

DEPARTMENT/FUNCTION: General Government/Finance Committee
CHAIRPERSON: Councilor Axel Frandsen
DATE: September 30, 2009
SUBJECT: Draft 1, 5-year Capital Plan 2010 - 2014

BACKGROUND:

Council reviews the 5-year capital plan annually in the fall. This review assists Council and staff in the identification and prioritization of capital works on a long term basis, and gives consideration to how the works will be financed. Adoption of the Five-Year Plan by Council **does not give authority to staff to proceed with the works.**

The cost estimates included in the 5-year plan are based on the Directors' knowledge from historical data, input from consultants, or a best guess; these costs may change during the setting of the annual budget as a result of obtaining more accurate costs. Priorities identified in the first year of the 5 year plan are the basis for the capital portion of draft 1 of the operating budget.

PROCESS:

Each department reviews capital projects and associated budgets planned for the next 5 year period. Worksheets were updated and reviewed by department heads September 2, 2009. This first draft showed an increase of approximately 13.2% to the tax rate. The following items were adjusted or moved prior to the draft you are reviewing today.

- Phase in increase in equipment reserve transfers for fire over two years (\$8,000 per year)
- Phase in increase in equipment reserve transfers for public works over three years (\$5,000 per year)
- Phase in the additional storage bays with the improvements to bays at the water plant in 2010 at \$50,000 and moving the covered storage at \$100,000 to 2011.
- Provide for engineering only in 2010 and construction in 2011 for the Waubaushene bridge.

- Top dressing of ball diamonds moved to operating and spread out over a number of years(22,000 in 2010 and 2011). To include \$11,000 in operating annually.
- Bridgeview Second Ball field moved to 2011
- Changed funding for \$60,000 additional roadwork to Gas Tax
- Changed funding of Waubaushene bridge to Gas Tax in 2011/2012
- Reduced the transfer to reserve for bridges from 80,000 to 30,000.

The first budget meeting to review the capital plan is scheduled for September 30, 2009 at 5:00 p.m. in the Council Chambers.

Indexing of Capital Budget – Equipment Replacement

The Capital Budget is not indexed. Each year, staff reviews the cost of equipment replacement and their purchasing experience. If necessary, the replacement cost of equipment is adjusted to reflect current prices. This method has been used by the Township for a number of years, and has adequately provided for the replacement of equipment on a “pay as you go” basis. In reviewing the reserve transfers, there were a few areas where it was determined that increases to the transfers are needed. In order to mitigate the effect on the tax rate it is suggested that some of these increases be phased in this year.

RESERVES:

General Government – increase transfer to reserve equipment portion by **\$3,000 to \$48,000**. The increase is due to the addition of the Backup server purchased in 2009, the VPN router for wireless access and the MDF and IDF switches.

The 2009 budget included \$57,673 for capital projects mainly the building expansion. We still have some work to do on the old portion of the municipal building(stucco & roof) as well as the covered storage for public works equipment(See Director of Public Works budget notes). Admin, Fire and Library currently have a small amounts set aside for building improvements in their equipment reserves. We have a number of other buildings, recreation centers, youth centers, etc. which are in need of some costly work as well. It is proposed to increase the transfer to Administration Equipment/Building reserve, building portion **\$30,000** per annum to **\$35,000**

in 2010. This brings the total transfer to reserve from **\$50,000 to 83,000**. The public works department is working on a list of buildings and a cost forecast of their major repairs. The Park development reserve could be used in the future to provide for major repairs to parks & recreation buildings if an annual transfer was made.

Protection to Persons and Property – phase in an increase of \$16,000 for fire buildings and equipment over two years. An increase of **\$8,000** in 2009 brings the transfer to **\$138,000**. The increase is due to the increase in replacement values and a change to a steel roof for the Victoria Harbour Hall resulted in an increase in value from 25,000 to 65,000. Changes to the replacement costs are as follows:

- tankers from \$125,000 to \$211,000(was not increased in 2008)
- rescue vans from \$98,000 to \$120,000(was increased from \$95,000 to \$98,000 in 2008)

The change in lifespan from 22 years to 20 years was also included for the tankers.

