

2025 Budget



6 NORTH 1 ST WEST
BOX 520
MAGRATH, ALBERTA, T0K 1J0





TABLE OF CONTENTS

03

Letter from the Mayor

04

Letter from the CAO

05

Provincial Education Property Tax

06

Decoding your Property Tax Bill

07

Your Tax Dollars

08

2025 Operating Budget Revenue

09

Operating Budget & Expenditures

10

Operating Budget & Expenditures Continued

11

Capital Budget Revenue

12

Capital Budget Expenditures

13

2025 Alberta Budget: Impact on Small Towns

14

Government of Alberta's Role in Municipalities

Mayor Byrne Cook



Dear Residents of Magrath,

As we step into 2025, I want to take a moment to share some exciting updates and priorities we're focusing on this year that come from our 5-year capital plan. Our goal remains clear: to invest in infrastructure that supports our growth, improves quality of life, and builds a stronger, more connected community.

One of the major projects on the horizon for 2025 is the construction of a new wastewater lift station to service the west side of town. This essential improvement will increase sewer capacity and reliability for 3rd St West and future readiness as our community continues to grow.

We're also moving forward with plans to install four blocks of new sidewalk in 2025. These additions will help improve safety, accessibility, and walkability in key areas, especially for students, seniors, and families who walk regularly through town.

This year the Town will contract the paving of Heritage Road. The road has been an issue for many residents living on the street. We're looking forward seeing this work completed to enhance the neighbourhood.

The Town was able to successfully obtain grant funding to help us continue to expand our 2024 entrance into renewable solar energy with our first project. This expansion will continue to lower the annual electricity costs for the Town and the grant contribution will help to fund just over 41% of the project's capital cost.

These projects represent meaningful steps forward for our community, and I want to thank everyone involved in helping make them happen—from our dedicated town staff to the residents who continue to share their input and support. We respect the tax payers of Magrath and do our best to make sure the monies are spent as effective as possible.

As always, we remain committed to careful planning, responsible budgeting, and open communication. I look forward to keeping you updated as these projects progress and to celebrating the improvements they bring to our town.

Sincerely,
Byrne Cook

Mayor



CAO, James Suffredine

Dear Citizens of Magrath,

Following the careful planning and thorough deliberations of Town Council, I believe the 2025 budget continues to reflect an unwavering commitment to maintaining the high standards of service our community expects, while strategically preparing for the future.

The 2025 operational budget has been crafted to ensure that the core services and programs that enrich our daily lives remain strong and effective. From public works to parks and recreation, and everything in between, our focus remains on delivering services that matter most to you, in a manner that is both fiscally responsible and impact-driven.

Looking ahead, I am equally proud of the capital investments outlined for this year. These projects reflect our ongoing efforts to not only replace and upgrade aging equipment and infrastructure but also to pave the way for future growth and innovation. We are taking deliberate steps to ensure that Magrath remains a thriving, resilient, and forward-looking community.

Council's approved budget for 2025 demonstrates a thoughtful approach—balancing the need for continued reliability in our essential services with bold initiatives that look toward the future. Whether we are enhancing our wastewater systems, revitalizing public spaces, or supporting sustainable development, every investment is being made with the well-being and prosperity of the town in mind.

As the Chief Administrative Officer, I remain dedicated to transparency, accountability, and responsible financial stewardship. I take seriously the trust you've placed in the administration and am committed to ensuring that our staff delivers outcomes that reflect our shared values and priorities.

I want to sincerely thank each of you for your continued participation in the life of our town. It is your engagement, support, and community pride that help to keep building a stronger, more vibrant Magrath—together. I look forward to all we will accomplish in 2025.

Sincerely,

James Suffredine

Chief Administrative Officer

FOUR YEARS OF PROGRESS

With this Council term ending October 2025 it is important to reflect on what the community has accomplished over the past four years.



