

**INTERIM
BUDGET HIGHLIGHTS**

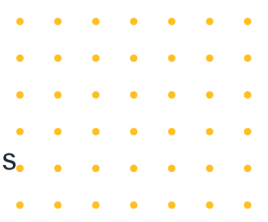
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Town of
Bon Accord
building for tomorrow



Dear Residents,



We're pleased to share highlights from the Town's 2025 Interim Budget. This document outlines how we plan to allocate resources to maintain and improve services while balancing fiscal responsibility.

WHAT IS THE BUDGET?

The budget is our financial plan for the year, detailing how we'll use tax dollars and other funds such as user fees and grants to fund essential services, community projects, and long-term goals. It ensures that we meet the needs of our residents and maintain the Town's operations.

Per legislation, the Town must pass a budget by December 31st. Typically, the Town has passed a final budget, however this year Council approved an interim budget due to a number of budget challenges detailed on page 7. Council will pass a final budget in the Spring of 2025.



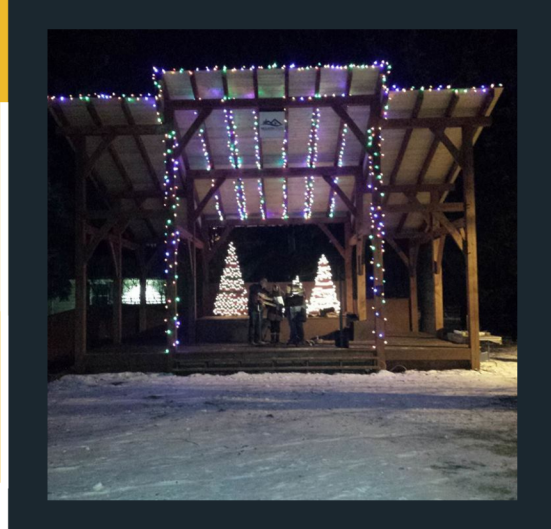
We, as Council and staff, will hold true to our values with responsible planning and management of our resources.

Mayor Brian Holden



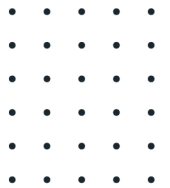
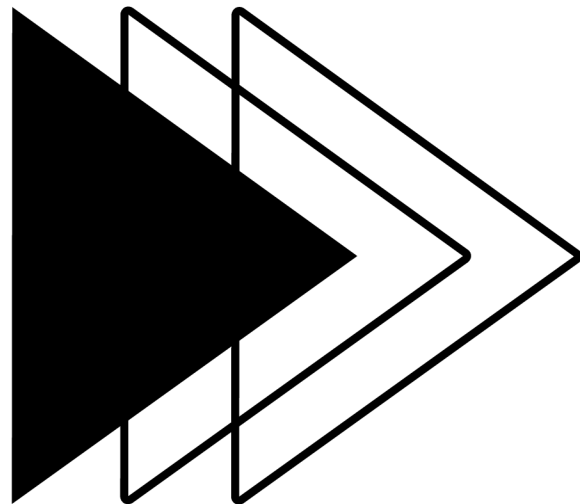
Vision

The Town of Bon Accord promotes a prosperous, residential, and industrial growth community while maintaining a hometown feeling.



Mission

To promote and improve our quality of living, enhance our sense of community, and preserve the integrity of our hometown values while growing into a Town that is diverse, prosperous and welcoming to new residents, businesses, and visitors.



What is the Budgeting Process?

Main Goal

The key goal during the budgeting process is working towards achieving Council's Strategic Plan and priorities.



Assessing Community Needs

We evaluate the services residents rely on - like public safety, road maintenance, recreation and utilities - and identify areas for improvement.

Estimating Revenue

Our team forecasts how much money the Town will collect through property taxes, fees, grants, and other sources.

Prioritizing Spending

Based on revenue estimates and feedback from departments and Council's strategic plan, we prioritize projects and programs.

Approval & Implementation

After careful review, Council approves the budget, which takes effect at the start of the new fiscal year.

01. Administration

The management team holds many meetings throughout the process to discuss needs and priorities. As part of the budget process, the Municipal Government Act mandates that municipalities must also provide 3-year operating plans and 5-year capital plans.

02. Council

Council reviews the budget presentation and takes care in deliberations before approving the final budget and accepting the 3-year and 5-year plans as information.

From Strategy to Success

Municipal services play a vital role in supporting community well-being, and their sustainability depends on funding through taxes, user fees, and charges.