The transfer for the By-law truck was increased from \$3,000 to **\$4,000** to reflect the cost of the vehicle.

Public Works – phase in an increase of \$15,000 over three years. An increase of **\$5,000** in 2010 brings the transfer to **\$155,000**. The increase is due to the increase in replacement values. Changes to the replacement values are as follows:

- 1/2 & 3/4 ton pick-ups from \$31,000 to \$35,000
- Single Axle 5 Ton Plow from \$185,000 to \$215,000
- Tandem Axle & 6 Ton Plow from \$185,000 to \$215,000
- 187 HP Grader/Plow from \$255,300 to \$285,000

Environmental – increase the transfer to reserve **\$14,000 to \$30,000**. Changes to the replacement values are as follows:

- 1/2 & 3/4 ton pick-ups from \$31,000 to \$35,000
- Add Mini Hydraulic Excavator w/trailer value of \$55,000
- Add Valve Maintenance System value of \$68,000

Culture and Recreation – increase transfer to fleet **\$2,000** per year to **\$21,000**. The increase is due to an increase in replacement cost of the One Ton Dump from \$30,000 to \$45,000.

Library buildings and Equipment – The Library transfers to reserve were reduced in 2007 to reflect a higher than required balance in the equipment reserve. This transfer was to be increased gradually however the library continues to receive grants for its computer equipment and therefore no increase has been included this year.

Bridges and Culverts - For the past number of years either a transfer to reserve to provide for bridge capital or an amount for renovation work in the operating budget has been included in alternating years. There has been some concern that the bridge reserve is not adequate to cover major repairs and/or replacement of existing bridges. Should bridge repairs be required in excess of the funding set aside, options for financing would include, applying for grants, debt financing and the use of gas tax. It is recommended that should council wish to mitigate the tax rate increase this year that the transfer to infrastructure reserve could be reduced and brought back in a future year. Draft 1 of the 5 year plan includes a reduction to the transfer to the infrastructure reserve by \$50,000 to **\$30,000** and a phase in of increases in years following. The Waubaushene one lane bridge has been moved from 2010 to 2011 due to the number of capital projects being undertaken as a result of successful grants.

Indexing of Capital Budget - Projects

The costs of projects that occur in the future are understated without an indexing provision. This would also affect the accuracy of debt repayment limit calculations. If capital projects such as road improvements are not indexed each year, eventually holding the same dollar amount would result in less work being accomplished every year.

Staff agreed that the capital budget would continue to be stated in “current year dollars” (meaning that for 2007, 2008, etc., the value is expressed in current year dollars with no adjustment for inflation). However, for the large projects, such as road improvements and water and sewer main replacements, the current year budget would be adjusted each year based on the commercial price index increase. The Construction Price Index for non-residential building (Institutional structures) **was 8.9% in 2007 and 9.6% in 2008** and is currently in the negative for 2009. The previous years CPI is normally what is used in setting the capital roads budget. The 2008 annual budget for roads, drainage & sidewalks of \$816,500 was reduced \$26,300 in

2009 (due to increases in the operating budget and the need to reduce the tax rate). The 2010 level of \$849,874 is 8% or \$87,537 greater than the 2008(combined CPI 2007 & 2008 of 18.5%). The comparison of the 2nd quarter 2008/2009 CPI is -2.5%. To summarize the roads, drainage & sidewalks capital budgets have been as follows:

- 2008 \$816,500
- 2009 \$790,200
- 2010 \$849,874

As you can see we have not been inflating our capital roads program by the construction price index annually which will result in less kilometers of road completed each year. Included in this draft of the budget it is recommended that roadwork in the amount of \$60,000 be funded by Gas Tax in order to mitigate the increase to the tax rate.

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Library Board

The Library Board 5-year plan has been reviewed by the CEO and the Head Librarian but has not yet been reviewed by the Library Board. This will be included with the 2010 Operating Budget and presented at their November meeting.

