



2025 - 2027 ANNUAL BUDGET

BLACKFALDS
ALBERTA



Message from our Chief Administrative Officer

Administration is pleased to present the 2025-2027 Operating Budget package to Council. The budget document is similar to the previous budget documents and meets the requirements of the Municipal Government Act. The budget provides three years of Operational Budget projections and a five-year Capital Budget plan, which has been slightly modified from prior years as we re-prioritizing needs and timelines, funding resources and inflationary impacts

The citizen engagement this year was once again via an online survey and participation at the Community Expo and was well received, as shown by almost double the feedback from 2023.

As with the last number of budgets, we are aware that the economic climate continues to create challenges for municipalities with increasing costs for products and services, as well as supply chain issues. Higher interest rates have provided benefits by allowing us to meet or exceed target interest revenues.

Our organization continues to work hard to deliver the core services to the residents of Blackfalds in a fiscally responsible manner. We continue to look for areas where improvements and efficiencies can be gained throughout the organization, along with the identification of gaps in services. To aid Administration in this process, an Introductory Municipal Service Level Inventory will be conducted.

The Town of Blackfalds continues to advance our capital works programs but have reduced our program to align with adjusted timelines and needs for the project and to better align with available funding. The Town continues to make it a priority to establish capital surplus reserves, pay down debt, and maximize investments. Maintaining an updated five-year funded capital plan will ensure that the capital planning is practical and sustainable while the assets of the municipality are maintained, and new development is planned with fiscal responsibility.

The Asset Management Program continues to advance and is critical in maintaining and operating infrastructure in the most effective manner, saving money and better managing risks.

The Introductory Municipal Service Level Inventory which outlines services that a municipality provides externally to the community and internally as support services was completed in 2024. This inventory serves as a base to support the decision-making process for increased efficiencies, budgeting, and resource allocation. It will serve as a solid foundation for assisting Council with the development of service levels for core services provided to the residents of Blackfalds.

As we embark upon a new budget cycle, we are confident that our municipality remains in a strong financial position and that the citizens of Blackfalds continue to enjoy quality amenities delivered in a fiscally responsible manner.

Kim Isaak

Chief Administrative Officer

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Budget Process

The Town of Blackfalds must pass an annual operating budget each year before it starts, as required by the Municipal Government Act (MGA). Since October 2017, municipalities are also required to have a three-year financial plan and a five-year capital plan, which we follow.

Our budget includes expected income, daily operating costs, and a capital component. The operating budget outlines how much money is needed to cover the town's expenses and provide services to residents.

The capital budget sets aside money for big purchases or building projects, like buildings, vehicles, and water or sewer systems. It also details how much will come from property taxes, user fees, and other income sources.

The budget process follows a clear timeline to ensure the final Operating Budget is approved by year-end. Both the Recreation, Culture and Parks Board, and the Economic Development and Tourism Board review budgets related to their areas.

Administration is committed to sticking to the timeline for the 2025 Operating Budget. Budget binders will be given to Council on October 11, 2024, giving them enough time to review before the budget workshop on November 1 and 2, 2024.


2025 Budget Direction

The 2025-2027 municipal budget is designed to improve the quality of life for Blackfalds residents. It reflects the community's priorities while addressing the Town's rising costs and workforce needs. Even though inflation cooled to 2% in August 2024, costs continue to rise, and there is pressure to add staff to keep up with the Town's growth. Extra funds have been allocated to the Administration cost center, aimed at filling critical positions.

The primary source of revenue for the Town is property taxes, which are based on property values. In our progressive system, higher-value properties are taxed at higher rates. Due to budget pressures, adjusting property tax rates will be necessary. A 2% tax increase would be difficult to maintain because of last year's higher inflation.

Several uncertainties affect this budget, including upcoming CUPE 417 union negotiations and the new commercial property assessments. While estimates have been made, there's a risk that these assessments will bring in less revenue than anticipated.

The budget includes adding a Deputy Chief of Training and Fire Prevention to help reduce overtime for the two paid fire positions. The results of a Salary Survey by Hillcrest Financial have also been incorporated to ensure that non-union staff salaries are competitive. These updates bring salaries up to 2023 market levels, but no additional cost-of-living adjustments (COLA) have been included for 2024.



