452,121	6,191,350	7,583,274	9,548,813	9,879,853
Recreation and cultural	22,213,247	25,933,536	28,550,820	29,838,599	34,665,170
Public health and welfare	2,437,259	2,542,090	2,649,009	2,752,048	2,844,979
	\$ 159,837,182	\$ 167,687,358	\$ 183,294,009	\$ 206,516,607	\$ 218,700,108

RESERVES (OPERATING, CAPITAL, OFFSITE LEVIES & UTILITY)

Why it matters: Reserves provide resilience, fund lifecycle needs, buffer tax and rate impacts, and ensure growth pays for growth.

- 2025 balances (rounded): Operating \$81.4M, Capital \$42.2M, Offsite levies \$68.5M, Utility \$46.7M. Operating equals roughly 3 months of tax-supported operations (policy target).

Table: Reserve Balances (2021–2025)

	2021	2022	2023	2024	2025
Utility	\$ 15,389,992	\$ 26,184,843	\$ 33,731,957	\$ 39,294,233	\$ 46,654,482
Offsite Levied	46,890,720	50,351,152	64,848,765	64,286,892	68,495,319
Capital	41,649,761	46,608,519	48,670,753	51,859,960	42,154,931
Operating	47,642,598	49,828,708	59,569,384	66,884,320	81,362,562
	\$ 151,573,071	\$ 172,973,222	\$ 206,820,859	\$ 222,325,405	\$ 238,667,294

CONSOLIDATED SCHEDULE OF LONG-TERM DEBT

Why it matters: Shows affordability and capacity to fund major infrastructure. The Provincial limit is 1.5× “adjusted revenue”; debt service limit is 0.25× “adjusted revenue.”

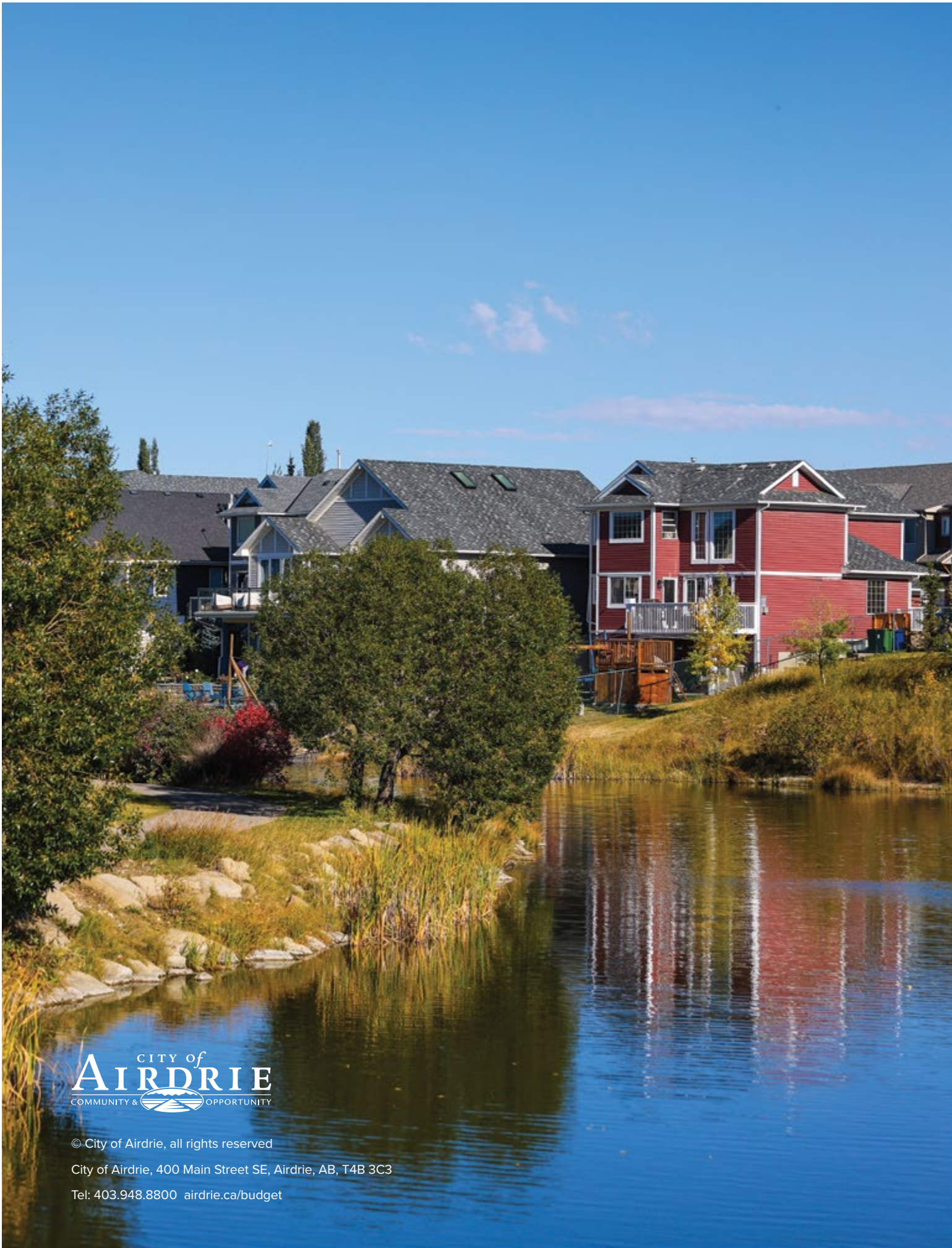
- Total debt per capita will fluctuate year-over-year as new debt is issued and previous debt is paid down. This is also impacted by the City’s growing population. This is best demonstrated when seeing the decrease in total debt per capita from \$697 in 2024 to \$681 in 2025. Although new debt was issued in 2025, the decrease in debt per capita results from the population increase of 4.94%.
- It is also important to note that \$377 of this per capita debt is funded through developer levies, leaving \$304 in per capita debt to be paid by residents of Airdrie through tax and utilities. Thus, at December 31, 2025, if every resident paid the City \$304, the total debt supported by Airdrie residents would be paid off in full, leaving only that debt to be paid through developer levies.

