



TOWN OF GIBBONS

2025 PROPOSED OPERATING BUDGET

BUDGET COMMENTS & NOTES

1. COLA:

The Cost of Living (COLA) Rate in Alberta in accordance with Statistics Canada to December 31, 2024, was 3.75%.

2. 2025 Municipal Operating Budget Approvals and/or Pending:

The information below represents a snapshot of tax increases around Alberta that have been approved to date.

- | | |
|-------------------|------------------------------|
| • Calgary | 8.9% municipal tax increase |
| • Morinville | 5.57% municipal tax increase |
| • Edmonton | 6.1% municipal tax increase |
| • Sherwood Park | 3.9% municipal tax increase |
| • St. Albert | 3.6% municipal tax increase |
| • Medicine Hat | 5.6% municipal tax increase |
| • Beaumont | 5.82% municipal tax increase |
| • Canmore | 3.9% municipal tax increase |
| • Red Deer | 10.5% municipal tax increase |
| • Parkland County | 2.5% municipal tax increase |
| • Banff | 6.5% municipal tax increase |
| • Cochrane | 2.63% municipal tax increase |

- | |
|---|
| • Represents an Average Increase of 5.46% |
|---|

The administration is proposing a 1.5% tax increase.

3.Assessment:

The 2024 assessment for the 2025 tax year has increased by \$29,034,820.00 that is an increase in assessment of 7.32%. This includes the growth and inflation factor. Inflation on residential properties increased by 5.11% whereas growth increased by .53%. Growth on non-residential increased by 16.38% and inflation on non-residential increased by 1.7%. Administration expected an inflation factor to affect the residential assessments because most sales on residential properties in 2024 were from \$75,000 to \$100,000 over assessed value. That means that your home is worth more in 2025 than it was in 2024 and that affects what you will pay in taxes and that the Council has no control over.

3. Council Expense:

The 2025 Operating budget proposes a 13% increase in expenditure, to cover legal counsel matters plus a 2% increase in Council remuneration.

4. General Administration:

The budget includes a proposed 61% increase to cover the severance of our previous CAO and the payments for the 2.5 mil bridge financing that needed to occur.

5. Policing:

The Town in 2025 is set to see a 13% decrease in policing costs invoiced by the province that is non-negotiable. The policing costs represent 4.4% of the tax levy required.

6. Fire Fighting:

Firefighting revenues are anticipated to increase by 21% and expenditures are anticipated to increase by 91% due to the legal opinion that was received from the Town Solicitors. Fire Fighters under the Provincial Labor Standards are considered employees therefore they must be paid for training and on-call.

7. Disaster Services:

This component will experience a projected increase in expenditure of 21% to cover the costs related to the celebration of Emergency Preparedness, which was very well received by our community in 2024.

8. Bylaw Services:

This department is projected to increase by 35% which includes an increase in contract services with enhanced hours of service and associated labor costs.

9. Common Services (Public Works):

The expenses in 2025 are projected to increase by 9%.

10. Roads:

The expenses are projected to increase by 26%, which is due in large part because of an increase in street lighting with the remainder allocated for street maintenance and the overlay to Heartland Drive.

11. FCSS:

The proposed expenditure increase is 3%. This covers the normal increase in the costs of operation.

12. Planning & Development:

The revenues for this department are increasing by 80%, which represents the possible sale of the cottage lands, the two lots downtown and the learning center building. Overall expenditure is anticipated to be reduced by 3% as some of the contracts with consultants have been suspended.

13. Communities in Bloom:

A proposed increase of 45% which covers reallocation of wages to accurately reflect where staff perform their duties.

14. Community Services:

The proposed expenditure decreases by 19%, which reflects the reallocation of salaries and wages to accurately reflect where staff are performing their duties.

15. Recreation & Parks:

There is a proposed decrease in revenues of 35% reflecting the loss of government grants received in 2024 for the planning of trees and an increase in

expenditure of 6% reflecting the funds that the Town must provide towards the development of Memorial Park.

16. Fitness Center:

Proposed increase in revenues of 4% and increase in expenditure of 12%.

17. Arena:

The proposed 2025 budget includes a revenue decrease of 42%, that is a result of no transfer from reserves as was budgeted in 2024. The proposed increase in expenditure is 10%, which covers an increase in staffing and the cost of utilities. At present, staffing is tight at the arena to the point that should our three full-time positions become sick or require longer term leave, the Town may have to adjust its operations significantly due to limited staff to operate it. One more full-time position is required for the arena. This was approved by Council in December and will not occur until late summer for the new season.

18. Curling Rink:

The expenditure is anticipated to decrease by 7%, which reflects how staffing is allocated.

19. Facilities:

The proposed expenditures to budgeted to increase by 2% to cover the cost of inflation.

20. Museum:

In the coming year, we anticipate the expenditure to increase by 64%. The museum requires some major maintenance to maintain this site for many years to come. The museum has a major problem with squirrels and this issue must be resolved. The squirrels have also caused damage to the wiring in Robert's house which will need to be repaired. The windmill also needs some repairs.

21. Resource Center:

The expenditures are anticipated to increase by 6% due to the need for a new furnace and replacement of flooring.

22. Gibbons Cultural Center:

Revenues are expected to increase by 4%, which is the increase in franchise fees from Fortis. Expenditures are anticipated to increase by 3% to cover door maintenance and painting.

23. Library:

In 2025, the library is anticipating revenues to remain the same and expenditures seeing a slight increase of 2%.

24. Proposed 2024 Operating Budget Changes as a Percentage

The 2025 Operating Budget presented containing an overall increase of 1% which will translate into a 1.5% increase to the 2025 mill rate at this time. This 1.5% mill rate increase will generate a surplus of \$331,785.24. A 1% mill rate increase will generate a surplus of \$313,030.40. A 1.5% mill rate increase will result in an increase of \$38.43 in taxes per year while a 1% mill rate increase will result in an increase of \$25.62 in taxes per year.

25. Mill rate impacts:

A \$319,999 house in 2024 experienced \$2,562.01 municipal taxes whereas the same house in 2025 may experience the following:

House Assessment	1.5% increase
\$319,999	\$2,600.44
Yearly increase	\$38.43
Monthly increase	\$3.20
Daily increase	\$0.11