In summary, the Town has made adjustments to balance financial pressures with the need to maintain services and minimize impacts on taxpayers. These steps are seen as necessary for long-term financial health and service quality.

The proposed tax increases are:

2025: 5.00%

2026: 3.74%

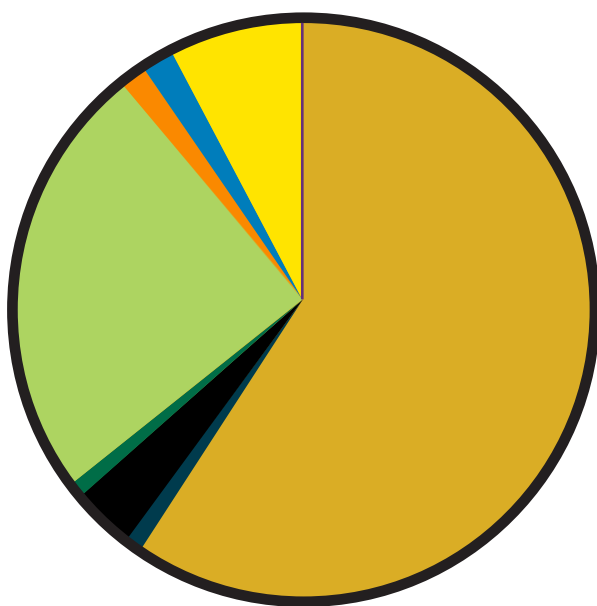
2027: 1.40%

Additional revenue has been budgeted for Fire Services, following preliminary discussions with Lacombe County about a new fire services agreement, which will be presented to Council on October 22, 2024.

One-time non-capital expenses are covered by the operating reserve to keep the budget stable. Any surpluses will be returned to the Operations reserve once the Reserve Policy is updated.

2025 Operating Revenue by Division

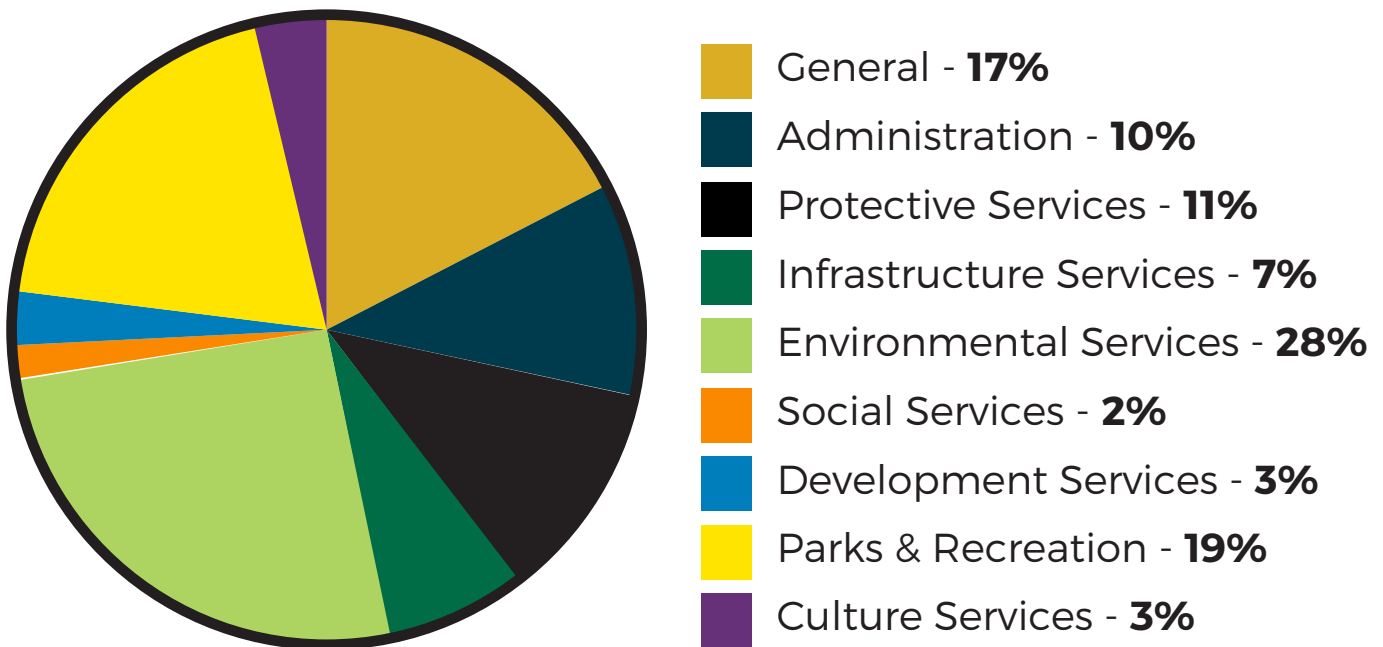
Revenue	2024 Budget	2025 Budget	Change	% Change
General	\$ 20,205,688	\$ 21,100,383	\$ 894,695	4.43%
Administration	\$ 226,000	\$ 209,722	-\$ 16,278	-7.20%
Protective Services	\$ 1,143,920	\$ 944,520	-\$ 199,400	-17.43%
Infrastructure Services	\$ 247,289	\$ 229,789	-\$ 17,500	-7.08%
Environmental Services	\$ 8,357,338	\$ 10,125,920	\$ 1,768,582	21.16%
Social Services	\$ 288,966	\$ 295,016	\$ 6,050	2.09%
Development Services	\$ 298,534	\$ 361,055	\$ 62,521	20.94%
Parks & Recreation	\$ 2,629,695	\$ 2,715,799	\$ 86,104	3.27%
Culture Services	\$ 15,000	\$ 15,000	\$ -	0.00%
Total Revenue	\$ 33,412,430	\$ 35,997,204	\$ 2,584,774	7.74%



