



2018 Budget

“Setting the Stage”

November 13, 2017



Purpose

To inform the 2018 budget process

To prepare for the 2018 budget process

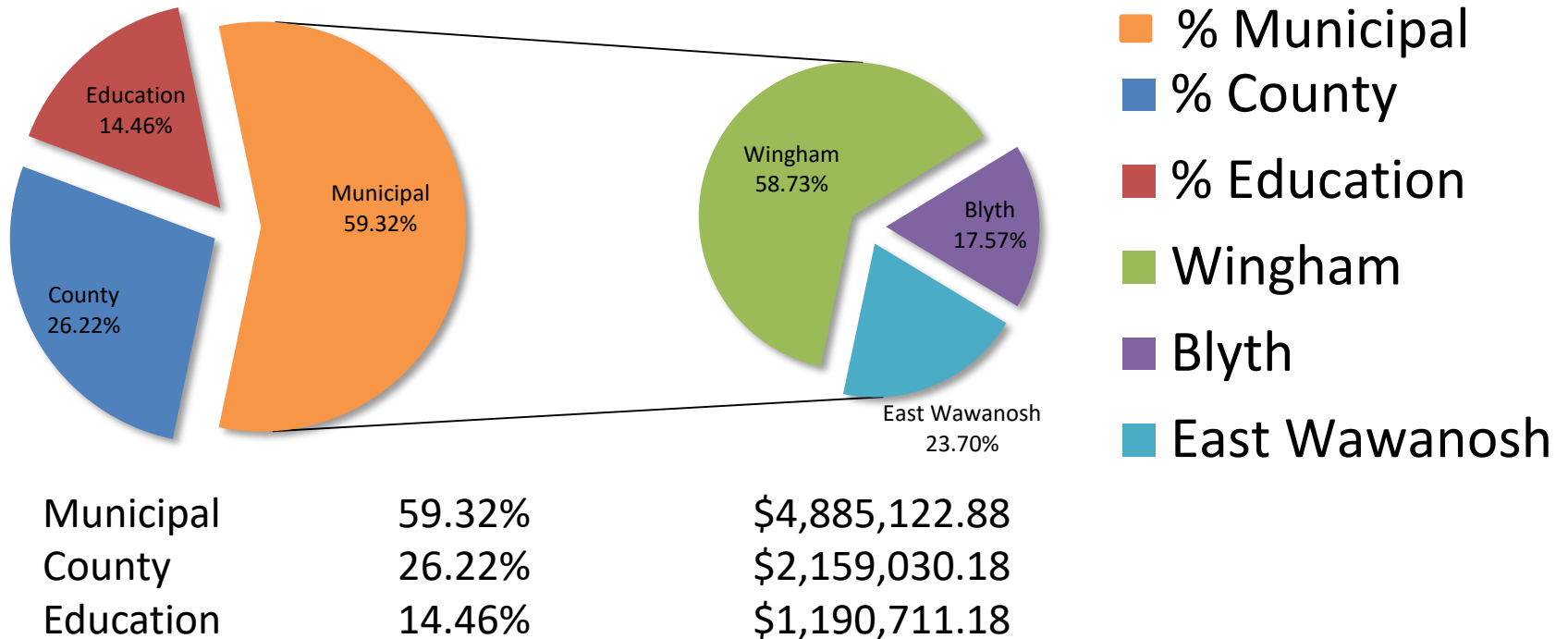


Questions to Ponder

1. What are Council's priorities?
2. How are priorities going to be determined?
3. Long Term Capital Planning Decisions



Where does the money go?





Spending Commitments

Council & Administration	Animal Control	Emergency Planning	Planning & Development
North Huron Fire Department – Wingham and Blyth Stations –	ESTC Centre in Blyth	North Huron Museum	Sanitary Sewer Systems in Wingham and Blyth
Police – Wingham and OPP for Blyth and East Wawanosh	Cemeteries – Wingham and Blyth	Childcare Centre – including Before and After, Early Years and Early Learning	Parks , Trails & Playgrounds – Sports fields -- Wingham and Blyth
MVCA Levy	Wingham Trailer Park	Blyth Campground	Airport
Building Official/ Property Standards	North Huron Westcast Community Complex	Blyth Arena/Hall	Contribute to Belgrave Arena – operated by a Board
Water systems in Wingham and Blyth and pay our share of the Belgrave System	Drainage	Community Development	Memorial Hall/Meeting Room
Waste Dept – operate Wingham and E/W Landfill and pay our share of B/H	Wingham Library	Blyth Library (leased)	Roads – maintain 167.1 km road, 11 bridges, traffic lights
Donations/Community Commitments	Streetlights – in Blyth and Wingham – some in the hamlets	Rec Programs/Fitness Programs/Aquatic Programs/DayCamps	Debt payments



