



# TOWNSHIP OF NORTH HURON

Report No.  
CAO-2023-01

**REPORT TO:** Reeve Heffer and Members of Council  
**PREPARED BY:** Dwayne Evans, CAO  
**DATE:** 12/01/2023  
**SUBJECT:** CAO-2023-01 Service Delivery Review-Discretionary and Non-Discretionary Services  
**ATTACHMENTS:** Township of North Huron Service Delivery Review, September 3, 2020; Township of North Huron Asset Management Plan; North Huron Asset Management Policy

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**RECOMMENDATION:**

THAT the report of the CAO, dated January 12, 2023, regarding a Service Delivery Review, be received for information;

AND FURTHER, THAT Council hereby:

1. Directs staff to seek a third party to be responsible for the operation of the Blyth Campground including the assumption of operating gains and/or losses;
2. Directs staff to seek a third party to be responsible for the operation of the proposed museum facility including the assumption of operating gains and/or losses;
3. Directs staff to continue advancing 'Process Based Opportunities' to achieve efficiencies and savings;
4. Directs staff to request additional funds from the County for the delivery of library services;
5. Directs for the Township's contribution to the Blyth Centre for the Arts to assist with marketing be reduced to \$10,000 and for Municipal Civic Night be discontinued;
6. Authorizes two Members of Council and the CAO to meet with the Belgrave Community Centre Board to discuss the terms and conditions of the Belgrave Community Centre Board agreement and report back to Council;
7. Directs staff to administer a survey of childcare users and provide a detailed update of the required resources and challenges to deliver each of the four (4) childcare programs;
8. Authorizes staff to issue a Request for Proposal for cemetery grass cutting and trimming for the 2023 season;
9. Directs for the closure of Blyth & District Community Centre from April 1 to August 31 annually;
10. Directs for the permanent closure of the Township operated fitness centre by no later than May 1, 2023 and authorizes staff to issue a Request for Proposal to lease the space and equipment for Fitness Centre services.
11. Directs for the annual closure of the pool for the months of July and August beginning on July 1, 2023.
12. Directs for the discontinuance of free recreation programs and encourage more sponsored programs.
13. Directs staff to develop and present a recreation subsidy program for low income North Huron residents.

**PURPOSE:**

To identify discretionary and non-discretionary services and to provide Council with an update on the status of the implementation of the Service Delivery Review Report prepared by KPMG in 2020. To inform Council on the status of the Township's Asset Management Plan and identify opportunities to reduce the impact of the draft 2023 budget to allow for better maintenance of the Township's infrastructure.

**BACKGROUND INFORMATION:**

At a Budget meeting held on December 16, 2022, Council was presented with the first draft of the 2023 budget. After some discussion, Council passed the following motion:

**M422/22**

**MOVED BY:** K. Falconer

**SECONDED BY:** L. Whitfield

*THAT the Council of the Township of North Huron hereby directs for staff to prepare a follow up report for the next budget meeting to allow for Council to conduct a review of discretionary services to potentially reduce the impact of the 2023 budget and to allow for better maintenance of Township infrastructure.*

**CARRIED**

This report provides an overview of North Huron's existing services and identifies opportunities to direct more funds towards the Township's infrastructure. The available funds would be generated through: (1) service level reductions; (2) discontinuance of a discretionary services; and/or (3) investigating alternative service delivery models.

The first draft of the 2023 budget was prepared on the assumption that it is Council's desire to maintain all existing services and all existing service levels. In the absence of Council directing change to services, the draft 2023 budget that has been presented is the minimum dollars required to maintain existing services and service levels. Based on this, this would result in a 20.65% spending increase. It is staff's understanding that this percentage increase is not acceptable to Council.

The first draft of the 2023 budget that was presented to Council contained little to no service enhancements. Factors outside of the municipality's control such as inflation and the shortage of labour are increasing the costs to maintain existing services and existing service levels. At this time, it is appropriate for Council to consider what services they wish to provide, what level of service they wish to provide and at what cost. To use some recent examples, Council decided to remove the Township from the airport business (a discretionary service) in favour of the asset being purchased and the service being provided by the private sector. Council also decided to harmonize policing services by favouring OPP policing services for the entire municipality. These types of decisions resulted in cost savings (for example \$700,000 in the case of policing), reduced the municipality's liabilities, and has allowed existing staff resources to be re-directed to Council's other priorities.

To assist Council in the decision-making process, all Township services were categorized according to the province's service classifications. Within each service category, discretionary and non-

discretionary services have been identified and the Township's current costs to provide the services have been provided.

Change is not easy and as with any change, there is going to be negative feedback. Council's role is to make decisions in the best interest of the entire municipality. There is one budget for the entire municipality and with the exceptions of streetlighting, water and wastewater, all costs incurred are paid for by all taxpayers.

When considering the recommendations of this report, it is important to remember that there are some good and services that are best provided by the public sector, and some goods and services that are best provided by the private sector. Just because the Township has traditionally been the provider of a service does not mean that is the only method of delivering the service to the residents of North Huron. A general rule of thumb used by many Economists has been that the public sector should provide the services that the market (private sector) is unwilling to provide. This ensures that municipalities (which are typically less innovative and slower to adapt) are not competing with private sector businesses that often operate more efficiently and innovatively.

In advance of the service delivery review discussion, it is also beneficial to understand the framework for municipal services. This will help inform and identify discretionary and non-discretionary services. This framework is provided in the Discussion section below.

#### **DISCUSSION:**

The Municipal Act establishes the framework for municipal government, and provides the foundation for municipal powers, structures, and governance. Authority for important municipal activities are also found in many other acts, including the *Planning Act*, the *Building Code Act*, the *Housing Services Act*, the *Police Services Act*, the *Fire Protection and Prevention Act*, the *Emergency Management and Civil Protection Act*, the *Municipal Elections Act*, and the *Ontario Works Act*. All of these Acts are administered by the provincial government.

As Council is aware, some municipal services are non-discretionary (they must be provided) while others are discretionary (Council can decide whether or not to provide them). The types of services delivered by a municipality depends on whether the municipality is part of a single-tier system or a two-tier system.

In a two-tier system the Municipal Act assigns service responsibilities to upper-tier municipalities or lower-tier municipalities. If a service responsibility has not been assigned it is considered a discretionary service. If Council decides a discretionary service is necessary and/or desired by the public, Council can decide how the service will be provided. The service can be provided in-house; through a third-party contract; and/or through a shared service arrangement.

Primary sources of revenue for municipalities are user fees, property taxation, grants from other levels of government and proceeds from the sale of land and surplus equipment. User fees are intended to offset the cost of providing a service with little to no impact on taxpayers. Grants from other levels of government often assist with completing special projects. Grants should not be viewed as sustainable sources of revenue to maintain existing services. Property taxation funds the shortfall of providing a service not funded by user fees and/or grants.

In Huron County, most if not all, lower tier municipalities provide the following services:

1. Administration/General Government, including business licensing, marriage licensing and document commissioning, to name a few.
2. Transportation Services, including roads, parking and signage
3. Protection to Persons & Property
4. Environmental Services, including waste management
5. Health Services specific to cemeteries
6. Social and Family Services, including daycare, before and after School, EarlyOn
7. Culture, parks, recreation and heritage, including community centres, arenas, libraries, parks, trails and fitness
8. Planning and Development, including land use planning, economic development and drainage.

The County of Huron provides the following services:

1. Administration/General Government
2. Transportation Services, including roads, parking and signage
3. Protection to Persons & Property, including ambulance and emergency management.
4. Culture, including library and museum.
5. Planning and Development, including land use planning and economic development.

In addition to the above, the County of Huron is designated by the province as a service delivery agent and receives funding for the delivery of Ontario Works (social assistance), childcare, and social housing services. With respect to childcare, Huron County works in partnership with lower-tier municipalities and third-party providers to provide these services to residents. It is at the discretion of Huron County's lower-tier municipalities whether or not they wish to partner with the County on the delivery of these services.

#### North Huron Service Delivery Review

In 2020 and through Municipal Modernization Funding received from the Province, the Township commissioned KPMG to complete a Municipal Service Delivery Review. KPMG was engaged to assist in an objective evaluation of the current service offerings provided by the Township with the view of identifying potential opportunities intended to maximize value-for-money, minimize pressures on taxes and contribute towards the long-term sustainability of the Township. A copy of the Service Delivery Review Report is attached for Council's consideration. Below is a summary of KPMG's recommendations and the current status of each recommendation.

