THE ROLE AND BUDGET OF THE MUNICIPALITY OF DIGBY

THIS PRESENTATION WILL INCLUDE INFORMATION ON:


The Federal Government


The Provincial Government


The Municipal Government


How Municipal Government is Funded


Municipal Council


The Chief Administrative Officer Role


Municipal Staff

Municipal Budget

OVERVIEW OF GOVERNMENT IN CANADA

Canada has three levels of government:

- Federal
- Provincial / Territorial
- Municipal / Local

Each level has different responsibilities and powers.

FEDERAL GOVERNMENT

- Based in Ottawa
- Led by the Prime Minister
- Local MP Chris d'Entremont
- Responsible for:
  - National Defense
  - Immigration
  - Foreign Policy
  - Criminal Law
  - Postal Service
  - Fisheries & Oceans

PROVINCIAL GOVERNMENT

- Located in Halifax
- Led by the Premier
- Local MLA Jill Balser
- Responsible for:
    - Education
    - Healthcare
    - Transportation
    - Natural Resources
    - Justice and Policing
    - Housing
    - Social Services

MUNICIPAL GOVERNMENT

- Local government closest to the people
- Created by the Province under the Municipal Government Act
- Includes:
  - Municipalities
  - Towns
  - Villages
- Led by Mayors or Wardens and Councils or Commissions

MUNICIPAL RESPONSIBILITIES

- Provide local services:
    - Sewer
    - Waste Collection
    - Public Transit
    - Recreation
    - Fire Protection and Emergency Management
    - Building Department
    - Land-Use Planning
    - Local By-Laws (such as Noise or Dog Control)
    - Some municipalities own roads (The Municipality of Digby does not – the Province owns and maintains our roads)

HOW MUNICIPAL GOVERNMENT IS FUNDED

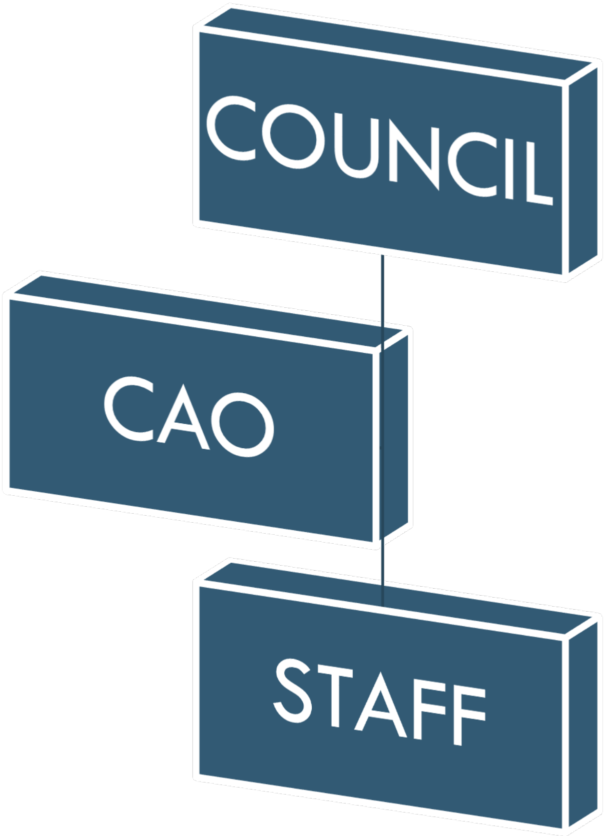
- Property Taxes (Accounts for 77% of our total revenue)
- User Fees (Fees charged for sewer, permits, street lights)
- Transfers from the Provincial and Federal Government

MUNICIPAL COUNCIL

- The Municipality of Digby has a total of five Councillors who each represent a district
- One of the five is chosen by the others as Warden, and one as Deputy Warden
- Council attend meetings each month and sit on several committees
- Council approve the Strategic Plan and the Municipal Budget
- Council approve Policies and By-Laws
- Council have a Code of Conduct that they must follow
- Decisions are made by majority vote