FINANCIAL ANALYSIS:

Total Capital Expenditures

The total proposed capital expenditures are as follows:

2010	\$12,633,517
2011	\$ 7,359,600
2012	\$ 6,007,900
2013	\$ 1,972,300
2014	\$12,959,000

The capital budgets for water and sewer are shown for a 10 year period. For these systems, not only do the capital expenditures need to be managed, but also the impact on the municipality's debt capacity and reserve funds. In the year 2014, both the water and sewer budgets show the installation of mains in Paradise Point/Grandview Beach.

Impact to Tax Rate

The total impact to the tax rate is a combination of the projects that are funded from the tax rate, and the reserve transfers. The 2011 impact to the tax rate is low as the funding source for the upgrade to the second ball field at Bridgeview Park is shown as 50% funded by grants. This may allow council greater flexibility in applying for grants and a decision to construct the works without funding would be a future council decision.

Year	2009	2010	2011	2012	2013	2014
Total Funds Required	1,427,684	1,620,313	1,610,348	1,606,629	1,584,299	1,463,629
% increase to tax rate		3.85	-0.2	-0.1	-0.4	-2.4

The 2009 increase of \$192,629 represents approximately 3.55% increase to the tax rate and .3% increase to the environmental rates (before any other operating expenditures are taken into consideration). The debt payments for funding the Hogg Valley Road and Rink projects will be approximately 1.5 to 1.9% depending on the term of the debt. It is possible that we may be able to structure the debt to phase in the initial semi annual payments over two years. The decrease in the transfer to bridge reserve has offset the increases in transfers to building and equipment reserves. The following identifies the significant areas of change in the year 2010, when compared to 2009 with the most significant being highlighted.

- General Government – decrease of \$2,673. Funding of building expansion removed. Furniture purchases and building renovation continues along with transfer to building reserve.
- Fire Department – increase of \$13,000. \$8,000 increase in reserve transfers. Ice water rescue suits added to capital purchases.
- Public Works
 - Fleet – Flail Mower – increase of \$5,000
 - **Boat Launch - increase of \$100,000**
 - Road Improvements – increase of \$59,674 (funded by gas tax)
 - **Talbot Street parking – increase of \$25,000**
 - **Public Dock Victoria Harbour – increase of \$100,000 (\$50,000 funded from parkland reserve)**

- **DCA funding for annual Capital Road program reduced by \$36,000**
 - Increase reserve transfer roads \$5,000
 - Decrease bridge reserve transfer \$50,000
 - Increase reserve transfer utility fleet \$14,000
- **Parks – Increase of \$55,000 for building improvements(30,000 funded from parkland reserve**
 - Library – decrease of \$5,500
 - Planning – decrease of \$20,000 urban forest study done in 2009

Gas Tax Rebate

In 2005, the Federal Government advised all municipalities that funds would be guaranteed for a 5-year period, as part of the sharing of gas tax revenues. This grant has now been increased and received a further extension to the year 2014.

The Gas Tax funds **must** be used for the following:

- Public Transit (including, bike lanes)
- Water
- Wastewater
- Solid Waste
- Community Energy Systems
- Roads, Bridges (where incremental or where sufficient funds are not available to do the work)

Tay Township will receive the following funds:

2008	\$148,851
2009-2014	\$297,702

Council, in the last 5-year plan, approved the following use of the funds:

Linear Trail:	\$297,741 (from 2005 to 2007)
Water improvements:	\$446,553 (from 2008 to 2009)

It is recommended that for 2010 and 2011 that \$60,000 be used for capital road improvements and that the balance be set aside for capital bridge work being the repairs to the one lane bridge in Waubaushene.

Debt Management

Municipalities have the authority to issue debt to a limit. Once that limit is reached, an application must be made to the Ontario Municipal Board to allow the municipality to exceed the limit.

The Annual Repayment Limit takes 25% of the municipality's revenue and subtracts the current debt payments. The amount left over would represent the amount of combined annual principal/debt payments that the municipality could negotiate. Items that most significantly affect the ARL are a change in the municipality's revenues, a change in the bank lending rate, and the introduction of new debt (principal and interest payments).