<b>Recommendation</b>	<b>Status</b>
Explore the potential to increase upon the Township's human resources capabilities	Council created a full-time Human Resources/Health and Safety Coordinator position that has been filled.
Explore the potential to increase upon the Township's information technology capabilities.	An IT Service Delivery Review completed by A&A Ward Consulting identified the need for an increased investment in the Township's information technology. As part of the draft

	2023 budget, staff are seeking an increased information technology investment due to many components being end of life and to maintain security and operations.
Explore the refresh of the Township's approach to customer service.	A new Customer Service policy was developed and approved by Council. Staff are implementing the policy.
Establish an annual maintenance fee for building permits.	This recommendation is being considered by the Township's recently hired CBO.
Use of additional technology for building services.	The Township was successful in receiving provincial funding to implement an e-permitting system. The CBO is working towards implementing this system using available funding dollars.
Ensure the integration of corporate communications with respect to corporate activities.	In accordance with the Township's 2020-2023 Strategic Plan, \$20,000 has been included in the draft 2023 budget to develop a Corporate Communications Plan.
Explore the potential development and implementation of non-resident user fees/shared service agreement for recreational services.	Council implemented and later reversed a decision to implement non-resident fees for recreation and daycare services. Shared service agreement(s) with other municipalities for recreational services continues to be a topic of discussion. In the interim, staff continue to apply for any available funding offered by neighboring municipalities to provide discretionary recreational services.
Shift to full implementation of electronic records management.	As part of the draft 2023 budget Council has allocated \$82,000 towards this project. Subject to full implementation, this project will lessen staff time spent searching for records and reduce the physical need for storage space.
Explore the potential closure of the Richard W. LeVan Airport.	Council has divested itself of the airport (a discretionary service) and the future liability in the capital needs associated with the operation of the airport. Airport services continue to be offered at the site through a private provider.
Explore the potential permanent closure of the North Huron Museum.	The Service Delivery Review recommended the Township seek out a third party to be responsible for the operation of the facility including the assumption of operating gains and/or losses; or should the Township be unable to find a suitable partnership, the

	<p>Municipality may want to cease operations of the facility and determine how the Township can display its exhibits through alternate means such as making use of other municipal facilities. In 2018 and in advance of the Service Delivery Review, Council closed the North Huron Museum due to the required capital improvement costs and low usage.</p> <p>Through a committee-of-Council an alternative location for the delivery of museum services was identified. The proposal involves capital improvements being paid through fundraising and the ongoing operating costs being paid by the municipality. Proponents of this project will be appearing as a delegation at the January 16, 2023 seeking approval to proceed with the capital improvement fundraising.</p>
Determine the Township's role in the operation of campgrounds.	As part of the Service Delivery Review, KMPG noted that campgrounds are a discretionary service and many municipalities do not own and/or operate campgrounds. Council has divested itself of the Wingham Trailer Park property in favor of a new residential project. Council has directed for continuation of the Township operating the Blyth Campground.
Investigate what role the Township should serve with respect to economic development.	As part of the 2022 budget process, Council identified economic development as a priority and allocated funds towards the hiring of an Economic Development Officer. Council also aligned the operational requirements of special events and festivals with economic development services.
Harmonize police services across the Township.	In support of the Service Delivery Review recommendation, Council decided in 2022 to harmonize police services across the Township by opting into the OPP's Billing Service Model and not offering enhanced services to any particular ward of the Township.
Operational approach to special events and festivals-coordination of resources and overall delivery.	In 2022 Council adopted a new Special Events Policy Manual. The manual details the operational requirements for special events and festivals and assigns the coordination of resources and service delivery to the

	Community Engagement Coordinator. The manual also delegates some decision-making authority to staff to expediate the decision-making process and provide a more efficient and effective service to event organizers.
Explore the potential divestiture of the Wingham Trailer Park.	As noted above, Council has divested itself of the Wingham Trailer Park property in favor of a new residential project.

In addition to the above, KPMG identified 'Process Based Opportunities'. The opportunities generally fall into one of four categories:

1. Operating efficiencies, with the anticipated benefit of (i) enhance decision making and service delivery, (ii) potential capacity gains; and/or (iii) potential cost saving while maintaining current service level;
2. Service level adjustments, representing either (i) the discontinuance of the Township's involvement in a non-core service; or (ii) a service level reduction;
3. Alternate service delivery, which involves changing the Township's delivery model for a service (e.g. exploration of shared services); and
4. Revenue generation. These opportunities seek to reduce the municipal levy by identifying alternate means of funding municipal services through user fees and other cost recovery methods.

Below is an update on KPMG's recommended 'Process Based Opportunities':

Area of Opportunity	Status
Budget	KPMG's recommended timeline for the budget process starts in mid-October and concludes at the end of March/early April. The current timeline for the budget process begins in September (staff discussions commence) and the goal is for Council to approve the municipal portion of the budget in February. The current timeline will be maintained.
Property Taxation-Assessment and Mailing	At the time the Service Delivery Review was conducted, the Township was physically preparing property tax bills for residents who have not opted to have their bills emailed directly to them. Electronic billing continues to be encouraged and a machine capable of folding and stuffing property tax bills has been rented for a 5-year term.
Property Taxation-Payment	Property tax and utility account payments may be paid via online/telephone banking or within any of the major Canadian Bank Financial Institutions. Property tax and utility account payments may also be paid in person at the Townhall via Cash, Debit or Cheque.

Payroll: Timesheet Submission	At the time the Service Delivery Review was conducted, the timesheet process was paper based. To the extent possible, timesheets are now processed electronically. As part of a future budget process, staff would like Council to consider purchasing a program to automate the tracking of vacation and sick leave and for timesheets to be entered directly into the Township's payroll system.
Accounts Payable: Purchasing and Recording	At the time the Service Delivery Review was conducted, invoices were received in both electronic and paper format. There was potential for invoices to be missed or payments delayed due to the timing of when invoices were circulated internally. Some approvers also did not have access to the G: drive (shared drive). Accounts payable has transitioned to an electronic format with centralized processing. Approvers who need access have been granted access to the G: drive.
Accounts Payable: Use of Credit Cards	Property tax and utility account payments may be paid via online/telephone banking or within any of the major Canadian Bank Financial Institutions. Property tax and utility account payments may also be paid in person at the Townhall via Cash, Debit or Cheque. There are costs associated with use of credit cards. Staff are considering allowing credit card payments with the administrative fee incurred by the Township being cost recovery (user pay).
Accounts Payment: Payment	Currently, cheque runs align with Council meetings. KPMG recommended the Township have flexible cheque run dates to take advantage of discounts from vendors based on terms of payment.
Resident Complaints-Phone	KPMG recommended the development of a FAQ database/document to allow for the potential standardization of responding to inquiries. It was also recommended that all calls be captured to better analyze trends as well as reduce the potential for inquiries to go unresolved or lead to multiple channels seeking to resolve an inquiry. The establishment of a customer service policy was recommended. A customer service policy and a complaint handling policy were presented and adopted by Council.
Resident Complaints-In Person	Same recommendations as "Residents-Phone". See above.

Resident Complaints-Email	Establish a general email address for emailed inquiries and establish a work step that more effectively captures all completed resident complaint forms. A general 'complaint' email address ( <a href="mailto:complaints@northhuron.ca">complaints@northhuron.ca</a> ) has been established and a work step has been developed and implemented through Laserfiche.
Property Standards Enforcement	The operational aspects of Property Standards Enforcement were completed but in an unstructured manner. KPMG recommended a structure format which is being more closely followed.
Animal Control	Around the time the Service Delivery Review was completed, a Dog Counter was retained to complete a dog count. This resulted in a significant increase to the revenues of the Animal Control budget. An annual basis surplus dog tag monies are put into a reserve account to fund for the services of a dog counter every 3 years as well as offset the wages of the Animal Control Officer.
Facility Rentals-Arenas-Ice, Sports Fields, Unlicensed Meeting Rooms, Licensed Meeting Rooms, Pool, Parks, Gazebo, Band shelter, Blyth Campground	At the time the Service Delivery Review was completed, two software programs were being utilized for facility rentals. These software programs have been abandoned in favor of one new software program. Facility bookings are now more efficient for staff.
Facility Rentals-Town Hall Theatre	<p>Same recommendation as above. In addition, it is recommended the Township ensure contracted janitorial services are available when events are being held; and develop a consistent strategy for operational matters and determine who is responsible for those matters including, but not exclusive to, theatre set-up, snow removal and any work request post-event.</p> <p>Town Hall Theatre bookings and operations are currently being managed by the Recreation and Community Services department. This arrangement involves inter-departmental discussions between Recreation and Administrative staff. In early 2023, there will be staff discussions about how to improve the efficiency of providing this service. At the present time the Township manages facility rentals only. The Township does not program this space.</p>
Facility Rentals-Blyth Campground-Individual Site Bookings and Large Group Bookings	To implement execution of an agreement between users and the Township to protect both parties.

