

# FCSS Agenda

April 7, 2025 at 4:00 p.m.

Town Office Council Chambers 502 -2<sup>nd</sup> Avenue



## VISION

Bassano FCSS is a strong partner in a healthy community.

## Mission

Bassano FCSS works to build a strong community through locally driven proactive partnerships and preventative programming.

### 1. Call to Order

### 2. Attendance and Regrets

### 3. Adoption of Agenda for April 7, 2025

### 4. Adoption of Minutes

4.1 Minutes of March 3, 2025

### 5. Financial Summary

None

### 6. Director's Report

6.1 Period ending March 31, 2025

### 7. Unfinished Business

None

### 8. New Business

8.1 Free Home Buyers Seminar

### 9. Correspondence

9.1 Alberta Municipalities – Preliminary Analysis of Alberta's 2025 Budget

### 10. Adjournment

*Next Meeting Date: May 5, 2025 at 4:00 p.m.*

**MINUTES OF THE REGULAR BASSANO FCSS ADVISORY BOARD MEETING HELD ON MARCH 3, 2025**

**ADVISORY BOARD MEMBERS**

- § Tammie Hauck
- § Christine Petkau
- § Heather Basarab
- § Alice Slomp
- § Evelyn Jensen
- § Kevin Jones
- § Skye Chartrand
- § Matt Kelly

**ADMINISTRATION**

- § Amanda Barron, FCSS Director

**1. CALL TO ORDER**

**VICE CHAIR BASARAB** called the meeting to order at 4:00 p.m.

**2. ATTENDANCE AND REGRETS**

- Tammie Hauck
- Alice Slomp

**3. ADOPTION OF AGENDA**

**FCSS14/2025** Moved by **MEMBER CHARTRAND** that the March 3, 2025 agenda is approved as presented.

**CARRIED**

**4. MINUTES OF JANUARY 13, 2025**

**FCSS15/2025** Moved by **MEMBER JONES** to approve the minutes of January 13, 2025 FCSS Advisory Board AGM as presented.

**CARRIED**

**FCSS16/2025** Moved by **MEMBER JONES** to approve the regular minutes of the January 13, 2025 FCSS Advisory Board meeting as presented.

**CARRIED**

5. FINANCIAL SUMMARY

None

6. DIRECTOR'S REPORT

6.1 Director's Report – February 28, 2024

FCSS17/2025 Moved by **MEMBER JENSEN** that the FCSS Directors report for the period ending February 28, 2025 is approved as presented and discussed.

**CARRIED**

7. UNFINISHED BUSINESS

7.1 2025 CAKE Awards

FCSS18/2025 Moved by **MEMBER KELLY** that the FCSS Advisory Board tables the decision on hosting CAKE Awards until May to determine program viability pending grant application determination.

**CARRIED**

7.2 Women's Wellness 2025

Roundtable discussion.

8. NEW BUSINESS

8.1 April 2025 Programming

FCSS19/2025 Moved by **MEMBER PETKAU** that Bassano FCSS hosts a workshop in April and works with Julie Matthews Consumer Protection Expert & Fraud Prevention Educator to deliver a Fraud and Scam prevention presentation at Bassano School at date to be determined with a budget of \$600.

**CARRIED**

FCSS20/2025 Moved by **MEMBER JONES** that the FCSS Advisory Board provides a Guided Meditation Class with instructor Rebecca Campbell as part of our Whole Body Wellness Initiative with a budget of \$200 in April.

**CARRIED**

9. CORRESPONDENCE

None

10. MEETING ADJOURNED

FCSS21/2025 Moved by **VICE CHAIR BASARB** for adjournment of the regular meeting at 4:40 p.m.

**CARRIED**

\_\_\_\_\_  
Chair Signature

\_\_\_\_\_  
Director Signature

Unapproved

# FCSS Director's Report

Period Ending: March 31, 2025

Prepared By: Amanda Barron, Director

## Supporting Community Members



### SUPPORTS

#### Seniors Benefits

In March we provided service to 5 individuals in submitting Seniors Benefits and enrolled 1 community member in the Alberta Seniors Benefits Program.

#### Referrals/ Supports

As part of our services FCSS provides support to individuals in aiding access to various supports such as government programs, housing assistance and food bank access. FCSS has provided support with the online and print application processes.

### PROGRAMS

#### Fit and Free Programs

Fit and Free Adults Programming continues to see regular utilization having 12 registered participants. Youth programming has 3 registered members. We have received feedback regarding the ease of access to both the program and technical setup procedure for utilizing the sound/projection system with positivity, unfortunately we have experienced intermittent connectivity issues with the local Wifi that has presented challenges.

#### Canadian Volunteer Income Tax Program (CVTIP)

Tax season is in full swing, and Bassano FCSS has been completing tax preparations for locals at no cost. This is our 4<sup>th</sup> year providing this service locally and continues to see growth in residents utilizing the CVTIP program. Additionally, we expanded to allow for tax preparation software for mobile delivery, FCSS recently hosted Free Tax Clinics at Pioneer Damsiter's on March 10 from 9:30am -12pm and Playfair Lodge on March 11 from 9am – 4pm. Bassano FCSS has completed 62 returns thus far, surpassing our goal for 2025.

#### Women's Wellness Resilient Women- Empowered Futures

Bassano FCSS has made the difficult decision to cancel our Women's Wellness Conference scheduled on April 12, 2025 in Bassano due to substantially low-ticket sales. Women's Wellness has been delivered in Bassano for over 20 years, reaching thousands of local women. Taking into consideration attendance and ever-increasing programming costs, FCSS required minimum sales of 90 tickets to remain viable. On March 24, 2025 the Bassano FCSS Advisory Board motioned via email to halt preparations and cancel Women's Wellness, providing full refunds to ticket holders, and as per Speaker Agreements provide payment of 25% of total speaking fee for cancellation.

There are sunk costs in the Women's Wellness program. The costs will be compiled and included in my next report.

# FCSS Director's Report

Period Ending: March 31, 2025

Prepared By: Amanda Barron, Director



## Supporting Community Members

A discussion is required to determine if Bassano FCSS will continue trying to deliver Women's Wellness in future years or if programming time/resources will be directed to other priorities. A motion of the board is required for whichever outcome it determined.

### Recurring Programs – Scheduled

Spring Clean Up – Begins May 12<sup>th</sup>

Bike Rodeo – tentative date May 15<sup>th</sup> hosted at Bassano School

Home Alone Course – June 6 at Bassano Community Hall from 1-3:30pm, Registration fee of \$40.

Babysitters Course – June 28<sup>th</sup> in Council Chambers from 9am-4pm, Registration fee of \$70.

### INITIATIVES

#### Welcome Wagon

Through the month of March, FCSS distributed 1 Welcome Package.

|           |             |
|-----------|-------------|
| 518 4 Ave | March 26/25 |
|-----------|-------------|

### GENERAL UPDATES

#### Communities ChooseWell Symposium

Bassano FCSS attended the Communities Choosewell Symposium Community Stories Fair to present our Fit and Free program along with Lending Shed equipment accessibility opportunities locally. This was an important opportunity to highlight the teamwork and dedication required to prepare these programs. The municipality's commitment and dedication to fostering continued partnerships are vital to the long-term sustainability of community programs. By prioritizing collaboration with local stakeholders, we have ensured that initiatives are not only well-supported but also adaptable to the evolving needs of the community. This ongoing partnership reinforces a shared responsibility for success, leveraging resources, expertise, and engagement from all parties involved. Through consistent collaboration, together we foster a strong foundation for programs to thrive over time, ensuring their relevance and impact for future generations.

Attending the Communities Choosewell Symposium provided valuable opportunities to create new connections, collaborate with other program leaders, and learn from their experiences. The symposium fostered an environment of knowledge-sharing, where we gained insights into innovative programming and best practices. Additionally, the event exposed us to various grant opportunities, enabling us to explore potential funding sources to further enhance our community programs. This experience has been instrumental in strengthening our network and expanding our resources to better serve the community.

#### Alberta Blue Cross – Community Wellbeing Grant

# FCSS Director's Report

Period Ending: March 31, 2025

Prepared By: Amanda Barron, Director



## Supporting Community Members

I have submitted an application to receive a \$1000 grant that will aid in supporting the FCSS Program Subsidy available to residents of Bassano or Brooks Newell Region. This subsidy is governed by P-FCSS014 – Program Subsidy Policy that outlines the parameters in applying for subsidy to FCSS programs and capacity building sessions.

### UPCOMING PROGRAM

- Fit and Free – Ongoing
- Rural Pop Up April 15 @ 10am – Community Hall
- Community Garden Rentals open April 15
- Introduction to Guided Meditation April 16 @ 6:30 – Community Hall
- Fraud/Scam Prevention May 5 @ 12:10pm – Bassano School
- Spring Clean Up begins May 12
- Caregivers/Elder Abuse Session June 5 @ 9:30am – Pioneer Damsiter's
- Home Alone Course June 13 @ 1 – 3:30pm – Community Hall
- Babysitters Course June 28 @9 am – 4pm @ Council Chambers

### **Attachments**

1. Action Items

| <b>March 4, 2024 Regular Board Meeting</b> |   |                      |
|--|---|----------------------|
| Barron, A                                  | Resolution Index  | Completed March 5/25 |
| Barron, A                                  | Rotate Minutes  | Completed March 5/25 |
| Barron, A                                  | Book guided meditation with Rebecca Campbell for April                            | Booked               |
| Barron, A                                  | Book Julie Matthews to deliver Fraud/Scam presentation at Bassano School in April | Booked               |
| Barron, A                                  | Add CAKE Awards to May Board package for decision                                 |                      |
|  |   |                      |



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## FREE HOME BUYERS SEMINAR

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### **BACKGROUND**

Recently, Bassano has experienced a notable increase in housing turnover, with many residents moving in and out of the community at a faster pace. This shift has brought both opportunities and challenges for potential buyers and sellers, as the local real estate market continues to evolve. With such high turnover, it has become more important than ever for individuals to be well-informed and prepared when navigating the home-buying or home-selling process. Understanding the ins and outs of market trends, financing options, and the steps involved in a successful transaction is crucial for making confident and informed decisions. Whether buying or selling, having the right knowledge can make all the difference in securing the best deal in a fast-moving and competitive market like Bassano's.

Over the last two years we have noted a shift in the home buyers' market with Bassano seeing higher housing turnover. Including the BUILD Bassano Incentives will play a crucial role in supporting Bassano's housing market and stimulating broader economic growth. By offering targeted financial incentives, such as tax breaks, and subsidies for developers, the initiative can lower the cost of construction, making it more appealing for both private and public sector investments. This increased development activity will contribute to a greater supply of housing, addressing local demand, and ultimately leading to more affordable options for residents. Additionally, the influx of new housing will attract more people to the area, stimulating the local economy as new residents bring in consumer spending. The BUILD Bassano Incentives could also create jobs in construction and related sectors, further boosting employment opportunities. As a result, the program will foster a thriving, sustainable housing market and spur long-term economic growth in Bassano.

### **PROPOSED PROGRAM**

Local Realtor Kelly Rasmussen has approached us with an in kind program he has prepared to help future home buyers gain knowledge regarding the process of purchasing a home. Working alongside colleagues from home inspection, finance, and legal services the team will present information designed to help educate future buyers and sellers.

#### **Program Delivery:**

- Conversation based delivery with resources from participating partners pending availability including:
  - Grove Home Inspections – Shane Grove
  - Royal LePage – Kelly Rasmussen
    - § Will include BUILD Bassano Initiatives

- Connect First Credit Union
- MacLean Wiedemann Lawyers LLP - Johnathan P. Tiemen
- Build Bassano Incentives -
- 2 hour time frame
- Free to the community
- Available resources – addition to Welcome Wagon Packages.
- Snacks and refreshment optional

This session will walk participants through the steps of home purchase and provide information necessary including:

1. **Assess Your Finances**
  - Check your credit score.
  - Save for a down payment (typically 5-20%).
  - Determine your budget using a mortgage calculator.
2. **Get Pre-Approved for a Mortgage**
  - Shop for lenders and compare rates.
  - Submit necessary documents (income, debts, assets).
  - Receive a pre-approval letter indicating your loan amount.
3. **Find a Real Estate Agent**
  - Choose an experienced agent to guide you through the process.
  - Agents typically don't charge buyers, as the seller covers the commission.
4. **Start House Hunting**
  - Define your must-haves and nice-to-haves in a home.
  - View multiple properties within your budget.
  - Consider the neighborhood and local amenities.
5. **Make an Offer**
  - Submit a competitive offer based on home value and market conditions.
  - Include contingencies (e.g., financing, inspection).
  - Negotiate with the seller if needed.
6. **Hire a Home Inspector**
  - Schedule an inspection to check for issues with the property.
  - Negotiate repairs or price adjustments based on inspection findings.
7. **Secure Financing**
  - Finalize your mortgage application and lock in your rate.
  - Complete the appraisal process to confirm the home's value.
8. **Closing Process**
  - Conduct a title search to ensure no legal issues.
  - Review and sign closing documents.
  - Pay closing costs (2-5% of the home price).
9. **Move In**
  - Once everything is finalized, receive the keys and move into your new home!