THE CHIEF ADMINISTRATIVE OFFICER

- Council has only one employee – the Chief Administrative Officer (CAO)
- The CAO is the only staff member who is directed by Council
- Council holds the CAO accountable to results
- The CAO has broad authority and responsibility to run the organization
- The CAO advises Council and carries out their wishes
- All staff of the Municipality are the responsibility of the CAO



MUNICIPAL STAFF

- The Municipality employs a total of 21 full-time staff
- The Director of Finance and the Director of Municipal Services form the management team along with the CAO
- Staff departments include Public Works, the Building Department, Administration, Finance, Dispatch, Emergency Management, and Trails

PROPERTY ASSESSMENT

- The Municipality does not assess property or determine the value of property
- Property Valuation Services Corporation (PVSC) is the company that the Province uses to assess property values in Nova Scotia
- The Municipality pays a fee each year to PVSC for their services
- PVSC has their own assessors who use different methods to assess the value depending on the type of property
- These methods include a sales comparison approach for residential, an income approach for office buildings, malls, and apartments, and a cost approach when there are not adequate comparable sales
- The Province has a CAP System in place where properties that qualify have a capped assessment in addition to their normal assessment and their taxable assessment is based on the lesser of the two

Property Valuation Services Corporation

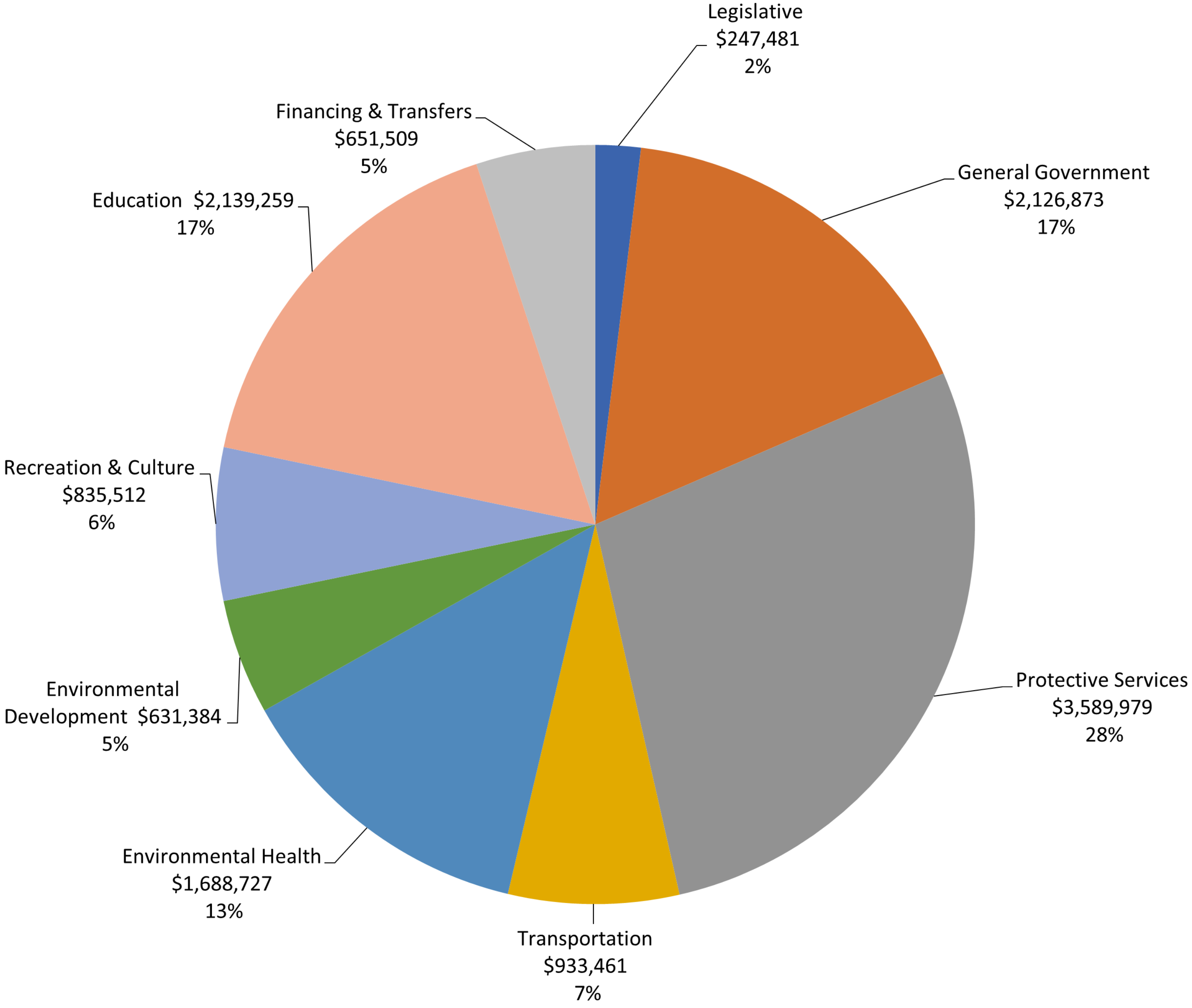
THE MUNICIPAL BUDGET

- The budget is set every year and approved by Council
- Municipalities are not allowed to run a deficit so the budget must balance
- Over 34% of the total expenses are mandatory expenses from the Province
- The two highest expenses for the budget are RCMP and Education
- The third highest expense for the budget is solid waste collection, transportation, receiving, and disposal

The 2025-26 budget was prepared with no changes to the residential tax rate of $1.30 and the commercial rate of $1.85. This year's budget shows an increase of approximately 3% in revenues and expenditures from the 2024-2025 budget.

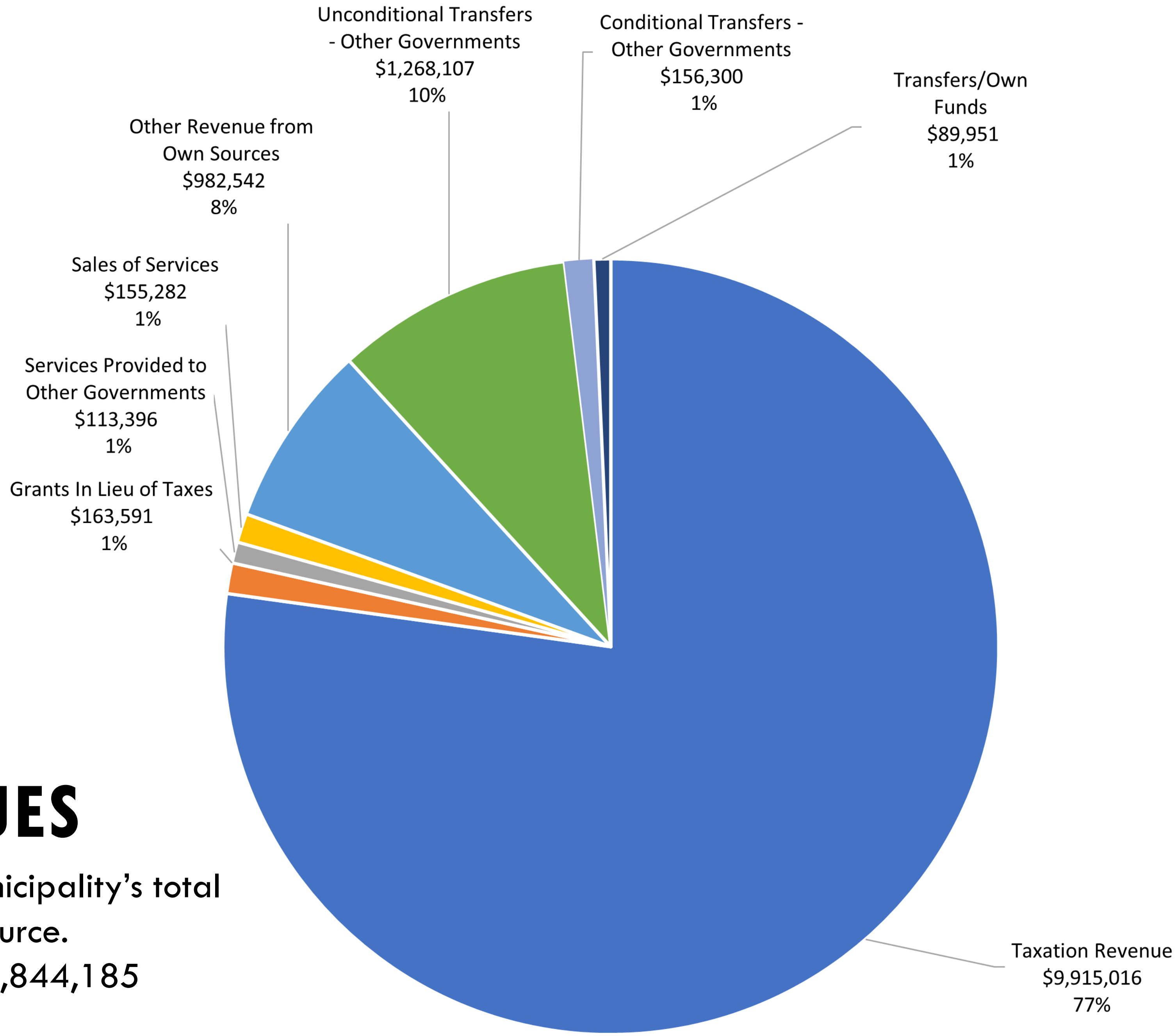
Tax revenue has seen an increase over last year's budget of 4.41%, which is tapering off compared to the market boom we were experiencing previously. The Municipality of the District of Digby has had no tax increases in the past nineteen years.