The Annual Repayment Limit as reported by the Ministry is attached . Since this was based on information to December 31, 2007, staff has updated the limit based on current data. The total amount that the municipality can borrow, based on the recalculated limit at a rate of interest of 6% amortized over 15 years, is \$16.3 million.

The proposed work in the capital budget is slightly above our ARL although increased revenues and expiring debt payments will affect the ARL. Any grants would reduce the amount borrowed as well. A further unknown factor at this time is how growth will impact our annual repayment limit.

In 2010/11, significant funds (\$3 million) are scheduled to come from Development Charges, and to the degree that these funds are not available; these may impact our total debt calculations (i.e. they would be higher). Similar to the financing of the Port McNicoll Sewage Treatment Plant, although the funds were borrowed with the intent to have the DCA pay the annual debt payments, insufficient DCA receipts forced the municipality to include in the sewer rate 2/3 of the required debt payments (\$120,000 per year). These debt payments were recouped as part of the DCA adjustments in 2009, however this has substantially reduced the reserve fund.

The capital budget provides for water and sewer services to the Paradise Point/Grandview Beach area in the year 2013/2014. Rough figures provided by the Director of Public Works show this cost to be \$10 million. The Township currently has a \$2.3 million grant toward the sewer main installation.

The provision of water and sewer services to Paradise Point/Grandview Beach will be paid for by the existing property owners, less any grant monies. In addition, Council will make decisions as to other costs related to the project that will be borne either by the municipality (for road endings and parks) or by the general water and sewer user rate.

It is difficult to predict with any degree of certainty whether or not the municipality will have sufficient debt capacity to finance the Paradise Point water and sewer main project.

Reserves - Equipment

The overall total of equipment reserve transfers remains in a healthy balance as the municipality continues to provide for the replacement of equipment on a “pay as you go” basis.

The overall total equipment reserve is maintained in a positive balance, as can be seen by the following summary:

Balance at Dec. 31	2009	2010	2011	2012	2013	2014
General Government	152,412	100,412	108,912	156,412	181,412	213,412
Fire	(160,975)	(27,475)	(5,975)	140,025	221,025	367,025
By-Law Enforcement	25,979	28,979	5,979	9,979	13,979	17,979
Public Works Fleet	218,720	64,720	245,720	422,720	398,720	530,720
Environmental Fleet	39,875	14,875	44,875	39,875	34,875	29,875
Building Vehicles	16,687	23,687	7,187	14,187	21,187	28,187
Total	292,698	205,198	406,698	783,198	871,198	1,187,198

It is staff’s recommendation that the negative reserve balances for specific reserves not be adjusted, as the total reserves for equipment replacement are adequate to provide for equipment replacement.

The reserves related to the general financial needs of the municipality (contingency, working funds, etc.) will be included in the preliminary operating budget.

RESERVE FUNDS

The Development Charge by-law provides for the use of Development Charge funds as follows:

- Public Works – 4.5% of road & bridge reconstruction is growth related (previously 8.2%), additional storage bays, additions to fleet
- Parks – for new park development identified as growth related, additional community centers
- Library – for collection improvements (an operating budget impact)
- Admin – for parks master plans, official plans & studies
- Fire – for identified new vehicles and equipment
- Water – for plant expansion, standby power
- Sewer – for plant expansion, deficiencies, current debt

One of the components within the Development Charges can become negative, as long as the overall reserve fund is in a positive balance, and funds are available for specific projects as they are required.

The expansion of the Victoria Harbour Wastewater plant, since it is growth related, should be financed from Development Charges. However, it is unlikely that we will have sufficient funds in the reserve fund. The projected reserve fund schedule for 2009 is attached. Although one reserve fund can borrow from another the entire group can not go into the negative.