Major Infrastructure and Improvements (2022-2024)

- 21 new residential lots developed and sold
- Paving of 5 blocks of community roads.
- Oiling 6 blocks of community roads
- Public Works garage
- 5 Blocks of sidewalk built or replaced.
- Sewer lagoon maintenance and restoration
- Remote monitoring capabilities for sewer lift stations
- Campground potable water service
- 4 blocks of water and sewer mainline installed
- 96 kWp Solar Array to manage the towns energy costs
- Land purchases for future development

Recreation and Facility Enhancements (2022-2024)

- Multicourt for Pickleball, Basketball, Tennis and baseball batting practice.
- Expanded pool deck area for picnics and birthday parties.
- Field Announcer Stand for community and sports events.
- Magrath Trail extension from the fishpond to 1st Ave South
- Community Center development for club space, birthday parties, and community events

Equipment Replacements and Additions (2022-2024)

- New John Deere Skidsteer
- New Bobcat Toolcat
- New Bobcat Mini Excavator
- New John Deere Lawnmower
- 2009 Street Sweeper
- 2011 F450 XL Refuse Truck
- 2006 GMC C5C042

Still to come for 2025

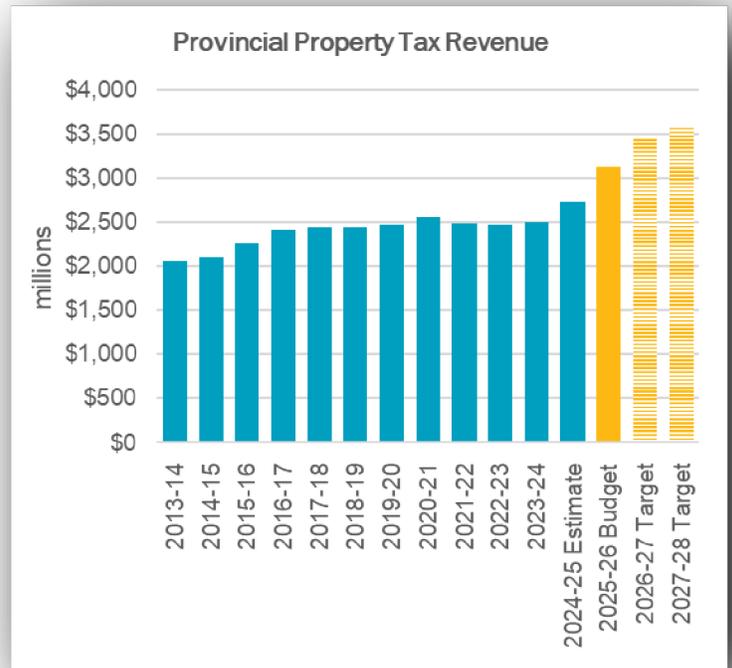
- 2017 John Deere Grader
- Westside wastewater lift station
- 4 new blocks of sidewalk
- Paving Heritage Rd.
- Phase 2 of the Solar Array
- Baseball field fence replacements
- Pool dressing room, HVAC and roof replacement



2025 Property Tax and Municipal Funding Update: Challenges, Shifts, and Local Commitment in Magrath

In 2025, the Town of Magrath approved its municipal budget with a 2.5% increase in municipal spending, a necessary adjustment to keep pace with rising costs in areas such as insurance, electricity, and natural gas. Despite these pressures, Town Council remains dedicated to its long-term strategic plan—enhancing infrastructure and services while ensuring fiscal responsibility.

Magrath's growing residential base and increased property appraisal values have influenced the town's tax landscape and the municipal mill rates saw a decrease overall. A contracted third-party appraisal firm is used to ensure that unbiased property values are determined for equitable tax distribution among the Town's property owners.



Understanding Tax Responsibilities and Provincial Shifts in Education Property Tax

It's important for residents to know that not all the taxes on your property tax bill are set or retained by the Town. Municipalities in Alberta are legally required to collect taxes on behalf of the Provincial Government for education and seniors' housing. For 2025, education property taxes on average rose by 17% for each residential property. This increase is part of the Province's plan to have property taxes fund one-third of K–12 education by 2026. Though collected by the Town, these funds are sent directly to the Province, for budgeting allocations across the Province's school boards.

This year's increase reflects a continuing broader shift in the Province's tax strategy—reducing direct personal income taxes while raising indirect taxes through local property assessments. Although Albertans may save up to \$750 each from Provincial income tax reductions, municipalities are left to manage the repercussions as they must collect higher education taxes from local property owners without control over the rates or how the funds are used and often face the political frustrations of residents and consequences.

A similar burden was placed on small municipalities in 2020, when towns under 5,000 residents, including Magrath, were required to start covering 30% of rural policing costs—a service previously funded entirely by the Province. For Magrath, this added cost in 2025 totaled \$126,626 for the year and policing costs are again forecast to be on the rise in the coming year as the Province determines a new funding formula to fund the renegotiated RCMP policing contracts.