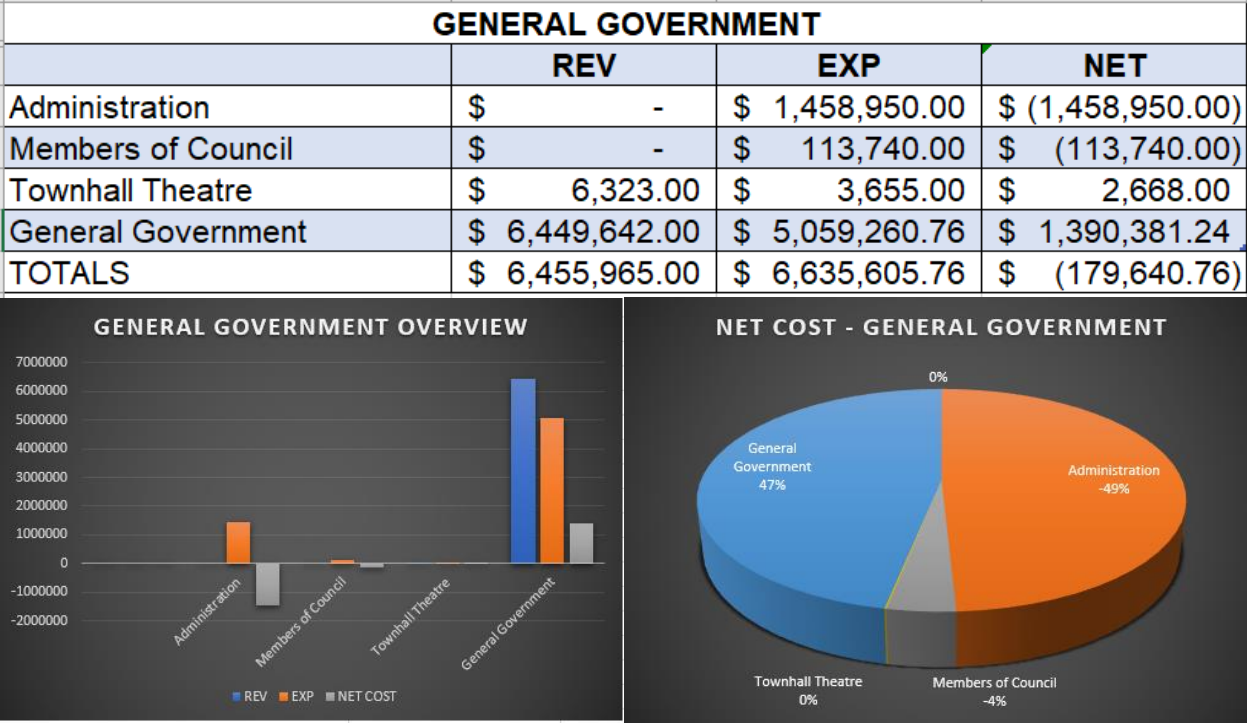
With a better understanding of the framework for municipal services and a summary of KPMG’s Service Delivery findings, each service category will be explored in greater detail below with service delivery options provided for Council’s consideration.

Category - General Government

General Government includes Council expenses, Office of the CAO, Clerk’s Department, Treasury Department, Human Resources and the Townhall Theatre. These costs are funded through taxation with limited revenue generated through the sale of lottery licensing, marriage licences, document commissioning and Townhall Theatre rentals. General Government is funded primarily through taxation and includes Council, the CAO, Clerk, Director of Finance, two (2) full-time Clerk’s Department staff, two (2) full-time finance staff, one (1) full-time Human Resources/Health & Safety Coordinator, two (2) full-time one year contract records management staff and additional staff hour allocations to support performances in the Townhall Theatre.

General Government accounts for approximately 2.25% of the Township’s spending and approximately 16% of the Township’s wages.

Below is a chart and pie chart summarizing the 2023 revenue and expenditures and Net Cost.



General Government is a non-discretionary service. If Council is desirous to reduce costs in this category, staff could be directed to prepare a report exploring the possibility of shared service arrangements with other municipalities for some services and/or consider a reduction in the size of Council. These reports would be presented for Council’s consideration in 2023 and the financial impact of any decisions made in 2023 would be reflected in the 2024 budget.

### Category - Protection to Persons

Protection to Persons includes fire services, police services, hazard services (ie. conservation authority), building services, property standards/by-law enforcement, animal control and emergency planning.

The Police Services Act, the Fire Protection and Prevention Act, 1997, the Building Code Act and the Emergency Civilian Protection Act require municipalities to provide police, fire, building and emergency services, respectively. All four (4) Acts require compliance with provincial regulations.

With respect to conservation authority services, two memos will appear on the January 16, 2023 Regular Council agenda regarding some recent legislative changes made to the role of conservation authorities. For the purposes of this report, they are considered a non-discretionary service.

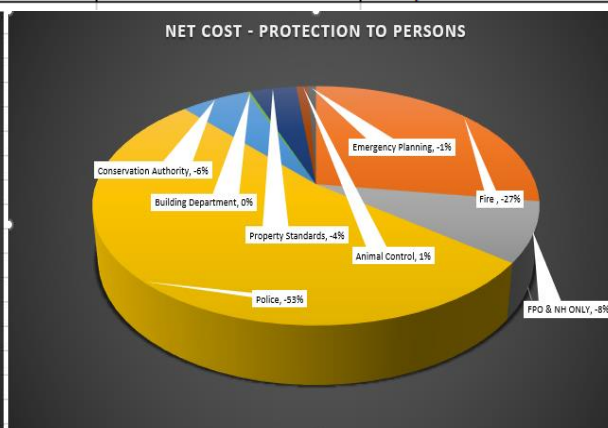
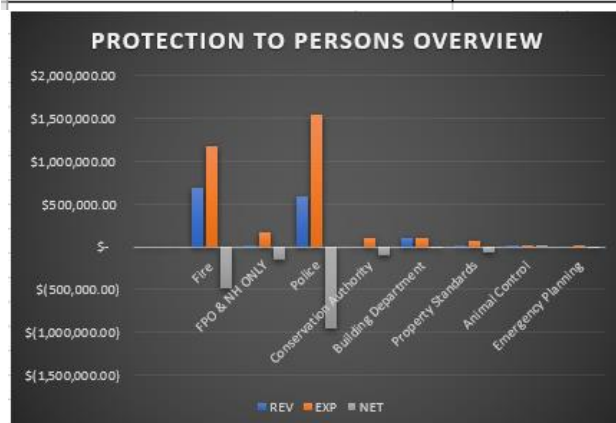
By-law enforcement (property standards) and animal control are discretionary services. If Council is desirous, by-law enforcement and animal control services could be discontinued. Animal control is projected to generate a surplus of approximately \$18,000 in 2023 and by-law enforcement is projected to incur a \$72,350 deficit. The By-law Enforcement deficit is largely attributed to the time the Chief Building Official and the By-law Enforcement Officer spend responding to complaints. Protection to Persons services account for approximately 22% of the draft 2023 budget and approximately 8% of the Township's wages.

Below is a summary of the required resources to provide Protection to Persons services.

Fire Services	1 Shared Fire Chief, 1 Deputy Chief, 2 District Captains, 8 Captains, 1 Part-time Fire Prevention Officer and 32 Volunteer Firefighters
Fire Equipment	2 Engines, 1 Aerial, 3 Tankers, 1 Squad, 1 Rescue, 1 Off-Road response unit with patient transfer trailer, 1 Command vehicle
Fire Facilities	Wingham Fire Hall, Blyth Fire Hall
Police Services	Third-Party contract with the OPP
Building Services	1 Full-time Chief Building Official/By-law Enforcement Officer
Property Standards/By-law Enforcement and Animal Control Services	1 Part-time By-law Enforcement/Animal Control Officer (1 day/week)
Conservation Authority	Third party service contract
Emergency Planning	County Emergency Management Coordinator, North Huron Fire Chief as Alternate Emergency Management Coordinator, Senior Management Team, Reeve and Deputy Reeve

Below is a chart and pie chart summarizing the 2023 revenue and expenditures and Net Cost.