PSAB

Accounting for capital assets is going to change in 2009 in that financial statements will show assets (buildings, treatment plants, equipment and furniture, vehicles), and their depreciated value. Each year in the books, the municipality will need to record a depreciation expense, similar to businesses. Finance staff will need to track all capital purchases, and the depreciation expense. It is not known at this time what impact on staffing, software and budget that the PSAB work will have. These will be identified as staff work through the issues. Staff have compiled an inventory of capital assets held, their historical value and depreciation to date with the use of an accounting student in 2009. Staff are working toward the compilation of the final asset register for incorporation into the Township's financial statements.

RECOMMENDATIONS

Staff have submitted some recommendations for Council's consideration on page 12.

SUMMARY

Staff look forward to a dialogue with Council's input with respect to the 5-year plan so that the final draft can be forwarded to the October 14 Council meeting for adoption. This will also allow the preparation of draft 1 of the 2010 operating budget, a large portion of which will be capital related.

Respectfully Submitted

Joanne Sanders
Treasurer

Township of Tay – 2010 Capital Budget Recommendations

Reserve Transfers

THAT THE TRANSFER TO RESERVES FOR EQUIPMENT REPLACEMENT, FOR THE YEAR 2010, BE CONFIRMED AT THE 2009 LEVEL, WITH THE EXCEPTION OF THE FOLLOWING:

- GENERAL GOVERNMENT BUILDING AND EQUIPMENT \$83,000
- PROTECTION TO PERSONS & PROPERTY - FIRE \$138,000
- PROTECTION TO PERSONS & PROPERTY – BYLAW \$4,000
- PUBLIC WORKS – ROADS EQUIPMENT \$155,000
- PUBLIC WORKS – PARKS EQUIPMENT \$21,000
- PUBLIC WORKS – ENVIRONMENTAL \$30,000
- PUBLIC WORKS – INFRASTRUCTURE \$30,000

Fleet Additions

THAT A MINI HYDRAULIC EXCAVATOR WITH TRAILER BE ADDED TO THE ENVIRONMENTAL VEHICLE FLEET WITH THE INITIAL EQUIPMENT BEING PURCHASED USING ENVIRONMENTAL EQUIPMENT RESERVES.

THAT A VALVE MAINTENANCE EQUIPMENT SYSTEM BE ADDED TO THE ENVIRONMENTAL VEHICLE FLEET WITH THE INITIAL PIECE OF EQUIPMENT BEING PURCHASED FROM UTILITY RATES.

Gas Tax Funding

THAT FOR THE YEARS 2010 AND 2011, 60,000 OF THE GAS TAX FUNDING BE USED FOR CAPITAL ROAD WORK AND THAT BALANCE OF \$237,702 BE USED FOR CAPITAL BRIDGE WORKS.

Capital Expenditures

THAT THE 2010 TO 2014, 5-YEAR CAPITAL PLAN, AS AMENDED, BE ACCEPTED.

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Tay Tp

MMAH CODE: 70625

1.0	GROSS DEBT CHARGES		
1.1	Principal	SLC 74 3099 01	655,186
1.2	Interest	SLC 74 3099 02	232,663
1.3	SUBTOTAL	Add Lines 1.1, 1.2	887,849
2.0	DEBT CHARGES ON O.C.W.A. PROVINCIAL PROJECT		
2.1	Water Projects -- this municipality only	SLC 74 2810 03	0
2.2	Water Projects -- share of integrated project(s)	SLC 74 2820 03	0
2.3	Sewer Projects -- this municipality only	SLC 74 2830 03	0
2.4	Sewer Projects -- share of integrated project(s)	SLC 74 2840 03	0
2.5	SUBTOTAL	Add Lines 2.1 thru 2.4	0
3.0	PAYMENT IN RESPECT OF LONG TERM COMMITMENTS AND LIABILITIES	SLC 42 6010 01	0
4.0	SUBTOTAL - DEBT CHARGES	Add Lines 1.3,2.5,3.0	887,849
5.0	AMOUNTS RECOVERED FROM UNCONSOLIDATED ENTITIES		
5.1	Electricity (Principal)	SLC 74 3030 01	210,000
5.2	Electricity (Interest)	SLC 74 3030 02	30,968
5.3	Gas and Telephone (Principal)	SLC 74 3040 01 + SLC 74 3050 01	0
5.4	Gas and Telephone (Interest)	SLC 74 3040 02 + SLC 74 3050 02	0
5.5	SUBTOTAL	Add Lines 5.1 thru 5.4	240,968
6.0	PAYMENTS TO PROVINCE FOR DOWNTOWN REVITALIZATION PROGRAM LOANS	SLC 42 5410 01	0
7.0	DEBT CHARGES FOR TILE DRAINAGE AND SHORELINE ASSISTANCE	SLC 40 1850 02 + SLC 40 1850 08	11,046
8.0	SUBTOTAL - DEBT CHARGES TO BE EXCLUDED	Add Lines 5.5,6.0,7.0	252,014
9.0	NET DEBT CHARGES		635,835