Funding Pressures in Infrastructure and Social Services

While the Provincial budget included a \$48 million increase in capital funding for municipalities across the province, the total amount still remains below historical levels and is unlikely to meet the combined demands of inflation and increased infrastructure needs across the province. Towns like Magrath face a delicate balancing act: managing rising operational costs while still investing in long-term capital projects.

At the same time, municipalities are under growing pressure to deliver social services. Funding for programs such as Family and Community Support Services (FCSS) remains flat at \$105 million province-wide with only one increase of 5% in more than decade. This amount has not kept up with either inflation or population growth, even as communities increasingly rely on it to provide essential support. For small towns, this static funding creates significant challenges in meeting the needs of residents.

Municipal Advocacy and Commitment to Responsible Governance

While the Province provides key supports—such as infrastructure grants, education funding, and partial support for social programs—it continues to shift financial and administrative burdens to local governments. These include mandating tax collection for provincial services, underfunding local infrastructure, and transferring the cost of services like policing to municipalities.

In light of these ongoing challenges, the Town of Magrath echoes the advocacy work of Alberta Municipalities in calling on the Province to deliver more equitable, stable, and adequate funding for local governments. Municipalities must be given the tools they need to maintain vital services, invest in infrastructure, and foster healthy, vibrant communities.

Residents concerned about the costs of rising education property taxes, a decade of underfunding for FCSS programs, and the increased download of capital and operational costs onto municipalities can contact the local MLA to share these concerns with the Provincial Government.

Despite these pressures, Magrath's Town Council remains committed to prudent budgeting and long-term planning. The Town's priority continues to be the delivery of essential services, responsible financial management, and supporting a strong and growing community—while keeping taxes as fair and affordable as possible.

Who Does What?

In Canada, government functions at multiple levels, each with distinct roles. These layers work together to deliver services and support Canadians.



- Road Maintenance
- Snow Clearing
- Water Distribution
- Wastewater Services
- Storm Sewer
- Parks & Playgrounds
- Sports Fields
- Recreation Facilities
- Campground
- Fire Protection Service
- Solid Waste Services
- Safety Code Inspections
- Cemetery
- Community Planning
- Cultural Events
- FCSS Programming
- Business Licenses
- Rural Police Funding(30%)
- Municipal Property Tax

- Schools
- Healthcare
- Seniors Housing
- Resource Extraction
- Social Services
- Post Secondary Education
- Highway Maintenance
- Justice
- Fish and Wildlife
- Provincial Parks
- Rural Police Funding(70%)
- Provincial Income Tax
- Education Property Tax

- Immigration
- Passports
- Canada Post
- Employment Insurance
- Canada Pension Plan
- Canada Child Benefits
- Criminal Law
- National Defense
- Student Loans
- National Parks
- Banking
- Foreign Affairs & Trade
- Federal Income Tax
- GST

Decoding Your Property Tax Bill

2025

TAXATION NOTICE & PROPERTY ASSESSMENT

DATE OF MAILING	2025-Apr-17
NOTICE OF ASSESSMENT	2025-May-16
DUE DATE	2025-Jul-02

QUAD PORT	QUAD	SEC	TWP	RGE	MER
H					
BLOCK	LOT				

ASSESSMENT COMPLAINT MUST BE RECEIVED
ON OR BEFORE 2025-Apr-17

PREVIOUS ASSESSMENT		CURRENT ASSESSMENT	
DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT
SINGLE FAMILY	306,020	SINGLE FAMILY	318,420
TOTAL ASSESSMENT	306,020	TOTAL ASSESSMENT	318,420
EXEMPT	0	TAXABLE	318,420

EDUCATION TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
WESTWIND SCHOOL DIV #74	0.002585540	24.50873	823.29
TOTAL 2025 EDUCATION TAXES			823.29
SUB TOTAL 2025 TAXES			823.29

MUNICIPAL AND OTHER TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
CHIEF MTN SOLID WASTE COMM	0.000254650	2.41399	81.09
CHINOOK FDN - SENIORS HOUSING	0.000166730	1.58045	53.09
MAGRATH FCSS	0.000052020	0.49298	16.56
MAGRATH FIRE SERVICES	0.000247000	2.34135	78.65
MUNICIPAL PURPOSE	0.006832000	64.76153	2,175.45
RCMP	0.000411540	3.90096	131.04
TOTAL 2025 MUNICIPAL AND OTHER TAXES			2,535.88
SUB TOTAL 2025 TAXES			3,359.17