A program budget of \$100 would be allocated towards refreshments upon board approval.

## **COMMUNITY IMPACT**

1. **Educating New Residents:** People moving into the community may be first-time homebuyers or unfamiliar with the local housing market. A seminar can provide them with the information they need to make informed decisions, from understanding mortgage options to navigating the buying process in that specific area.
2. **Reducing Anxiety for First-Time Buyers:** For those new to buying a home or moving to a new area, the process can be daunting. The seminar can demystify the experience by walking them through the steps, from budgeting to closing, which helps reduce stress and confusion.
3. **Building Trust and Community:** A seminar can serve as a welcoming platform for new residents, creating opportunities for them to meet other locals, including real estate professionals, lenders, and even neighbors who can share their experiences.
4. **Highlighting Local Housing Market Trends:** The seminar can give potential buyers insights into current market conditions, price trends, and future projections, helping them make smarter investment decisions.
5. **Promoting Local Resources:** The seminar can showcase local services and incentives that assist in the home-buying/building process, and other services that help newcomers settle in and feel more confident about their decision to buy.
6. **Encouraging Long-Term Residency:** When residents understand the benefits of owning a home and are equipped with the knowledge to navigate the purchase process successfully, it can potentially encourage more stability in the community. Educated buyers might be more likely to stay in the area for the long term, reducing turnover.
7. **Facilitating Networking:** The seminar can connect buyers with local realtors, mortgage brokers, home inspectors, and other key professionals. This network can be invaluable, especially for those unfamiliar with the area or for people who may not have many local connections yet.

### **ALIGNMENT TO MANDATE**

Hosting a homebuyers education session that covers topics like home inspection, financing, and legal aspects aligns with the FCSSAA by promoting individual well-being and enhancing community resilience. The FCSSAA focuses on empowering individuals and families through education, skill-building, and support. By providing critical knowledge to prospective homebuyers, the session helps individuals make informed decisions, improves financial literacy, and fosters long-term stability. This aligns with the FCSSAA's goal of strengthening communities by equipping residents with the tools and resources needed to thrive in their personal and economic lives.

### **DISCUSSION**

1. Is there a demonstrated need for homebuyer education in our community, particularly given the high housing turnover?
2. How many individuals or families in the community are likely to benefit from this session?
3. If choosing to proceed should registration be required or encouraged?

4. Does hosting this session align with the broader goals of our community's social services and initiatives, such as financial literacy, community stability, or fostering long-term residency?
5. How can this session contribute to building stronger community connections and supporting local residents in making informed decisions?

**CLARIFICATIONS/CONSIDERATIONS**

By offering valuable, localized information and fostering a sense of belonging, a homebuyer's seminar can significantly help individuals navigate the complexities of homeownership and settle into the community more successfully.

**Prepared by:** Amanda Barron, FCSS Director

**Reviewed by:** Amanda Davis, CAO

# Preliminary Analysis of Alberta's 2025 Budget



 **Alberta  
Municipalities**  
Strength  
In Members

February 28, 2025

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## Introduction

Alberta Municipalities is pleased to provide our members with this preliminary analysis of the 2025-26 Alberta Budget. This budget focuses on meeting the demands of growth and economic uncertainty. Municipalities provide the foundational infrastructure and services that support Alberta's population and economy. Our analysis examines how the provincial government is meeting the needs of municipalities and areas for improvement. It is our hope that this will lead to ongoing conversations between municipal councils and the Alberta Government on the various challenges facing communities.

## What you will find in this document

This document includes ABmunis' preliminary analysis of Alberta's 2025-26 budget as it relates to:

- Municipal priorities,
- Details of provincial funding for municipal governments,
- Potential impacts on provincial education property taxes and municipal property taxes,
- Decisions that may impact the financial future of Alberta's municipal governments,
- A summary of the province's fiscal outlook, and
- Highlights of individual ministry business plans that most impact Albertans at the local level.

# Priorities for Alberta's Municipal Governments

## Infrastructure Funding

In 2011, the Government of Alberta was investing \$444 per Albertan in municipal infrastructure. In Budget 2025, that figure is estimated to be \$321 per Albertan, without considering the impact of inflation.<sup>1</sup>

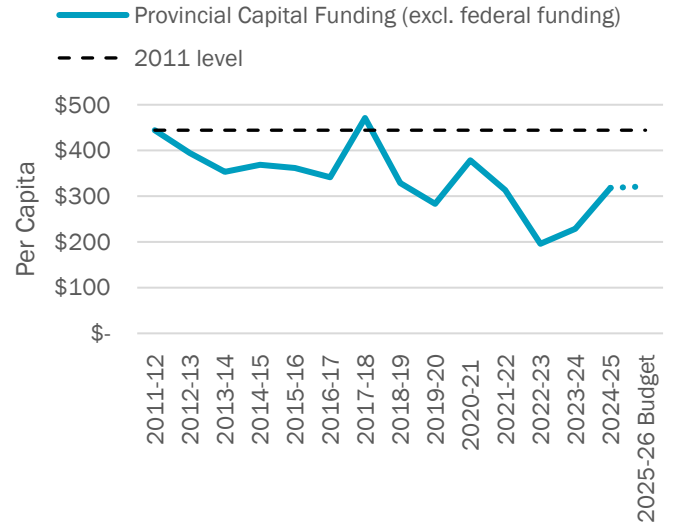
ABmunis acknowledges that the provincial programs that are available to most municipalities will increase by \$48 million in 2025-26, primarily due to the planned increase in the Local Government Fiscal Framework Capital program. However, we are concerned that the collective budget of provincial capital funding to municipalities, including one-time projects, is \$17 million lower than the 2024-25 budget. For example, in 2023 members adopted a resolution calling for the province to create a program to support high-growth communities. Therefore, we are disappointed that the province is discontinuing the short-lived Local Growth and Sustainability Grant. Further analysis of provincial infrastructure funding is provided in the Core Capital Funding for Municipalities section of this report.

Later this year, ABmunis will release findings of our new research that will provide the provincial government and Albertans a better picture of our current path for communities and the benefits of investing in infrastructure.

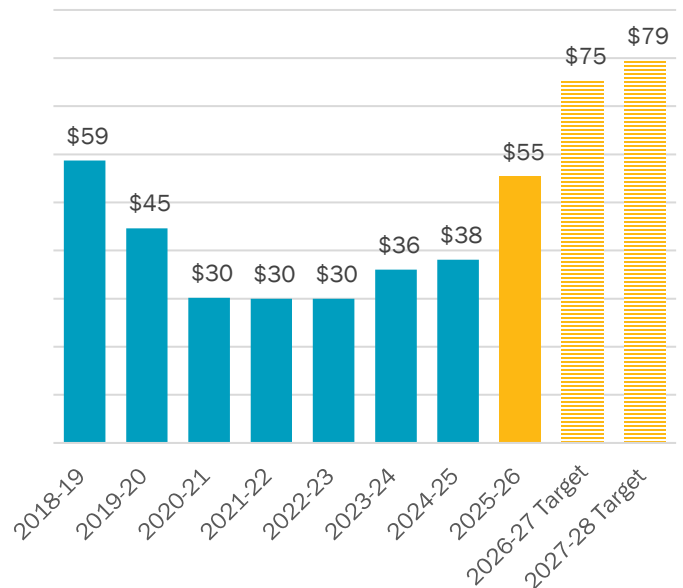
## Grants in Place of Taxes (GIPOT)

In 2019-20, the Government of Alberta implemented a policy change whereby funding to municipalities for services to provincial properties would be cut to 50 per cent of the eligible property tax amount. This had an adverse impact on communities whose property owners were forced to cover the bill, while Albertans in other communities still benefited from provincial facilities such as hospitals, schools, and courthouses. ABmunis and our members made the case that the province should contribute its fair share to cover the infrastructure and services that municipalities provide to provincial properties, just like any other property owner. We are pleased the province listened: starting in 2025-26, GIPOT funding will be paid to municipalities at 75 per cent of the property tax amount that would be owed, equal to \$55 million. Next year it will increase to 100 per cent. We applaud the province for restoring this funding.

**Total Provincial Funding for Municipal Infrastructure**  
(Per capita; excluding federal funding)



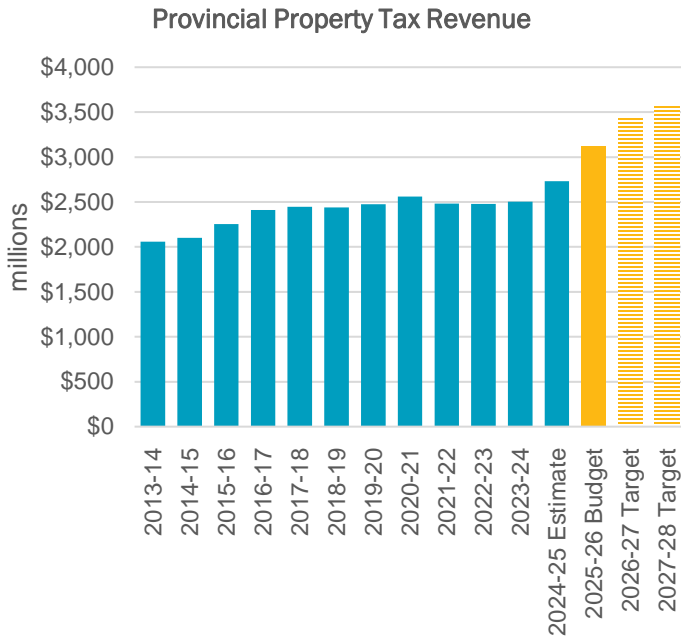
**Provincial Grants in Place of Taxes (GIPOT) (millions)**



<sup>1</sup> Figures represent provincial capital funding programs plus specific projects funded outside of a program that municipalities receive directly. Figures for 2011 to 2024 are sourced based on reported actuals or year-end estimates in Alberta's annual Government Estimates reports and population numbers are based on Statistics Canada Table 17-10-0005-01, assuming a 2.5% increase in Alberta's population for 2025.



## Provincial Property Taxes Increase



In last year's budget, the province forecasted that revenue from provincial education property taxes would increase by \$123 million in 2025-26. However, the province has made a surprising move to increase education tax rates by 6.3 per cent on residential property and 6.4 per cent on non-residential property. This translates to a \$392 million (14.3 per cent) increase in tax revenue that the province will collect from homeowners and business property owners compared to 2024-25.

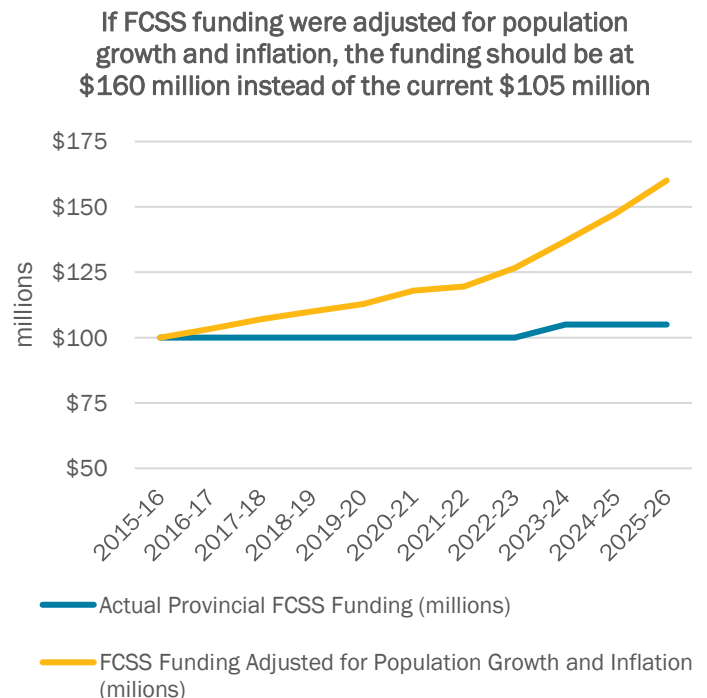
The increase represents a shift of the provincial tax burden onto the property tax base when the province has other more transparent and efficient revenue generation options. In contrast, property taxes are the main source of revenue for municipalities who are managing increased costs and expectations. As such, we continue to call on the province for adequate levels of operational and capital support from the provincial budget to ensure fair distribution of taxation to Albertans for critical and mandatory services.

## Family and Community Support Services (FCSS)

ABmunis is concerned to see that funding for FCSS has remained stagnant at \$105 million for 2025-26. FCSS is an 80/20 funding partnership between the Government of Alberta and participating municipalities or Métis Settlements. Under FCSS, communities design and deliver social programs that are preventive in nature to promote and enhance well-being among individuals, families and communities.

There are currently 210 local FCSS programs across Alberta providing services to 316 municipalities and Métis Settlements, most of which can be considered as "rural" or "small town." According to a recent [University of Alberta report](#), 63 per cent of rural FCSS offices rely on municipal contributions, well over their required 20 per cent. Of those respondents whose municipalities overcontribute, almost 43 per cent estimated that the true contribution of their municipality is higher than 35 per cent of their FCSS program's budget.