TAX REVENUE	**RATES**	**2025-2026**	**2024-2025**	**%**
RESIDENTIAL	$1.30	$7,348,832	$6,963,720	5.53%
RESOURCE	$1.30	$440,010	$428,165	2.77%
COMMERCIAL	$1.85	$1,068,379	$1,089,397	-1.93%
LESS SEASONAL TOURIST REDUCTION		-$17,928	-$14,979	
TOTAL TAX REVENUE		**$8,839,293**	**$8,466,303**	**4.41%**



EXPENDITURES

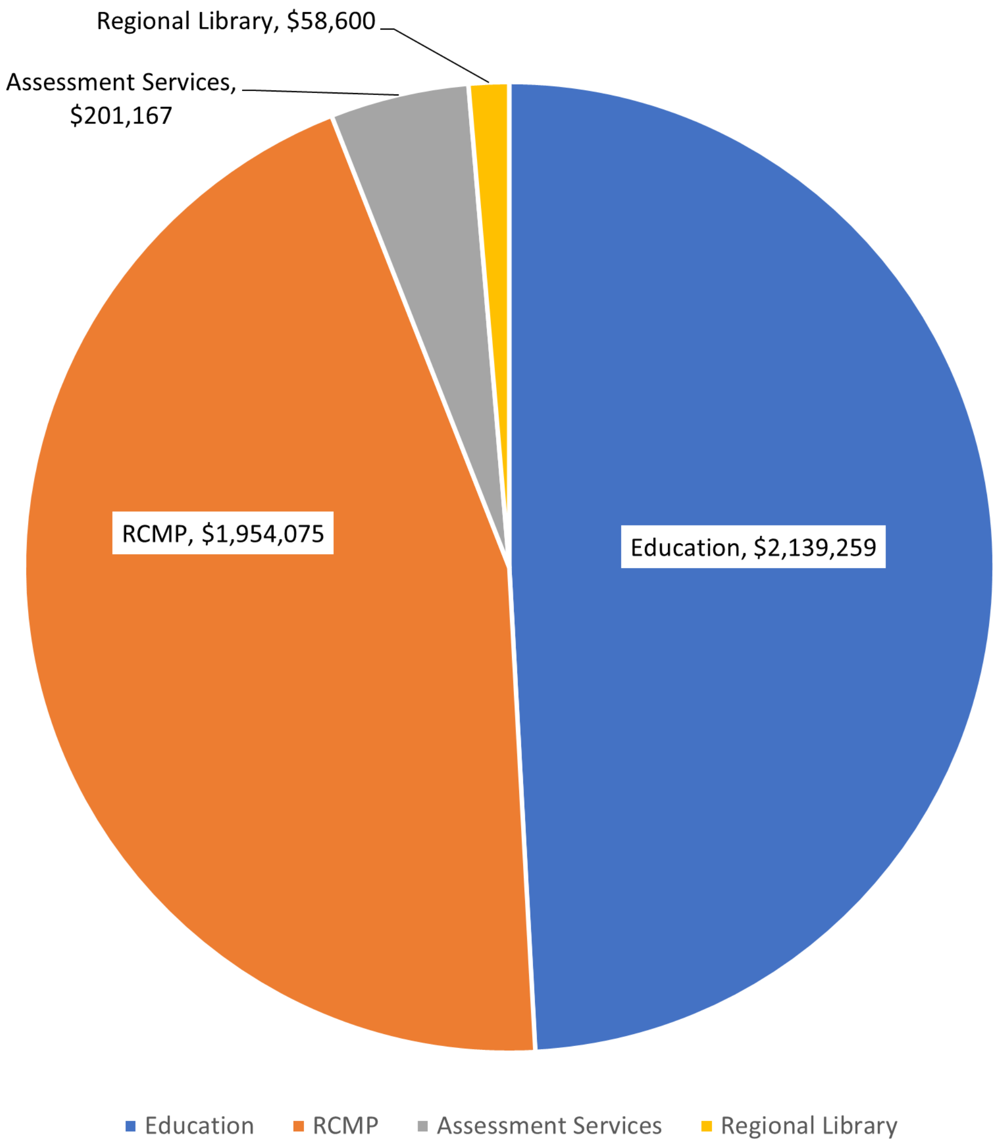
This chart details the Municipality's total expenditures by department. Total expenditures: $12,844,185.