TOTAL 2025 TAXES			3,359.17
CURRENT OUTSTANDING			(830.55)
TOTAL CURRENT TAXES PAYABLE FOR 2025			2,528.62

EDUCATION TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
WESTWIND SCHOOL DIV #74	0.002585540	24.50873	823.29
TOTAL 2025 EDUCATION TAXES			823.29
SUB TOTAL 2025 TAXES			823.29

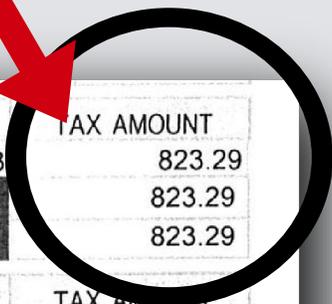
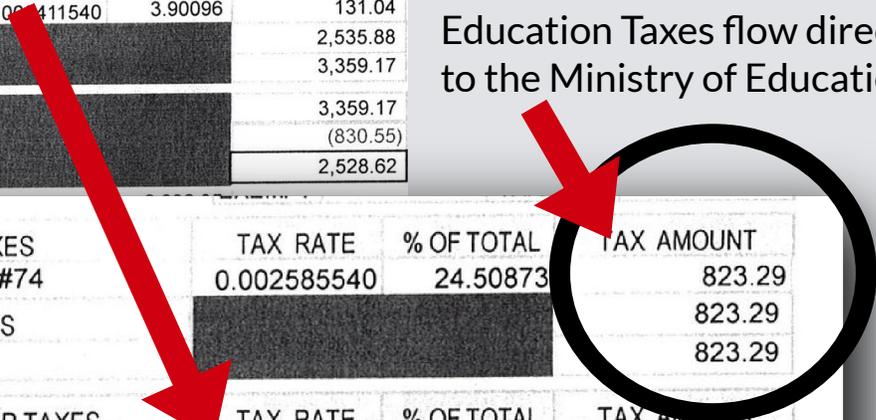
MUNICIPAL AND OTHER TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
CHIEF MTN SOLID WASTE COMM	0.000254650	2.41399	81.09
CHINOOK FDN - SENIORS HOUSING	0.000166730	1.58045	53.09
MAGRATH FCSS	0.000052020	0.49298	16.56
MAGRATH FIRE SERVICES	0.000247000	2.34135	78.65
MUNICIPAL PURPOSE	0.006832000	64.76153	2,175.45
RCMP	0.000411540	3.90096	131.04
TOTAL 2025 MUNICIPAL AND OTHER TAXES			2,535.88
SUB TOTAL 2025 TAXES			3,359.17

TOTAL 2025 TAXES			3,359.17
CURRENT OUTSTANDING			(830.55)
TOTAL CURRENT TAXES PAYABLE FOR 2025			2,528.62

AMOUNT DUE AFTER JUNE 30, 2024 **2,832.05**

Property taxes serve a multifaceted purpose beyond general revenue allocation. Within the Town of Magrath, they are systematically collected to support crucial community entities, including our school division, local fire department, Family & Community Support Services (FCSS), and the senior housing foundation. A comprehensive breakdown of how each dollar is allocated can be referenced on your property tax notice.

Education Taxes flow directly to the Ministry of Education.



Your Tax Dollars

Municipal taxes are local taxes levied by city, town, or regional governments to fund public services and infrastructure within their jurisdiction. These taxes typically include property taxes, sales taxes, and sometimes special levies, and are crucial for maintaining essential services such as road maintenance, policing, firefighting, public health, education, and recreational facilities. The rates and structure of municipal taxes vary from one area to another, but they generally aim to ensure that residents and businesses contribute fairly to the cost of the local services and amenities they use. Properly managing municipal taxes is key to maintaining a thriving, well-functioning community. Where do your tax dollars go?



The Ministry of Education issues annual requisitions to all municipalities for the public education system. Municipalities are responsible for collecting the education tax from property owners across Alberta and remitting the funds to the ministry. For 2025, the total requisition is \$818,078.70. These funds are pooled into the Alberta School Foundation Fund and subsequently distributed to the school boards of the public education system.