ABmunis has long advocated for FCSS funding to keep up with population growth and inflation. Last year, ABmunis members passed a [resolution](#) calling for the Government of Alberta to immediately increase provincial funding for FCSS to \$161.5 million in 2025 to account for Alberta's growth and inflation. This would be an incredibly cost-effective investment because every dollar invested in preventive services saves \$7 to \$12 in future spending on justice, health care, and addiction.



## Preliminary Analysis on Alberta's 2025 Budget

The graph above compares actual provincial FCSS funding over the past ten years to what funding amounts would be had funding kept pace with population growth and inflation. To maintain 2015 per capita FCSS funding levels while addressing these factors, the province would need to invest an additional \$55.1 million in the program.

In addition to stagnant FCSS funding, we note a 12.5 per cent decrease (\$2 million) in funding for Alberta's Community Initiative Program, and a 23 per cent (\$20 million) year-on-year decrease in preventative programs related to mental health and addictions. ABmunis is interested in the potential impact of these decreases.

## Affordable and Seniors' Housing

Advocating for improved access to affordable housing, as well as the supports and services needed to maintain housing and prevent homelessness, is a strategic priority for ABmunis. The pressing need for investment in affordable housing is highlighted by the number of [related resolutions](#) recently passed by ABmunis members.

Budget 2025 allocates \$343 million to programs that support social, specialized, and affordable housing, including rental assistance. This is an increase of \$23 million (7.2 per cent) from 2024-25, and will address pressures in rental assistance from market conditions; support housing providers with operational pressures to maintain service quality; and support lodge operators providing housing to low-income seniors. The 2025 Capital Plan allocates \$1.1 billion over three years to enhance affordable housing and social supports across the province. Combined with related Capital Maintenance and Renewal (CMR) funding, \$1.2 billion is being allocated to housing and seniors' facilities.

The Government of Alberta released its [provincial affordable housing strategy](#) in November 2021. The primary goal of the provincial affordable housing strategy is to support up to 25,000 more households, an increase of 44 per cent. This will be accomplished by developing 13,000 additional affordable housing units and providing rent assistance to 12,000 more households. While ABmunis appreciates provincial efforts to increasing funding for affordable housing, this target will only meet the needs of 15 per cent of Alberta households living in need of core housing.

## Mental Health and Addiction

Advocating for improvements to Alberta's mental health and addictions system, including evidence-based action to address opioid and methamphetamine use, is a strategic priority for ABmunis. ABmunis currently has [two active resolutions](#) related to advocacy on mental health and addiction.

ABmunis is pleased to see the province following through with its commitment to build 11 new recovery communities for Albertans seeking voluntary treatment for addiction or mental health issues. We also appreciate the following investments to help increase access to mental health services:

- \$4 million will be invested in 2025-26 to add additional mental health professional spaces in Alberta's post-secondary institutions. The Mental Health Professionals Enrollment Expansion grant program will support 12 institutions to create 761 new seats in high-demand mental health programs.
- \$61.9 million is allocated to improving access to mental health and addiction treatment services in police and correctional settings to help facilitate recovery for individuals interacting with the justice system.
- Increased operating funding to expand mental health classrooms from 20 to 60 for clinical support to students with complex mental health needs.

ABmunis notes mental health and addiction related preventive programming is seeing a \$20 million decrease in investments from \$87.1 million to \$67.1 million. ABmunis is interested in understanding whether this decrease in funding could impact community partners, as well as Albertans seeking services from these same community partners.

ABmunis also notes that Budget 2025 allocated \$207 million in capital funding over three years to develop two new, secure mental health and addiction facilities to provide involuntary care for adults and youth suffering from mental health or addiction issues who are deemed a danger to themselves or others. Although not yet passed, the [Mental](#)

## Preliminary Analysis on Alberta's 2025 Budget

[Health Services Protection Amendment Act](#), 2025 was introduced on February 25, 2025 to create a framework to give a mandated addiction treatment order to support a person who is likely to cause harm to themselves or others because of their problematic substance use.

## School Construction Accelerator Program

Significant investments are being made in the construction of new schools, with \$789 million allocated in Budget 2025 for this purpose. Adequate school capacity is integral for community growth so municipalities would like to have shovel-ready sites serviced to take advantage of this investment. However, for many communities it is a significant expense to service a site without a guarantee of a school being built there. Better coordination between the province, school boards, and municipalities would help to address this concern. ABmunis has an [active resolution](#) on school site servicing costs and will be advocating further to the province on this issue.

## Emergency Medical Services (EMS)

Access to EMS and ambulance response times continue to be top-of-mind for Alberta municipalities, particularly those in rural and remote areas. ABmunis was pleased to see that the province has budgeted \$789 million for Emergency Health Services in 2025-26 to increase system capacity. Budget 2025 also allocates \$60 million, including \$40 million in new funding, for the EMS Vehicles Capital Program to purchase new EMS vehicles and ambulances, upgrade the existing fleet, and acquire additional equipment. These actions align with the Alberta Emergency Services Provincial Advisory Committee and Alberta Emergency Health Services Dispatch Review recommendations, which ABmunis helped develop.

## Training for Health Care Professionals

Access to healthcare is a priority for municipalities, who are playing an increasingly active role in the provision of primary care and the attraction and retention of health care professionals. We are pleased that Budget 2025 includes the following investments to meet provincial demand for health care professionals:

- \$2 million for the expansion and upgrades of Keyano College to provide training for in-demand programs like nursing and paramedicine.
- 439 additional seats for certification and licensing of internationally educated nurses.
- \$44 million to the Physician Training Expansion Program in 2025-26. This program is delivered through rural training centres and provides rural, Indigenous, and other learners with increased access to medical education in rural areas.

## Libraries

Public Library Services funding has remained the same at \$39.9 million. This captures operating grants, advisory and training support, and e-content.

## Community Peace Officers (CPOs)

In February 2025, the Minister of Public Safety and Emergency Services requested municipalities with CPO programs to integrate these programs with their local police service operations to help provide a coordinated response to social disorder issues. While there does not appear to be funding in Budget 2025 to offset any additional expenses incurred by municipalities as a result of this request, the budget does include a \$46 million increase in the Ministry's operating expense. This funding includes:

- \$8 million to support additional police officers in Edmonton and Calgary under the Safe Streets Action Plan.
- \$24 million to secure the Alberta-US border. A new Interdiction Patrol Team will combat drug smuggling, gun trafficking, illegal border crossing and other illegal activities. This team will include Peace Officers to enforce Criminal Code and provincial statutes along the international border.

### Wildfire Response

Budget 2025 makes several key initiatives to support wildfire response and mitigation. Alberta Forestry and Parks' budget allocates \$30.7 million to support wildfire mitigation initiatives. Municipal Affairs has maintained the Fire Services Training Program Grant at \$500,000 for 2025-26, while also making the [February 2025 announcement](#) that an additional \$500,000 is being made available in the 2024-25 fiscal year, bringing the total for 2024-25 to \$1 million. Municipal Affairs is also working on improving the quality of fire data reported to the province. Budget 2025 contains a \$58 million increase for the Jasper Wildfire Disaster Financial Assistance Arrangements. Public Safety and Emergency Services identifies an increase in funding for the Alberta Emergency Management Agency over the 2024 budget estimate, however, the actual funding for this entity depends on the severity of the hazard season for that particular year. Public Safety and Emergency Services also budgets \$47 million in capital support for wildfire management. Continued work on wildfire and similar emergencies, in collaboration with partners such as the Rural Municipalities of Alberta, will continue to be a priority for ABmunis.

### Provincial Highways, Roads and Bridges

Budget 2025 identifies \$2.49 billion over three years to support Alberta's network of province-owned roads and bridges. This includes \$264 million in new funding for highway twinning, widening, and expansion projects. Projects include:

- Deerfoot Trail Upgrades (Calgary)
- Edmonton / Calgary Ring Roads
- La Crete Bridge
- QEII and 40th Avenue Interim Ramp (near Airdrie)
- Highway 1 and Range Road 33 in Rockyview County
- Highway 1A Upgrade (Stoney First Nation)
- Highway 2 Balzac Interchange Replacement
- Highway 2 Interchange at Cardiff Road South of Morinville
- First stage of realignment and connection of Highways 2 and 3 near Fort McLeod
- Highway 3 Twinning (From Taber to Burdett)
- Highway 11 Twinning from Red Deer west to Rocky Mountain House
- Highway 16A and Range Road 20 Intersection
- Highway 19 (East and West ends)
- Highway 28 - Detailed design work for safety improvements
- Highway 40 grade widening between Grande Cache and Hinton
- Highway 40 Twinning south of Grande Prairie
- Paving Highway 58
- Highway 60 Capital Improvements
- Highway 63 Twinning North of Fort McMurray
- Highway 201 Bow River Bridge on SE Stoney Trail
- Highway 686 paving between Peerless Lake and Trout Lake and commencing design work to extend the highway from Fort McMurray to Peerless Lake
- Highway 791 North from Highway 590
- Highway 881 safety and roadway improvements

# **PLANNING FOR YOUR COMMUNITY'S FINANCIAL FUTURE**

**HOW BUDGET 2025  
SUPPORTS  
MUNICIPAL  
GOVERNMENTS**

# How Budget 2025 Supports Municipalities

## Core Capital Funding for Municipal Governments

| \$ millions  | 2024-25<br>Budget | 2024-25<br>Estimate | 2025-26<br>Budget | 2026-27<br>Forecast | 2027-28<br>Forecast | Budget<br>2025<br>vs. 2024 |
|--|-------------------|---------------------|-------------------|---------------------|---------------------|----------------------------|
| <b>Provincial Capital Funding</b>  |                   |                     |                   |                     |                     |                            |
| <b>Programs Available to Most Municipalities</b>   |                   |                     |                   |                     |                     |                            |
| Local Government Fiscal Framework - Capital  | 724               | 724                 | <b>820</b>        | 800                 | 871                 | 96                         |
| Municipal Water/Wastewater Partnership   | 66                | 54                  | <b>45</b>         | 67                  | 84                  | (21)                       |
| Water for Life   | 50                | 33                  | <b>51</b>         | 111                 | 95                  | 1                          |
| Strategic Transportation Infrastructure Program  | 44                | 34                  | <b>33</b>         | 39                  | 55                  | (11)                       |
| Local Growth and Sustainability Grant  | 20                | 20                  | -                 | -                   | -                   | (20)                       |
| Green Transit Incentives Program (GreenTRIP)   | -                 | -                   | <b>3</b>          | -                   | -                   | 3                          |
| First Nations Water Tie-In Program   | 8                 | 2                   | <b>8</b>          | 15                  | 27                  | -                          |
|  | 912               | 867                 | <b>960</b>        | 1,032               | 1,132               | 48                         |
| <b>Directed Funding Separate from a Formal Funding Program <sup>2</sup></b>              |                   |                     |                   |                     |                     |                            |
| Edmonton and Calgary LRT (prov. portion)   | 470               | 502                 | <b>372</b>        | 556 <sup>3</sup>    | 506 <sup>3</sup>    | (98)                       |
| Edmonton major roads <sup>4</sup>  | 108               | 45 <sup>5</sup>     | <b>130</b>        | 107                 | 85                  | 22                         |
| Edmonton Downtown & Coliseum Site Improv.  | -                 | -                   | <b>6</b>          | 30                  | 70                  | 6                          |
| Calgary Rivers District & Events Centre  | 102               | 90                  | <b>97</b>         | 66                  | 24                  | (5)                        |
| YYC Rail Connection  | 2                 | 2                   | <b>6</b>          | -                   | -                   | 4                          |
| Capital Region Wastewater Treatment  | 10                | 40                  | <b>10</b>         | -                   | -                   | -                          |
| Designated Industrial Zone Pilot Project   | 4                 | 3                   | <b>18</b>         | 10                  | 10                  | 14                         |
| Sundre Wastewater Treatment Plant  | -                 | -                   | <b>8</b>          | -                   | -                   | 8                          |
| Red Deer Regional Airport Expansion  | 20                | 5                   | <b>4</b>          | 8                   | -                   | (16)                       |
|  | 716               | 687                 | <b>651</b>        | 747                 | 625                 | (65)                       |
| Total Provincial Funding   | 1,628             | 1,554               | <b>1,611</b>      | 1,779               | 1,757               | (17)                       |
| Year-over-year change in budget  |                   |                     | <b>-1%</b>        | 10%                 | -1%                 |                            |
| <b>Federal Capital Funding</b>   |                   |                     |                   |                     |                     |                            |
| <b>This funding is distributed by the province on behalf of the Government of Canada</b> |                   |                     |                   |                     |                     |                            |
| Edmonton and Calgary LRT (federal portion)   | 379               | 411                 | <b>400</b>        | 539 <sup>3</sup>    | 490 <sup>3</sup>    | 21                         |
| Canada Community-Building Fund   | 266               | 270                 | <b>276</b>        | 276                 | 287                 | 10                         |
| Investing in Canada Infrastructure Program   | 73                | 71                  | <b>48</b>         | 20                  | 1                   | (25)                       |
| Clean Water Wastewater Fund  | 1                 | -                   | -                 | -                   | -                   | 1                          |
|  | 719               | 752                 | <b>724</b>        | 835                 | 779                 | 5                          |
| Total Provincial + Federal Capital Funding   | 2,347             | 2,306               | <b>2,335</b>      | 2,614               | 2,536               | (12)                       |

<sup>2</sup> This category summarizes funding distributed directly to a municipality outside of any formal funding program that municipalities can apply for.