- General - **58%**
- Administration - **1%**
- Protective Services - **2%**
- Infrastructure Services - **1%**
- Environmental Services - **28%**
- Social Services - **1%**
- Development Services - **1%**
- Parks & Recreation - **8%**
- Culture Services - **0%**

2025 Operating Expenses by Division

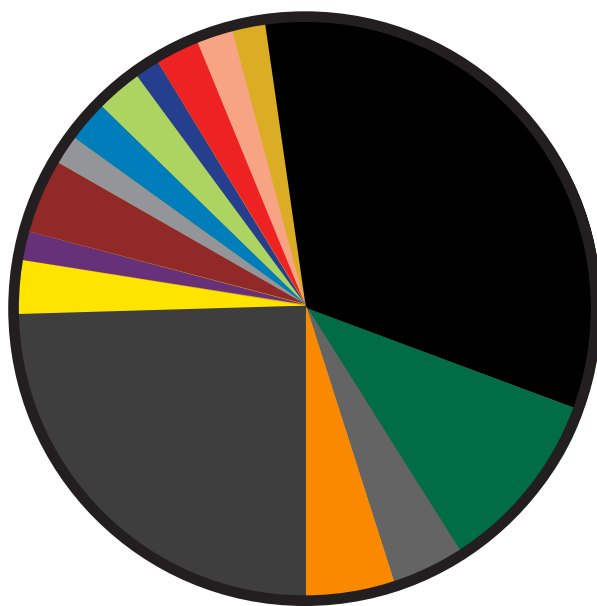
Expenses	2024 Budget	2025 Budget	Change	% Change
General	\$ 6,360,213	\$ 6,069,362	-\$ 290,851	-4.57%
Administration	\$ 3,358,599	\$ 3,708,051	\$ 349,452	10.40%
Protective Services	\$ 4,047,562	\$ 4,002,134	-\$ 45,428	-1.12%
Infrastructure Services	\$ 2,421,560	\$ 2,506,677	\$ 85,117	3.51%
Environmental Services	\$ 8,357,338	\$ 10,125,920	\$ 1,768,582	21.16%
Social Services	\$ 609,300	\$ 583,633	-\$ 25,667	-4.21%
Development Services	\$ 873,018	\$ 938,970	\$ 65,952	7.55%
Parks & Recreation	\$ 6,493,767	\$ 6,824,337	\$ 330,570	5.09%
Culture Services	\$ 891,073	\$ 1,238,120	\$ 347,047	38.95%
Total Expenses	\$ 33,412,430	\$ 35,997,204	\$ 2,584,774	7.74%