Key municipal infrastructure is the foundation that enables the delivery of these essential services.

The Town's strategic plan includes economic development to help promote new growth to support and improve our services.



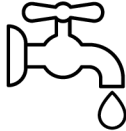
Our Services

Some of our municipal services include the following:



Roads

- Roads & sidewalk maintenance
- Snow removal
- Street sweeping



Utilities

- Water & Wastewater
- Stormwater
- Garbage
- Organics



Protective Services

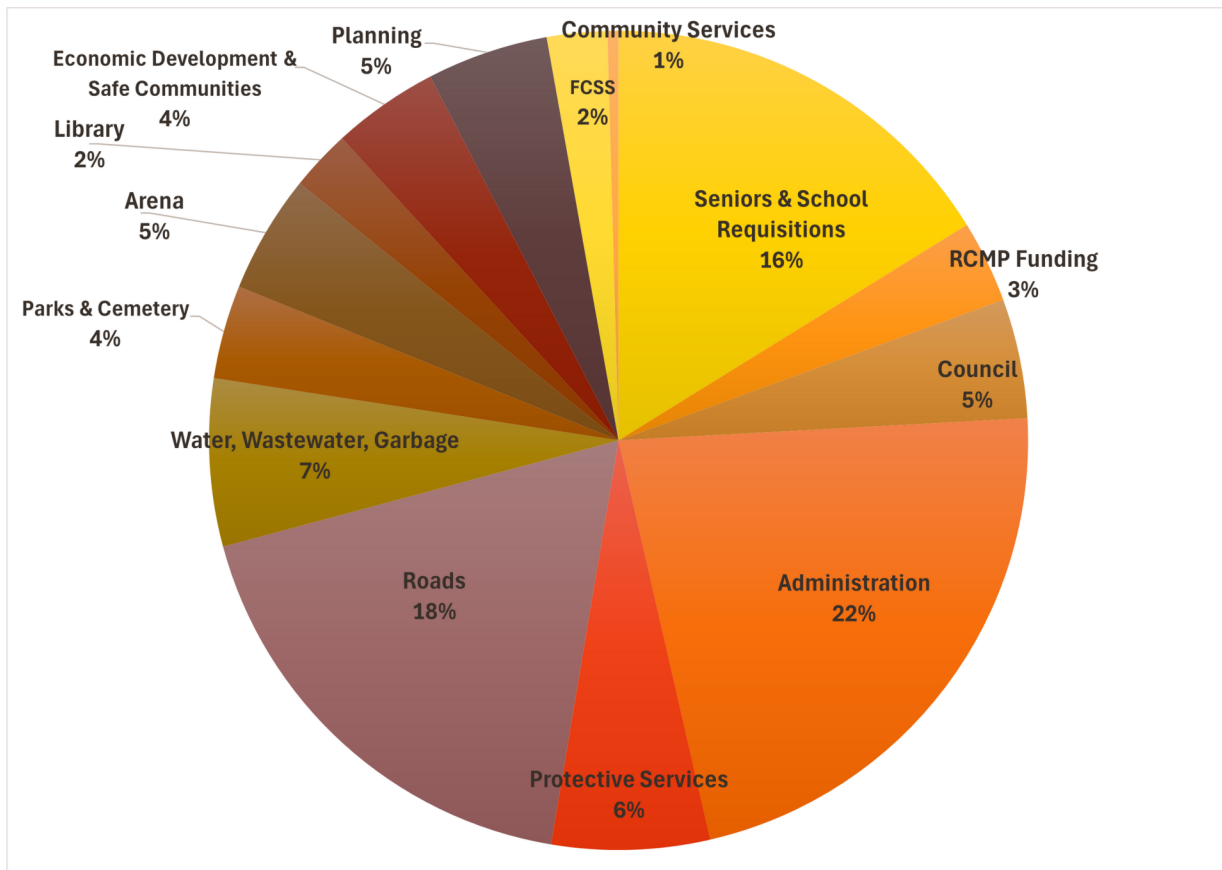
- Bylaw
- RCMP
- Emergency Management
- Fire Services



Parks & Recreation

- Arena
- Playgrounds
- Parks
- Programs & Events
- Library

How Tax Dollars Are Spent



Operating Budget

The 2025 interim operating budget is \$4,375,025.

This is a 3.4% budget increase.



Tax Revenue

The total tax revenue collected is \$2,709,485.

This includes the revenue to fund municipal services, RCMP funding, the school and the seniors' requisitions.