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Tay Tp

MMAH CODE: 70625

10.0	TOTAL REVENUE FUND REVENUES	SLC 10 9910 01	14,053,283
11.0	FEES FOR REPAYING THE PROVINCE FOR DOWNTOWN REVITALIZATION LOANS	SLC 42 5410 01	0
12.0	FEES FOR TILE DRAINAGE AND SHORELINE ASSISTANCE	SLC 12 1850 04	11,212
13.0	GRANTS FROM GOVERNMENT OF ONTARIO, GOVERNMENT OF CANADA AND OTHER MUNICIPALITIES		
13.1	Ontario Grants	SLC 10 0699 01 + SLC 10 0810 01	1,204,862
13.2	Canada Grants	SLC 10 0820 01	0
13.3	Other Municipalities	SLC 10 1099 01	50,960
13.4	SUBTOTAL	Add Lines 13.1 thru 13.3	1,255,822
14.0	FEES AND REVENUES FOR JOINT LOCAL BOARDS FOR HOMES FOR THE AGED		0
15.0	NET REVENUE FUND REVENUES	Lines 10 less Lines 11,12,13.4,14	12,786,249
16.0	25% OF NET REVENUE FUND REVENUE		3,196,562
17.0	ANNUAL REPAYMENT LIMIT 25% of Net Revenue Fund Revenues less Net Debt Charges		2,560,727

SLC denotes Schedule, Line, Column

FOR ILLUSTRATION PURPOSES ONLY

If the municipality could borrow at 7.0% or 9.0% annually, the annual repayment limit shown in Line 17 above would allow it to undertake additional long-term borrowing as follows:

<u>7.0% Interest Rate:</u>	
(a) 20 years @ 7.0% p.a.	27,128,381
(b) 15 years @ 7.0% p.a.	23,322,884
(c) 10 years @ 7.0% p.a.	17,985,477
(d) 05 years @ 7.0% p.a.	10,499,487
<u>9.0% Interest Rate:</u>	
(a) 20 years @ 9.0% p.a.	23,375,716
(b) 15 years @ 9.0% p.a.	20,641,225
(c) 10 years @ 9.0% p.a.	16,433,871
(d) 05 years @ 9.0% p.a.	9,960,336