The Chief Mountain Regional Solid Waste Commission is responsible for coordinating solid waste removal from the transfer stations of its member municipalities. Our requisition for 2025 is \$78,351.23.



The Chinook Foundation oversees the management, operation, and maintenance of seniors' and social housing in Cardston County, including the Diamond Willow Lodge. For 2025, the Town's annual requisition is \$51,079.55.



The Government of Alberta's rural police funding model now requires rural municipalities to contribute a share of the policing costs. Since 2020, municipalities have gradually increased their contributions. For 2025, the requisition is \$125,704.



Family and Community Support Services (FCSS) operates on an 80/20 funding partnership between the Government of Alberta and participating municipalities. Of the 20%, the funding is shared between Cardston County and the Town of Magrath, with the Town of Magrath contributing \$16,007. Additionally, the Town provides further funding to support community events.

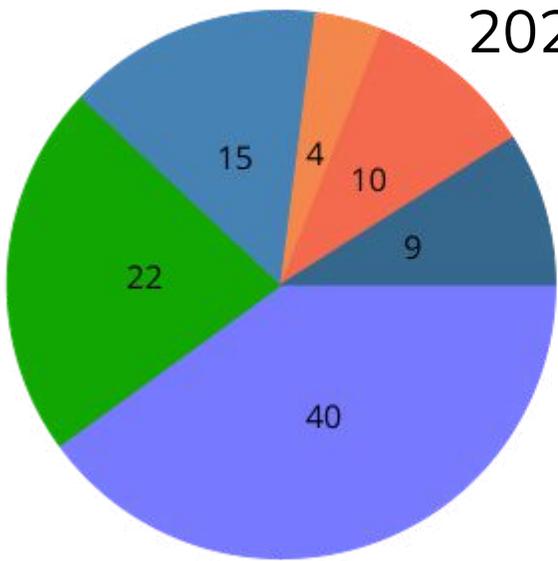


The Magrath Fire Service has an annual budget request of \$76,000, which is matched by Cardston County. This requisition covers the fire department's operating expenses, including training, utilities, PPE gear, fuel, equipment, and public education. Service fees are also charged to fund the capital replacement of major equipment.



Municipal taxes fund essential local services such as road maintenance, public safety, waste management, parks and recreation, and local infrastructure projects. They also support community programs, libraries, and emergency services, helping to maintain and improve the quality of life for residents.