The school tax is a requisition collected by the municipalities on behalf of Alberta Education and the nearest separate Catholic school division. The funding supports all school students from K-12 as a strong education benefits society as a whole. The Town has no control over the school requisition.

The Seniors' foundation requisition is collected by the municipality on behalf of Homeland Housing and support seniors affordable housing. The Town has no control over the senior's requisition.

The RCMP Funding is invoiced to municipalities by the Province and is also a cost the Town has no control over.



Operating Budget - Utilities



Utilities

Utilities for the budget year are increased by flow through increases from the Town’s service providers, which include Capital Region Water Services Commission, Arrow Utilities, GFL Environmental Ltd., and Roseridge Waste Commission.

Service Charges

Service Charges have no changes for residential users and remain at \$11.00 per month for water and \$11.00 per month for wastewater.

The service charges for commercial and industrial users have decreased to \$11.00 per month for water and \$11.00 for wastewater; these charges have been updated so they are the same for each resident whether they are residential, commercial, or industrial.

Capital Rate Rider

The Capital Rate Rider was added to utility bills to be transferred to reserves to plan for repairs of aging infrastructure.

The capital rate rider for water has increased from \$1.00 to \$1.50 per month for water and from \$1.50 to \$2.00 per month for wastewater and storm.



Water



Water services has a 0% increase in the rate for the 2025 budget. The rate per m³ will remain at \$3.30.



Wastewater



The wastewater rate has increased by 6% for 2025 from \$3.38/m³ to \$3.58/m³ (\$0.20m³ increase).



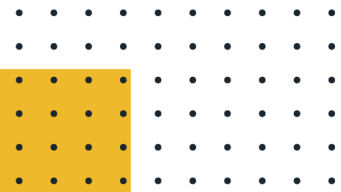
Garbage



The garbage rate has increased by 8% from \$16.15 per month to \$17.40 per month.



Budget Challenges & Drivers



There are multiple challenges that impact the budget, both on the revenue and expense side.

The main challenge for the 2025 interim budget is the cost of power. The decrease in the market pool price for microgeneration is causing lower solar power credits.



Other impacts include:

- Aging infrastructure and increased maintenance costs:
 - Balancing multiple infrastructure replacement priorities such as road projects, stormwater management, and the arena (e.g. matching funds available for grants).
 - Reductions in provincial grant funding. Funding has decreased by 70% since 2017. The Local Government Fiscal Funding grant is starting to increase but is still not at the 2017 level.
 - Other grant funding is highly competitive and may having eligibility requirements such as matching funds.
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- Increase in gas prices.
 - Inflation in goods and services.
 - Increases in insurance - currently estimated at 10%.
 - The large cost of RCMP funding for a small community. The cost for 2024 was \$87,843. This will remain the same for 2025.
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- Limited sources of revenue such as tax revenue, grants, donations or sponsorships, investments, franchise fees, and user fees such as utilities, arena ice rentals, tax certificates etc. Revenue is mainly for cost recovery to balance the budget to zero.
 - The amount of Provincial operating grant funding is not announced until early 2025.
 - Assessment values are not finalized until the end of February 2025.
 - Balancing act between costs and revenue to maintain service levels and replace and repair aging infrastructure.



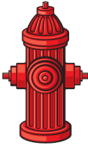


2025 Interim Capital Budget

The 2025 Interim Capital Budget is \$454,400 and includes the projects below:



01. Water/Wastewater/Storm Systems



- Fire Hydrant Replacement - \$30,000 funded by reserves.

02. Roads



- 49th Street Mill & Overlay - \$404,400 funded by the Local Government Fiscal Funding Grant
- Sidewalk Replacement Program - \$20,000 funded by the Canada Community Building grant

5 & 10 Year Capital Plan

The 5 and 10 year capital plan includes additional projects such as public works equipment (compressor, injector patcher, bobcat, sewer line repairs, water pump rebuild program, 50th avenue road reconstruction, 54th avenue reconstruction, the dark sky trail, and additional arena upgrades.

The Town continues to research and source funding and grants for these projects, and should opportunities arise that the Town can benefit from, Council can decide move these projects earlier.



Questions About the Budget?



If you have further questions about the budget or the budget process, you can get in touch in the ways provided below.

Contact Us :



Phone Number
780-921-3550



Email Address
info@bonaccord.ca



Office Address
**Box 779, 5025 50 Avenue, Bon Accord,
AB T0A 0K0**