REVENUES

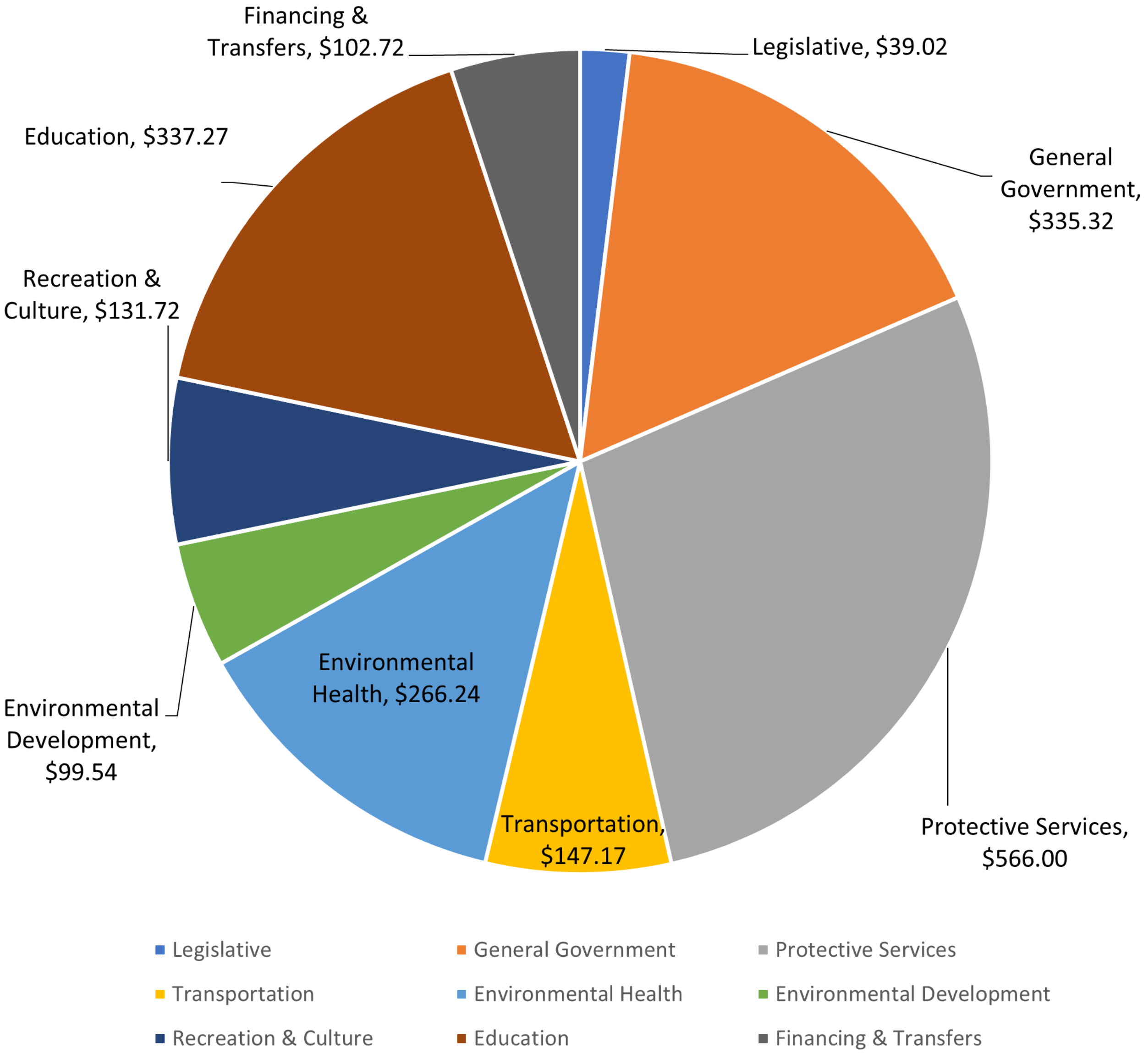
This chart details the Municipality's total revenues by source.
Total revenues: $12,844,185