PROTECTION TO PERSONS			
	REV	EXP	NET
Fire	\$ 689,174.27	\$ 1,180,665.00	\$ (491,490.73)
FPO & NH ONLY	\$ 19,750.00	\$ 165,373.66	\$ (145,623.66)
Police	\$ 597,177.00	\$ 1,547,649.00	\$ (950,472.00)
Conservation Authority	\$ -	\$ 105,000.00	\$ (105,000.00)
Building Department	\$ 95,000.00	\$ 100,350.00	\$ (5,350.00)
Property Standards	\$ 1,500.00	\$ 73,850.00	\$ (72,350.00)
Animal Control	\$ 25,500.00	\$ 7,210.00	\$ 18,290.00
Emergency Planning	\$ -	\$ 12,200.00	\$ (12,200.00)
TOTALS	\$ 1,428,101.27	\$ 3,192,297.66	\$ (1,764,196.39)



The Protection to Persons category is primarily a non-discretionary service. The exceptions are By-law Enforcement and Animal Control. Shared service arrangements for building services existed until December 2021 when Morris-Turnberry served notice of discontinuance of the arrangement. Council was presented with a report containing factual information and service delivery options. Based on staff's recommendation, Council decided to hire a full-time Chief Building Official with the added responsibilities of By-law Enforcement and additional support for the facilities division of the Public Works Department. The public feedback from this decision has been positive. The Chief Building Official is able to respond to the public in a more efficient and timely manner.

With respect to fire services, the service delivery review report prepared by KPMG indicates that the operating costs for the Township's fire services are slightly higher than average but well below the high costs of other comparable municipalities. The report also indicates North Huron's Fire Services has the highest cost recovery compared to other municipalities and well above average. This is attributed in large part to the fire service agreements North Huron has with neighbouring municipalities. Further, the report indicates North Huron's fire personnel complement is below all comparator municipalities.

#### Category – Transportation Services (Public Works)

Transportation services includes road and sidewalk maintenance, bridges, fleet and streetlighting. This category also includes the maintenance costs of the following buildings: Wingham Library, Blyth Library, Museum, Belgrave Community Centre and Blyth Memorial Hall.

The province establishes minimum road maintenance standards for municipalities and requires municipalities to ensure bridges are structurally sound and safe for vehicular and pedestrian traffic. In addition, municipalities are required to ensure minimum streetlighting standards are met. With respect to how much a municipality allocates towards the maintenance costs of the municipality's assets (i.e., buildings and equipment), the allocation is discretionary. The province has mandated that municipalities need to plan for infrastructure and has implemented the need for municipalities to have consistent and standardized asset management plans.

As Council is aware, Asset management planning (AMP) is an ongoing and long-term process that allows municipalities to make the best possible investment decisions for infrastructure assets. Asset management planning includes buildings, operations, maintenance, renewal, replacement and disposal. Asset Management regulations require municipalities to determine the levels of service infrastructure assets will provide using metrics. The metrics help municipalities determine, for each asset category, the current levels of service provided by existing infrastructure assets and allows municipalities to establish proposed levels of service they want to achieve over time.

North Huron has and continues to meet the province's reporting requirements for asset management planning. The requirements are as follows:

July 1, 2019: Date for municipalities to have a finalized strategic asset management policy that promotes best practices and links asset management planning with budgeting, operations, maintenance and other municipal planning activities.

July 1, 2022: Date for municipalities to have an approved asset management plan for core assets (roads, bridges and culverts, water, wastewater and stormwater management systems) that identifies current levels of service and the cost of maintaining those levels of service.

July 1, 2024: Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that identifies current levels of service and the cost of maintaining those levels of service.

July 1, 2025: Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that builds upon the requirements set out in 2024. This includes an identification of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund these activities.

Attached to this report is the Township's Asset Management Policy and the Asset Management Plan for core assets. Through Modernization funding, the Township was successful in securing funding to hire a contract Asset Management Coordinator to develop an Asset Management Plan for all municipal infrastructure assets. As noted above, this plan is due by July 1, 2024. The draft 2023 budget includes wages for continuation of the Asset Management Coordinator until December 31, 2023. It is anticipated this work will continue in 2024 to ensure the July 1, 2024 deadline can be met. Provincial funding for infrastructure projects is dependent upon asset management plan regulations being met.

Transportation services account for 27.5% of the draft 2023 budget and approximately 11% of the Township's wages.

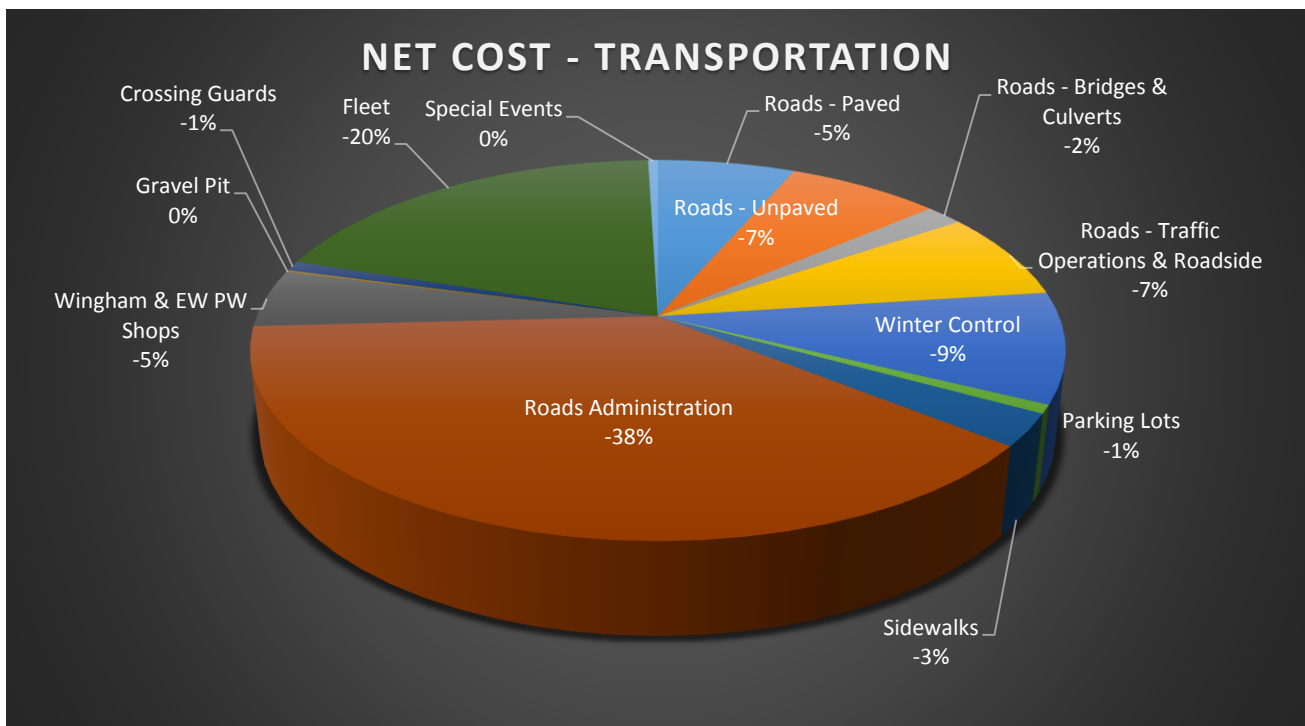
Below is a summary of the required resources to provide Transportation services.

Staff	Director of Public Works and Facilities, Operations Manager, two (2) Foreman and ten (10) operators.
Equipment	8 Pick up Trucks; 4 Zero Turn Mowers; 8 Dump Trucks; 4 Tractors; 2 Trackless Sidewalk Machines; 2 Graders; 1 Enclosed Tandem Trailer; 1 Trackless Mower; 1 Loader; 1 Backhoe Loader; 1 Front Mount Mower; 1 Riding Lawn Mower; 1 Finishing Mower; 1 utility Trailer; 1 Asphalt Recycler Hot Box; 1 Sweeper; and 1 Tag-a-long Float
PW Buildings	Wingham Public Works, Blyth Public Works, East Wawanosh Public Works
Other Buildings	Wingham Library, Blyth Library, Museum, Belgrave Community Centre, Blyth Memorial Hall.

Below is a chart and pie chart summarizing the 2023 revenue and expenditures. Transportation services are funded primarily through property taxes with some project specific grant money received from the province.