<sup>3</sup> Based on historical breakdowns, ABmunis has made an assumption that the Government of Alberta is responsible for 51% of the Edmonton and Calgary LRT project for 2026-27 and 2027-28 and the Government of Canada is responsible for 49%.

<sup>4</sup> 'Edmonton major roads' includes projects for 50 Street, Yellowhead Trail, Ray Gibbon Drive, and Terwillegar Drive.

<sup>5</sup> ABmunis noted inconsistencies in reported amounts in the 2025 Fiscal Plan versus the 2025 Government Estimates material.

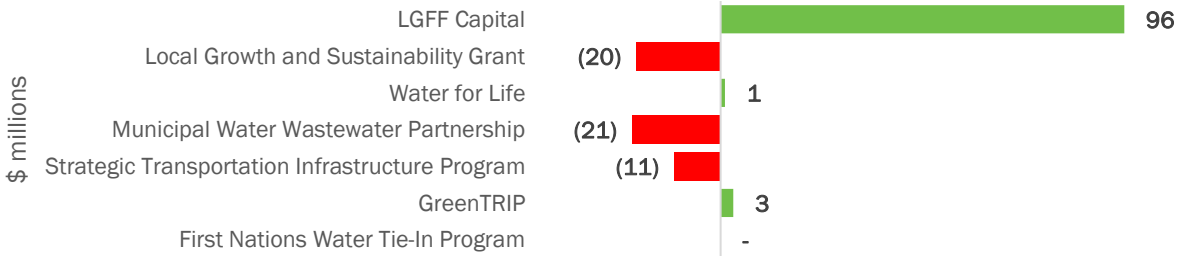


## Preliminary Analysis on Alberta's 2025 Budget

### Year-Over-Year Change in Budgeted Funding for Municipal Infrastructure Programs

When looking at provincial infrastructure programs that most municipalities can access, those programs will see a collective net increase of \$48 million in funding in 2025-26, largely driven by the legislated increase in the Local Government Fiscal Framework Capital program.

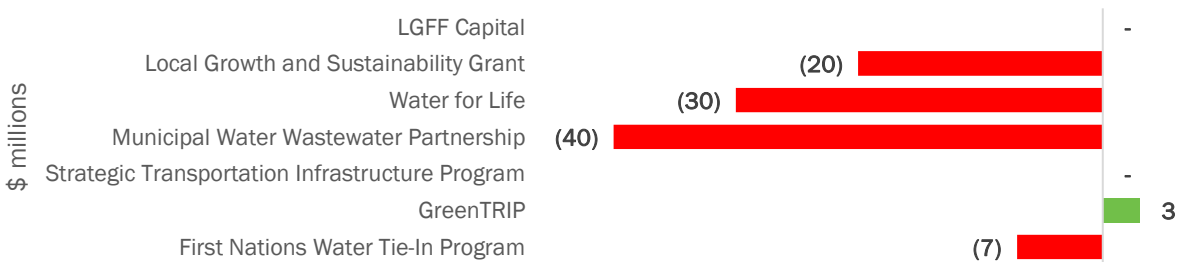
Year-over-year change in budgeted funding from provincial capital programs  
Budget 2025 difference from Budget 2024



### Program funding increased, but was almost \$100 million short of what was forecasted

Funding for provincial capital programs increased to \$960 million, but the 2024 budget forecasted that funding for these programs would be \$1.05 billion in 2025-26. The Local Growth and Sustainability Grant was surprisingly discontinued and funding for water and wastewater infrastructure projects are a combined \$70 million less than what was projected for this year.

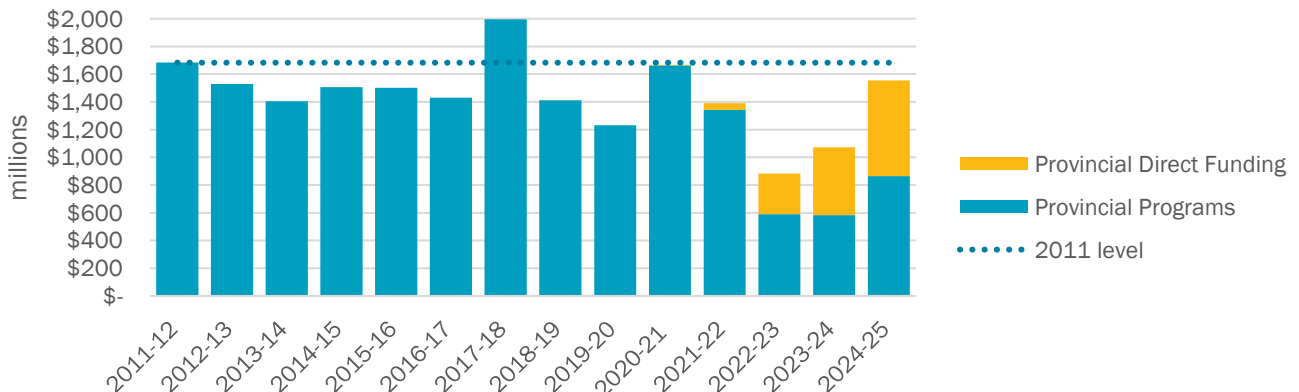
Difference between the 2024 Budget forecast for the 2025-26 year  
versus what was delivered in the 2025-26 budget



### The province is increasingly delivering capital funding to municipalities outside of formal funding programs

#### Provincial Funding for Municipal Infrastructure

(Actuals and year-end estimates; Excludes federal funding managed by the GOA)



## Preliminary Analysis on Alberta's 2025 Budget

### Breakdown of Provincial Capital Funding Programs

#### Local Government Fiscal Framework Capital

This program is allocated to every municipal government and Metis settlement in Alberta through a formula that enables local governments to plan for their financial future.

| 2024 Budget | Budget 2024<br>Forecast for 2025 | 2025 Budget | Change from the<br>Forecast for 2025 |
|-------------|----------------------------------|-------------|--------------------------------------|
| \$724       | \$820                            | \$820       | -                                    |

- Per the *Local Government Fiscal Framework Act*, the funding amount for LGFF Capital will increase or decrease annually based on changes in the Government of Alberta's actual revenues from three years prior.
- The increase in the budget for 2025-26 reflects the increase in the Government of Alberta's revenue from 2021-22 to the 2022-23 fiscal year.
- In 2026, the funding will drop by \$20 million to \$800 million because the Government of Alberta's revenue declined between the 2022-23 and 2023-24 fiscal years.
- For 2027, the funding is forecasted to increase to \$871 million, but that could change subject to the province finalizing its books for the 2024-25 fiscal year.

#### Alberta Municipal Water/Wastewater Partnership (millions)

This competitive application program is available to municipalities up to 45,000 population.

| 2024 Budget | Budget 2024<br>Forecast for 2025 | 2025 Budget | Change from the<br>Forecast for 2025 |
|-------------|----------------------------------|-------------|--------------------------------------|
| \$66        | \$85                             | \$45        | (\$40)                               |

- The 2025 budget of \$45 million is \$21 million less than last year and \$40 million less than what the 2024 budget forecasted for the 2025-26 year.
- The program was underspent by \$12 million in 2024-25.

#### Water for Life (millions)

This competitive application program is available to municipalities up to 45,000 population.

| 2024 Budget | Budget 2024<br>Forecast for 2025 | 2025 Budget | Change from the<br>Forecast for 2025 |
|-------------|----------------------------------|-------------|--------------------------------------|
| \$50        | \$81                             | \$51        | (\$30)                               |

- The 2025 budget of \$51 million represents a \$1 million increase over the 2024 budget, but it's \$30 million less than the 2024 budget forecast for the 2025-26 year.
- ABmunis also notes that the program was underspent by \$17 million in 2024-25.

#### Strategic Transportation Infrastructure Program (millions)

This competitive application program provides funding for local airports, bridges, resources roads, and other initiatives. The eligibility for funding depends on the funding stream.

| 2024 Budget | Budget 2024<br>Forecast for 2025 | 2025 Budget | Change from the<br>Forecast for 2025 |
|-------------|----------------------------------|-------------|--------------------------------------|
| \$44        | \$33                             | \$33        | -                                    |

- The 2025 budget amount is the same as what was forecasted in the 2024 budget for this year.
- The program was underspent by \$10 million in 2024-25.
- Based on funding allocations from 2021 to 2023, ABmunis notes that STIP funding is primarily allocated to municipal districts, counties, and Metis Settlements, with an annual average of 16 per cent of the funding provided to cities, towns, villages, and summer villages.



## Preliminary Analysis on Alberta's 2025 Budget

### Local Growth and Sustainability Grant (millions)

This competitive application program was launched in 2024 to support mid-sized cities with growth pressures and small municipalities experiencing emergency failures in infrastructure.

| 2024 Budget | Budget 2024<br>Forecast for 2025 | 2025 Budget | Change from the<br>Forecast for 2025 |
|-------------|----------------------------------|-------------|--------------------------------------|
| \$20        | \$20                             | -           | (\$20)                               |

- Launched in October 2024 as a three-year commitment of \$60 million total, ABmunis was surprised to learn that the province has discontinued this program for the 2025-26 year.
- This means that only \$20 million of the original \$60 million commitment will be delivered to municipalities.
- Municipalities that applied for this funding in fall 2024 should expect to learn who receives the funding by March 2025.
- ABmunis is disappointed that the Local Growth and Sustainability Grant has been discontinued because it helped meet the [call by our members](#) for funding that supports high-growth communities.

## Explanation of Federal Capital Funding that is Distributed by the Government of Alberta

|  |   |
|--|---|
| Canada Community-Building Fund (CCBF)          | <ul style="list-style-type: none"> <li>• CCBF is distributed on a per-capita basis based on census data.</li> <li>• In 2025, \$276 million is available under the CCBF, an increase of \$10 million (3.8 per cent) over 2024.</li> <li>• The \$10 million increase is due to the federal government's two per cent indexation of CCBF each year, which is delivered in \$100 million increments and allocated across all provinces and territories.</li> <li>• This funding is administered under a 10-year agreement between the federal and provincial government.</li> <li>• The CCBF also identifies support for asset management as one of the requirements of the agreement.</li> </ul> |
| Clean Water Wastewater Fund (CWWF)             | <ul style="list-style-type: none"> <li>• This is a historical, temporary program that has expended its funds. No further funding is expected for the CWWF.</li> </ul>   |
| Investing in Canada Infrastructure Fund (ICIP) | <ul style="list-style-type: none"> <li>• All ICIP funds have all been allocated to projects. Any reference to ICIP funds are for re-profiled amounts or carry-overs from prior years projects as they are allocated for construction.</li> <li>• In total, Alberta received \$3.66 billion through ICIP.</li> </ul>   |
| Edmonton and Calgary Light Rail Transit (LRT)  | <ul style="list-style-type: none"> <li>• \$1.6 billion in ICIP funding has been allocated over three years (2025-2028) for LRT expansion in Edmonton and Calgary.</li> <li>• ABmunis estimates that \$400 million is being provided by the federal government for these projects in 2025-26.<sup>6</sup></li> </ul>   |

<sup>6</sup> The Government of Alberta's 2025 Fiscal Plan reports the total expense on Edmonton and Calgary LRT as a combined total of federal and provincial portions. ABmunis relied on details in the Government of Alberta's 2025 Government Estimates report to estimate that \$400 million of the total \$772 million is federal funding.

