

Finance and Administration Committee

Tuesday, April 21st, 2009, 5:15 p.m.
City Hall - Council Chambers

<u>Committee Members</u>	<u>Areas of Responsibility:</u>	
Councillor J. Baker, Chair	Finance	Joint Services Committee
Councillor J. Fullarton	Clerk's Office	Safe Communities
Councillor L. Journal	Human Resources	Coalition
Mayor D. Henderson, Ex-Officio	Legal	Volunteer Awards

AGENDA

Page

DELEGATIONS

3-9

1. BROCKVILLE SENIOR CITIZENS INC.
MUNICIPAL FUNDING

Mr. Lorne Corlett will address the Committee respecting this issue.

STAFF REPORTS

11-26

1. 2009-045-04
2009 FINAL BUDGET

27-40

2. 2009-047-04
2009 DEBT CAPACITY LIMIT

41-78

3. INFRASTRUCTURE STIMULUS FUNDING

79-116

4. 2009-053-04
TANGIBLE CAPITAL ASSET POLICIES
FILE: F03-10

Tammy Wolthers of WSCS Consulting Inc. will be presenting this report.

NEW BUSINESS FROM MEMBERS OF COUNCIL

117

1. Motion from Councillor Beach

COMPUTERS FOR SENIORS PROGRAM FUNDING

Page

NEW BUSINESS FROM MEMBERS OF COUNCIL

2. BUSINESS FROM COUNCILLOR BAKER
COUNCIL EXPENSES - POLICY FOR REIMBURSEMENT
3. BUSINESS FROM COUNCILLOR BAKER
COUNCIL REMUNERATION POLICY
SETTING OF 4 YEAR TERM RATE
4. BUSINESS FROM COUNCILLOR BAKER
REVIEW OF CITY MILEAGE RATE

CONSENT AGENDA

Information Package

Brockville Senior Citizens Inc.

For presentation to the Brockville City Finance and Administration Committee

April 21 5:15 pm
~~March 17, 2009 at 4 P.M.~~

Package Includes:

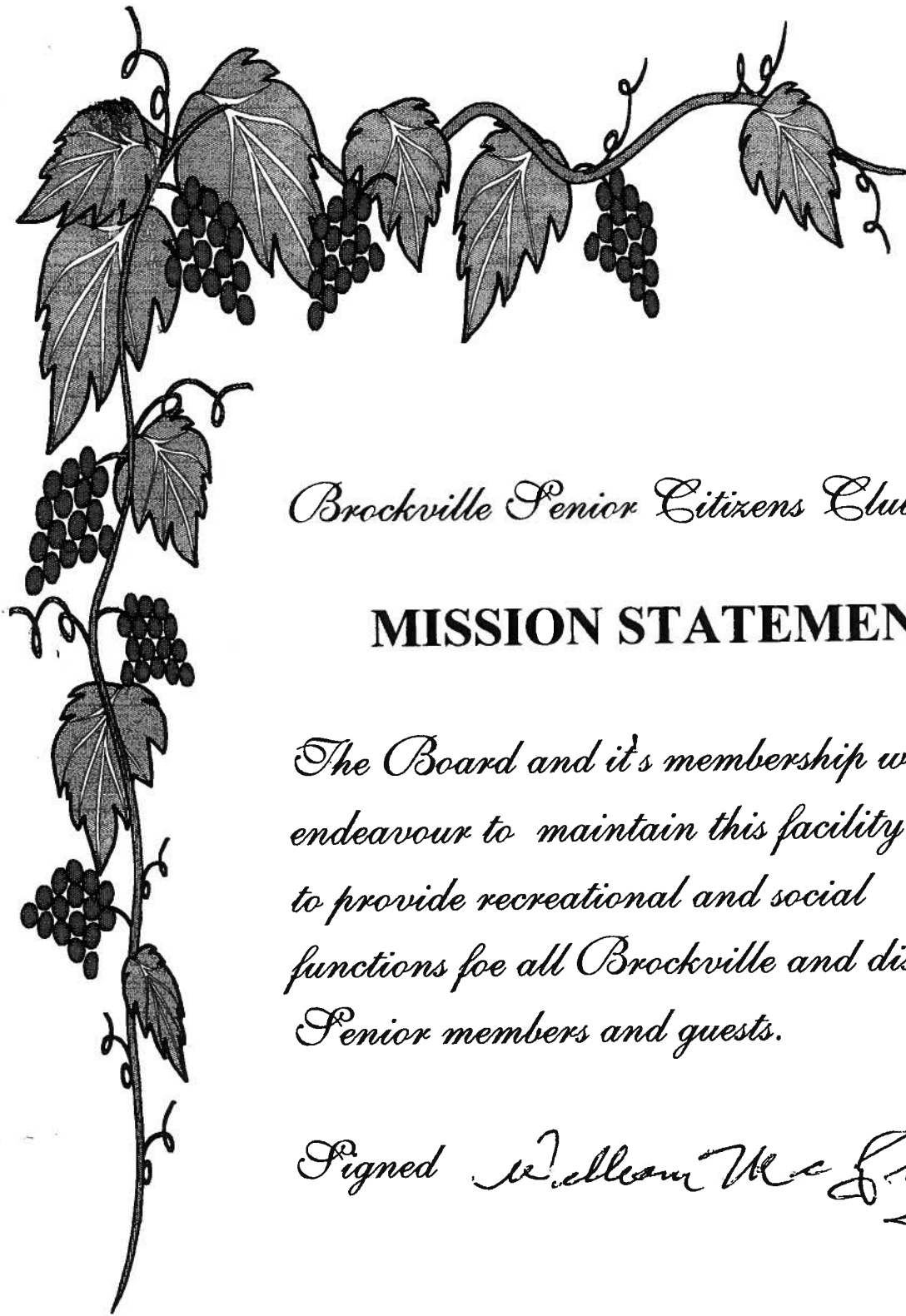
Mission Statement

Page 1 of By-Laws

Monthly Activities Program

Last letter received from Provincial Ministry of Health and Long Term Care

Copy of Elderly Person' Activities Act RRO – 1990
Regulation 314 Section 9, 10 and 11



Brockville Senior Citizens Club 85

MISSION STATEMENT

*The Board and its membership will
endeavour to maintain this facility and
to provide recreational and social
functions for all Brockville and district
Senior members and guests.*

Signed William McGray



BY-LAW NO. 1

A by-law relating generally to the transaction of the business and affairs of BROCKVILLE SENIOR CITIZENS INC.

BE IT ENACTED as a by-law of **BROCKVILLE SENIOR CITIZENS INC.**, as follows:

HEAD OFFICE

1. The head office of the Company shall be in the City of Brockville, at 15 Elm Avenue, in the County of Leeds in the Province of Ontario.

SEAL

2. The Corporate seal of the Company shall be in the form impressed hereon.

BOARD OF DIRECTORS

3. The affairs of the Corporation shall be managed by a Board of Directors, each of whom at the time of his election or within 10 days thereafter and throughout his term of office shall be a member of the Corporation. Each Director shall be elected to hold office until the first annual meeting after he shall have been elected or until his successor shall have been elected or until his successor shall have been duly elected and qualified. The whole Board shall be retired at each annual meeting, but shall be eligible for re-election if otherwise qualified. The election may be by a show of hands unless a ballot be demanded by any member. The members of the Corporation may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any Director before the expiration of his term of office, and may, by a majority of the votes cast at that meeting, elect any person in his stead for the remainder of his term.

4. VACANCIES, BOARD OF DIRECTORS

Vacancies on the Board of Directors, however caused, may so long as a quorum of Directors remains in office, be filled by the Directors from



March 2009

Brockville Senior
Citizens Inc "Club 85"

15 Elm Avenue,
Brockville, ON
K6V 2M3
Phone: 613-345-2266

Free Bus Rides (Tuesdays)
Call Joan at 613-342-5598

Know someone ill or in
the hospital? Please call
Bob or Mary McGrath at
613-342-1416