Debt Obligations

	Term	Year Paid	Loan Amount (\$)	Loan Balance (\$)	Annual Pmts (P & I)
ESTC Centre	20	2032	1,200,000.00	1,001,209.76	85,518.14
Grader	15	2026	242,000.00	170,327.40	21,968.76
RINC Grant	10	2022	264,000.00	154,989.03	31,418.65
Fire Payout	15	2026	838,000.00	589,811.27	76,073.66
Road Projects	10	2021	293,000.00	145,401.74	34,974.16
Total			\$2,837,000.00	\$2,061,739.20	
Debt Payments	\$249,953.37 - (\$178,053.17 (Principal) & \$71,900.20 (Interest))				



2018 Commitments

Project	Amount/year	Duration
Arthur Street	\$212,500.00	
Hospital Donation	\$50,000.00	Annual for 5 years (2020)
Memorial Hall	\$235,388.00	
Mill Street	\$222,222.00	15 years
Streetlight LED Program	\$414,218.00	
Master Servicing Report	????	
Daycare Roof Report	\$30,000.00 (engineering)	
Pay Equity/Minimum Wage	????	
TOTAL	\$1,164,328.00	

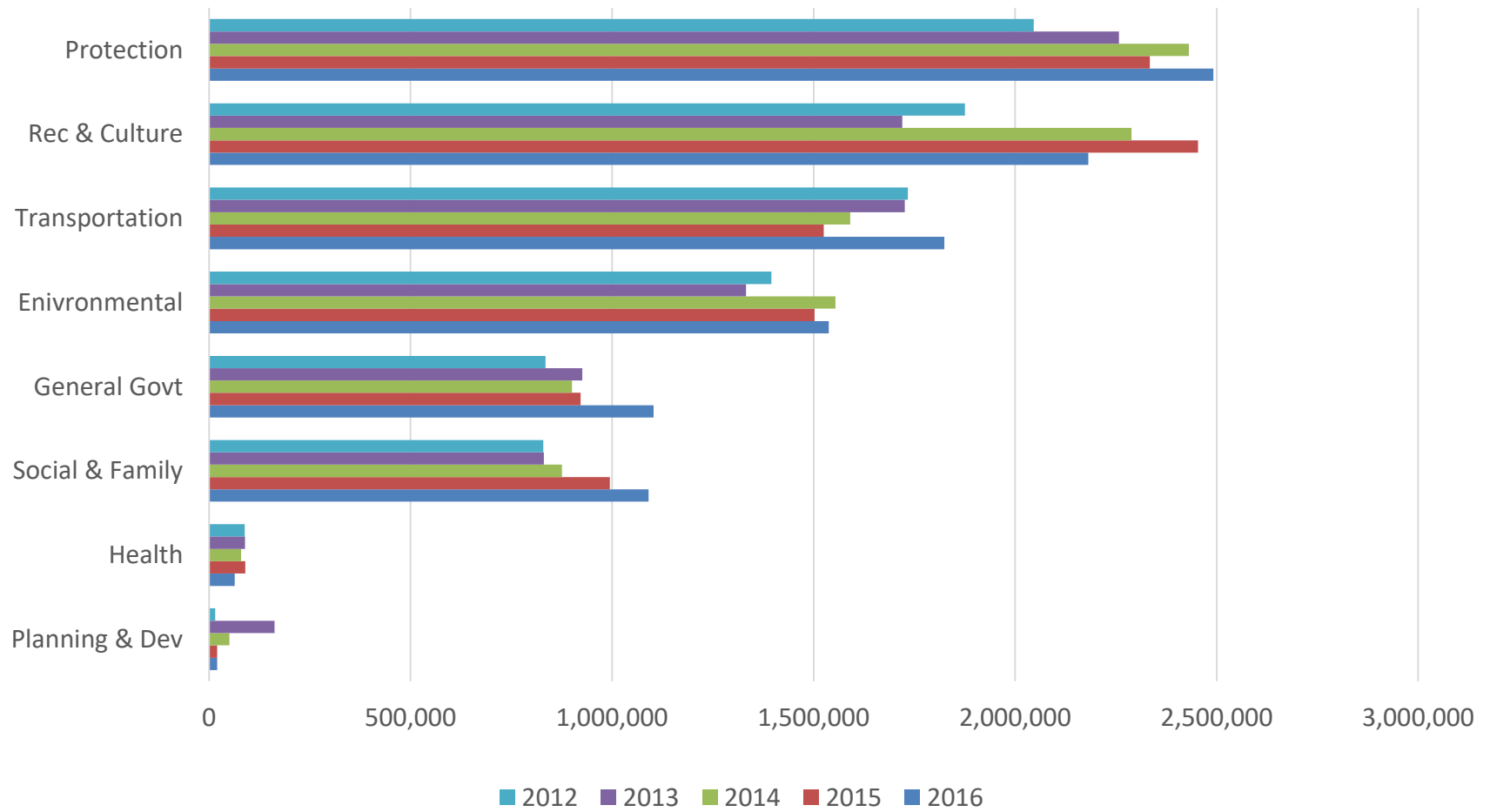


Service Categories (FIR)