## Core Operating Funding for Municipal Governments

| \$ millions                                     | 2023-24<br>Budget | 2024-25<br>Budget | 2025-26<br>Budget | %<br>Change | Note |
|---|-------------------|-------------------|-------------------|-------------|------|
| Alberta Community Partnership                   | 15.4              | 15.4              | <b>13.4</b>       | (13.0%)     | 1    |
| Emergency Management Preparedness Program       | 0.2               | 0.2               | <b>0.2</b>        |             |      |
| Family and Community Support Services           | 105.0             | 105.0             | <b>105.0</b>      | -           | 2    |
| Fire Services Training Program                  | 0.5               | 0.5               | <b>0.5</b>        | -           |      |
| Grants in Place of Taxes                        | 36.0              | 38.1              | <b>55.3</b>       | 45.1%       | 3    |
| Local Government Fiscal Framework Operating     | -                 | 60.0              | <b>60.0</b>       | -           | 4    |
| Municipal Sustainability Initiative – Operating | 60.0              | -                 | -                 | -           | 4    |
| Policing Support Grant (formerly MPAG and POG)  | 98.8              | 108.8             | <b>119.0</b>      |             | 5    |
|   | <b>315.9</b>      | <b>328.0</b>      | <b>353.4</b>      |             |      |

## Notable Funding for Community Entities

| \$ millions  | 2023-24<br>Budget | 2024-25<br>Budget | 2025-26<br>Budget | %<br>Change | Note |
|--|-------------------|-------------------|-------------------|-------------|------|
| Agricultural Service Boards                          | 11.9              | 11.9              | <b>11.9</b>       | -           |      |
| Agricultural Societies and Exhibition Grants         | 11.5              | 11.5              | <b>11.5</b>       | -           |      |
| Agricultural Societies Infrastructure Revitalization | 2.5               | 2.5               | <b>2.5</b>        | -           |      |
| Community Facility Enhancement Program               | 50.0              | 50.0              | <b>50.0</b>       | -           |      |
| Community Initiatives Program                        | 17.5              | 16.0              | <b>14.0</b>       | (12.5%)     | 6    |
| Community Recreation Centre Infrastructure Program   | -                 | 10.0              | <b>10.0</b>       | -           |      |
| Library Services – Operating                         | 39.7              | 39.9              | <b>39.9</b>       | -           |      |
| Legal Aid  | 134.6             | 110.0             | <b>88.1</b>       | (19.9%)     |      |
| Regional Economic Development Alliances              | 1.1               | 1.1               | <b>1.1</b>        | -           |      |
|  | <b>268.8</b>      | <b>252.9</b>      | <b>229.0</b>      |             |      |

### Notes

1. The budget for the Alberta Community Partnership was reduced by \$2 million, reflecting the province's decision in fall 2024 to [eliminate funding](#) to the Calgary Metropolitan Region Board and the Edmonton Metropolitan Region Board.
2. Since 2023, the province has included funding for Food Banks in the budget line item of Family and Community Support Services (FCSS). The figures reported by ABmunis exclude that amount for transparency to show what portion municipalities receive for FCSS.
3. The Grants in Place of Taxes (GIPOT) funding increased from \$36 million to \$38.1 million in 2024-25, which was due to rising property values plus new provincial properties. Based on advocacy by ABmunis and our members, the province has announced a plan to fully fund GIPOT by 2026-27. For 2025-26, GIPOT will be funded at 75 per cent of the eligible tax amount and is forecasted to increase to \$75.3 million in 2026-27 when the program is funded at 100 per cent.
4. In 2024, MSI Operating was replaced by the Local Government Fiscal Framework (LGFF) Operating program at the same \$60 million budget, which has been continued for 2025 as well. In 2024, Municipal Affairs froze the allocations by municipality at the 2023 funding allocations set under the former MSI Operating formula. The plan for the 2025 LGFF Operating allocation formula is likely to be announced shortly.
5. The Policing Support Grant is for any municipality with a population over 5,000 that provides their own police service and was eligible for the former Municipal Policing Assistance Grant and Police Officer Grant.
6. ABmunis is concerned with the 12.5 per cent decrease in the Community Initiatives Program, as the reduction in funding support for community organizations will put further pressure on councils to increase property taxes to fund their local organizations.

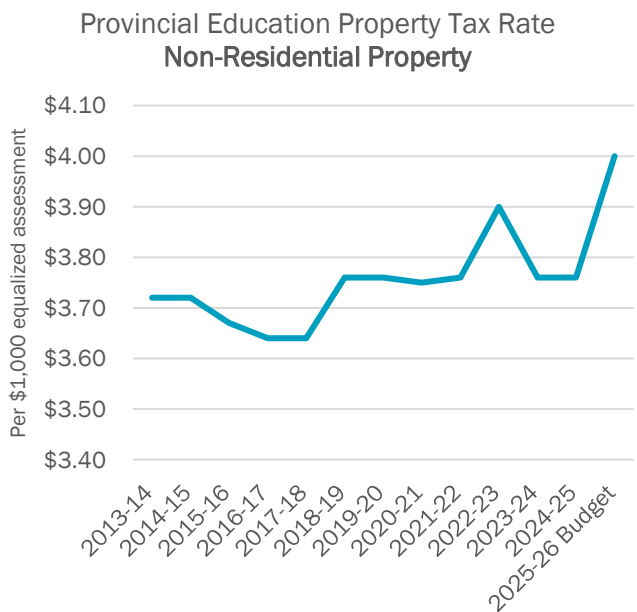
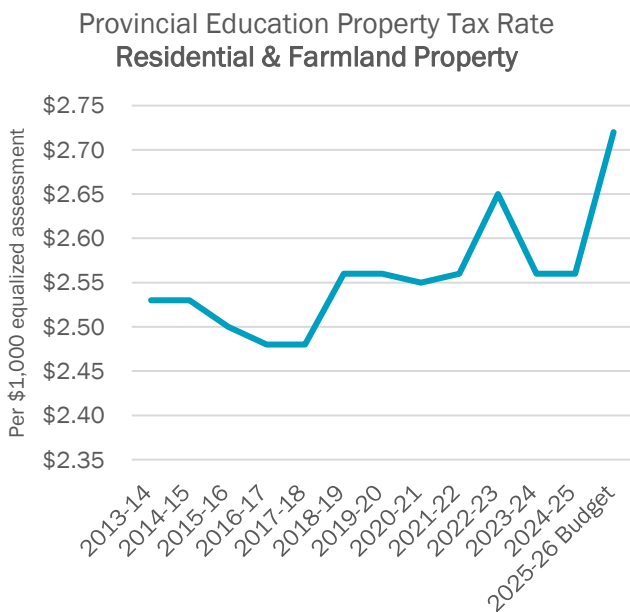
# Provincial Education Property Tax

Over the last decade, the Government of Alberta has frequently changed its approach to how it determines the amount of provincial education property taxes to be collected from Alberta's property owners.

|              | Adjust the mill rates to cover a target % of the K-12 budgeted operating expense | Freeze the mill rates to match the previous year | Adjusted the mill rates to match the previous year's tax revenue amount |
|--------------|--|--|---|
| 2015-16      | ✓ (32% target)   |  |   |
| 2016-17      | ✓ (32% target)   |  |   |
| 2017-18      |  | ✓  |   |
| 2018-19      |  |  | ✓   |
| 2019-20      |  | ✓  |   |
| 2020-21      |  |  | ✓ <sup>7</sup>  |
| 2021-22      |  |  | ✓   |
| 2022-23      |  |  | ✓   |
| 2023-24      |  |  | ✓   |
| 2024-25      |  | ✓  |   |
| 2025-26      | ✓ (31.6% target)   |  |   |
| 2026-27 Plan | ✓ (33.3% target)   |  |   |

## A shift in tax revenue from personal income taxes to property tax

The Government of Alberta has pivoted again to announce a new strategy to structure provincial property taxes to generate tax revenue that is equivalent to one-third of the operating cost for the Ministry of Education by 2026-27. To meet this goal, the province is increasing the provincial tax rate on residential and farmland properties by 6.3 per cent and increasing the rate on non-residential property by 6.4 per cent in 2025-26.



<sup>7</sup> Budget 2020 set a plan to set the requisition amount based on Alberta's population growth and inflation but shortly after the release of the budget, the [province reverted](#) to freeze the revenue amount to the 2019-20 year due to the economic impact of the COVID-19 pandemic.

## Preliminary Analysis on Alberta's 2025 Budget

### Increase in provincial property tax to help fund K-12 education costs

Since 2014-15, the province's revenue from provincial property taxes represented an average of 30.3 per cent of the operating costs for K-12 education. Based on estimates for 2024-25, the ratio is currently at 28.9 per cent and the province's planned tax increase will bring that ratio to 31.6 per cent of the Ministry of Education's operating cost in 2025-26.<sup>8</sup>

An additional 10 per cent increase in provincial property taxes is planned for 2026-27 to reach the target revenue of \$3.4 billion equivalent to one-third of the Ministry of Education's operating costs.

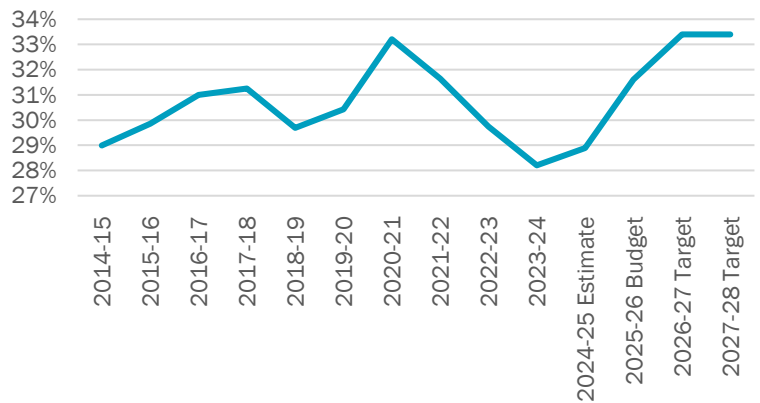
The combination of the tax rate increase plus new development in Alberta is budgeted to increase the province's revenue from property taxes by \$392 million, with total provincial property tax growing from \$2.7 billion in 2024-25 to \$3.1 billion in 2025-26. This is a substantial change from previous years where the province maintained a stable approach to its reliance on property taxes.

### Municipal councils will be challenged by the increase in provincial property tax rates

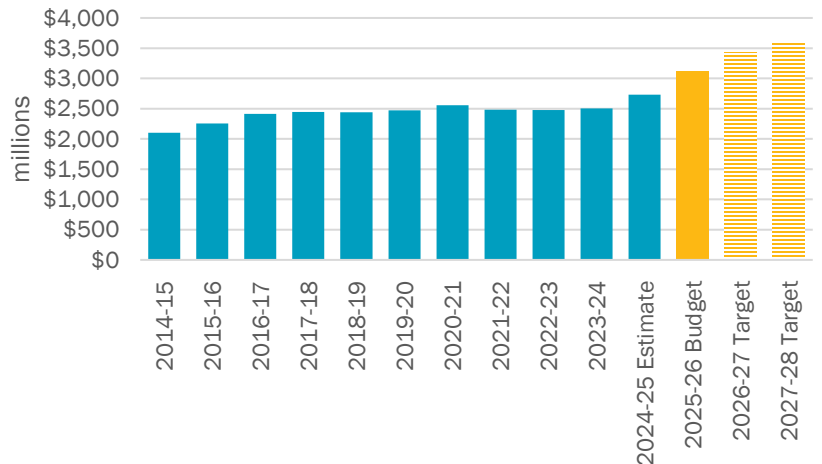
Municipal councils are always aware that the Government of Alberta may increase provincial property taxes, but we had no forewarning of the province's plan to substantially increase its reliance on property taxes to fund its revenue needs. As always, municipal governments will be responsible to collect this tax on behalf of the Government of Alberta and as a result, will wear much of the political blame for this tax increase.

Now that the province has released their budget, municipalities will finalize their 2025 budget and set their municipal tax rates for the 2025 year. Due to the increase in provincial property taxes, councils will face political pressure to limit any future increase in municipal property taxes, despite the long-term needs of their community. This will likely result in lower service levels in many communities and/or deferred maintenance of local infrastructure.

Provincial Education Property Tax Revenue as a % of the Operating Expense for K-12 Education



Provincial Property Tax Revenue



| \$ millions                       | 2023-24 Actual | 2024-25 Estimate | 2025-26 Budget | 2026-27 Forecast | 2027-28 Forecast |
|-----------------------------------|----------------|------------------|----------------|------------------|------------------|
| Provincial education property tax | 2,504          | 2,732            | <b>3,124</b>   | 3,435            | 3,576            |
| Year-over-year change (%)         |                | 9.1%             | <b>14.3%</b>   | 10.0%            | 4.1%             |

<sup>8</sup> The spike in 2020-21 is a combination of the reduction in operating costs for K-12 education from \$8.1 billion in 2019-20 to \$7.7 billion in 2020-21 and an \$84 million increase in provincial property tax revenue that year.