MANDATORY EXPENSES



34% of the Municipal expenditures are made up from provincial mandatory expenses which equals $4,353,101 of the municipal budget.

HOW TAX DOLLARS ARE SPENT



To the owner of an average home valued at $150,000, the base budget would levy taxes of approximately $1,950 per household. If you factor in a .05 cent fire area rate, that adds an additional $75.

<u>This does not include any streetlight or sewer charge that may apply.</u>

REVENUES

2025-2026 Operational Budget Highlights - Revenues

TAX REVENUE

2025-26 BUDGET $ 9,915,016	2024-2025 BUDGET $ 9,453,460 2024-2025 ACTUAL $ 9,566,648 BUDGET VARIANCE $ 113,188 over

- Assessable property
- Area Rates
  - -Sewer
  - -Street Light
  - -Sidewalk
- Conservation Property Exemption
- Net Fire Area Rates ($'s collected minus $'s transferred to Fire Reserve)
- Village Rates (Collected minus transferred)
- Other Taxes
  - -Deed Transfer Tax
  - -Wind Turbine Taxes
  - -Bell-Based on Revenue

✓ The Residential Tax Rate is set at $1.30 and the Commercial Tax Rate is $1.85.

✓ Included in the Tax Revenue budget are area rates for sewer (connected service and frontage)

✓ The Municipal Government Act allows municipalities to impose a deed transfer tax as a revenue tool to help municipalities provide services. The rate for the Municipality of Digby is 1%.

GRANTS IN LIEU OF TAXES

2025-26 BUDGET $ 163,591	2024-2025 BUDGET $ 169,962 2024-2025 ACTUAL $ 166,279 BUDGET VARIANCE $ 3,683 under
➢ Federal Grant in Lieu ➢ Provincial Grant in Lieu ➢ Provincial Forest Acreage	✓ The Federal and Provincial governments pay grants in lieu of tax payments directly to the Municipality. The Municipality doesn't send tax bills for these properties.

SERVICES PROVIDED TO OTHER GOVERNMENTS

2025-26 BUDGET $113,396	2024-2025 BUDGET $ 107,659 2024-2025 ACTUAL $ 107,659 BUDGET VARIANCE -
➢ Annapolis Co. - Wastewater Treatment ➢ Town of Digby -Building Inspection -Dog Control ➢ Municipality of Clare -WWTP	✓ The Municipality of Digby has several Intermunicipal Agreements with other units including the Town of Digby, The Municipality of Annapolis and The Municipality of Clare

SALES OF SERVICE

2025-26 BUDGET $ 155,282	2024-2025 BUDGET $ 152,178 2024-2025 ACTUAL $ 152,760 BUDGET VARIANCE $ 582 over
➢ Tax Certificates ➢ Dispatch Services ➢ Airport Revenue	✓ The Municipality of Digby provides Dispatch Services to Clare, Argyle, Yarmouth, and the Town of Yarmouth.