- General Government - Council, Administration
- Recreation and Culture – Parks, Libraries, Museum, Memorial Hall
- Planning and Development – Planning, Zoning
- Social and Family – Child Care
- Health - Cemeteries
- Environmental – Water, Sewer, Storm - (urban & rural), Waste
- Transportation – Roads, Streetlighting, Airport
- Protection – Fire, Police, Court Security, Prisoner Transport, Conservation Authority, Building, ESTC and Emergency Planning

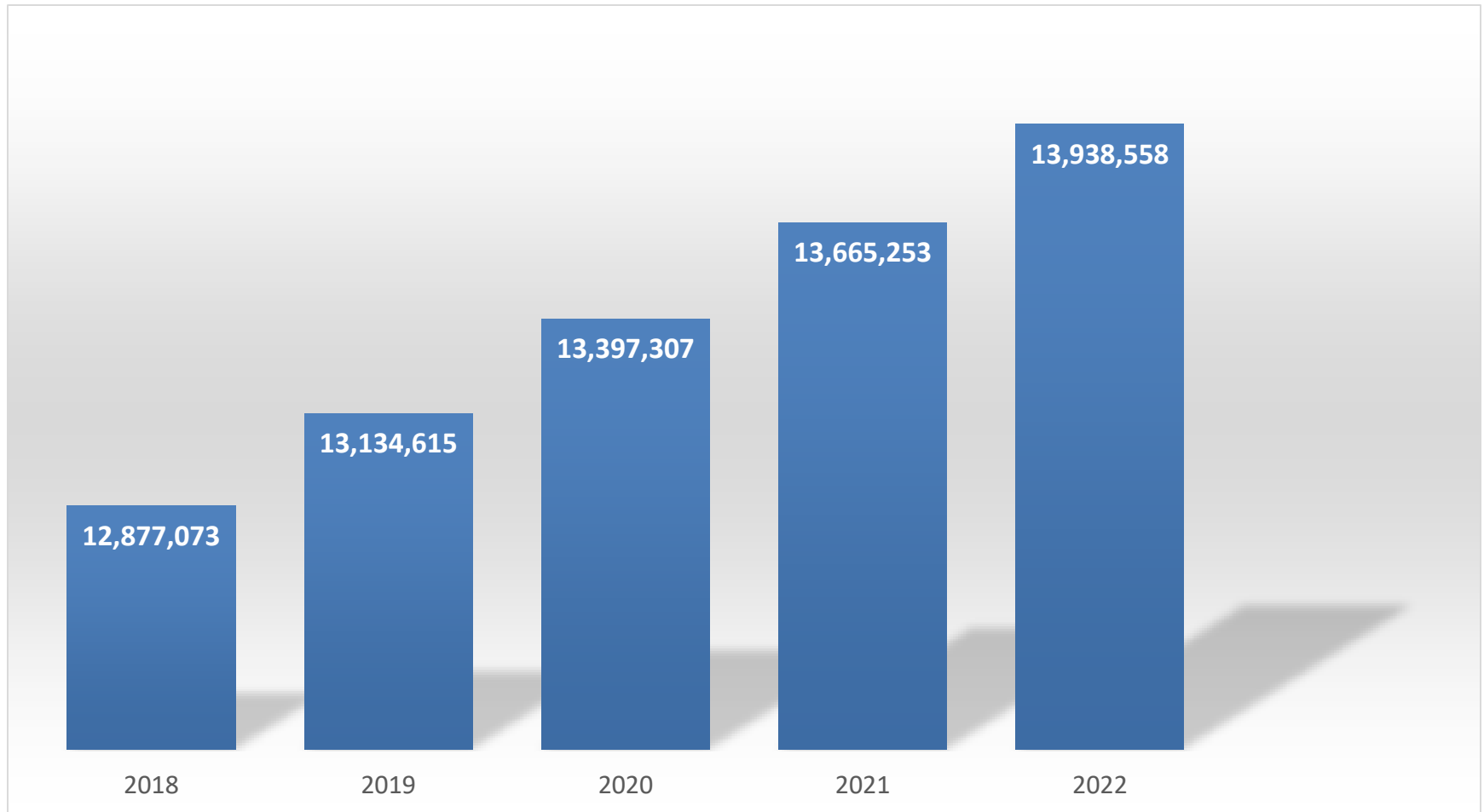


2012 – 2016 Operating Expenses





Operating Expenses Forecast 2018-2022 @ 2% CPI





General Government Operating and Capital (2017)

	Revenue	Expense	Net Cost
General Gov't	**1,567,802.00	124,804.00	1,442,998.00
Members of Council		96,000.00	(96,000.00)
Administration	135,461.00	1,062,913.00	(927,452.00)
Total	1,703,263.00	1,283,717.00	419,546.00

