MEDIA RELEASE

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Increased operating costs reflected in Town of Innisfail's 2025 budget

FOR IMMEDIATE RELEASE
December 10, 2024

On Monday, December 9, 2024, Innisfail Town Council approved an operating budget of $28,532,772 and a capital budget of $21,249,219 for 2025.

Increases in operating costs continue to present challenges to those required to pay for services, and the Town of Innisfail is not exempt. The Town, as an organization, has seen increased costs for services, such as insurance, and in supplies, such as fuel for Town vehicles and machinery. Because of this, the 2025 operating budget contains a slight rate increase to keep pace with these costs.

The Town requires $10,387,737 from taxes to meet the obligations of the 2025 operating budget. In order to reach this level, Town staff will determine mill rates in April once assessments are complete. Once assessments have been determined, the Town will set mill rates required to meet the 2025 operation funding requirement.

"The Town still faces a challenge in keeping pace with the increased costs of doing business. Despite this, council has worked hard to keep our increases in line with the costs incurred by the organization" said Mayor Jean Barclay. " We realize the impact increased costs have on our residents, and we have fought to keep increases to an absolute minimum".

The 2025 mill rate increase will likely be less than the increases passed in many other Alberta communities, but assessments will ultimately have an impact on the total increase of each individual property's taxes. The tax rate passed is equivalent to a 2.82% increase.

The 2025 budget also includes an incremental increase in franchise fees. A one per cent increase was approved for both the FORTIS and ATCO franchise fees.

Despite these ongoing challenges, the Town remains in a financially strong position. Council continues to collectively share a clear vision for the future, providing administration with the tools to ensure the long-term viability of the community.

Utility Rates

User-based utility rates will also increase in 2025, reflecting an increase from the regional water and wastewater systems.

Residents will not see an increase in flat fees, which are used to bolster existing reserves allocated for repair and replacement of existing infrastructure. Reserves ensure residents have a properly-functioning water delivery system well into the future. Newer water and wastewater lines benefit all residents by reducing costly emergency repairs and minimizing the down time caused by older, failing infrastructure.

Rate increases in 2025 will help cover the increased delivery costs incurred by the Town. Water rates will increase this year from $3.01 to $3.26 per cubic metre. This increase is in part due to an $.15 increase in the rate charged to the Town by the Mountain View Regional Water Commission, the supplier of the town's water.

Wastewater (sewer) rates will increase from $4.00 per cubic metre to $4.31 per cubic metre. This $.31 increase partially reflects a $.12 increase in rates charged by the South Red Deer Regional Wastewater Commission.

2025 Capital Projects

The Town of Innisfail, like many other municipalities, is increasingly forced to look for alternative means for infrastructure funding. Grants also provide opportunities to assist in the funding of capital projects, and Town staff continue to seek opportunities to obtain additional funding.

The 2025 Budget has identified this and contributions to reserves will help minimize the impacts of possible future shortfalls. Council also chose to focus on key projects aligned with their strategic priorities identified earlier in 2024. The capital projects included in the 2025 budget are listed below (budgeted project amount in parenthesis):

- Aquatic Centre Modernization ($12,266,219)
- Napoleon South Land Development ($4,500,000)
- 2025 Surface Improvements ($925,000)
- 40 Street Infrastructure Replacement ($750,000)
- 42 Avenue Sanitary Forcemain ($750,000)
- Hydrovac Truck ($750,000)
- Fleet trucks/trailer purchase ($415,000)
- Sunterra Lift Station Maintenance ($200,000)
- Council Chambers Upgrade and Repairs ($190,000)
- 2025 Concrete and Asphalt crushing ($150,000)
- Arena Repairs ($110,000)
- Water Truck ($75,000)
- Parks Shop Repairs ($75,000)
- Operations Shop Repairs ($70,000)
- Industrial Washer and Dryer ($15,000)
- Radio Base Station Unit 106 ($8,000)

The Town will receive additional funding from different levels of government. Provincial grant totals for the Town's capital projects in 2025 are $1,265,548, with federal contributions totalling $515,183. Concerns still remain over the lack of infrastructure funding provided to communities from higher levels of government.

Despite this, the 2025 capital budget addresses immediate needs while ensuring long-term stability and growth.

"We understand our residents' desire to have recreation facilities that meet their well-being needs. Our commitment to upgrading the Innisfail Aquatic Centre reflects our efforts to ensure our recreation facilities remain viable, while making the most cost-effective decisions for our citizens.

Council is also committed to finding solutions to the community's current housing needs. These concerns have been expressed and we're responding with actions intended to provide solutions for many of our residents".

— Mayor Jean Barclay

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For more information, contact:

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