



Municipality of the District of Argyle

Item: February 27, 2024

Date: WCRL request for funding

Vision statement

Argyle is the community of choice to invest, live and play.

Mission statement

Argyle invests time & talent in growth opportunities in fishing, tourism, and renewable energy sectors.

Argyle provides affordable taxation while providing safe and healthy communities and strives to engage and inform our residents on decisions that affect them most.

Argyle provides high class, accessible recreational and cultural facilities and helps celebrate its unique heritage and culture and welcomes new residents to our region.

CAO's Recommendation:

Recommend that the council approve the one-time request from the Western Counties Regional Library (WCRL) and that Council write a letter of support to the WCRL board to support their efforts to negotiate a new Library Funding Formula.

Suggested motion:

Move that Council approve the funding request of \$3,200 to the Western Counties Regional Library for the budget year ending March 31, 2025, and write a letter supporting the Library Board's intentions to negotiate a new funding formula.

Background:

The Western Counties Regional Library (WCRL) is a Tri County organization, operating library services in various regions. In Argyle, they operate the West Pubnico satellite office located in Pubnico Head. They are funded primarily (63%) by the provincial government, and 23% by municipal governments. Remaining revenues come from internal sources, federal government, and special grants.

CAO reviewed the audited statements As of March 31, 2023, and prior 4 years. The WCRL had about \$1,311,000 in accumulated surplus in 2023, which are entirely restricted internally for library functions.

The recent letter received by WCRL (attached) indicates that staff retention and salary costs are escalating and will continue to increase due to minimum wage increases as well as other raises necessary to retain staff. Staff salaries increased \$70,000 from 2022 to 2023. While there is no doubt that the WCRL is in good fiscal shape today, provincial funding must increase to cover future issues. The board is concerned that cost increases are not being offset by provincial grant increases. There is no current escalation in provincial grants for the board for inflation.

The concern is for future costs, particularly in a high inflation environment, and with no negotiated formula with the province, it leaves municipalities to shoulder the concern. While fair compensation of staff is a WCRL issue, having stable, well compensated positions in our region is certainly a benefit to our community.

Provincial download:

Normally, these types of situations raise concerns for precedent setting. As municipalities, we are not in the position to take over from areas of provincial responsibility, and often give that a negative name of downloading. This is certainly not the intention of the province, but it is what is occurring in a sense without a negotiated formula that considers the cost of doing business.

On the other hand, the WCRL offers a tremendous service to all our communities. This service isn't only a provincial one, it is a shared service and one that delivers meaningful results to many communities. While a request from municipalities without provincial consideration may be considered troublesome, the commitment to aid this organization carries a lot of merit.

The WCRL's Board has the responsibility to advocate for a change in their funding formula, and have a group of provincial librarians to support the cause. Our role as Council could be to support the WCRL in their efforts to negotiate a new deal.

MGA considerations:

Contribution to WCRL is allowable under section 65au.

Financial considerations:

\$3,200 is a small contribution, small as it is shared amongst many municipalities. Not a budgetary concern.