** OMPF Grant



Recreation & Culture

Operating and Capital (2017)

	Revenue	Expense	Net Cost
Parks	16,650.00	216,683.00	(200,033.00)
Trailer Park	9,778.00	14,207.00	(4,429.00)
Blyth Campground	22,390.00	68,844.00	(46,454.00)
Rec, Aquatic/Fitness Programs	748,102.00	1,094,308.00	(346,206.00)
Rec and Complex Admin	46,500.00	422,577.00	(376,077.00)
3 Arenas/Community Centres	529,612.00	807,300.00	(277,688.00)
2 Concession Booths	64,600.00	63,439.00	1,161.00
2 Libraries	24,996.00	47,293.00	(22,297.00)
Museum	20,450.00	48,994.00	(28,544.00)
Blyth Memorial Hall		63,659.00	(63,659.00)
Total	\$1,483,078.00	\$2,847,304.00	(\$1,364,226.00)



Planning & Development Operating Expenses (2017)

	Revenue	Expense	Net Cost
Community Development **		184,792.00	(184,792.00)
Planning & Zoning	23,200.00	20,000.00	3,200.00
Drainage	15,900.00	25,200.00	(9,300.00)
Total	39,100.00	229,992.00	(190,892.00)

** Includes Community Partnership Donations of \$53,335.00



Social & Family Services Operating and Capital Expenses (2017)

	Revenue	Expense	Net Cost
Child Care	744,840.00	809,399.00	(64,559.00)
Early Learning	87,276.00	91,403.00	(4,127.00)
Before & After – Maitland	155,996.00	106,177.00	49,819.00
Before & After – Sacred Heart	31,234.00	29,446.00	1,788.00
Early Years	86,483.00	86,483.00	
Total	1,105,829.00	1,122,908.00	(17,079.00)



Health Services Operating and Capital (2017)

	Revenue	Expense	Net Cost
Blyth/Wingham	114,550.00	153,477.00	(38,927.00)



Environmental Services Operating and Capital Expenses (2017)

	Revenue	Expense	Net Cost
Sanitary Sewer	1,431,768.00	1,431,768.00	
Water	1,721,664.00	1,721,664.00	
Waste Diversion/Disposal	282,000.00	557,975.00	(275,975.00)
Total	3,435,432.00	3,711,407.00	(275,975.00)



Transportation Services Operating and Capital Expenses (2017)

	Revenue	Expense	Net Cost
Roads/Public Works	1,394,300.00	2,936,681.00	(1,542,381.00)
Street lighting	546,515.00	695,710.00	(149,195.00)
Airport	99,748.00	99,856.00	(108.00)
Total	2,040,563.00	3,732,247.00	(1,691,684.00)



Protection Services Operating and Capital (2017)

	Revenue	Expense	Net Cost
Fire	325,078.00	625,077.00	(299,999.00)
FPO & NH Only	5,000.00	151,494.00	(146,494.00)
ESTC	208,079.00	259,926.00	(51,847.00)
Policing	93,787.00	1,505,434.00	(1,411,647.00)
Conservation Authority		84,840.00	(84,840.00)
Building Department	156,607.00	217,178.00	(60,571.00)
Property Standards		15,796.0	(15,796.00)
Animal Control	11,800.00	6,000.00	5,800.00
Emergency Planning		5,075.00	(5,075.00)
Total	800,351.00	2,870,820.00	(2,070,469.00)



Operating and Capital Revenue and Expenses Summary (2017)

Service Category	Total Revenue	Total Expense	Net Loss/Gain
General Government**	1,703,263.00	1,283,717.00	419,546.00
Protection	800,351.00	2,870,820.00	(2,070,469.00)
Transportation	2,040,563.00	3,732,247.00	(1,691,684.00)
Environmental	3,435,432.00	3,711,407.00	(275,975.00)
Health (Cemetery)	114,550.00	153,477.00	(38,927.00)
Social & Family	1,105,829.00	1,122,908.00	(17,079.00)
Rec and Culture***	1,483,0178.00	2,847,304.00	(1,364,226.00)
Planning and Development	39,100.00	229,992.00	(190,892.00)
Total	10,722,166.00	15,951,872.00	(5,229,706.00)