2025 Operating Revenue by GL Category

Revenue	2024 Budget	2025 Budget	Change	% Change
Property Tax	\$ 12,564,181	\$ 13,340,511	\$ 776,330	6.18%
Provincial Taxes	\$ 3,978,015	\$ 3,978,015	\$ -	0.00%
Total Taxation	\$ 16,542,196	\$ 17,318,526	\$ 776,330	4.69%
Joint Economic Area Taxes	\$ 500,000	\$ 535,000	\$ 35,000	7.00%
Sale of Goods General	\$ 368,719	\$ 433,067	\$ 64,348	17.45%
Sale Of Goods Utilities	\$ 8,242,002	\$ 9,927,920	\$ 1,685,918	20.46%
User Fees - Recreation	\$ 865,500	\$ 880,000	\$ 14,500	1.68%
Licenses & Permits	\$ 331,834	\$ 362,315	\$ 30,481	9.19%
Franchise Fees	\$ 2,020,702	\$ 2,090,067	\$ 69,365	3.43%
Federal Government Grants	\$ 299,120	\$ 299,120	\$ -	0.00%
Provincial Grants	\$ 391,374	\$ 391,374	\$ -	0.00%
Local Government Grants	\$ 524,495	\$ 569,321	\$ 44,826	8.55%
Penalties & Fines	\$ 331,200	\$ 346,200	\$ 15,000	4.53%
Rentals	\$ 1,559,840	\$ 1,298,012	-\$ 261,828	-16.79%
Investment Income	\$ 396,032	\$ 396,032	\$ -	0.00%
Other Revenue	\$ 533,000	\$ 544,500	\$ 11,500	2.16%
Funded from Reserve	\$ 506,416	\$ 605,750	\$ 99,334	19.62%
Total Revenue	\$ 33,412,430	\$ 35,997,204	\$ 2,584,774	7.74%

2025 Operating Revenue by GL Category

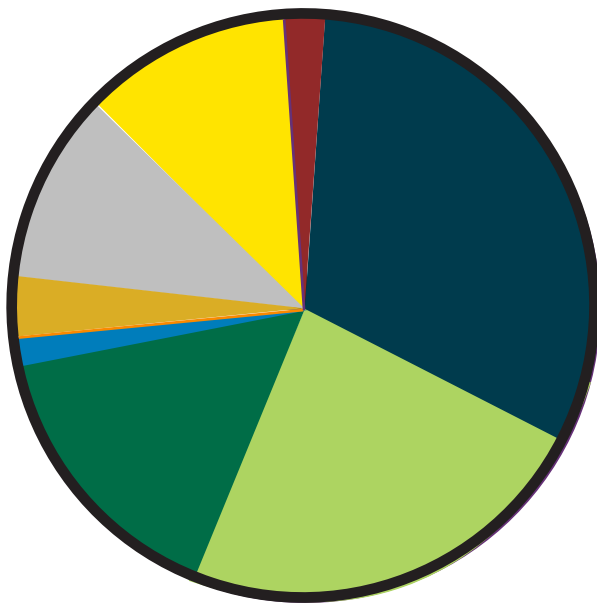


- Property Tax - **37%**
- Provincial Taxes - **11%**
- Joint Economic Area Taxes - **1%**
- Sale of Goods General - **1%**
- Sale of Goods Utilities - **28%**
- User Fees - Recreation - **2%**
- Licenses & Permits - **1%**
- Franchise Fees - **6%**
- Fed. Gov. Grants - **1%**
- Prov. Grants - **1%**
- Local Government Grants - **2%**
- Penalties & Fines - **1%**
- Rentals - **3%**
- Investment Income - **1%**
- Other Revenue - **2%**
- Funded from Reserve - **2%**