PUBLIC WORKS/TRANSPORTATION			
	REV	EXP	NET
Roads - Paved	\$ -	\$ 143,800.00	\$ (143,800.00)
Roads - Unpaved	\$ -	\$ 160,100.00	\$ (160,100.00)
Roads - Bridges & Culverts	\$ -	\$ 39,400.00	\$ (39,400.00)
Roads - Traffic Operations & Roadside	\$ -	\$ 165,250.00	\$ (165,250.00)
Winter Control	\$ -	\$ 208,100.00	\$ (208,100.00)
Parking Lots	\$ -	\$ 16,150.00	\$ (16,150.00)
Sidewalks	\$ -	\$ 61,050.00	\$ (61,050.00)
Roads Administration	\$ -	\$ 851,641.49	\$ (851,641.49)
Wingham & EW PW Shops	\$ -	\$ 108,500.00	\$ (108,500.00)
Gravel Pit	\$ -	\$ 3,500.00	\$ (3,500.00)
Crossing Guards	\$ -	\$ 18,500.00	\$ (18,500.00)
Fleet	\$ -	\$ 433,000.00	\$ (433,000.00)
Special Events	\$ -	\$ 10,100.00	\$ (10,100.00)
Gas Tax	\$ 163,200.00		\$ 163,200.00
TOTALS	\$ 163,200.00	\$ 2,219,091.49	\$ (2,055,891.49)

PUBLIC WORKS/TRANSPORTATION - STREETLIGHTS			
	REV	EXP	NET
Wingham Streetlights	\$ -	\$ 123,072.37	\$ (123,072.37)
Blyth Street Lights	\$ -	\$ 53,116.72	\$ (53,116.72)
Humphry Streetlights	\$ 2,250.00	\$ 2,500.00	\$ (250.00)
Auburn Streetlights	\$ 1,525.00	\$ 3,000.00	\$ (1,475.00)
Hutton Heights Streetlights	\$ 1,450.00	\$ 1,450.00	\$ -
Whitechurch Streetlights	\$ 400.00	\$ 400.00	\$ -
Belgrave Streetlights	\$ 900.00	\$ 900.00	\$ -
TOTALS	\$ 6,525.00	\$ 184,439.09	\$ (177,914.09)
PUBLIC WORKS/TRANSPORTATION TOTALS	\$ 169,725.00	\$ 2,403,530.58	\$ (2,233,805.58)



Transportation services with respect to roads, sidewalks, bridges, fleet and streetlighting are non-discretionary services. The Township owns and maintains a building for the Wingham Library. The Township rents a building for the Blyth Library. Library resources such as staffing, equipment, and loan materials are provided by the County. The County also provides some financial assistance to offset building costs. The financial assistance received from the County has not been increased for many years.

Due to rising costs, the financial burden on Huron County's lower-tier municipalities to maintain library services has increased. To help offset some of these increased costs, there has and continues to be a plan for the Blyth Library service to be re-located to the Blyth Community Centre at the same time as an expansion of daycare services in Blyth occurs. An expansion of daycare services in Blyth has been delayed due to the ongoing labour challenges to maintain existing daycare services.

With respect to the museum building, this service was discontinued in 2018 and the building has been closed. There is a proposal before Council to resume this service. Council can proceed with the

proposal, as presented; re-consider the service delivery model; or direct for discontinuation of this service. If Council decided to discontinue the service, there would still be staff costs incurred to de-accession the existing museum collection. Regardless of the future direction of museum services, de-accessioning of the existing museum collection needs to occur. Once this process has been completed, Council will then to make a decision regarding future plans for the existing building.

Regarding the Blyth Memorial Hall, there is a long-term lease agreement in place with the Blyth Centre for the Arts. The Blyth Centre for the Arts has assumed financial responsibility for the building's operating costs. As the owner of the building, the Township continues to be responsible for the building's capital assets (e.g. roof, windows, HVAC system etc.).

In addition to the building's operating costs, the Township has provided a \$15,000 grant to the Blyth Festival to assist with marketing the Township. In addition, the Township, in partnership with the Blyth Festival, has hosted a Municipal Civic Night. According to media reports, the Blyth Festival posted a surplus of \$45,000. It is recommended the Township's contribution be reduced to \$10,000 and Municipal Civic Night be discontinued.

The Belgrave Community Centre is owned by the municipality and operated by a local board. In accordance with an agreement, the Township allocates approximately \$40,000 on annual basis towards the operating and capital costs of this facility. The allocated funds are given to the Board to be used at their discretion.

With respect to options under the "Transportation Services" category, Council could direct staff to request additional funds from the County to help offset increased library costs. Alternatively, Council could direct staff to investigate consolidation of library services into one facility and report back to Council. Library services are discretionary and as such, Council has the option of directing for discontinuance of this service. Regardless of the option chosen, the full financial benefit of Council's decision would not be realized until 2024. There could be some financial benefit in 2023 should the County decide to increase their financial contribution as part of the County's 2023 budget process.

The costs to maintain the existing museum building are minimal and this is reflected in the less than desirable condition of the museum collection. The museum collection and building are in a continued state of decline. It is recommended Council advance the museum proposal quickly or direct for discontinuance of this service as soon as possible. There will be increased costs to the municipality now, and into the future, should Council decide to proceed with the museum proposal, as presented. A question for Council to consider is whether museum services are necessary and/or desired by the public. If Council discontinued the service, museum services would still be provided to residents through the upper-tier municipality.

With respect to the Blyth Memorial Hall, Council has divested itself of the operating costs through an agreement with the Blyth Centre for the Arts. Council continues to be responsible for the capital costs. As part of the draft 2023 budget, there are little to no funds allocated for the maintenance of this asset. If Council is desirous to maintain this asset, more funds should be allocated. If Council wishes to dispose of this asset, it would be appropriate to consider transferring this asset to the Blyth Centre for the Arts. As noted above, it is also recommended that the Township's contribution to assist with marketing be reduced to \$10,000 and Municipal Civic Night be discontinued.

As noted, the Belgrave Community Centre is owned by North Huron and operated by a Board. Over the last few years, the Township of Morris-Turnberry has decreased their contribution to this Board. If Council is desirous, two Councillors, the CAO and/or the Director of Finance could be appointed to meet with the Board to discuss the existing agreement and more specifically, the amount of North Huron’s financial contribution towards this service. Council could maintain the service at a reduced cost or Council may wish to consider divesting itself of this asset by transferring it to the publicly owned entity. The Township’s annual financial contribution is approximately \$50,000.

Category - Environmental Services

Environmental services include storm water management and waste diversion/disposal. Water and sewer services are user pay and funded through monies collected from users.

Waste diversion and disposal include third party contracts for the collection and disposal of waste and recyclables. It also includes operation of the Wingham Landfill and continued monitoring of the closed Blyth-Hullett Landfill site.

For the benefit of new Council members, Ontario has committed to shifting to a waste management approach where producers are responsible for the waste generated from their products and packaging, and waste is seen as a resource that can be recovered, reused and reintegrated back into the economy. It is anticipated this new approach will reduce the financial burden on municipalities to collect and dispose of recyclable materials.

Storm water management includes the collection and disposal of runoff.

Environmental services are non-discretionary and account for 5.75% of the Township’s spending and approximately 2% of the Township’s wages. Within the last 3-4 years, Council considered and provided direction regarding waste diversion and disposal services. Council’s direction has been carried out.

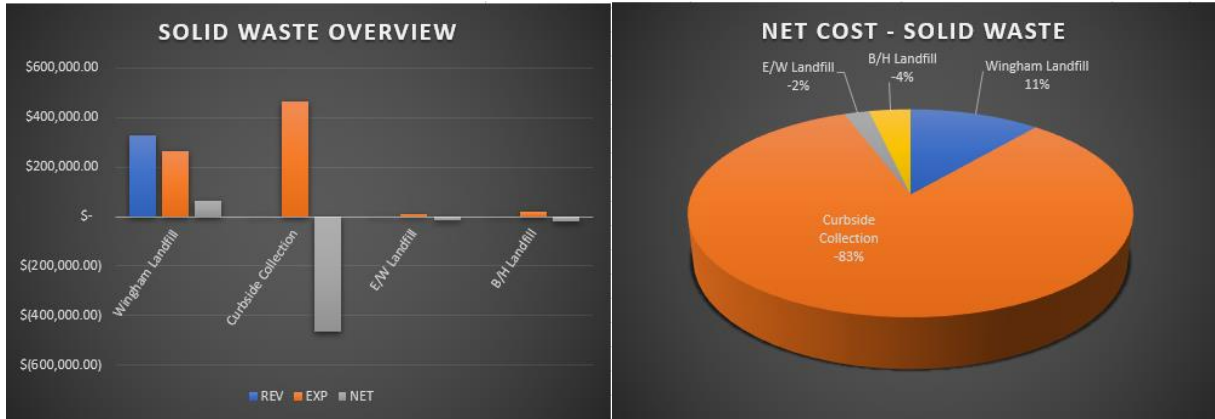
If Council is desirous of considering alternative and/or reduced levels of service, it is recommended this be delayed until such time as the existing third-party contracts are nearing expiration.

Below is a summary of the required resources to provide Environmental Services.