2017 Capital

	Budget	Grant Funding	Long Term Borrowing	Reserves	User Fees	Gas Tax	Taxation	Donations/ Other	Total
Townhall HVAC	45,000.00			24,112.00			20,888.00		45,000.00
Theatre Renovations	78,348.00	3,000.00		73,848.00				1,500.00	78,348.00
Fire Equipment	49,990.00							49,990.00	49,990.00
Fire Hall Grates	6,500.00						6,500.00		6,500.00
LCB - Tar & Chip	105,000.00	105,000.00							105,000.00
Roads - Arthur Street	95,000.00			95,000.00					95,000.00
Westmoreland Street	300,000.00					300,000.00			300,000.00
Patrick St - Final Lift	32,000.00						32,000.00		32,000.00
Howson Dam	100,000.00			100,000.00					100,000.00
Roads - Equipment	20,000.00						20,000.00		20,000.00
Plow Truck	270,000.00		270,000.00						270,000.00
Backhoe	120,000.00			120,000.00					120,000.00
Streetlight Program	540,000.00		540,000.00						540,000.00
Sewer - Equipment	7,500.00				7,500.00				7,500.00
Sludge Holding Cell	180,000.00				180,000.00				180,000.00
Wingham STP - UV	105,000.00				105,000.00				105,000.00
Blyth STP - Clarifer	32,500.00				32,500.00				32,500.00
Sewer - Camera Work	100,000.00				100,000.00				100,000.00
Sewer - Arthur Street	37,500.00				37,500.00				37,500.00
Water - Westmoreland St	135,000.00				135,000.00				135,000.00
Water - Equipment	30,000.00				30,000.00				30,000.00
Water - Arthur Street	95,000.00				95,000.00				95,000.00
Water - Blyth Road Dev	30,000.00				30,000.00				30,000.00
Water Tower	200,000.00				200,000.00				200,000.00
Wayward Signs	10,000.00			10,000.00					10,000.00
Pool Project	426,697.00	150,000.00		182,000.00			94,697.00		426,697.00
Fitness - Cross Trainer	9,000.00			4,000.00			5,000.00		9,000.00
Rec Software - Legends	45,000.00			45,000.00					45,000.00
Complex Roof	97,255.00			97,255.00					97,255.00
Blyth Arena Lights	25,000.00			14,668.00			10,332.00		25,000.00
Memorial Hall	2,493,697.00	367,827.00		507,990.00				1,617,880.00	2,493,697.00
Total Capital	5,820,987.00	625,827.00	810,000.00	1,273,873.00	952,500.00	300,000.00	189,417.00	1,669,370.00	5,820,987.00