REVENUE FROM OWN SOURCES

2025-26 BUDGET $ 982,542	2024-2025 BUDGET $1,014,133 2024-2025 ACTUAL $ 1,163,879 BUDGET VARIANCE $ 149,746 over
➢ Licenses & Permits ➢ Municipal Fines ➢ Income on Investments ➢ Interest on Outstanding Taxes ➢ 800 Kw Wind Turbine ➢ Subdivision & Planning Fees ➢ Commercial Garbage Fees ➢ Marketing Levy	✓ The Municipality of Digby owns and operates an 800 Kw wind turbine and receives revenues annually from NS Power ✓ The Municipality of Digby receives revenues from local businesses for garbage disposal ✓ The Municipality and Town of Digby have a marketing levy that is used to fund Tourism initiatives that benefit both units

UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS

2025-26 BUDGET $ 1,268,107	2024-2025 BUDGET $ 1,274,647 2024-2025 ACTUAL $ 1,288,830 BUDGET VARIANCE $ 14,183 over
➢ Municipal Financial Capacity Grant ➢ Farm Acreage Grant ➢ NS Power Grant In Lieu ➢ NS Power HST Offset ➢ Divert -Household Hazard Waste ➢ 911 Recovery Fee Share	✓ A Municipal Financial Capacity Grant is provided to Municipalities by the Province and is measured by the cost of providing services against ability to pay. ✓ Renewable Energy Projects include a feasibility study for the refurbishment of the Biogas Generator and as well, a Solar Park Engineering Study ✓ Grants in lieu of taxes for farm acreage and NS Power.

CONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS

2025-26 BUDGET $ 156,300	2024-2025 BUDGET $ 19,800 2024-2025 ACTUAL $ 195,328 BUDGET VARIANCE $ 175,528 over
➢ Project Funding	✓ Trails Funding ○ Rail Bed ✓ Renewable Energy Funding (To be confirmed) ○ Biogas Generator Refurbishment Feasibility Study (Grant) ○ Solar Park Engineering Study (Grant)

TRANSFERS FROM OWN FUNDS/RESERVES

2025-26 BUDGET $ 89,951	2024-2025 BUDGET $ 191,500 2024-2025 ACTUAL $ 359,901 Budget Variance $ 168,401 over
✓ Operating Reserve ✓ Lighthouse Reserve ✓ Gas Tax Reserve	✓ Transfers from operating reserves to fund lighthouse expenditures and DARC capital projects.

EXPENDITURES

Operational Budget Highlights - Expenditures

GENERAL GOVERNMENT SERVICES

2025-26 BUDGET	2024-2025
2025-26 BUDGET $ 2,374,354	2024-2025 BUDGET $ 2,195,872 2024-2025 ACTUAL $ 2,058,593 Budget Variance $ 137,279 under

- Legislative (Council)
- General Administrative salaries
- Employee Benefits
- Taxation
- Financial Management
- Municipal Office Operations
- Information Technology
- Communication
- Other General Gov Services
- Community Grants
- Grants to Villages

- ✓ Wages
- ✓ Health premiums
- ✓ Low-income Tax rebate of $350 – $600 for families whose income does not exceed $ 33,000
- ✓ Assessment Services (PVSC) – PVSC provides annual property assessments to municipalities.