2025 OPERATING BUDGET REVENUE

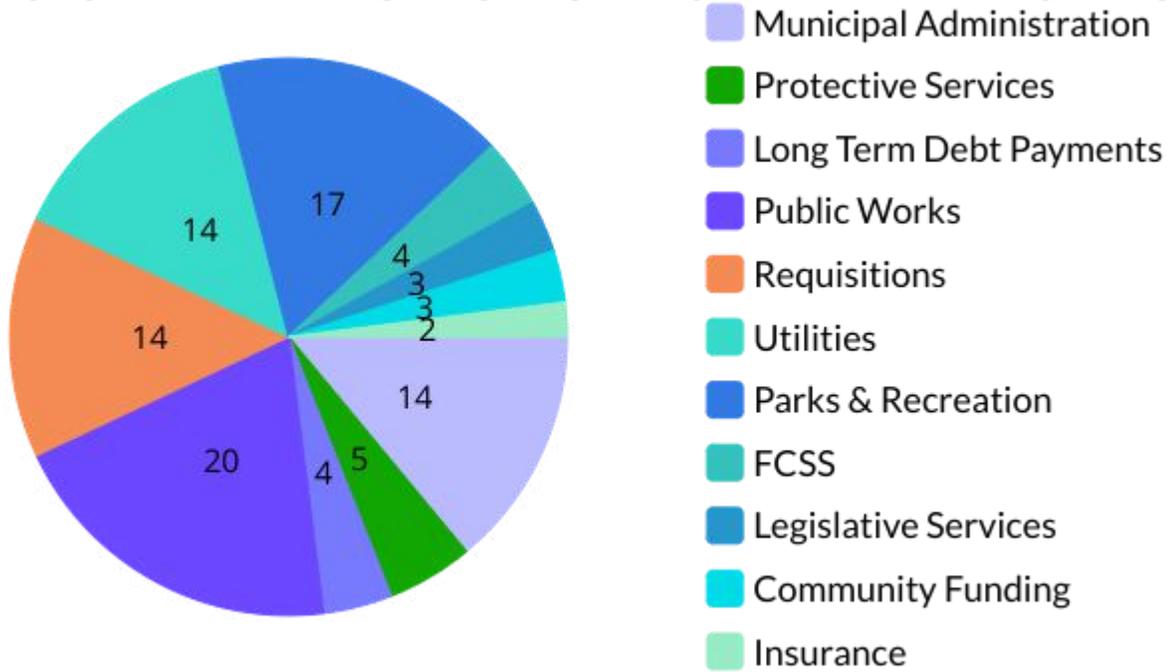


- Municipal Taxation
- Utility Fees
- Provincial Requisitions
- Recreation User Fees
- Government Transfers
- Administration Fees

Some revenue is earmarked as reserves. This money is set aside for various reasons such as emergency maintenance, replacements, or future capital projects.

Municipal Taxation	The total property taxes collected for the Town are allocated for general municipal purposes.	\$2,370,899
Utility Fees	The Municipality generates revenue by billing utilities on a monthly basis. Substantial portions of these funds are subsequently allocated as expenditures to the Magrath and District Regional Water Services Commission for potable water, the Chief Mountain Regional Solid Waste Commission for solid waste disposal, and the Magrath Irrigation District for irrigation water.	\$1,268,000
Provincial Requisitions & Fees	These funds are gathered on behalf of public bodies authorized by the Province for tax collection by the Town. The Town doesn't keep any of this revenue. These requisitions are itemized on your tax notices for public organizations overseeing education and senior housing. Moreover, taxes collected by the municipality to pay the Province's Police Funding Model invoice are part of this category, though not explicitly requisitioned.	\$996,287
Recreational User Fees	Revenue from recreational user fees is generated through the routine operations of the arena, pool, sports fields, and campground.	\$201,000
Government Transfers	The Town obtains funding transfers through sharing agreements with both the Province and Cardston County.	\$555,826
Administrative Fees	Funds collected for administrative services provided by the Town include revenue from activities like business licenses, fines, cemetery plots, utility franchise agreements, and penalty fees.	\$486,801

2025 OPERATING BUDGET & EXPENDITURES



The budget report outlines essential expenditures for the Town of Magrath. Administrative expenses cover office utilities, supplies, legal fees, and staffing costs. Parks and Recreation expenses include maintenance for community spaces like the arena and pool, wages for staff and lifeguards, and costs for special events. Utilities expenditure encompasses water purchases, maintenance, and system-related charges. FCSS costs cover wages, program fees, and office maintenance. Legislative Services detail council-related expenses, while Community Funding supports local groups and facilities such as the museum and library, crucial for community development.

Municipal Administration	Municipal administration expenses comprise of office utilities, supplies, contracted services, legal fees, administrative staff salaries, accounting and audit fees, as well as bank charges.	\$799,103
Protective Services	Municipal funding for local policing, bylaws, and fire services	\$278,926
Long-Term Debt Principal	This represents the debt principal that the Town will repay this year. The majority of this paying off historical projects including the industrial lot creation and storm/waste water projects. Some of the funding is budgeted for the anticipated loan required for the future west sewer lift station to be installed this year.	\$185,000
Public Works	The public works department budget covers staff wages, fleet maintenance expenses, fuel costs, dust control, road maintenance, and the yearly electricity expenses for all streetlights in the Town.	\$1,192,606
Insurance	The Town of Magrath's insurance comprehensively covers everything from vehicles, equipment, and buildings, as well as environment and liability.	\$154,123
Reserves	Certain revenue is allocated to reserves, designated for purposes such as emergency maintenance, replacements, or future capital projects.	\$105,007