Table: Debt & Limits (2021–2025)

	2021	2022	2023	2024	2025
Long-term debt					
Tax supported	\$ 71,356,629	\$ 65,629,594	\$ 59,876,976	\$ 54,198,132	\$ 55,318,575
Utility rates supported	9,167,849	7,865,103	6,736,717	5,569,869	6,014,071
Total long term debt	\$ 80,524,478	\$ 73,494,697	\$ 66,613,693	\$ 59,768,001	\$ 61,332,646
Total debt per capita	\$ 1,090	\$ 946	\$ 826	\$ 697	\$ 681
Percentage of total debt to be retired					
Within 5 years	41%	43%	45%	48%	48%
Thereafter	59%	57%	55%	52%	52%

CONSOLIDATED DEBT LIMIT AND DEBT PAYMENT

	2021	2022	2023	2024	2025
Debt Limits					
Maximum allowable debt	\$ 240,793,124	\$ 275,939,504	\$ 320,601,887	\$ 343,752,042	\$ 377,935,323
Total debt and loans (\$)	80,524,478	73,494,697	66,613,693	59,768,001	61,332,646
Percentage used (%)	33.4%	26.6%	20.8%	17.4%	16.2%
Debt service limit					
Maximum allowable debt service	\$ 40,132,187	\$ 45,989,917	\$ 53,433,648	\$ 57,292,007	\$ 62,989,221
Service on debt	9,484,577	9,102,252	8,599,789	8,370,008	7,930,860
Percentage used (%)	23.6%	19.8%	16.1%	14.6%	12.6%
Percentage of expenditures (%)	5.9%	5.4%	4.7%	4.1%	3.6%
City of Airdrie Self-Imposed Debt Limits (less than 10% of operating revenue)					
Operating Revenue	\$ 168,151,697	\$ 183,959,669	\$ 213,734,591	\$ 229,168,028	\$ 251,956,882
Total debt payments	7,302,140	9,314,562	8,931,614	8,448,909	8,766,286
Percentage used (%)	4.3%	5.1%	4.2%	3.7%	3.5%



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