PROTECTIVE SERVICES

2025-26 BUDGET $ 3,589,979	2024-2025 BUDGET $ 3,418,227 2024-2025 ACTUAL $ 3,283,161 Budget Variance $ 135,066 under

- Policing Services
- Law Enforcement
- Dog /Cat Control
- Fire Protection
- Building Inspection Services
- Dispatch Services
- Emergency Management

- ✓ RCMP
- ✓ WCB Coverage being provided to all Volunteer Fire Departments
- ✓ 60% Insurance for Fire Departments
- ✓ Full time Fire Services Coordinator 25/26

TRANSPORTATION SERVICES

2025-26 BUDGET $ 933,461	2024-2025 BUDGET $ 889,727 2024-2025 ACTUAL $ 827,057 Budget Variance $ 62,670 under

- Public Works Salaries
- Road Transport
- Street Lights
- Airport Expenditures
- Dispatch Expenditures
- Avgas and Jet Fuel Purchases
- Public Transit
  - Kings Transit
  - Transport de Clare

- ✓ Wages
- ✓ Town of Digby doing snow and ice removal
- ✓ Kings Transit and Transport de Clare provide transportation services for the Municipality

ENVIRONMENTAL HEALTH SERVICES

2025-26 BUDGET $ 1,688,727	2024-2025 BUDGET $ 1,573,363 2024-2025 ACTUAL $ 1,444,527 Budget Variance $ 128,836 under

- Waste Check Administration
- Waste Water Collection & Treatment
  Digby; Weymouth; Bear River and Smiths Cove
- Solid Waste
- Collection & Disposal; Transfer
  Station; Public Drop Off

- ✓ Wages
- ✓ Garbage Contract with Digby Salvage and Disposal
- ✓ Public Drop off available to residents of the Municipality and Town of Digby

PUBLIC HEALTH SERVICES

2025-26 BUDGET $ 0	2024-2025 BUDGET $ 41,000 2024-2025 ACTUAL $ 9,118 Budget Variance $ 31,882 under

- Western Region Housing Authority

- ✓ Deficit of Housing Authority no longer a Municipal mandatory expense

ENVIRONMENTAL DEVELOPMENT SERVICES

2025-26 BUDGET $ 631,384	2024-2025 BUDGET $ 601,955 2024-2025 ACTUAL $ 528,724 Budget Variance $ 73,231 under

- Planning & Development
- Economic Development (WREN, economic development projects, DDA)-Tourism
- Special Projects
- Digby Area Tourism Assoc.
- Renewable Energy Consulting Services
- Renewable Energy Projects
- Municipal Marketing & Events
- Wind Turbine Operating Costs

- ✓ EV Charging expenses
- ✓ Doctor Recruiting Initiative
- ✓ Marketing Levy
- ✓ Renewable Energy Projects (To be confirmed)
  - Biogas Generator Refurbishment Feasibility Study
  - Solar Park Engineering Study

RECREATION AND CULTURAL SERVICES

2025-26 BUDGET $ 835,512	2024-2025 BUDGET $ 757,612 2024-2025 ACTUAL $ 739,371 Budget Variance $ 18,241 under

- Recreation Operating & Capital
- Municipal trail maintenance
- Balancing Rock
- Trails & Open Space grants
- Haines Lake Property Costs
- Lighthouses
- Regional and local libraries
- Heritage
- Heritage projects

- ✓ Digby Area Recreation Commission budget
- ✓ Trails Projects: Rail Bed
- ✓ Lighthouses (Point Prim, Boars Head, Bear River, Peter's Island)
- ✓ Registered Heritage Church Grant Program

EDUCATION

2025-26 BUDGET $ 2,139,259	2024-2025 BUDGET $ 1,928,583 2024-2025 ACTUAL $ 1,928,583

- Tri-County Regional School Board

- ✓ Education is a mandatory expense from the Province

FINANCING AND TRANSFERS

2025-26 BUDGET $ 651,509	2024-2025 BUDGET $ 977,000 2024-2025 ACTUAL $ 990,000 Budget Variance $ 13,000 over

- Debenture Principal Payments
- Transfer to Capital Reserves
- Trail/Open Space Reserve

- ✓ Debenture Principal
- ✓ Capital Reserves Transfer
- ✓ Transfer to Trail/Open Space Reserve

THANK YOU!

If you have any further questions, please contact the Municipal Office via telephone 902-245-4777 or email administration@digbymun.ca.

You can view more information on our website at digbymun.ca.