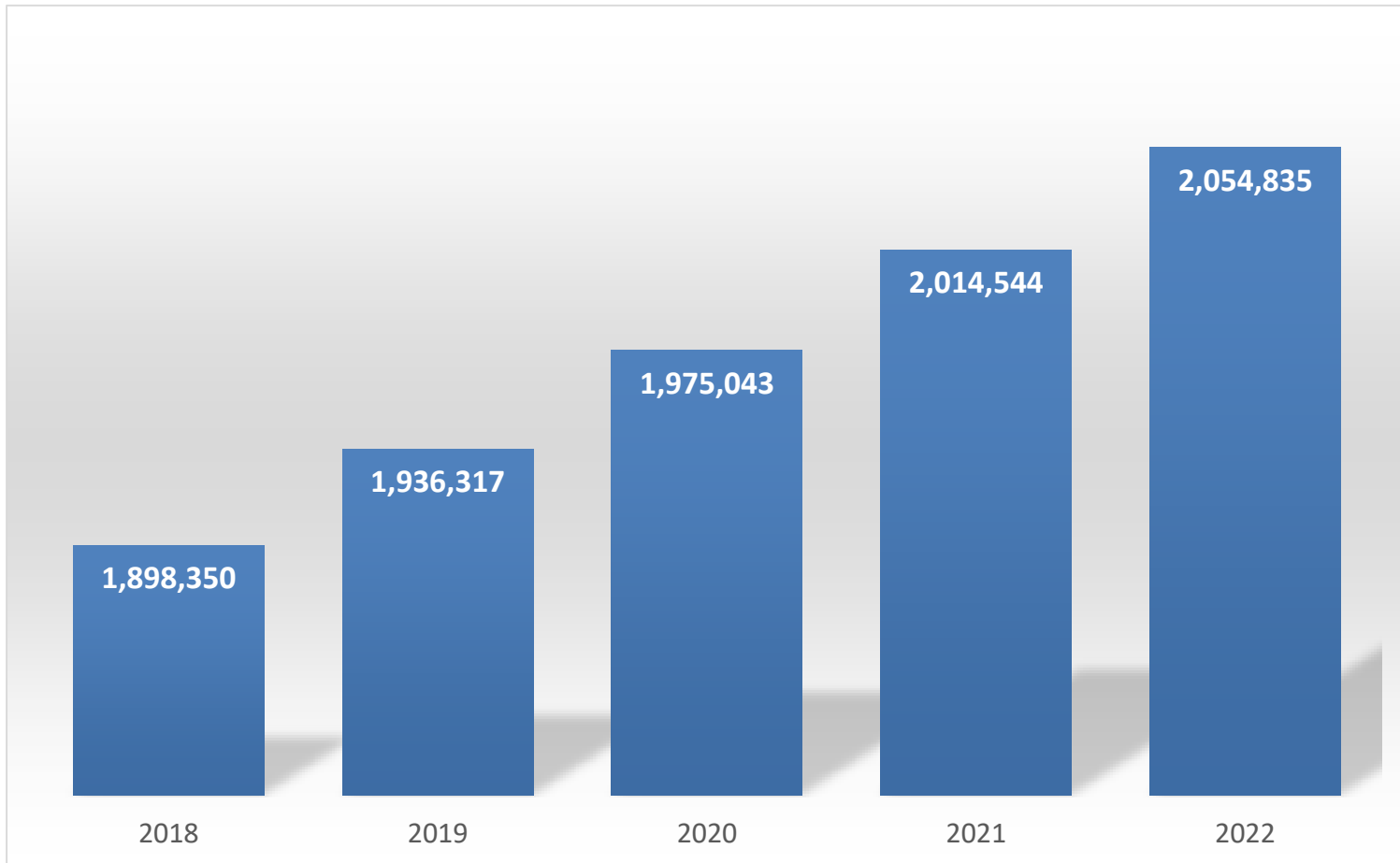


Capital Planning Decisions

Project	Amount/year	Duration
Asset Management-Reserves	\$128,000	20 years
Road Construction	\$1,000,000	5 years
Bridge Maintenance	\$11,000	10 years
Equipment Replacement (PW)	\$585,000	20 years
Museum	\$265,000	15 years
Servicing Masterplan Report	In Process	
Public Works Building Report	In Process	
Howson Dam Report	In Process	
TOTAL	\$ 1,861,128 (2017)	