Waste Collection	Third party contract
Recyclable Collection	Third party contract
Landfill Staffing	1 PT Attendant; 1 Public Works Operator Assigned to the Landfill
Equipment	1 Tractor; 1 Compactor

Below is a chart and pie chart summarizing the 2023 revenue and expenditures.

WASTE			
	REV	EXP	NET
Wingham Landfill	\$ 327,750.00	\$ 264,800.00	\$ 62,950.00
Curbside Collection	\$ -	\$ 464,007.12	\$ (464,007.12)
E/W Landfill	\$ -	\$ 12,200.00	\$ (12,200.00)
B/H Landfill	\$ -	\$ 20,000.00	\$ (20,000.00)
TOTALS	\$ 327,750.00	\$ 761,007.12	\$ (433,257.12)



Environmental services are non-discretionary services. At a future point in time, Council could re-consider the level of service being provided and/or the service delivery model. For example, Council could direct less frequent waste collection and/or implementation of a wheelie bin program.

#### Category - Health Services

Health services includes open and closed cemeteries. As per the Township's Cemetery By-law, burials are permitted from April 15 to November 15. Burials outside of this time period is dependent on the weather and at the discretion of staff.

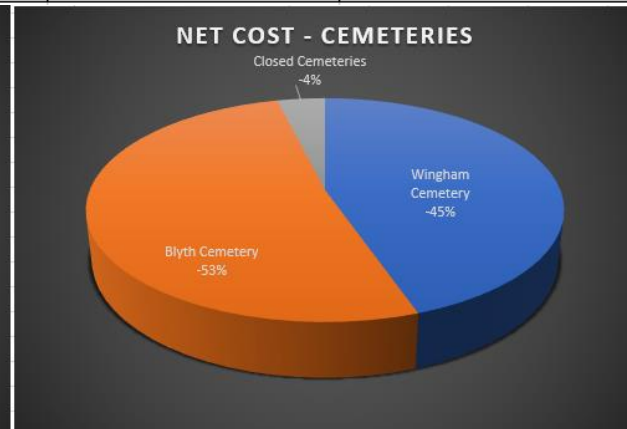
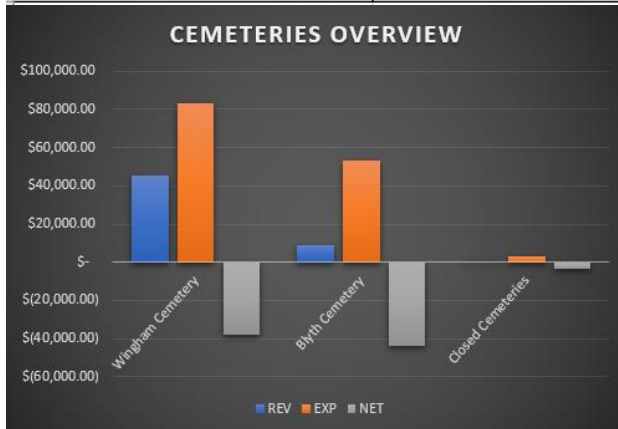
Cemetery services are administered by the Public Works Department. The Public Works Administrative Assistant works with a public works operator on the sale of burial plots and interment of remains. Health Services account for 1% of the Township's spending and approximately 2% of Township wages.

Below is a summary of the required resources to provide the services offered in the Health Services category.

Staffing	2 Roads Operators Assigned to Cemetery on an as needed basis; Administrative services provided by Public Works Administrative Assistant
	Grass cutting and trimming completed by PW Staff
Equipment	1 Tractor; 1 utility Loader; 1 Dump Trailer; 1 Zero Turn Mower

Below is a chart and pie chart summarizing the 2023 revenue and expenditures.

HEALTH SERVICES			
	REV	EXP	NET
Wingham Cemetery	\$ 45,600.00	\$ 83,524.00	\$ (37,924.00)
Blyth Cemetery	\$ 9,200.00	\$ 52,923.00	\$ (43,723.00)
Closed Cemeteries	\$ -	\$ 3,250.00	\$ (3,250.00)
TOTALS	\$ 54,800.00	\$ 139,697.00	\$ (84,897.00)



North Huron owns and operates two active cemeteries and maintains the grounds of 2 pioneer (closed) cemeteries. If Council is desirous, maintenance of the cemeteries (e.g. grass-cutting and stone trimming) could be contracted out to a third party provider. Existing staff resources would be re-deployed to Council's other priorities.

#### Category - Social & Family Services

Social & Family Services include the operation and maintenance of the North Huron Day Care Centre, child care services at the main centre, Early Learning Program at the Royal Oaks Building, Before and After School Programs at Maitland River Elementary School and Sacred Heart Separate School, and the EarlyON program.

Social and family services are discretionary. At the time of writing this report, North Huron is the only known provider of licenced childcare spaces in this area of the County.

In the fall of 2022 and like many other municipalities, Council agreed to move forward with implementation of the province's Universal Childcare Program. It is anticipated this decision will lessen the financial burden on parents and reduce the financial burden of social and family services on North Huron taxpayers.

Collectively, social and family services accounts for 2% of the Township's spending and approximately 28% of the Township's wages.

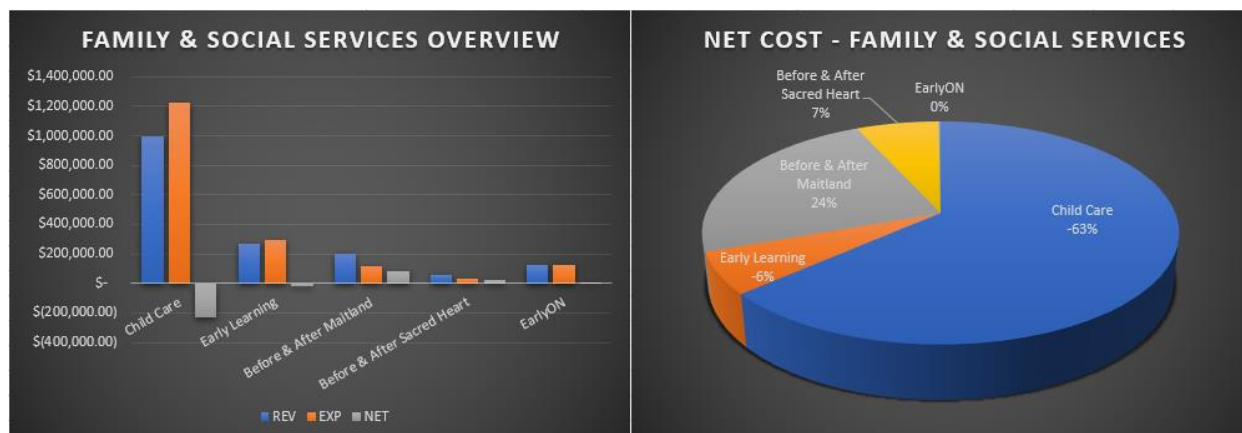
Below is a summary of the required resources to provide Child Care Services.

Staff	Main Child Care Centre	1 FT Manager of Child Care Services, 1 FT Supervisor/RECE; 1 PT Admin Assistant, 1 PT Cook; 8 FT RECE Staff; 6 PT RECE Staff
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	Early Years Program	1 FT Supervisor/RECE; 1 FT RECE Staff; 1 PT RECE Staff; 1 PT Untrained Staff
	Before & After School Program – Sacred Heart	1 PT RECE Staff
	Before & After School Program – Maitland River	3 PT RECE Staff; 2 PT Untrained Staff
	Early On Program	2 PT RECE Staff
Building(s)		North Huron Day Care Centre

Below is a chart and pie chart summarizing the 2023 revenue and expenditures.

FAMILY AND SOCIAL SERVICES			
	REV	EXP	NET
Child Care	\$ 999,792.50	\$ 1,225,989.00	\$ (226,196.50)
Early Learning	\$ 271,240.00	\$ 292,700.00	\$ (21,460.00)
Before & After Maitland	\$ 204,656.00	\$ 120,150.00	\$ 84,506.00
Before & After Sacred Heart	\$ 58,634.00	\$ 34,980.00	\$ 23,654.00
EarlyON	\$ 126,500.00	\$ 125,979.00	\$ 521.00
TOTALS	\$ 1,660,822.50	\$ 1,799,798.00	\$ (138,975.50)



Social and family services are discretionary. North Huron is the only municipality to deliver all of the following programs: a main daycare centre, the Early Learning Program, before and after School Programs, and the EarlyON program. The financial loss of the main daycare centre is offset by the financial benefits of the other childcare programs. Like all other childcare operators, North Huron continues to be challenged by the Registered Early Childcare Educator labour shortage.

