

Town staff proposes 6 percent tax levy increase in 2021 budget

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Shelburne staff are proposing a tax levy increase of up to 6 percent for local rate payers in 2021.

"We are suggesting that the overall levy increase be approximately 6 percent," said Town Treasurer Carey Holmes.

Shelburne Town Council received a 2021 budget framework report during their meeting on Monday (Sept. 28). The framework budget for 2021 suggested a tax levy increase "not to exceed 6 percent". Essentially, staff is saying municipal spending will increase by around six percent next year. This doesn't necessarily mean resident's tax bills will go up by the same amount.

Holmes said in the meeting that, in the recent years, provincial and County tax rates had dropped, offsetting the increase to the Town's portion of tax rates, but due to the financial constraints brought on by the COVID-19 pandemic, she is not confident that will happen in 2021.

With budget discussions set to commence in a couple of weeks' time, Town staff has made several requests for increased funding in 2021. Most significant is the proposed addition of \$74,793 to the municipality's parks and recreation department, to cover, Holmes says, increased annual costs across the department.

"Staff are now recommending an additional 1 percent levy commencing in 2021 in order to maintain the operational focus on increased use of parks and park amenities," said Holmes. "This special levy will assist with offsetting the operational costs associated with COVID-19 impacts that we have been experiencing."

Most of those increased costs relate to a drastic increase in cleaning protocols, with all park washroom facilities cleaned seven days per week. The additional money also covers costs associated with port-a-potty rentals, installation of cameras, additional lighting and staffing increases.

While COVID-19 has impacted almost all levels of municipal affairs, and brought on a number of financial challenges, Holmes is perhaps most concerned with the effects the pandemic has had on local boards such as the Centre Dufferin Recreation Centre (CDRC).

"I'm afraid of what the CRDC budget is going to look like next year," said Holmes.

The CRDC closed in March due to the global pandemic and recently announced that the ice would be put in the arena. The CDRC relies heavily on money made through rental and user fees to offset costs involved with running the facility.

"60 percent of their revenue is from user fees and rental and 40 percent is from the municipalities (that contribute to helping run the facility)," said Holmes.

In the report, it was also noted that an additional \$186,982 would be required to bolster municipal staff, particularly in the Town's administration which she says is "resource challenged".

While early projections are calling for a lofty six percent increase, it is too early at this point to suggest what a final, approved figure could look like. The 2021 budget will be presented to Council on Oct. 19, with a public meeting scheduled for Nov. 9.

Mayor Wade Mills thanked staff for bringing this early report to Council, noting it was a good starting point to kick off what will

surely be a challenging budget process.

?It is a framework and allows us to move forward in some sort of organized fashion,? Mayor Mills stated.