# GOOD TO KNOW

## AN OVERVIEW OF ALBERTA'S 2025 FISCAL PLAN

# An Overview of the 2025 Fiscal Plan

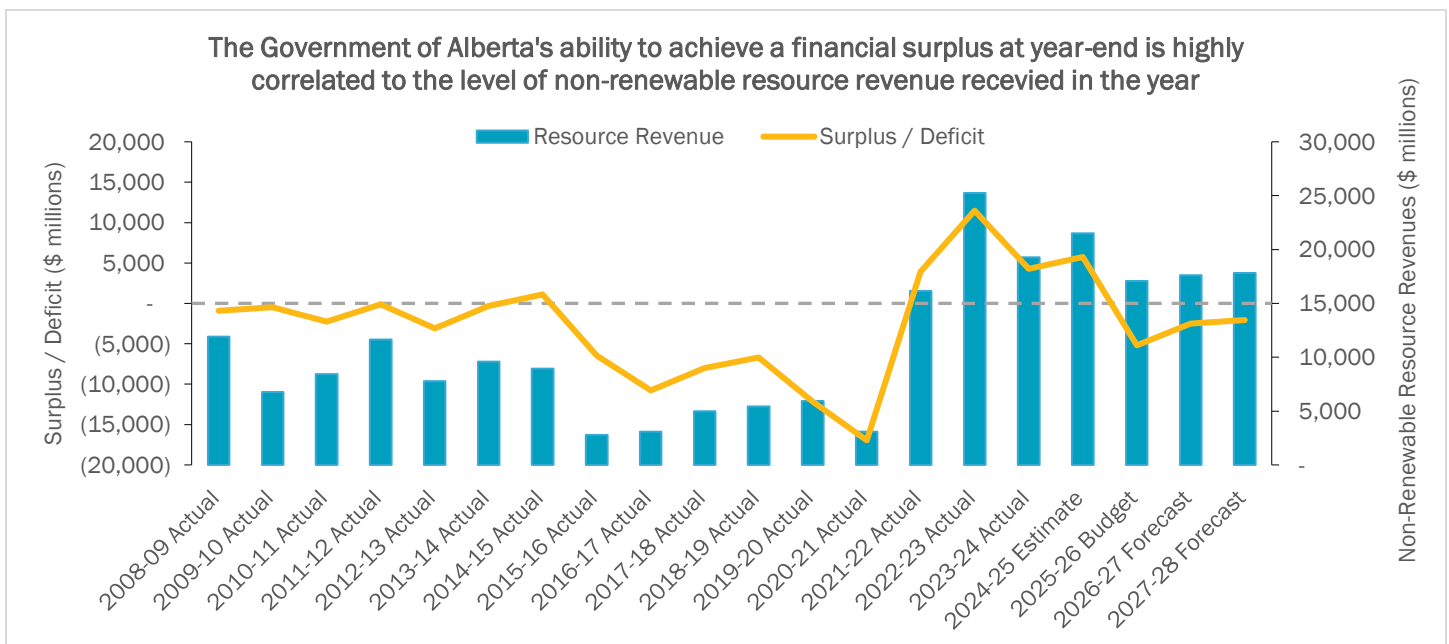
The Government of Alberta is projecting a \$5.2 billion deficit in 2025-26. This is following surpluses of \$4.3 billion in 2023-24 and \$5.8 billion (forecasted) in 2024-25. The 2024-25 surplus can be attributed to significantly higher investment income (+58 per cent) and non-renewable resource revenue (+34 per cent) than initially budgeted.

'Cautious' and 'uncertain' best describe the Government of Alberta's budget situation due to reliance on non-renewable natural resource revenue to drive its surplus or deficit position and the United States (US) being Alberta's most important trade partner. While the Government of Alberta is touting a strategy to dramatically grow the Heritage Savings Trust Fund to \$250 billion by 2050, it is also projecting lower revenues over the next three years compared to the 2024-25 forecast. This is in part due to the introduction of an 8 per cent tax bracket for personal income up to \$60,000, which is projected to reduce tax revenue by \$1.2 billion.

Even with Alberta's population growth expected to start to wane in 2025, population increases of 159,000 in 2023 and 189,000 in 2024 are putting tremendous strain on infrastructure and provincial services. In the coming years, challenging decisions will need to be made regarding the services levels Albertans expect, the property tax increases required to sustain their communities, and provincial operational and capital investment required to meet expectations.

## Non-Renewable Natural Resource Revenue Determines Surplus or Deficit

The graph below shows the trend of non-renewable resource revenues in comparison to the Government of Alberta's year-end operational surplus or deficit. The trend shows the direct correlation between the provincial government's financial position and the volume of non-renewable resources earned year-to-year. The 10 per cent energy tariffs expected to be imposed by the US are expected to be detrimental to Alberta, but the impact should be somewhat buffered by Canada's weak dollar and the lack of substitutes for Canadian oil in US markets.



Source: Government of Alberta's 2025-28 Fiscal Plan, Schedule 25: Historical Fiscal Summary, page 157.

## Manufacturing and Agricultural Sectors to Face 'Head Winds'

Alberta's manufacturing and agricultural sectors are expected to be 'hit hard' by US-imposed tariffs. In 2024, Alberta exported \$32 billion worth of manufactured goods to the US, comprising nearly three-quarters of its total international manufacturing exports. And unlike energy products, manufactured goods tend to be greatly affected by tariffs due to the ready availability of domestic substitutes in the US. Crop and livestock export volumes are expected to decrease, shrinking these sectors of the Alberta economy.

## Preliminary Analysis on Alberta's 2025 Budget

### Municipal Governments Need a Bigger Piece of the 'Fiscal Pie'

Funding provided to municipalities via the Local Government Fiscal Framework (LGFF) is directly tied to the provincial government's revenues. With 2025-26 projected revenues being less than what was forecasted in 2024-25, municipalities stand to receive less financial support while needing to provide more to their communities. This context is particularly important as the Government of Alberta has formalized how it will allocate future cash surpluses as part of the *Sustainable Fiscal Planning and Reporting Act*, which primarily directs it to the Heritage Fund or repaying maturing debt.

ABmunis will be advocating for the Government of Alberta to engage municipalities in frank discussions about how it allocates funds, including future cash surpluses, to ensure the sustainability of municipal tax rates, infrastructure, and service delivery. This is further highlighted in Municipal Affairs' expenditures, as a percentage of the Government of Alberta's total expenditures, which have been decreasing year-to-year since 2011-12.

## Statement of Operations

| \$ millions                  | 2023-24<br>Actual | 2024-25<br>Estimate | 2025-26<br>Budget | 2026-27<br>Forecast | 2027-28<br>Forecast |
|------------------------------|-------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenue</b>               |                   |                     |                   |                     |                     |
| Personal income tax          | 15,160            | 16,120              | <b>15,510</b>     | 16,271              | 16,981              |
| Corporate income tax         | 7,044             | 7,351               | <b>6,764</b>      | 6,938               | 7,254               |
| Other tax revenue            | 4,543             | 5,995               | <b>6,563</b>      | 6,941               | 7,156               |
| Resource revenue             | 19,287            | 21,509              | <b>17,067</b>     | 17,620              | 17,815              |
| Investment income            | 4,581             | 5,171               | <b>2,882</b>      | 3,135               | 3,467               |
| Premiums, fees, and licenses | 5,565             | 5,565               | <b>5,636</b>      | 5,874               | 6,032               |
| Other own-source revenues    | 6,216             | 6,022               | <b>6,428</b>      | 6,859               | 7,037               |
| Federal transfers            | 12,336            | 12,958              | <b>13,287</b>     | 13,753              | 14,228              |
| Total revenue                | 74,732            | 80,692              | <b>74,138</b>     | 77,390              | 79,969              |
| Health                       | 27,447            | 29,815              | <b>30,465</b>     | 30,982              | 32,121              |
| Basic/Advanced education     | 16,359            | 17,423              | <b>18,069</b>     | 18,426              | 18,880              |
| Social services              | 8,035             | 8,487               | <b>9,163</b>      | 8,751               | 8,780               |
| Other program expenses       | 15,829            | 16,371              | <b>19,059</b>     | 18,785              | 18,995              |
| Total program expense        | 67,670            | 72,096              | <b>76,756</b>     | 76,944              | 78,776              |
| Debt servicing costs         | 3,149             | 3,199               | <b>2,968</b>      | 3,258               | 3,629               |
| Pension provisions           | (372)             | (363)               | <b>(375)</b>      | (384)               | (389)               |
| Total expense                | 70,447            | 74,932              | <b>79,349</b>     | 79,818              | 82,016              |
| Surplus / (Deficit)          | 4,285             | 5,760               | <b>(5,211)</b>    | (2,428)             | (2,047)             |

Source: Alberta's 2025-28 Fiscal Plan, Schedule 25: Historical Fiscal Summary, page 157.

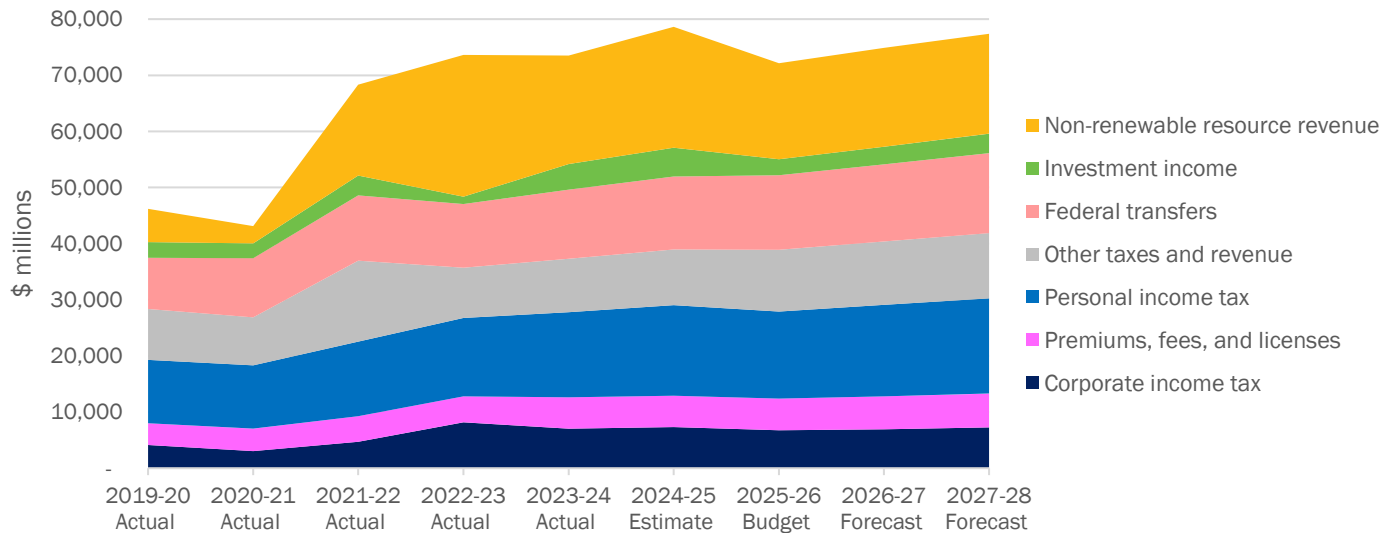
## Revenues

Total revenues are forecasted to be \$74.1 billion in 2025-26, a decrease of one per cent from the 2024-25 budget. In 2025-26, 23 per cent of total government revenue is estimated to come from non-renewable resource revenues, with another 20 per cent coming from personal income tax. After 2025-26, revenue sources are predicted to remain stable or increase nominally, apart from personal income tax revenue, which will increase by 4 to 5 per cent year over year.



## Preliminary Analysis on Alberta's 2025 Budget

Government of Alberta revenues by source



## Expenditures

Total expenditures for 2025-26 are projected to increase by \$6.167 billion compared to the 2024-25 budget, which is an 8.4 per cent increase. Specifically, the Government of Alberta is projecting to spend more on:

- Healthcare (5 per cent),
- K-12 education (7 per cent),
- Social services ministries (10 per cent),
- Other Ministries / Legislative Assembly (8 per cent),
- Total operating expense (7 per cent),
- Amortization / inventory consumption / loss on disposals (9 per cent), and
- Contingency (100 per cent).

Notably, the very substantial increase to the contingency expenditure line is in response to the potential impacts of US-imposed tariffs and potential challenges related to compensation agreements being negotiated across government. The government also plans to spend 12 per cent less on debt servicing.

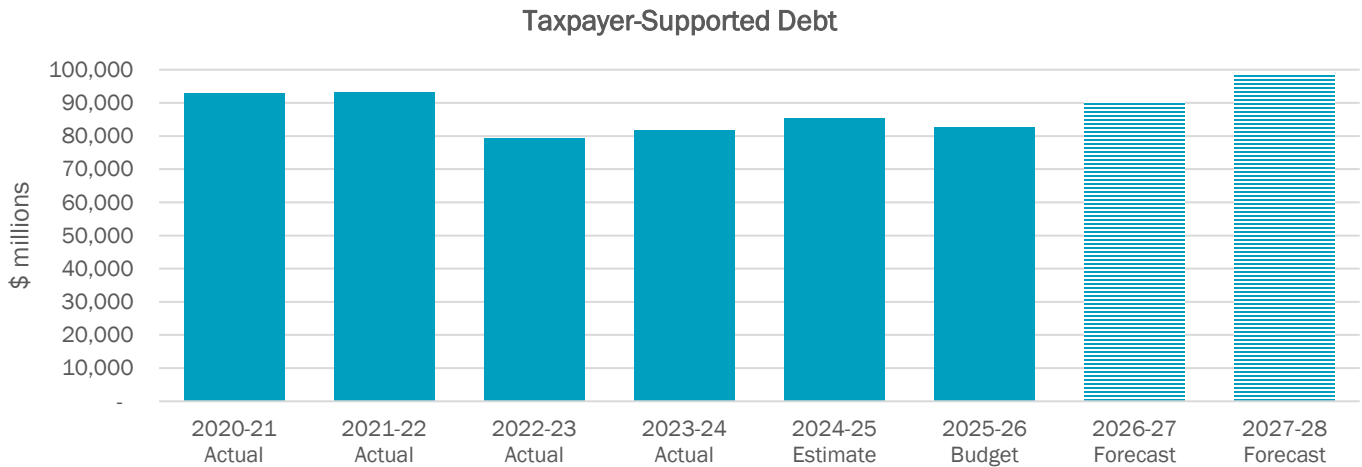
## Taxpayer-Supported Debt and Debt Servicing Costs

Debt servicing costs are forecast to decrease by \$200 million in 2025-26 to \$3 billion. This is largely attributed to the gradual reduction in interest rates by the Bank of Canada starting in 2024.