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2 Monday Night Bridge Ladies Snooker 1pm Pepper	3 Cards 1pm Crib 7:30	4 9:30 DUP. BRD 1pm EUCHER Men's Snooker	5 Men's Snooker 1 pm Darts	6 Bridge Meeting Bridge 1pm EUCHRE 7:30	7
8	9 Ladies Snooker 1pm Pepper	10 1pm General Meeting Birthdays Cards	11 9:30 DUP. BRD 1pm EUCHER Men's Snooker	12 Men's Snooker 1 pm Darts	13 Bridge 1pm EUCHRE 7:30	14
15	16 Ladies Snooker 1pm Pepper	17 Cards 1pm Crib 7:30	18 9:30 DUP. BRD 1pm EUCHER	19 Men's Snooker 1 pm Darts	20 Bridge 1pm EUCHRE 7:30	21
22	23 Ladies Snooker 1pm Pepper	24 Cards 1pm Crib 7:30	25 9:30 DUP. BRD 1pm EUCHER	26 Men's Snooker 1 pm Darts	27 Bridge 1pm EUCHRE 7:30	28
29	30 Ladies Snooker 1pm Pepper	31 12Noon Luncheon 1pm Cards Crib 7:30				

Brockville Senior Citizens Inc. EPC - 2008/09 budget

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From: Scott, Ann \{(MOH)\}
To: orchard11@canoemail.com
Cc: Sakr, Tina \{(MOH)\}

Date: 2/3/2009 11:53:50 AM

Hi Linda,

I am confirming our phone discussion yesterday with respect to the following:

- The City of Brockville has never provided a municipal contribution to support the net operating costs of the Brockville Senior Citizens EPC, either in cash or in-kind
- The provincial funding provided through the Ministry of Health and Long-Term Care of \$17,726 exceeds the legislated amount of 50% of Net Shareable Expenditures or \$32,000 whichever is less.

The EPC Act and regulations are clear about the requirement for the municipal contribution and the limits of the provincial subsidy that can be provided. I am attaching a copy of the Elderly Persons Centres Act (EPCA) and regulations:

<<Elderly Persons Centres Act, R_S_O_ 1990, c_ E_4.mht>> <<Elderly Persons Centres Act - R_R_O_ 1990, Reg_ 314.htm>>

We are currently in the process of reviewing and approving the requests for operating and special grants funding for 2008/09. Should any EPC fail to secure an on-going commitment from the municipality (as per the regulations), the EPC is at risk of losing the existing provincial subsidy.

I encourage you to formalize your request to your local municipal council immediately and inform them of the potential consequences.

Let me know if I can provide any further information at this time. More formal communication about compliance with the EPC Act and regulations in the context of Ministry approval of the 2008/09 requests and the status of future funding approvals is anticipated over the next few weeks.

Ann

Ann Scott

Senior Program Consultant
Provincial Programs Branch, Community Services
Health System Accountability and Performance Division
Ministry of Health and Long-Term Care
5700 Yonge Street, 5th Floor
Toronto ON M2M 4K5

phone: (416) 314-9579

fax: (416) 327-7281

Ann.Scott@ontario.ca



Attachments [-] Hide Options

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approval of the Minister; and

(c) agree to reimburse the Ministry in the same ratio as the Ministry's contribution to the acquisition of the building, buildings or land, the construction of the building or buildings or the renovations upon termination of the agreement or where there is a contravention of any term of the agreement or where a circumstance set out in clause (a) or (b) takes place. R.R.O. 1990, Reg. 314, s. 7.

8. Expenditures incurred by a municipality or an approved corporation for furnishings or equipment that are not replacements or for repairs to or maintenance of a capital asset that,

(a) are approved by the Minister as capital expenditures;

(b) are, in the opinion of the Minister, necessary for the efficient operation of an approved centre and the cost of which is not excessive for the purpose; and

(c) are in excess of \$3,000,

are capital expenditures for which a grant may be paid under subsection 4 (1) of the Act upon application by the municipality or the approved corporation in an amount equal to 30 per cent of the approved expenditures incurred. R.R.O. 1990, Reg. 314, s. 8; O. Reg. 391/08, s. 1.

9. A municipality or an approved corporation shall in respect of every approved centre operated by it keep and maintain a current inventory of all furnishings and equipment acquired by the centre and the inventory shall set forth each addition to or removal from inventory and the reasons therefor and shall be prepared in such manner and contain such additional information as the Director may require. R.R.O. 1990, Reg. 314, s. 9.

10. (1) An application by a municipality or an approved corporation for payment of the subsidy under subsection 4 (1) of the Act shall be made in a form provided by the Minister and may be submitted monthly, quarter-yearly, half-yearly or yearly and shall be submitted to the Director not later than the last day of the month immediately following the period for which the application is made. R.R.O. 1990, Reg. 314, s. 10 (1).