2025 OPERATING BUDGET EXPENDITURES

Requisitions	<p>Requisitions are the taxes collected on behalf Provincial Government Public Bodies including the Ministry of Education and Seniors Housing Lodges.</p>	<p>\$869,661</p>
Parks and Recreation	<p>Expenditures for parks and recreation cover expenses associated with the arena, pool, recreational fields, green space parks, and the cemetery. This category also includes for wages for regular staff, summer students, pool lifeguards, and expenses related to special events such as the Town Celebration.</p>	<p>\$972,834</p>
Utilities	<p>This category primarily consists of flow-through funds, predominantly comprising water purchased from the Magrath and District Regional Water Services Commission. Other expenses within this category encompass line maintenance and goods, costs associated with water, sewer, and irrigation systems, utility expenses for these systems, and various other charges related to utility systems.</p>	<p>\$797,259</p>
FCSS	<p>The Family and Community Support Services program encompasses expenses tied to staff wages, program fees, and fees for outside facilitators. This category also covers regular office expenditures for FCSS, utility fees, and building maintenance costs.</p>	<p>\$205,737</p>
Legislative Services	<p>The total annual expenses for council services encompass fees, professional development, travel expenses, municipal planning commission, and strategic planning costs.</p>	<p>\$149,450</p>
Community Funding	<p>Community funding refers to financial support allocated to local community groups and facilities, including the museum and the library.</p>	<p>\$169,105</p>

2025 CAPITAL BUDGET REVENUES

Capital revenues come from a few sources but are typically earmarked only for the replacement or purchase of new necessary capital assets or improvements. Other than the Town's own reserves, these funding programs have requirements for how they are used and are not available to be used to lower taxes or fund operational costs.

<p>Local Government Fiscal Framework (formerly the Municipal Sustainability Initiative)</p>	<p>The Local Government Fiscal Framework, an initiative by the Province of Alberta, aims to bolster the municipal sector by offering substantial financial assistance for infrastructure requirements.</p>	<p>\$595,425</p>
<p>2025 CCBF</p>	<p>The Canada Community-Building Fund offers every municipality nationwide a consistent, secure, and indexed infrastructure funding source. This enables the Town to tackle eligible projects, including wastewater, drinking water, solid waste management, local roads and bridges, community energy systems, sports, recreation, tourism, and more.</p>	<p>\$200,688</p>
<p>Solar Grant</p>	<p>The Town of Magrath has been awarded a grant from the Ministry of Energy and Green Technology (MEG) to support the installation of solar panels at our facility. The funding received will cover a portion of the installation costs and is a key component in the successful implementation of our renewable energy initiative.</p>	<p>\$86,329</p>
<p>Town of Magrath Reserves & Other Government</p>	<p>This represents funds utilized from the town's accumulated cash reserves sourced from various channels.</p>	<p>\$255,564</p>

2025 CAPITAL BUDGET EXPENDITURES

Solar Array	A second phase of the solar generation grid is planned for installation near the Parks and Recreation shop and the recycling depot, supporting the Town's commitment to managing its utility costs and sustainability.	\$215,006
1 Ave North, 1 St East and 2 St East	This project will add four blocks of new sidewalk to our neighborhoods, making it safer and easier for residents to walk, and access nearby amenities. It's part of the Town's ongoing efforts to promote walkability and enhance community connectivity.	\$200,000
Pool Building Upgrades	The Town plans to replace the dressing room roof and replace the building's rooftop air makeup unit.	\$160,000
Shop Vehicle Storage	Wall paneling will be added to the new shop's vehicle storage area this year to improve insulation, durability, and overall appearance.	\$10,000
Sewer Manhole Remediation	The Town will be remediating several aging manholes to improve flow efficiency and reduce backup risk. These upgrades are part of ongoing infrastructure improvements aimed at keeping our utilities running smoothly and reliably.	\$30,000
Grader	The Town has purchased a lease return grader from Cardston County to replace our existing aged one. This investment will continue to allow our Public Works team to efficiently grade gravel roads, clear snow, and ensure safer travel for residents year-round and reduce maintenance costs.	\$200,000
Town Hall Building Upgrades	Over the past few years, woodpeckers in our neighborhood have been working diligently to damage the stucco on the Town Hall. To address this, the Town will be replacing the stucco with a bird-proof siding.	\$25,000
Park and Recreation Improvements	Several upgrades are underway to enhance our community's outdoor spaces. Baseball fencing will be replaced and define play areas. At Lions Park, bathroom facilities will be added late in the year for impaired user accessibility and comfort.	\$100,000
Land Purchases	The Town is continuing to pay off land it has purchased for future development. Expanding the Town's growth potential, paving the way for new residential, commercial, and recreational opportunities that will benefit our community in the coming years.	\$123,000
Heritage Lane - Paving	Following the completion of curb installation and base work last year, the Town will pave Heritage Lane. This final phase will provide a smooth, durable road surface, improving both safety and accessibility for residents and visitors. The project is part of ongoing efforts to enhance our infrastructure and ensure the long-term quality of our streets.	\$75,000