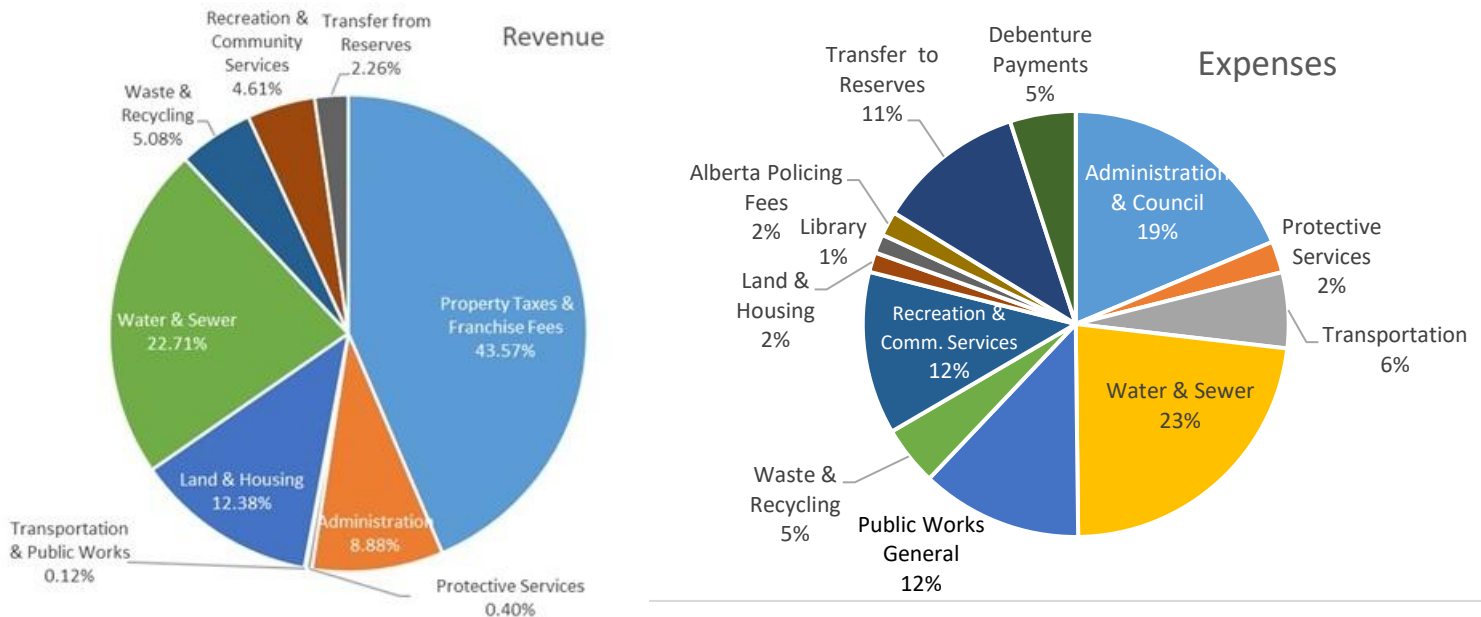


Last week Council passed the 2025 Operating and Capital Budgets. The Operating budget is funded by tax revenue, sales of services, land sales, reserves and grants. This year's Operating revenues will be the highest ever at \$5.9 Million with the largest increase coming from Land Sales. Property Tax revenues are up 2.3%, mostly due to residential growth and an increase in industrial machinery and equipment. This higher Land Sales revenue will enable the Town to put more money into reserve for future development and projects. The graphics below show where the money comes from and where it is allocated in the Operating budget.



The Capital budget approved last week totals just over \$2 Million. Funding for Capital expenditures comes from reserves, grants, a debenture, donations and this year, the sale of assets. The projects for this year include the usual pavement patching and sidewalk repairs as well as sidewalks and more services in the new Parkview subdivision. There will be a couple of water line projects as well as engineering done on one more. The Public Works shop will be completed this spring and is being funded from reserves, the sale of the recycling building and a debenture. Design work and engineering will be done for more future projects including additional lots in the industrial park.

In the coming weeks Council will be reviewing the Municipal Mill Rate (tax rate) and is once again hoping to actually lower the rate due to our growth and other sources of income. Unfortunately, the Province is increasing the Education Property Tax, that the Town is forced to collect for them and are warning that it will go up again next year. Several years ago, the Government was recovering 1/3 of its education costs from property tax but then froze the dollar amount for a couple of years. Now they are returning to the 1/3 model.

The main Provincial grant program to municipalities is the Local Government Fiscal Framework (LGFF) which has both a capital and operating component. One of the features of this program is that increases or decreases in funding are tied to Provincial revenues from three years prior. This year is based on Provincial revenues in 2022-23. This year the fund was increased, next year it will be down and then in 2027-28 it will rise again. This predictability certainly helps with planning. The total coming to Bow Island this year should be around \$800,000, with much of it going to our various projects. What we don't use in one year is carried over to support future projects. In the Provincial budget some key programs like Libraries and FCSS will be funded at the same levels as last year, which after inflation is a step backwards.

Another reminder to everyone to sign up for the Bow Island Mass Notification System on the Town website, where you can choose to be notified of emergencies, and/or community events and other information. This could be via text or email. The emergency notification is one of the most important aspects of this and I encourage you to sign up.

After a wicked February it's nice to feel like spring is near.

Mayor Gordon Reynolds