(2) Subject to subsections (3) and (4), the monthly amount to be paid under subsection 4 (2) of the Act shall be up to 50 per cent of the net monthly cost to the municipality or approved corporation of maintaining and operating its approved centre or centres, determined in accordance with the form referred to in subsection (1). R.R.O. 1990, Reg. 314, s. 10 (2).

(3) In respect of expenditures incurred on and after April 1, 2008, the amount to be paid in a fiscal year under subsection 4 (2) of the Act for any approved centre maintained and operated by a municipality or approved corporation shall not exceed,

(a) \$32,000, for the period beginning on April 1, 2008 and ending on March 31, 2010; and

(b) \$42,700, after March 31, 2010. O. Reg. 391/08, s. 2.

(4) In determining the maximum net monthly expenditure under subsection (2),

(a) the Director may average the expenditure for any approved centre by the municipality or approved corporation, as the case may be, over the fiscal year of the approved centre or approved corporation;

(b) the cost of rent or the monthly amount repaid for principal and interest under a mortgage in respect of an approved centre for which a capital grant has been paid under subsection 4 (1) of the Act shall not be included. R.R.O. 1990, Reg. 314, s. 10 (4).

11. The sum payable by a municipality or municipalities to an approved corporation under subsection 4 (2) of the Act shall be equal to,

(a) for corporations that are approved under subsection 2 (1) of the Act on or after April 1, 2008, at least 20 per cent of the net monthly cost to the approved corporation of maintaining and operating its approved centre or centres determined in accordance with the form referred to in subsection 10 (1); and

(b) for corporations that were approved under subsection 2 (1) of the Act before April 1, 2008, at least 20 per cent of the net monthly cost to the approved corporation in the 2007-2008 fiscal year of maintaining and operating its approved centre or centres determined in accordance with the form referred to in subsection 10 (1). O. Reg. 391/08, s. 3.

12. It is a term and condition of payment of a grant under subsection 4 (2) of the Act that the net monthly cost of maintaining and operating an approved centre for the purposes of the form referred to in subsection 10 (1) be approved by the Director. R.R.O. 1990, Reg. 314, s. 12.

13. A grant may be paid under section 5 of the Act to a municipality or to an approved corporation for costs of a program of services for elderly persons in an approved centre, but in no case shall the total grant under section 5 of the Act exceed \$15,000 for any approved centre for any fiscal year. R.R.O. 1990, Reg. 314, s. 13.

14. A municipality or an approved corporation shall in respect of every approved centre operated by it,

(a) provide a program of services approved by the Minister;

(b) provide, when requested by the Director, a letter from the local fire chief stating that the premises meet all the requirements of any statute, regulation or by-law for the protection from fire of persons using the premises;

(c) establish requirements and policies for the admission of elderly persons to the facilities and services of a centre that are satisfactory to the Director;

(d) keep separate books of account,

(i) setting forth the revenue and expenditures of the centre,

(ii) containing a separate record of the money received by the centre from sources other than under the Act, and

(iii) that are audited at least once a year by a licensed public accountant in the case of the approved corporation and an auditor licensed and appointed in accordance with the *Municipal Act* in the case of the municipality,

and each book of account shall be retained for at least six years from the date of the last entry in a book for a particular year;

(e) furnish to the Director not later than the last day of the fourth month following the end of each fiscal year the financial statement of the centre for the immediately preceding fiscal year, together with a report of a licensed public accountant in the case of the approved corporation or of an auditor licensed in accordance with the *Municipal Affairs Act* and appointed in accordance with the *Municipal Act* in the case of the municipality, stating whether in the person's opinion,

(i) the person has received all the information and explanations the person has required,

(ii) the financial statement and the claims for provincial subsidy are in accordance with the books and records of the centre and approved corporation, as the case may be,

(iii) the calculation of the provincial subsidy is in accordance with the regulations, and

(iv) the financial statement has been prepared in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year,

and such other financial and statistical information as the Director may require. R.R.O. 1990, Reg. 314, s. 14.

