



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Donna White
DATE: 01/05/2017
SUBJECT: 2017 Budget Report
ATTACHMENTS: N/A

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receives the 2017 Budget Report from the Director of Finance and that Council considers the passing of By-Law # 37-2017 to adopt the budget and tax rates which is included in the By-law section of the agenda package;

AND FURTHER THAT Council approves an exception to Section 19.1 of the Procedural By-law to allow the By-law to be passed at the May 1, 2017 Council Meeting;

AND FURTHER THAT the Reeve and Clerk be authorized to sign By-Law #37-2017.

EXECUTIVE SUMMARY

Section 290 of the Municipal Act, S.O. 2001, c. 25 as amended, requires Municipalities to annually prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality and Section 312 (2) provides that for the purposes of raising the general local municipality levy, a local municipality shall, each year, pass a by-law levying a separate tax rate, as specified in the by-law, on the assessment in each property class in the local municipality rateable for local municipality purposes.

DISCUSSION

The following is a Summary of the 2017 Budget:

- ❖ Overall spending increase – 3.61% = \$170,662.00
- ❖ Total expenses - \$18,445,569.00
- ❖ Total revenues - \$13,215,863.00
- ❖ Transfer from Tax Stabilization Reserve - \$338,066.00
- ❖ \$4,891,640.00 raised from taxation
- ❖ \$3,350,885.00 raised from base rate
- ❖ \$1,534,240.00 raised from area rating
 - Wingham - \$1,186,296.00 – Wingham Police and street lighting
 - Blyth - \$202,368.00 – OPP Policing and street lighting
 - East Wawanosh - \$145,576.00 – OPP Policing and street lighting
- ❖ \$6,515.00 raised from flat rate streetlights
- ❖ Water and sewer services has no effect on tax rate – fully funded by user fees
- ❖ Applicable wage adjustments (1.8%) and eligible grid movements have been included
- ❖ Increase in OMPF Grant in the amount of \$129,900.00 included

- ❖ Increase in OPP Billing costs for Blyth & E/W (area rated) included in the amount of \$36,057.00
- ❖ Increase in revenue due to passing of Rates and Fees by-law included
- ❖ OCIF Formula Based Allocation - \$153,031.00 - \$152,000 included in the budget as per council motion
 - \$105,000 Tar & Chip Program
 - \$15,000 P/W Facility Condition Assessment and Space Needs
 - \$32,000 AMP Financial Analyst/GIS new staff position
- ❖ \$50,000 included for Township share of Memorial Hall renovations
- ❖ Total Debt Payments (P & I) in the amount of \$ 249,799.14 (P - \$171,871.87 & Int - \$77,927.27) included
- ❖ Hospital Donation Year 2 - \$50,000.00 (Total of \$250,000) results in a 1.06% increase
- ❖ LED Streetlight Conversion Project included with capital cost to be borrowed from internal water & sewer reserves and to be paid back with the savings in decreased consumption and maintenance costs.
- ❖ ESTC – projected deficit of \$51,847.00 and will be monitored throughout the year
- ❖ Amortization is not included in the budget
- ❖ Total Capital spending \$5,820,987.00.
- ❖ Gas Tax Annual Average investment limit is \$1,281,000 in capital assets after grants and gas tax

Capital Budget - \$5,820,987.00

- Town Hall HVAC - \$45,000
- Theatre Renovations – \$78,348.00 funded by donations and Trillium grant
- Fire Equipment/Bunker gear – \$49,990.00
- Fire Hall Grates - \$6,500.00
- LCB – Tar & Chip Program - \$105,000.0
- Arthur Street – total of which includes roads/water/ sewer \$227,500.00
- Westmoreland Street - Blyth - \$435,000.00
- Patrick Street – final lift of asphalt - \$32,000.00
- Howson Dam EA/Dam Safety Investigation - \$100,000.00
- Roads – Equipment - \$20,000.00
- Plow Truck - \$270,000 – \$ borrowed
- Backhoe/Loader - \$120,000.00
- Streetlight LED Replacement Program - \$540,000.00
- Sewer – Equipment - \$7,500.00
- Wingham Sludge Holding Cell - \$180,000.00
- Wingham STP – UV Replacement - \$105,000.00
- Blyth STP – Clarifier Weir Replacement - \$32,500.00
- CCTV/Sewer Camera work – \$100,000.00 to assist in determining condition assets for Asset Management Plan
- Water equipment - \$30,000.00
- Water – Blyth Road Development - \$30,000.00
- Water Standpipe EA & Detailed Design – \$200,000.00

- Wayfinding Signs - \$10,000.00
- Pool renovation project - \$426,697.00
- Fitness Centre – cross trainer - \$9,000.00
- Recreation Software Update - \$45,000.00
- Complex – Humidity Invasion Research - \$97,255.00
- Blyth Arena Lights – conversion to LED - \$25,000.00
- Memorial Hall – Phase2 Renovation Project - \$2,493,697.00

Total Tax Bill

- ❖ According to MPAC market trends, the average residential assessment is 176,000 for North Huron
- ❖ A property assessed at 176,000 will reflect the overall increases:
 - Wingham - \$86.02 = 2.57%
 - Blyth - \$96.62 = 3.35%
 - East Wawanosh - \$52.88 – 1.96%
- ❖ Tax Allocation by Ward
 - Wingham – 58.73%
 - Blyth – 17.57%
 - East Wawanosh – 23.70%
- ❖ The Township of North Huron will keep 59.32% of the tax bill for its own purposes, the County of Huron will receive 26.22% and the School Boards will receive 14.46% for education purposes.

FINANCIAL IMPACT

Approval of the 2017 Budget will enable operational and capital plans to move forward.

FUTURE CONSIDERATIONS

Once the budget is passed, year to date reports will be compiled for review by Department Heads and Council and monitored throughout the year.

RELATIONSHIP TO STRATEGIC PLAN

Goal #4 – Our administration is fiscally responsible and strives for operational excellence.



Donna White, Director of Finance



Sharon Chambers, CAO