Council has the option of reducing and/or discontinuing one or all of the childcare programs. Discontinuing one or all of the childcare programs would ease the strain on available staff. At the same time and with the exception of discontinuing or adjusting the service level of the main daycare centre (e.g. reducing hours of operation), it is likely to result in increased costs to the municipality. If Council is desirous, staff could be directed to administer a survey of users and provide a detailed breakdown of the required resources to deliver each program.

### Category - Recreation and Cultural

Recreation and Culture includes the Community Centre building costs (Blyth & District Arena & Community Centre and the North Huron Wescast Community Complex) as well as the programming costs for aquatics, fitness and recreation. This programming is provided in a various formats including drop-in, registered programs and memberships/passes. Registered programs are offered on a cost recovery basis and require a minimum number of participants to be registered in order to run.

Recreation and Culture also includes summer day camp programs, recreation administration, Wingham and Blyth library services (exclusive of capital building costs) and the operating cost of museum services (exclusive of capital buildings costs). In addition, the Recreation and Culture category includes parks (Blyth/EW/Wingham) and the Blyth Campground.

Recreation and cultural services account for 25% of the Township's spending and approximately 30% of the Township's wages.

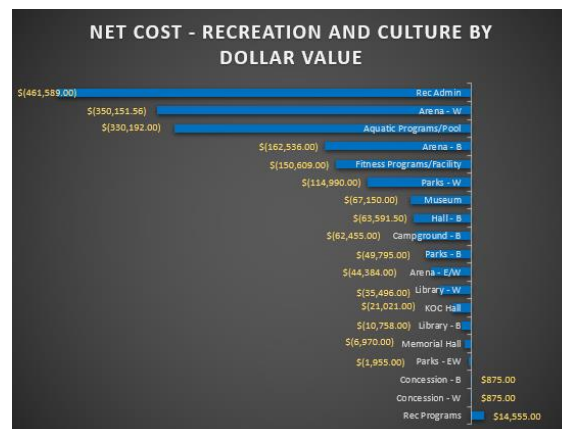
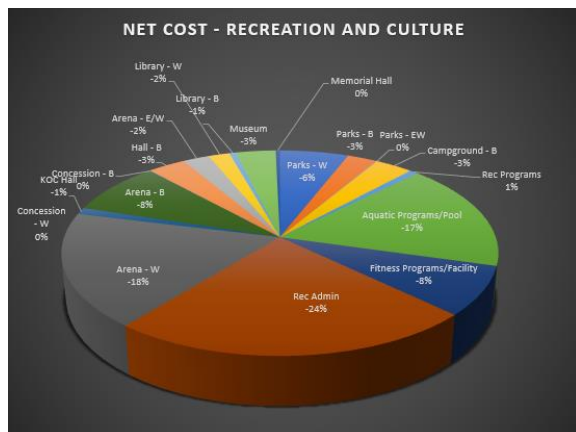
Below is a summary of the required resources to provide the services offered in the recreation and cultural category.

Staff	Recreation Administration	Director of Recreation & Community Services; Recreation Administration Supervisor (FT); Rec Admin Assistant (FT); Customer Service Attendants (2-PT)
	Facilities and Parks Operations	Recreation Facilities Manager (FT); Lead Hand (FT); Facility Operators (6-FT and 2-PT); Summer Students (2-FT)
	Aquatics Programs	Aquatics Supervisor (FT); Senior Guards (3-PT); Head Guard/Instructor/Guards (12-PT)
	Fitness Programs	Fitness Supervisor (FT); Fitness Instructors (3-PT); Childminding Attendant (1-PT)
	Recreation Programs	Children's Program Instructors (2-PT); Program Facilitators (4 - Volunteers); Summer Day Camp Supervisor (1 FT Seasonal); Summer Day Camp Leaders (7-FT Seasonal)
Equipment		3 Pickup trucks; Arenas (Blyth & Wingham) 2 Ice Resurfacers, 2-Refrigeration Plants (compressors, chillers, condensers, headers, dehumidifiers, electrical panels, controls, numerous HVAC units and numerous Boilers), Pool (Dectron, chlorination system, pumps, etc); Fitness exercise and weight equipment, Parks/Campground: 1 – Gator (Blyth), 1 – 24 hp Kubota Tractor w/bucket (Wingham), playground equipment, splashpad equipment, skateboard ramps, park amenities (benches, picnic tables)
Building(s)		Blyth & District Arena & Community Centre (arena and community centre), North Huron Wescast

		Community Complex (arena, indoor pool, fitness centre, pickleball/basketball courts), volleyball courts, tennis courts, sportsfields, splashpad, public washrooms (3 sets) and trails.
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Below is a chart and pie chart summarizing the 2023 revenue and expenditures. Recreation and Culture services are funded through user fees and property taxes with some capital projects funded through grant money received from the province and federal government.

RECREATION AND CULTURE			
	REV	EXP	NET
Parks - W	\$ 29,010.00	\$ 144,000.00	\$ (114,990.00)
Parks - B	\$ -	\$ 49,795.00	\$ (49,795.00)
Parks - EW		\$ 1,955.00	\$ (1,955.00)
Campground - B	\$ 30,000.00	\$ 92,455.00	\$ (62,455.00)
Rec Programs	\$ 104,175.00	\$ 89,620.00	\$ 14,555.00
Aquatic Programs/Pool	\$ 226,927.00	\$ 557,119.00	\$ (330,192.00)
Fitness Programs/Facility	\$ 109,200.00	\$ 259,809.00	\$ (150,609.00)
Rec Admin	\$ 5,800.00	\$ 467,389.00	\$ (461,589.00)
Arena - W	\$ 164,177.44	\$ 514,329.00	\$ (350,151.56)
Concession - W	\$ 2,500.00	\$ 1,625.00	\$ 875.00
KOC Hall	\$ 27,000.00	\$ 48,021.00	\$ (21,021.00)
Arena - B	\$ 135,056.00	\$ 297,592.00	\$ (162,536.00)
Concession - B	\$ 2,500.00	\$ 1,625.00	\$ 875.00
Hall - B	\$ 3,000.00	\$ 66,591.50	\$ (63,591.50)
Arena - E/W	\$ 15,246.00	\$ 59,630.00	\$ (44,384.00)
Library - W	\$ 15,000.00	\$ 50,496.00	\$ (35,496.00)
Library - B	\$ 9,996.00	\$ 20,754.00	\$ (10,758.00)
Museum	\$ 70,000.00	\$ 137,150.00	\$ (67,150.00)
Memorial Hall	\$ -	\$ 6,970.00	\$ (6,970.00)
TOTALS	\$ 949,587.44	\$ 2,866,925.50	\$ (1,917,338.06)



All services in the recreation and culture category are discretionary. In the Service Delivery Review report prepared by KPMG, these services are defined as ‘traditional’. In other words, it is common for municipalities to provide recreation and culture services.

The Service Delivery Review Report indicates that the Township’s net operating cost per household is the highest in the comparator municipality group and this is a reflection of the number of facilities that the Township owns and operates. The report also notes the Township’s net operating cost per household for aquatics is the highest among the comparator municipality group noting the Township operates an indoor pool facility opposed to outdoor pools which are seasonal in nature with lower operating costs required for their operation. Further, the report highlights that the Township consistently either ranked higher or was the highest of the comparator municipal group for user fees and services charges. The report notes user fees and service charges are a municipal best practice for recreation and culture services and indirectly suggests further increases to user fees and service charges is not sustainable. By default, decreasing expenditures to align with the services and/or the service levels Council wishes to provide is the most viable option.

To decrease expenditures, changes to existing services and/or service levels is necessary. Options include, but not limited to:

1. Closing one of the arenas facilities; rotating closures between the Wingham and Blyth arenas on a seasonal basis; or share available ice time with other communities This would generate savings.
2. Reducing hours of operation (daily or seasonally) for one or both of the North Huron Westcast Community Complex and/or the Blyth & District Community. Because the Blyth facility is primarily used during the winter months, Council may wish to consider closing this facility from April 1 to August 31. This would generate savings and staff would be re-deployed to the maintenance of parks and trails.
3. Discontinuing the fitness centre (operating at a net loss of \$150,000) and/or directing staff to issue a Request for Proposal for the operation of the Fitness Centre. Fitness services are provided by the private sector and it is possible a third-party may be interested in providing this service.
4. Discontinuing aquatic services during the summer months (July and August). This would generate savings in wages and operating costs and also allow the Aquatics Supervisor to program and prepare materials for the fall and winter sessions.
5. Discontinuing free programs and encouraging more privately sponsored programs such as public skatings, public swims and shinny hockey. Establish a subsidy program for low income North Huron residents.