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

Updated based on 2008 Financial Information Return

MUNICIPALITY: Tay Township		MMAH CODE:	70625
1.0	GROSS DEBT CHARGES		
1.1	Principal	Sch 74 3099 01	931,166
1.2	Interest	Sch 74 3099 02	504,037
	Less BMB refinancing		0
1.3	SUBTOTAL	Add lines 1.1, 1.2	1,435,203
2.0	DEBT CHARGES ON O.C.W.A. PROVINCIAL PROJECT		
2.1	Water Projects--this municipality only		
2.2	Water Projects--share of integrated project(s)		
2.3	Sewer Projects--this municipality only		
2.4	Sewer Projects--share of integrated project(s)		
2.5	SUBTOTAL	Add lines 2.1 thru 2.4	0
3.0	PAYMENT IN RESPECT OF LONG TERM COMMITMENTS AND LIABILITIES		
4.0	SUBTOTAL - DEBT CHARGES	Add lines 1.3, 2.5, 3.0	1,435,203
5.0	DEBT CHARGES FOR MUNICIPAL UTILITIES		
5.1	Electricity	Sch 74 3030 01	223,000
5.2	Gas	Sch 74 3030 02	17,803
5.3	Telephone		
	Amounts Recovered from Unconsolidated Entities		
5.4	Hydro (Principal)		
5.5	Hydro (Interest)		
5.6	Gas and Telephone (Principal)		
5.7	Gas and Telephone (Interest)		
5.8	SUBTOTAL	Add lines 5.1 thru 5.7	240,803
6.0	PAYMENTS TO PROVINCE FOR DOWNTOWN REVITALIZATION PROGRAM LOANS		
7.0	DEBT CHARGES FOR TILE DRAINAGE AND SHORELINE ASSISTANCE	40-1850 02+40 1850 0	11,788
8.0	SUBTOTAL - DEBT CHARGES TO BE EXCLUDED	Add line 5.8,6.0,7.0	252,591
9.0	NET DEBT CHARGES		1,182,612

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Tay Township		MMAH CODE:	70625
10.0	TOTAL REVENUE FUND REVENUES	Schedule 10, 9910 01	12,725,478
11.0	FEEES FOR REPAYING THE PROVINCE FOR DOWNTOWN REVITALIZATION LOANS		
12.0	FEEES FOR TILE DRAINAGE AND SHORELINE ASSISTANCE	PL 12 1850 04	11,788
13.0	GRANTS FROM GOVERNMENT OF ONTARIO, GOVERNMENT OF CANADA AND OTHER MUNICIPALITIES		
13.1	Ontario Grants	Sch 10 0699 01 + 10 0810 01	1,302,712
13.2	Canada Grants	Sch 10 0820 01	2,368
13.3	Other Municipalities	Sch 10 1099 01	95,990
13.4	SUBTOTAL	Add lines 13.1 thru 13.3	1,401,070
14.0	FEEES AND REVENUES FOR JOINT LOCAL BOARDS FOR HOMES FOR THE AGEI		0
15.0	NET REVENUE FUND REVENUES	Line 10 less Lines 11,12, 13.4, 14,15,16	11,312,620
18.0	25% OF NET REVENUE FUND REVENUE		2,828,155
19.0	ANNUAL REPAYMENT LIMIT 25% of Net Revenues Fund Revenues less Net Debt Charges		1,645,543

If the municipality could borrow at 6% annually, the annual repayment limit shown above would allow it to undertake additional long-term borrowing as follows:

	# years	factor	amount
a	20	6%	19,254,548
b	15	6%	16,327,105
c	10	6%	12,392,891
d	5	6%	7,105,634

Debt requirements per capital budget:

2009 Budget	\$290,550	Proposed for special projects
2010 Budget	\$4,896,478	
2011 Budget	\$3,501,374	
2012 Budget	\$2,781,950	
2013 Budget	\$0	
2014 Budget	\$8,108,574	

* - based on 5-year plan (2010 to 2014) **\$19,578,926**

CORPORATION OF THE TOWNSHIP OF TAY

Estimated Reserve Fund Transactions 2010

	Estimated Balance January 1, 2010	2010 RECEIPTS	WITHDRAWALS	BALANCE DEC 31/09
Development Charges Reserve Fund				
- General Government	(9,049)	9,842	9,695	(8,902)
- Public Works	725,321	52,688	44,334	733,675
- Fire		15,910		15,910
- Recreation	(139,384)	59,607	-	(79,777)
- Library Services	38,566	9,694	9,084	39,176
- Sewer Plant	96,418	250,157	975,036	(628,461)
- Water Treatment Plant	(97,337)	53,539	933,000	(976,798)
	614,534	451,437	1,971,149	(905,178)
Waubashene Fire Hydrants	5,970		-	5,970
Parkland Dedication	737			737

* - based on 37 DCA receipts