Taxpayer-supported debt is estimated to be \$85.4 billion at the end of 2024-25 and \$82.8 billion at the end of 2025-26. This debt is expected to increase year-to-year as a result of deficit positions forecasted in future years.



## Preliminary Analysis on Alberta's 2025 Budget



## Contingency for Disasters

A total expense contingency provision of \$4 billion has been included in *Budget 2025*. This is an increase of \$2 billion to address unanticipated spending, including compensation pressures, emergencies, and emerging priorities that may arise during the year and that are not practical to delay until the next budget. This increase helps the government manage potential U.S. trade tariffs, economic fluctuations, and unexpected expenses. It also accounts for compensation agreements across public sectors like healthcare and education.

Future contingency levels are set at \$3.3 billion in 2026-27 and \$3.7 billion in 2027-28.

## Key Energy and Economic Assumptions

| \$ millions                               | 2024-25 Estimate | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|------------------|------------------|------------------|------------------|
| <b>Crude Oil Prices</b>                   |                  |                  |                  |                  |
| WTI (US\$/bbl)                            | 74.00            | <b>68.00</b>     | 71.00            | 71.50            |
| Light-Heavy Differential (US\$/bbl)       | 13.20            | <b>17.10</b>     | 16.50            | 15.60            |
| WCS @ Hardisty (Cdn\$/bbl)                | 84.70            | <b>73.10</b>     | 75.80            | 75.80            |
| <b>Natural Gas Price</b>                  |                  |                  |                  |                  |
| Alberta Reference Price (Cdn\$/GJ)        | 1.20             | <b>2.50</b>      | 3.10             | 2.90             |
| <b>Production</b>                         |                  |                  |                  |                  |
| Conventional Crude Oil (000s barrels/day) | 528              | <b>519</b>       | 512              | 504              |
| Raw Bitumen (000s barrels/day)            | 3,455            | <b>3,558</b>     | 3,689            | 3,752            |
| <b>Interest Rates</b>                     |                  |                  |                  |                  |
| 10-year Canada Bonds (%)                  | 3.30             | <b>3.10</b>      | 3.10             | 3.10             |
| <b>Exchange Rate (US\$/Cdn\$)</b>         |                  |                  |                  |                  |

Source: Alberta's 2025-28 Fiscal Plan, Energy and Economic Assumptions, page 10.

# Ministry Highlights

All expense figures presented in the following tables are sourced from the Government of Alberta's 2025-26 Fiscal Plan, Schedule 3: Statement of Operations, page 144.

## Advanced Education

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 6,823   | 7,049   | 7,342    | <b>7,411</b> | 7,411   | 7,411   |

- The ministry's budget will increase by 5 per cent in 2025-26.
- \$78 million per year will be invested over the next three years to create more seats in apprenticeship classes across the province to build skilled trades that will respond to the needs of industry and connect Albertans with jobs.
- \$4 million is allocated to the First Nations Colleges Grant, which is distributed equally across five colleges in rural and remote Indigenous communities.

## Affordability and Utilities

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 127     | 92      | 132      | <b>168</b> | 169     | 166     |

- Affordability and Utilities is exploring rate design changes to ensure distribution costs are more consistent across the province.
- The Ministry will be implementing the Natural Gas Rebate Program, which is intended to protect Albertans from spikes in natural gas prices.

## Agriculture and Irrigation

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 2,650   | 993     | 2,066    | <b>984</b> | 995     | 927     |

- Total expense is estimated at \$984 million, \$1,082 million lower than the 2024-25 third quarter forecast. This is primarily due to \$1,112 million in 2024-25 in-year disaster assistance that does not continue in 2025-26.
- \$9 million is allocated over three years for the University of Calgary Veterinary Medicine to improve access to diagnostic services.

## Arts, Culture and Status of Women

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 262     | 260     | 251      | <b>226</b> | 212     | 220     |

- Despite the 13.9 per cent overall decrease in the Ministry's budget:
  - Operating expenses will increase by \$11 million.
  - Federally-funded initiatives under the National Action Plan to End Gender-Based Violence will receive an additional \$12 million.
  - The Alberta Foundation for the Arts will see a \$4.5 million funding boost.
  - Non-profit organizations will have access to \$84.6 million through community grants programs; this is an increase 11.6 per cent from the 2024-25 budget.
- These increases are offset by a \$36 million reduction in capital grants.

## Children and Family Services

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 1,606   | 1,498   | 1,504    | <b>1,595</b> | 1,645   | 1,650   |

- The total expense for this Ministry will increase by \$91 million, or 6.1 per cent from the 2024-25 estimate.
- Most of the increases are for child intervention and Alberta Child and Family Benefit payments.
- Child intervention funding is increasing by \$58 million (6.5 per cent), to \$957 million in 2025-26; this is primarily to support contracted agencies facing recruitment challenges and rising costs.
- An additional \$19 million over three years is allocated to women's shelters to support increasing demand and higher costs.
- In 2025-26, \$67million is allocated to Family Resource Networks to develop and deliver prevention and early intervention programming; this is the same as in 2024-25.
- The Alberta Child and Family Benefit, a non-taxable benefit supporting child well-being, addressing child poverty, and improving the quality of life for children and families, is budgeted at \$375 million in 2025-26, an increase 8.4 per cent over 2024-25 due to indexed increases and anticipated population growth.
- The province has also instituted a new policy that extends access to Alberta Child and Family Benefit payments when a child has passed away.

## Education

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26       | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|---------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget        | Target  | Target  |
|                        | 9,393   | 9,759   | 9,972    | <b>10,398</b> | 10,791  | 11,213  |

- The Ministry's overall budget will increase by 6.5 per cent, rising from \$9.7 billion in 2024-25 to \$10.4 billion in 2025-26, with projected growth to \$11.2 billion by 2027-28.
- Operating expenses will increase by \$426 million, 4.5 per cent from 2024-25 and are expected to grow at a rate of 4.1 per cent annually, reaching \$825 million by 2027-28.
  - \$55 million is allocated in 2025-26 to address classroom complexity, including hiring specialists, and training and development to improve access to educational assistants.
- A significant portion of the budget is being allocated for the design and construction of new schools and the modernization of existing ones.
  - The 2025-26 budget allocates \$789 million for the construction of school facilities in 2025-26, with 3.3 billion in capital investment being allocated over three years for the maintenance, planning, and development of new schools.
  - Budget 2025-26 also includes \$8.6 billion for the New School Construction Accelerator Program Funding that will support approximately 150,000 new student spaces, with 90,000 expected to be completed within the next four years.

## Energy and Minerals

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 965     | 1,041   | 1,057    | <b>1,122</b> | 991     | 1,014   |

- Royalties from bitumen and crude oil are expected to decrease, while royalties from natural gas are expected to increase.
- \$145 million is allocated to the Orphan Well Association to support continued remediation of orphan wells.

## Environment and Protected Areas

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 465     | 557     | 458      | <b>570</b> | 523     | 537     |

- The Ministry's budget will increase by 2.3 per cent, rising from \$557 million in 2024-25 to \$570 million in 2025-26.
- Budget highlights include revised revenue forecasts for the Technology Innovation and Emissions Reduction Fund (TIER):
  - TIER revenue is estimated at \$397 million, compared to \$542 million in Budget 2024, and is expected to further decrease in 2026.
  - This fund implements Alberta's industrial carbon pricing and emissions trading framework.
  - It also supports industrial facilities in reducing emissions, investing in clean technology, and improving cost efficiency.
- \$5.4 million in annual funding is being added to support the expansion of the Aquatic Invasive Species Program, which manages and prevents the entry of species like zebra mussels and goldfish from entering Alberta's water system.
- Water management remains a key priority in the 2025-26 budget:
  - The Department of Environment and Protected Areas will review and assess current water conservation processes. This work is expected to be completed by December 2026, which is timely as ABmunis recently updated our [2024 Water Conservation, Efficiency, and Productivity plan](#).
- \$40 million is allocated for caribou recovery planning and actions in 2025-26 to maintain and improve caribou habitat while supporting economic, recreational, and traditional land uses. This is a 4.9 per cent increase from 2024-25 budget allocation.
- \$22.2 million is allocated to conservation programs including \$10 million from the Land Stewardship Fund in 2025-26 to support the conservation and stewardship of land in Alberta. This is consistent with 2024-25 budget allocation.
- \$18.1 million is allocated to effectively anticipate, respond to, and mitigate the impact of adverse environmental events or emergencies in 2025-26. This is a significant decrease of 62 per cent in funding from the 2024-25 allocation of \$47.7 million
- ABmunis values its partnership, funded through TIER, with the Government of Alberta to support practical action on sustainable environment practices through several programs delivered by the Municipal Climate Change Action Centre (MCCAC).

## Executive Council

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26   | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|-----------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget    | Target  | Target  |
|                        | 48      | 63      | 62       | <b>67</b> | 67      | 67      |

- This Ministry's budget will increase by 6 per cent in 2025-26 as it continues to lead the coordination and advancement of Alberta's priorities relating to other governments across Canada and internationally.
- Notable initiatives include:
  - Building and maintaining strong relationships with priority international partners, particularly with national- and state-level officials in the United States, and key markets in Latin America, the Indo-Pacific region, the Middle East, and Europe.
  - Supporting Invest Alberta Corporation's (IAC) governance in collaboration with other Ministries to lead investment attraction into Alberta and to fulfil its mandate as described in the Alberta Investment Attraction Act.
- The budget for the Premier's office will increase by nearly \$5 million or 23 per cent.

## Forestry and Parks

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 1,166   | 410     | 1,116    | <b>403</b> | 405     | 395     |

- The Ministry's budget for 2025-26 is \$403 million, which is a 14.8 per cent increase from the 2024-25 allocation of \$351 million.
- \$30.7 million is allocated to support wildfire mitigation initiatives.
- \$2.1 million is allocated to modernize wildfire applications.

## Health

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26       | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|---------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget        | Target  | Target  |
|                        | 22,091  | 22,602  | 23,695   | <b>24,037</b> | 24,557  | 25,724  |

- Budget 2025 supports the ongoing refocusing of the health care system, including the creation of four new provincial health agencies:
  - Recovery Alberta (overseen by the Minister of Mental Health and Addiction, operational September 2024)
  - Primary Care Alberta (overseen by the Minister of Health, operational February 2025)
  - Acute Care Alberta (overseen by the Minister of Health launched February 2025)
  - Assisted Living Alberta (overseen by the Minister of Seniors, Community and Social Services) launching April 1, 2025)
- Alberta's growing population is creating fiscal challenges for the health system. This includes growth in the elderly population that consumes the largest portion of health services, as well as increasing patient complexity, rising wages for health care workers, and inflationary pressures on supplies and utilities.
- In 2025-26, health operating expense will increase by \$990 million (5.7 per cent) from Budget 2024, with \$26 million of this increase offset by higher federal transfers.
- Other increases in 2025-26 include \$451 million for physician compensation and \$513 million for Alberta Health Services cost pressures, mainly due to higher volume and inflation.
- \$44 million is allocated to the Physician Training Expansion Program. This program is delivered through rural training centres and provides rural, Indigenous, and other learners with increased access to medical education in rural areas.
- \$2 million is allocated in 2025-26 for the expansion and upgrades of Keyano College to provide training for in-demand programs like nursing and paramedicine.
- The province is also adding 439 additional spaces for certification and licensing of internationally educated nurses.
- \$20 million in 2025-26 will be invested in the Nurse Practitioner Primary Care Program to improve access to primary health practitioners in urban and rural communities across Alberta.
- \$60 million, including \$40 million in new funding, is allocated to the Emergency Medical Services (EMS) Vehicles Capital Program to purchase new EMS vehicles and ambulances, upgrade the existing fleet, and acquire additional equipment.
- A total of \$3.8 billion in health capital funding will be invested over the next three years to maintain or expand health care facilities in Alberta.
  - This includes \$265 million for the Alberta Surgical Initiative (ASI) capital program to increase physical capacity for surgical procedures. ASI funding will be used to build more operating rooms, renovate existing space, and purchase new equipment for publicly owned and operated hospitals.

## Immigration and Multiculturalism

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26   | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|-----------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget    | Target  | Target  |
|                        | 39      | 42      | 40       | <b>42</b> | 42      | 42      |

- Total expense (all operating) is \$42 million in 2025-26, an increase of almost \$2 million from the 2024-25. This is mainly due to a 79 per cent increase in application fees paid by applicants to the Alberta Advantage Immigration Program and the introduction of new fees for International Qualifications Assessment Services.
- A decline in the number of immigrants is expected as a result of recent federal policy changes.
- Support for Newcomer Integration is forecasting support for up to 16,000 individuals, a decrease from 20,652 individuals in 2023-24.

## Indigenous Relations

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 225     | 220     | 237      | <b>238</b> | 237     | 238     |

- Indigenous Relations' work involves leading the facilitation of cross-government collaboration with municipalities, utility commissions, and industry for projects, programs, and services that support Indigenous communities. The Ministry also responds to federal Indigenous initiatives and legislation, including Jordan's Principle.
- The Alberta Indigenous Opportunities Corporation (AIOC) is a provincial corporation that enables access to capital funding for Alberta-based Indigenous groups investing in medium- to large-scale natural resources, agriculture, transportation, and other related infrastructure. AIOC had an increase in funding of \$0.5 million.