#### Category - Planning and Development

Planning and Development includes economic development, planning and municipal drainage.

Economic development is a discretionary service, while planning and municipal drainage are non-discretionary services.

During the last term of Council, economic development was identified as a municipal priority and Council established an Economic Development Officer position. To complement and align available staff resources, the former Recreation/Clerical Assistant position was transitioned into a Community

Engagement Coordinator position. The focus of the Community Engagement Coordinator is on corporate marketing, community engagement and sourcing funding programs to support the delivery of economic development initiatives. The Economic Development Officer's priority is to attract new businesses and industries to North Huron and to work with property owners, developers and builders to create attractive business locations.

Planning Services are provided by the County and administered by the Clerk's Department. Alternative service delivery models such as providing the service in-house or hiring a consultant are options.

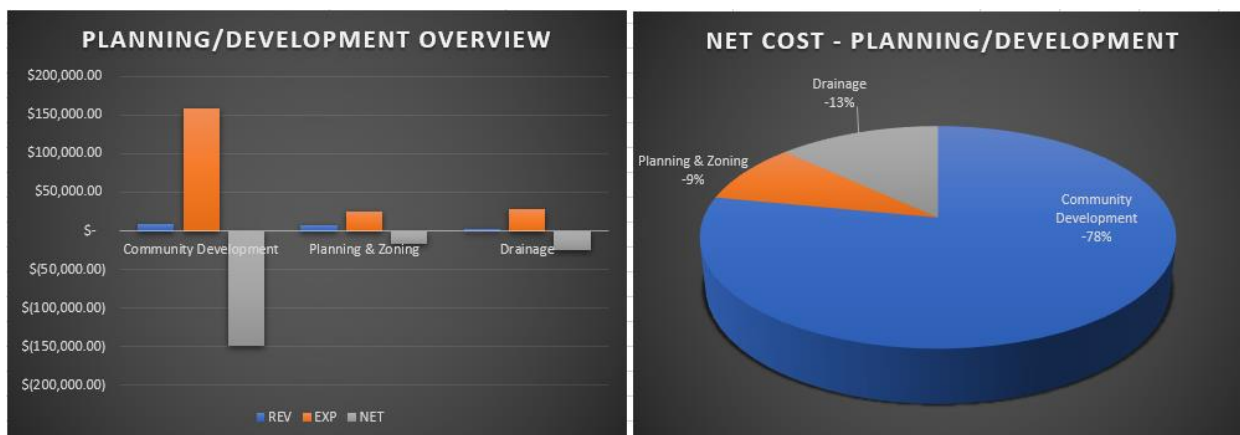
With respect to drainage services, a third party consultant (RJ Burnside Engineering) has been secured to provide drainage services on an as needed basis. The Clerk's Department provides administrative support to the third party provider and a large portion of Drainage Superintendent services are recovered through Provincial grants.

Below is a summary of the required resources to provide Planning and Development services.

Economic Development	1 full-time Economic Development Officer and 1 full-time Community Engagement Coordinator
Planning	Access to the services of 1 County Planner with support from other Huron County Planning staff
Drainage	Third party consultant on an as needed basis with administrative support provided by the Clerk's Department

Below is a chart and pie chart summarizing the 2023 revenue and expenditures for Planning and Development services.

PLANNING AND DEVELOPMENT			
	REV	EXP	NET
Community Development	\$ 9,000.00	\$ 158,542.00	\$ (149,542.00)
Planning & Zoning	\$ 7,500.00	\$ 24,450.00	\$ (16,950.00)
Drainage	\$ 2,950.00	\$ 27,950.00	\$ (25,000.00)
TOTALS	\$ 19,450.00	\$ 210,942.00	\$ (191,492.00)



Economic Development services are discretionary. The full benefit of recent changes to economic development services has not yet been realized. As part of the draft 2023 budget, the Economic Development Officer has requested funds to advance economic development initiatives in 2023. Council needs to evaluate whether the Economic Development Officer's budget recommendations align with Council's priorities.

Regarding planning services, the Township contributes towards the County levy for the delivery of services. One of the services that directly benefit the Township is planning services. The Township has access to the services of a registered planner who is supported by other County planning staff.

Planning services are non-discretionary however, there are alternative service models Council could consider. Alternative service delivery models include hiring a planner in-house (full-time or part-time); investigating sharing an in-house planner with another municipality; or hiring a third-party consultant.

At this time, the level of development activity in North Huron does not warrant full-time planning services. Given the labour market situation, it is unlikely the Township would be successful with hiring a part-time planner. The Township would be more successful with the hiring a full-time planner shared with another municipality or retain a consultant on an as needed basis. Funds allocated toward planning services would be a duplication of the funds already collected by the County for this service. It is recommended the existing service arrangement for planning services remain status quo.

As noted above, drainage services is non-discretionary and the level of drainage service activity in North Huron is low. The Township is adequately serviced by the existing service arrangement.

### **Concluding Comments:**

At the December 16, 2022 budget meeting, Council requested a report to allow for Council to conduct a review of discretionary services to potentially reduce the impact of the 2023 budget and to allow for better maintenance of Township infrastructure. To assist Council in their decision-making process, this report categorized the Township's services according to the province's service classifications. This report also identified discretionary and non-discretionary services within each category and provided the 2023 costs to maintain existing services and service levels.

General Government, Protection to Persons, Environmental, Health and Transportation Services are largely non-discretionary. There are some discretionary services in the Protection to Persons and Transportation services category that could be adjusted resulting in service level reductions; discontinuance of a service; and/or direct staff to investigate alternative service delivery models.

Childcare services, arenas, pools, fitness centres, programming, summer day camps, recreation administration, library services, parks, museums and campgrounds are discretionary services. For these services, Council needs to decide if the service(s) are necessary and/or desired by the majority of the public. If Council determines a service(s) to be necessary and/or desired by the public, Council needs to evaluate the cost against the benefit to the municipality. The Service Delivery Review conducted by KPMG provides some direction in this regard.

It is recommended Council:

1. Direct staff to seek a third party to be responsible for the operation of the Campground including the assumption of operating gains and/or losses;
2. Direct staff to discontinue museum services and/or seek a third party to be responsible for the operation of the museum facility including the assumption of operating gains and/or losses;
3. Direct staff to continue advancing 'Process Based Opportunities' to achieve efficiencies and savings;
4. Direct staff to request additional funds from the County for the delivery of library services;
5. Direct for the Township's contribution to the Blyth Centre for the Arts to assist with marketing be reduced to \$10,000 and for Municipal Civic Night be discontinued;
6. Authorize two Members of Council and the CAO to meet with the Belgrave Community Centre Board to discuss the terms and conditions of the Belgrave Community Centre Board agreement and report back to Council;
7. Direct staff to administer a survey of users and provide a detailed update of the required resources and challenges to deliver each of the four (4) childcare programs;
8. Authorize staff to issue a Request for Proposal for cemetery grass cutting and trimming for the 2023 season;
9. Direct for the closure of Blyth & District Community from April 1 to August 31;
10. Direct for the permanent closure of the Township operated fitness centre by no later than May 1, 2023 and authorize staff to issue a Request for Proposal to lease the space and equipment for Fitness Centre services;
11. Direct for the annual closure of the pool for the months of July and August beginning on July 1, 2023;
12. Direct for the discontinuance of free recreation programs and encourage more sponsored programs;
13. Direct staff to develop and present a recreation subsidy program for low income North Huron residents.

If Council is desirous, it is also recommended Council direct staff to prepare a report regarding service delivery reduction options for the arenas. The three options to be explored are: (1) permanent closure of one of the arenas; (2) rotating closures between the Wingham and Blyth arenas; and possible shared ice time with other municipalities.

**FINANCIAL IMPACT:**

The financial impacts are dependent upon whether Council discontinues any services and/or reduces service levels. If no adjustments to services or service levels are made, the draft 2023 budget provides for the maintenance of existing services and service levels.

**FUTURE/OTHER CONSIDERATIONS:**

Future staff reports will be brought forward for Council's consideration based on the direction provided by Council.

**OTHERS CONSULTED:**

Chris Townes, Director of Finance

Carson Lamb, Clerk/Planning Coordinator

Chip Wilson, Interim Director of Public Work and Facilities

Vicky Luttenberger, Director of Recreation and Community Services

Kent Readman, North Huron Fire Chief

**RELATIONSHIP TO THE STRATEGIC PLAN:**

Goal #3 - Our goal is to be a fiscally sustainable, transparent, and forward-thinking municipality that works with its residents and stakeholders through communications and community engagement.

Goal #4 – Our goal is to be a municipality with well-maintained and thoughtfully planned infrastructure.



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Dwayne Evans, CAO