Capital Planning Forecast @ 2% CPI

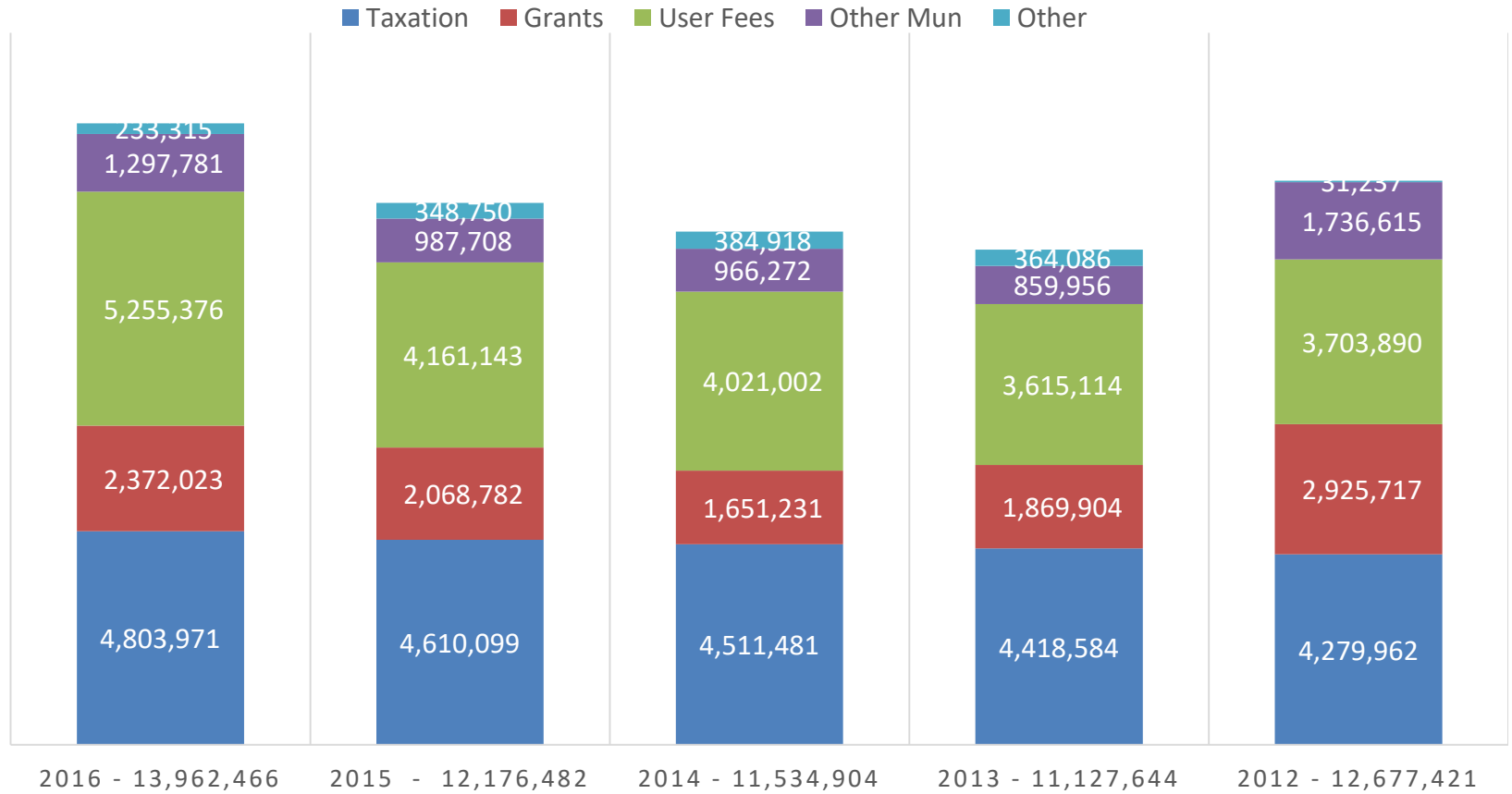




Reserves and Reserve Funds

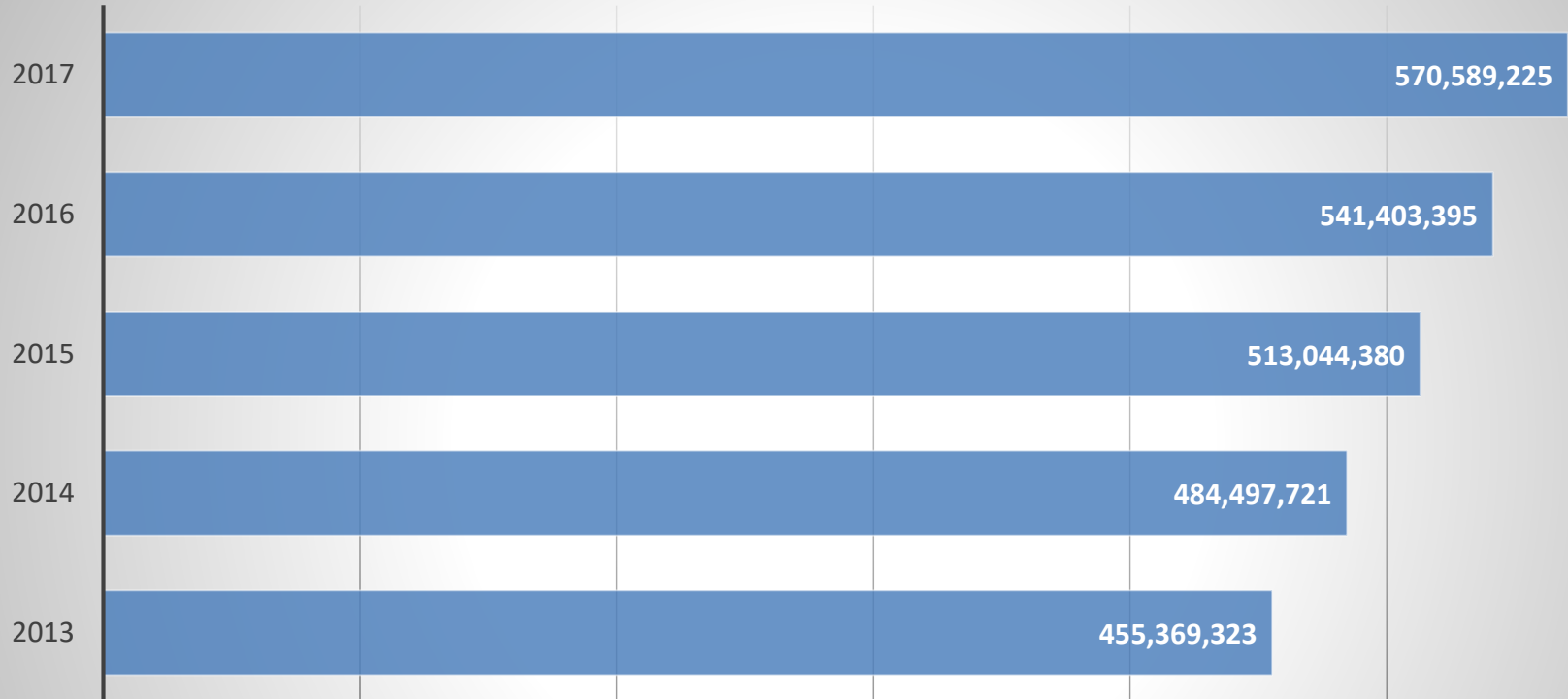
	2012	2013	2014	2015	2016
Working Funds	1,714,900.00	1,837,612.00	2,005,753.00	2,479,009.00	2,779,424.00
Sick Leave		12,183.00	24,348.00	24,348.00	24,348.00
Insurance	51,178.00	51,178.00	51,178.00	51,178.00	56,178.00
WSIB	156,176.00	147,525.00	145,975.00	142,065.00	20,291.00
Tax Stabalization	379,022.00	396,924.00	423,913.00	422,009.00	459,257.00
General Govt	626,787.00	439,917.00	283,185.00	372,228.00	447,991.00
Protection	238,259.00	397,292.00	87,186.00	228,794.00	(672.00)
Roads	209,477.00	214,527.00	217,006.00	210,429.00	175,366.00
Wastewater	1,935,866.00	2,199,999.00	2,352,751.00	2,657,153.00	3,030,782.00
Water	1,282,930.00	1,662,304.00	2,040,151.00	2,678,210.00	2,619,186.00
Waste	102,287.00	124,535.00	153,657.00	184,704.00	215,325.00
Health Services (Cemetery)	56,434.00	56,434.00	56,434.00	43,426.00	34,426.00
Social & Family Services	87,055.00	100,961.00	123,680.00	129,234.00	125,707.00
Recreation & Cultural	118,734.00	133,193.00	70,437.00	84,430.00	99,458.00
Cultural		13,796.00	4,000.00	42,406.00	73,849.00
Planning & Development	278.00	278.00	278.00	278.00	278.00
Development Charges	14,331.00	20,665.00	27,055.00	32,351.00	37,486.00
Building Code	34,128.00	16,267.00	16,267.00	16,267.00	16,267.00
Gas Tax		103,840.00	250,981.00	357,489.00	417,523.00
Total	7,007,842.00	7,929,430.00	8,334,235.00	10,156,008.00	10,632,470.00