2025 Operating Expenses by GL Category

Expenses	2024 Budget	2025 Budget	Change	% Change
Salaries, Wages & Benefits	\$ 10,743,448	\$ 11,595,118	\$ 851,670	7.93%
Contracted & General Services	\$ 9,604,588	\$ 11,070,993	\$ 1,466,405	15.27%
Materials & Supplies	\$ 3,590,639	\$ 3,760,531	\$ 169,892	4.73%
Transfers to Local Boards & Agencies	\$ 535,717	\$ 535,512	-\$ 205	-0.04%
Bank Charges	\$ 55,000	\$ 64,600	\$ 9,600	17.45%
Long Term Debt	\$ 1,148,158	\$ 1,172,138	\$ 23,980	2.09%
Requisitions	\$ 3,978,495	\$ 3,979,295	\$ 800	0.02%
Transfer to Capital Reserve	\$ 3,267,585	\$ 3,321,017	\$ 53,432	1.64%
Transfer to Operating Reserve	\$ 4,800	\$ -	-\$ 4,800	-100.00%
Internal Recovery	\$ 484,000	\$ 498,000	\$ 14,000	2.89%
Total Expenses	\$ 33,412,430	\$ 35,997,204	\$ 2,584,774	7.74%

2025 Operating Expenses by GL Category



- Salaries, Wages & Benefits - **33%**
- Contracted & General Services- **31%**
- Materials & Supplies - **10%**
- Trans. to Local Boards & Agencies - **1%**
- Bank Charges - **1%**
- Long Term Debt - **3%**
- Requisitions - **11%**
- Trans. to Cap. Reserve - **9%**
- Trans. to Op. Reserve - **0%**
- Internal Recovery - **1%**

Three Year Operating GL Account Summary

Division	2025	2026	2027
05 General	21,100,383	21,783,989	22,180,521
10 Administration	209,722	146,722	116,722
20 Protective Services	944,520	944,520	944,520
30 Infrastructure Services	229,789	49,789	49,789
40 Environmental Services	10,125,920	10,813,941	11,184,426
50 Social Services	295,016	295,158	295,298
60 Development Services	361,055	406,055	302,055
70 Parks & Recreation	2,715,799	2,615,745	2,636,741
74 Culture Services	15,000	15,000	15,000
Total Revenues	35,997,204	37,070,919	37,725,072

Division	2025	2026	2027
05 General	6,069,362	6,101,395	6,133,971
10 Administration	3,708,051	3,743,314	3,798,490
20 Protective Services	4,002,134	4,087,843	4,150,373
30 Infrastructure Services	2,506,677	2,331,918	2,356,823
40 Environmental Services	10,125,920	10,813,941	11,184,426
50 Social Services	583,633	597,507	613,804
60 Development Services	938,970	1,005,599	973,535
70 Parks & Recreation	6,824,337	7,145,697	7,264,284
74 Culture Services	1,238,120	1,243,705	1,249,366
Total Expenses	35,997,204	37,070,919	37,725,072

Net Total

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2025 Capital Budget		
Project	Total Funding	Funding Source
Engineered Structure - Network		
North West Storm	2,500,000	Grants - CCBF, Offsite Levies - Storm Sewer
Equipment		
AFRACS Radio Upgrades	30,000	Reserve - General Capital
Auto-scrubber - Walk behind	14,000	Reserve - General Capital
Radio Upgrades (CSD & PW)	70,000	Reserve - General Capital
SCBA Bottles Replacement	50,000	Reserve - Fire
Security Camera Upgrades	29,000	Reserve - IT
Snow Wing (CSD)	15,000	Reserve - General Capital
Toro Ground master 4WD 5910-D Mower (CSD)	220,000	Reserve - General Capital
Field House Curtain	12,000	Reserve - General Capital
Facility		
Abbey Centre Chemical Storage	14,000	Reserve - Abbey Centre , Grants - County
Abbey Centre Fire Panel	35,000	Reserve - Abbey Centre , Grants - County
Abbey Centre Front Desk	23,000	Reserve - Abbey Centre , Grants - County
Abbey Centre HVAC Software	30,000	Reserve - Abbey Centre , Grants - County
Food Bank Roof Repair	40,000	Reserve - Land & Buildings
Snow Storage Facility - Siting & Land purchase	500,000	Reserve - Land & Buildings
Land Improvements		
Cemetery Expansion - Initial Planning	15,000	Reserve - General Capital
Diamond 6 Fence Extension	10,000	Reserve - Athletic Parks
Football Field Upgrades	60,000	Reserve - General Capital
Vehicle		
Bobcat Articulated Loader	80,000	Reserve - General Capital
Brush Truck - 1 ton	175,000	Reserve - General Capital
3,922,000		