

Public budget meeting scheduled for Tuesday, tax levy increase at 2.91 percent

Written By **PETER RICHARDSON**

Shelburne Treasurer Carey Holmes once again led the discussion on the municipality's 2019 budget, which, at present time, is calling for a 2.91 percent tax levy increase.

Kicking off deliberations, Ms. Holmes went into a long but revealing discussion regarding long term debt. Currently, the Province, allows municipalities to incur long term debt (LTD) for infrastructure projects as long as repayments do not exceed 25 percent of own source revenues. This includes things such as taxes and user fees, but does not include grants, subsidies, proceeds from property sales, contributions from reserves, or reserve funds, including development charges or donated assets such as subdivisions.

The Annual Debt Repayment Limit or ARL is given to the Treasurer each year. Shelburne's ARL, includes revenues from all the consolidated boards of Shelburne .

In 2018, the debt for the Jane and Marie Streets came off, reaching the Total Debt Charges to \$586,550.52. Assuming our revenues remained the same, this would place the ARL at \$2,097,693. The LTD Summary for 2019 places debt at \$4,870,170.93 in outstanding amounts by year end.

According to the Province, the ARL is \$2,097,693, if the Town borrows half that amount, they increase their debt by \$755,571 and at 40 percent of ARL it increases by \$487,147. To put this into perspective, a 15 year loan for the mandated repairs to Well #3, would cost the Town \$149,922.34 every year for 15 years. A 20 year loan for \$6,000,000 to build a new police station, will cost \$415,546 annually. If just these two were added to our current outstanding debt, the total would become \$12,640,171. Under the 50 percent of ARL option, there would be \$190,103 available annually for borrowing.

This translates into a \$1.7 million loan over 10 years. Under the accepted and preferred 40 percent option, our borrowing level would be exceeded by \$78,321 and further borrowing would be going against policy.

Using the Provincial limit, of 25 percent of revenues, would require tax increases just to maintain current service levels. As a result many municipalities have adopted a much slower rate of 10 percent of self-raised revenues. Staff is currently preparing a Debt Management Strategy which recommends that Shelburne adopt a 40 percent of ARL limit, to remain fiscally responsible .

After discussions and receiving the revised Police Services Budget numbers, Council was faced with two options for 2019 tax increases. Mayor Wade Mills noted that taxes must go up by at least the rate of inflation, simply to maintain the current rate of service and amenities in the town. Option number one, sees an increase of 2.91 percent over 2018 levies and option number two a levy increase of 3.65 percent. After some discussion, Council will present the 2.91 percent figure to the public draft budget meeting next Tuesday night at Grace Tipling Hall.

Black History Month

Council opened Monday evening with a Proclamation, from the Mayor and Council honouring Black History Month in Shelburne. Mayor Mills read out the Proclamation, Declaring February as Black History Month in Shelburne.

In his address, the Mayor noted that as of the 2016 Census, 10 percent of Shelburne's populace are black, however a more compelling number was that that 10 percent represented approximately half of the black population residing in all of Dufferin County.

Speed reductions

A report from the CAO, Denyse Morrissey was next, which detailed the reduction of the speed limit on the MTO-connecting routes through town.

The new speed limit on Main St. and Owen Sound St. is to be reduced from the current 50 km/h to 40 km/h in order to help curb truck traffic through the downtown core.

It should also be noted that it may well increase police revenues as well, since no one likes to drive city streets at 40 km/h and currently, even the 50 km/h limit is primarily being ignored.

This measure, came out of the Town's meetings with the Minister at the AMO Conference and is expected to receive ministry blessings. The next step, after the Town portion, is to submit a request to the Ministry to have this approved.

Procedural bylaw

Next up, Clerk Jennifer Willoughby presented a new procedural bylaw for Council. Although the bylaw covered all aspects of Council meetings and procedures, one line proved controversial. It was outlined in the draft, that Council would meet every 2nd and 4th Monday, but would convene at 6:30 p.m. rather than 7 p.m. on one night and at 3 p.m. on the second day, to accommodate more public participation at the meetings.

Deputy Mayor Steve Anderson objected, stating that coming into town for 3 p.m. would be extremely difficult for most residents and even for Council members, as it interfered with the work day and that since Shelburne is primarily a commuter town, many residents do not arrive home from work before 5 p.m. or 6 p.m. at the earliest.

Coun. Kyle Fegen, wondered if Council could not lift the ban on video recording of meetings and publish the events on the internet. The clerk responded that this was indeed under consideration as the bylaws were being reviewed.

Coun. Anderson mentioned that although this was a good idea, one that he supported, it really would not solve the problem. Many residents do not have internet capability and even though there are facilities in town, where they might go, if they do not get home until after these are closed, the point is mute. Coun. Walter Benotto also disagreed with a 3 p.m. start for the same reasons. For the time being, meeting schedules will remain as they have always been.