Revenue





Taxable Assessment



	2013	2014	2015	2016	2017
■ Assessment	455,369,323	484,497,721	513,044,380	541,403,395	570,589,225

■ Assessment



Average Assessments

			2016			2017		
	2016	2016	Average	2017	2017	Average		
Property Type	Count	Phased CVA	Assessment	Count	Phased CVA	Assessment	Change	
LAND	165	6,719,800	40,726.06	163	6,929,450	42,511.96	1,785.90	
FARM	409	193,419,100	472,907.33	411	223,933,975	544,851.52	71,944.19	
RESIDENTIAL	1,579	290,237,000	183,810.64	1,581	290,069,650	183,472.26	(338.38)	
COMMERCIAL	168	39,621,900	235,844.64	169	38,436,825	227,436.83	(8,407.81)	
INDUSTRIAL	41	21,452,200	523,224.39	42	22,141,475	527,177.98	3,953.59	
INSTITUTIONAL**	7	14,695,000	2,099,285.71	6	14,459,250	2,409,875.00	310,589.29	
SPECIAL PURPOSE	31	18,618,000	600,580.65	31	18,369,875	592,576.61	(8,004.03)	
GOVERNMENT	6	1,394,000	232,333.33	6	1,359,250	226,541.67	(5,791.67)	
	2,406	586,157,000		2,409	615,699,750			
** Reduced by 1 to reflect demolition of Blyth Public School								



Previous Tax Increases

	Percentage Increase	\$ Increase
2013	2.51%	106,322.78
2014	2.10%	91,242.38
2015	2.24%	99,294.46
2016	4.21%	190,705.00
2017	3.61%	170,662.00

Average Annual Increase \$131,645.32



AMP Recommendations

- Financing Strategy includes full funding over 20 yrs :
- Increase tax revenues by 2.6% for next 20 yrs
- Increase wastewater rates by 3.2%
- Increase water rates by 1.2%
- Allocate Gas Tax and OCIF grant revenue to eligible projects
- Reallocate debt payments (as debt is paid off)
- Increase capital budgets by inflation in addition to deficit phase-in



Strategic Plan 2013 - 2018

Priorities:

- Attract New Business and Residents
- Residents are engaged and well informed
- Community is healthy and safe
- Fiscally responsible and strive for operational excellence
- Natural environment is valued and protected



Opportunities

- Designated residential lands
- Blyth Memorial Hall
- Emergency Services Training Centre
- Destination Blyth (RTO4)
- Transportation Corridor
- Active BIAs
- Economic Development Committee
- State-of-the-art fire department



Challenges

- Slow tax assessment growth
- Limited industrial land base
- Rising OPP costs - (Blyth & E/W)
- Rising utility costs
- Rising wage and benefit costs
- Minimum wage increase
- Declining industrial and commercial values
- Growing infrastructure deficit
- Geographic configuration



Challenges....continued

- Storefront vacancies
- Accommodation need
- Labour shortage
- Aging infrastructure
- Servicing beyond our borders



Take Aways

- Debt Obligations until 2032
- 2018 Commitments \$1,164,328.00
- Two highest expenditures are protection and recreation and culture services
- Lowest expenditure is development
- To maintain existing services, operating budget needs to increase by \$1.3 million over the next 5 years



Take Aways ...continued

- Only 5 million of a 16 million budget is raised by taxation
- 5.8 million spent on capital projects in 2017, 2.0 million funded by reserves and borrowing, only \$190,000 funded by taxation
- Over 2 million is needed per year over next 5 years to fund future capital expenditures



Take Aways ...continued

- Reserve and reserve funds total 10 million
- Slow tax assessment growth, increasing operating costs (e.g utilities, min wage)
- Through agreements, adjacent municipalities contribute \$610,000 to annual budget

The Future



**Planning is bringing the future
into the present so that you can
do something about it now.**

Alan Lakein