## Infrastructure

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 862     | 885     | 944      | <b>921</b> | 952     | 933     |

- Under the School Accelerator Program, Infrastructure is committed to constructing up to 30 new schools.
- ABmunis has an active resolution on [school site servicing costs](#).
- There are concerns from municipalities that if they do not have a serviced site prepared, they will miss out on funding for a new school.

## Jobs, Economy and Trade

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 1,558   | 1,862   | 1,949    | <b>2,315</b> | 1,767   | 1,773   |

- \$95 million is allocated to the Alberta Film and Television Tax Credit, a \$10 million decrease from 2024-25.
- \$15 million is allocated to the Investment and Growth Fund.
- \$3 million is for the North Regional Economic Development
- \$1.6 billion is allocated to increase access to affordable, high-quality, and inclusive licensed childcare and \$324 million to support the recruitment and retention of early childhood educators working in licensed child care.
  - Forecasted childcare expenses include a decrease of \$492 million by 2027-28, reflecting provincial investment to support the childcare system while preparing to negotiate a renewed funding agreement with the federal government. The results of these negotiations could impact Alberta's future funding levels,



## Preliminary Analysis on Alberta's 2025 Budget

### Justice

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 659     | 691     | 694      | <b>707</b> | 716     | 711     |

- Court and Justice Services operating expenses are \$276 million, an increase of \$12 million (4.5 per cent) from 2024-25, to address higher volumes of court cases and to improve capacity to hear criminal and family matters in a timely and appropriate manner.
- Funding for Alberta Crown Prosecution Services is \$147 million in 2025-26, an increase of \$8 million (5.8 per cent) from 2024-25. The increase supports a new Human Trafficking Unit which aims to hold perpetrators accountable; disrupt and dismantle human trafficking enterprises; and hire specialized resources to manage and support the growing volume of prosecutions. Funding will also address growth in criminal and youth prosecutions.
- The government is also working with the Alberta Law Foundation to increase its contribution to Legal Aid Alberta. While the provincial grant to Legal Aid Alberta is decreasing in 2025-26 by \$22 million or 20 per cent, current service levels will be maintained as a result of increased contributions from the Alberta Law Foundation.

### Mental Health and Addiction

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 1,588   | 1,862   | 1,949    | <b>2,315</b> | 1,767   | 1,773   |

- Mental Health and Addiction operating expense has increased by \$64 million (4 per cent) from 2024-25, due mainly to higher demand for services due to population growth.
- Operating expense is targeted to increase by another \$79 million over two years to:
  - Implement the involuntary treatment framework, Recovery Alberta services, and 11 new voluntary recovery communities that will be operational by 2027. This includes five recovery communities in Indigenous communities. Three communities, with a total of 200 beds, have already been completed in Red Deer, Lethbridge and Gunn. The Calgary Recovery Community is scheduled to open in 2025.
  - Expand mental health classrooms from 20 to 60 for clinical support to students with complex mental health needs.
- \$207 million is allocated over three years for the development of specialized secure mental health and addiction facilities to provide involuntary care for adults and youth suffering from mental health or addiction issues who are a danger to themselves or others.
- \$4 million will be invested in 2025-26 to add additional mental health professional spaces in Alberta's post-secondary institutions. The Mental Health Professionals Enrollment Expansion Grant will support 12 institutions to create 761 new seats in high-demand mental health programs.
- \$61.9 million is allocated to improving access to mental health and addiction treatment services in police and correctional settings to help facilitate recovery for individuals interacting with the justice system.

### Municipal Affairs

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 989     | 1,287   | 1,311    | <b>1,388</b> | 1,377   | 1,475   |

- Key announcements by Municipal Affairs are covered in the above sections of this report.

## Public Safety and Emergency Services

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 1,494   | 1,279   | 1,460    | <b>1,350</b> | 1,367   | 1,366   |

- Total expense for Public Safety and Emergency Services is \$1.35 billion in 2025-26, \$110 million (7.5 per cent) lower than the estimated expense for 2024-25. This is mainly due to \$163 million in 2024-25 in-year emergency expense that does not continue in 2025-26 (partly offset by increases of \$46 million in operating expense and \$7 million in capital grants).
- A \$46 million increase in Ministry operating expense includes:
  - \$7 million for 911 call centres offset by the 911 levy.
  - \$2 million from the federally funded Gun and Gang Violence Action Fund (less \$1 million in reductions and transfer to capital investment).
  - \$24 million to secure the Alberta-US border. A new Interdiction Patrol Team will combat drug smuggling, gun trafficking, illegal border crossing and other illegal activities. This team will include Peace Officers to enforce Criminal Code and provincial statutes along the international border.
- \$12 million is allocated to the Victims of Crime Assistance Program in 2025-26 to facilitate direct and timely supports and services to victims, including emergency expenses and recovery. \$26.8 million is committed to external partner organizations that provide supports and services to victims of crime and tragedy, including the implementation of the new victim service delivery model.
- Alberta Emergency Management Agency operating expense is \$84 million in 2025-26, \$3 million (3.7 per cent) higher than forecast in 2024-25, mainly for disaster risk reduction, public education, and grants for specialty teams in emergency management.
- Budget 2025 also allocates funding over three years to support ongoing projects and programs and to fund new measures aimed at mitigating hazards from natural disasters. This includes:
  - \$155 million for Flood Mitigation projects, with \$12 million in new funding to advance planning and regulatory approval processes to mitigate flood and drought hazards in the Bow River basin.
  - \$47 million in capital support for wildfire management.
  - \$20 million to enhance Public Safety and Emergency Infrastructure, including \$1.6 million to design and procure a mobile air monitoring lab to respond to emergency air monitoring requests.

## Seniors, Community and Social Services

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26       | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|---------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget        | Target  | Target  |
|                        | 8,929   | 9,590   | 9,770    | <b>10,603</b> | 10,712  | 10,867  |

- Total expense in 2025-26 is \$10.6 billion, an \$833 million (8.5 per cent) increase from the 2024-25 estimate, due mainly to the impact of population growth on core social programs and continuing care, a short-term bump in estimated need for support programs from potential US tariffs, and steadily rising capital grants for housing programs.
- Funding for Family and Community Support Services (FCSS) remains flat at \$105 million.
- Assisted Living Alberta operating expense is \$3.8 billion in 2025-26, an increase of \$184 million (5 per cent) from 2024-25 primarily from population growth.
- Federal funding of about \$40 million per year for the next three years is forecast under the Aging with Dignity agreement. This funding enables seniors to receive home care and supports to age well at home; innovation in community care; and higher quality facility-based care in their community. The funding also supports wage enhancements for Personal Support Workers and should lead to improved outcomes in a growing segment of the continuing care sector.
- Employment and Income Support expense is estimated at \$1.255 billion in 2025-26, an increase of \$258 million (26 per cent) from the 2024-25 estimate. The increases are driven mainly by the significant population growth in 2023 and 2024 that was not fully anticipated during Budget 2024 planning. \$38 million has been added in 2025-26 in anticipation of potential US tariffs.



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- Funding for the Assured Income for the Severely Handicapped (AISH) program is \$1,641 million in 2025-26, a net decrease of \$49 million (2.9 per cent) from the 2024-25 estimate.
- Funding is also allocated to prepare for the new Alberta Disability Assistance Program set to launch in 2026, including expansion of funding for employment supports for disabled Albertans.
- Other disability services programs are budgeted at \$1.71 billion, an \$86 million increase from 2024-25, with grants under the Persons with Developmental Disabilities increasing by \$73 million, Family Support for Children with Disabilities expense increasing by \$9 million, and program support up \$4 million. Increases are driven by caseload pressures.
- Support to lower-income seniors through Alberta Seniors Benefits is increasing by \$33 million (6.5 per cent) in 2025-26, to \$540 million, and reaches \$619 million by 2027-28, due to growth in the seniors' population and annual rate escalation.
- In 2025-26, \$212.7 million is allocated to support homeless shelters, Navigation and Support Centres, and housing and supports programs to assist Albertans experiencing homelessness.
- Alberta Social Housing Corporation (ASHC) expense is increasing by \$245 million (62.0 per cent) in 2025-26, to \$641 million, with most of the increase due to a \$221 million increase in capital grants. Capital grant programs include \$767 million over three years to expand housing options for seniors, families, and individuals under the Affordable Housing Strategy; support for Indigenous housing; and \$50 million per year for lodges.
- ASHC operating programs include support for social, specialized and affordable housing, rental assistance and others. These are budgeted at \$343 million in 2025-26, an increase of \$23 million (7.1 per cent) from 2024-25. Increases mainly address pressures in rental assistance from market conditions, support housing providers with operational pressures to maintain service quality, and support lodge operators providing housing to low-income seniors.
- \$769 million is allocated to support transformational changes in continuing care and the new continuing care agency, Assisted Living Alberta.
- The 2025 Capital Plan allocates \$1.1 billion over three years to enhance affordable housing and social supports across the province. Combined with related Capital Maintenance and Renewal (CMR funding), nearly \$1.2 billion is being allocated to housing and seniors' facilities. Key investments (each over three years) include:
  - \$655 million for the Affordable Housing Partnership Program, an increase of \$250 million from *Budget 2024*, to support the goal of creating 13,000 affordable housing units.
  - \$150 million, including \$50 million in new funding, for the Seniors Lodge Modernization Program.
  - \$113 million, including \$21 million in new funding, for the Affordable Housing Strategy. This strategy funds the maintenance of government-owned social housing buildings.
  - \$769.4 million for continuing care. This funding will be used to develop new continuing care spaces; modernize existing space; develop culturally appropriate spaces for Indigenous groups and organizations; and create innovative small care homes.

## Service Alberta and Red Tape Reduction

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 179     | 203     | 208      | <b>203</b> | 203     | 203     |

- Budget 2025 provides an increase of \$4 million over three years for health care card modernization.

## Technology and Innovation

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 812     | 938     | 930      | <b>1,010</b> | 1,109   | 917     |

- Budget 2025 allocated \$42 million for modernizing government technology.

## Preliminary Analysis on Alberta's 2025 Budget

- \$106.2 million is allocated to fund approved fixed wireless access and fibre to the home broadband projects as a part of the ongoing Broadband Strategy, which aims to connect every community across the province to broadband services by the end of fiscal year 2026-27. \$48 million is re-profiled from 2024-25,

## Tourism and Sport

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26    | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget     | Target  | Target  |
|                        | 112     | 136     | 136      | <b>133</b> | 125     | 121     |

- The Ministry will continue to implement Higher Ground: Alberta's Tourism Strategy and grow the province's visitor economy to \$25 billion in annual visitor expenditures by 2035.
- \$10 million is allocated to the Active Communities Initiative to support the development of small to mid-sized sport and recreation facilities throughout the province.
- \$2.5 million is allocated to support major sport events, such as national and international championships.

## Transportation and Economic Corridors

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 2,205   | 2,734   | 2,715    | <b>2,681</b> | 3,042   | 2,892   |

- Transportation and Economic Corridors (TEC) is responsible for delivering key road and bridge projects. Highlights from Budget 2025 include:
  - Highway 3 twinning from Taber to Burdett,
  - Highway 40 twinning south of Grande Prairie,
  - Highway 63 twinning north of Fort McMurray, and
  - Highway 881 safety and roadway improvements.
- TEC supports municipal transit solutions through investments in Edmonton and Calgary's LRT systems. Combined municipal and federal investments in LRT systems will be \$776 million in 2025.
- TEC is also responsible for the Passenger Rail Master Plan. \$6 million has been allocated to the development of this plan, which will explore the feasibility of passenger rails connections between Edmonton and Calgary, the mountain parks, regional rail lines to connect municipalities, and integration with municipal mass transit systems.
- \$13 million has been allocated to the Traffic Safety Fund.

## Treasury Board and Finance

| Expense<br>\$ millions | 2023-24 | 2024-25 |          | 2025-26      | 2026-27 | 2027-28 |
|------------------------|---------|---------|----------|--------------|---------|---------|
|                        | Actual  | Budget  | Estimate | Budget       | Target  | Target  |
|                        | 2,260   | 2,108   | 2,159    | <b>2,227</b> | 2,256   | 2,265   |

- Budget 2025 delivers on the government's election campaign promise to implement an eight per cent tax bracket for personal income taxes. This will reduce personal income tax revenue by \$1.2 billion in 2025-26.
- The Ministry is also making various investments to support the province's goal of increasing the Heritage Savings Trust Fund from the current \$25 billion to \$250 billion by 2050.
- While not mentioned in the Government of Alberta's Budget 2025 documents, at ABmunis' 2024 Convention, the Premier announced the province's plan to [remove the premium on capital loans](#) from the province to municipal governments. ABmunis advocated for this change to reduce the long-term cost of capital infrastructure and we are pleased to see that the new policy will take effect on April 1, 2025.



# Alberta Municipalities Strength In Members

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