



# Municipality of Argyle

2021-22 operating budget presentation

# Operating budget highlights

- ▶ Total operating revenues and expenditures budgeted at \$9,125,900, an increase of \$648,000 from the prior year.
- ▶ Council is being asked to increase commercial and residential tax rates in this draft budget by 2 cents to meet the sharp increases of operation.
- ▶ Current rates are as follows:
  - ▶ Residential \$1.09 per every \$100 of assessment - approximate cost for a home valued at \$150,000 equals \$1,635 before area rates. An increase of 2 cents would result in total taxes of \$1,665 for that same property.
  - ▶ Commercial rate \$2.27 per every \$100 of assessment - approximate cost for a property valued at \$150,000 equals \$3,405 before area rates. An increase of 2 cents would result in total taxes of \$3,435 for that same property.
- ▶ This year's budget seeks to bring some services back to normal before COVID-19.
- ▶ COVID-19 has had positive impacts on property values and sales, but that has not yet impacted assessment values.
- ▶ COVID-19 has had a very negative impact on Recreation facilities and services, with sharp increases in costs to safely restart services.

# Source of additional Revenues

## ► Taxation

- Residential taxes increased by \$179,000 from prior year. (two cent tax increase resulted in \$97,000 in revenues).
- Commercial taxes **decreased** by \$6,400 from prior year. (two cent tax increase resulted in \$10,000 in revenues).
- Deed transfer tax expected increase of \$117,000 from prior year budget.
- Sale of renewable energy expected to increase by \$19,000.
- Investment and other income expected increase of \$43,000.
- Sale of services (recreation) increase of \$38,000.
- Conditional provincial funding increase of \$225,000
  - COVID safe restart funding of \$115,000, Municipal Innovation funding of \$75,000, remainder accessibility funding for capital improvements.
- **Total increase in revenue listed above = \$ 614,300.**

# What services will be restored in 2021-22, under COVID-19 restart?

- ▶ Recreation and healthy living:
  - ▶ Planned restoration, at least partial, of day camp activity. Planned restoration of costs (\$80,000) and revenues (\$30,000)
  - ▶ Aquatics (former YMCA) and Mariners Center operations, with an additional cost approaching \$110,000.
  - ▶ Increased investment in barrier free recreation facilities (\$20,000).
  - ▶ Increased support of non-profit organizations (\$20,000)
- ▶ **Total investment increase = \$ 200,000 (\$110,000 will be paid from a Federal “Safe Restart” fund.)**

# Increases in municipal mandatory costs and services

- ▶ Policing Costs
  - ▶ All municipalities in the RCMP provincial contract will see a 4.92% increase. This will cost Argyle \$45,300 in additional policing costs.
- ▶ Provincial education and housing costs
  - ▶ Increase of \$47,000, as billed by the Province of NS.
- ▶ Fire and Building Inspection, Fire Services
  - ▶ Increase of \$145,000
    - ▶ required new position for Fire Inspection training of new building inspector, funding increases to our fire departments, new costs of Workers Compensation and insurance.
- ▶ **Total investment increase = \$ 237,300.**

# Other investments

## ▶ Strategic planning initiatives

- ▶ Council committed \$67,000 in developing strategic initiatives, which include service improvements, alternative revenue generation, among others.
- ▶ Municipal Innovation Planning - \$80,000 shown as an expense, with \$75,000 in revenues supporting this project.
- ▶ **Total increase of \$147,000.**

## ▶ Future considerations

- ▶ The Mariners Center Expansion project will require Council to consider future tax increases.
- ▶ Growth of alternative forms of revenue, or alternate service provision, will be important to protect residents from sharp tax increases in the future.