April 6, 2008

REPORT TO FINANCE & ADMINISTRATION – APRIL 21, 2008

**2009-045-04
2009 FINAL BUDGET
File: F05-26/09**

**D. CYR
DIRECTOR OF FINANCE**

RECOMMENDATION

THAT Council authorize an amendment to the 2009 budget as it pertains to Joint Services costs based on the confirmed budget levy amount of \$5,395,514 which is an increase of \$184,090 from the original proposed budget figure; and

THAT Council authorizes the adoption of the 2009 budget at a levy of \$26,932,268; and

THAT Council authorizes the passing of the by-law to adopt the 2009 budgets.

PURPOSE

Section 290 (1) of the Municipal Act requires that:

“For each year, a local municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including,

- (a) amounts sufficient to pay all debts of the municipality falling due within the year;
- (b) amounts required to be raised for sinking funds or retirement funds; and
- (c) amounts required for any board, commission or other body.”

BACKGROUND

Pursuant to the direction of the Committee of the Whole on February 24th, 2009, Council approved the 2009 Operating budget at a levy increase of approximately 4.6%.

Council also requested that the budget remain open to deal with the final budget request from Joint Services and Health Unit.

Since that time, the Joint Services budget has been finalized and it is \$184,090 greater than anticipated. The main causes for the increase are, anticipated case load increases in ODSP, Ontario Works and Children’s Services plus a 14.53% increase to the Community Housing budget.

POLICY IMPLICATIONS

The approval of the 2009 budget will allow the relevant by-laws to be passed as required by the Municipal Act.

FINANCIAL CONSIDERATIONS

The following projects were approved with funding from the Fiscal Policy Reserve:

Clerk – Secretary Position	\$ 18,468
Ontario Senior Games facility fee waivers	5,850
St. John Ambulance Contribution	5,000
Intern Position	28,183
Early Retirement Incentives – Fire	125,000
River Rink	<u>26,303</u>
	<u>\$208,804</u>

CONCLUSIONS

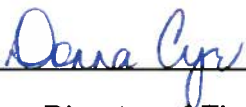
The City's levy increase of 5.19% equates to an actual tax rate decrease estimated at 2.04% based upon growth and reassessment for all tax classes.

To the residential property owner this is the equivalent of an increase of 3.45% or \$46.97 based upon \$105,608 of assessment which prior to reassessment would have been \$100,000.

To a commercial property owner this is the equivalent of an increase of 2.4% or \$64.53 based upon \$104,530 of assessment which prior to reassessment would have been \$100,000.

To an industrial property owner this is the equivalent of an increase of 1.74% or \$62.06 based upon \$103,855 of assessment which prior to reassessment would have been \$100,000.

These numbers will be finalized when tax policy decisions are made later this year.



D. Cyr, Director of Finance



B. Casselman, City Manager

THE CORPORATION OF THE CITY OF BROCKVILLE

By-Law Number 0xx-2009

By-Law to adopt the 2009 Operating, Capital, Water, and Wastewater Budgets

WHEREAS the budgets of all sums which are required for lawful purposes of the Corporation of the City of Brockville have been laid before the Municipal Council of the City of Brockville.

NOW THEREFORE the Municipal Council of the Corporation of the City of Brockville enacts as follows:

THAT the Operating Budget for 2009 be adopted as follows:

Operating Budget

Gross Expenditures of	\$39,787,939
Gross Revenues of	<u>12,855,671</u>
Net Levy of	\$26,932,268 ; and

THAT the Capital Budget for 2009 be adopted as follows:

Capital Budget

Gross Expenditures of	\$23,308,057
Gross External & Internal Revenue Sources	<u>23,308,057</u>
Net Debentures of	\$ 0 ; and

THAT the Finance Plan as presented be adopted in principle subject to annual reviews; and

THAT the Water Rate Administration Budget be adopted as follows:

Water Rate

Gross Expenditures required this year of	\$3,436,331
Gross Revenues of	<u>3,391,173</u>
Net Deficit	\$ 45,158; and
Contribution from Water Rate Administration Reserve Fund	<u>45,158</u>
Net Budget	0

Wastewater

THAT the Wastewater Rate Administration Budget be adopted as follows:

Gross Expenditures required this year of	\$3,372,823
Gross Revenues	<u>3,585,459</u>
Net Revenues to Reserve Fund	\$ 212,636

THAT Administration be authorized to proceed with the calling of tenders and the preparation of reports required to implement the projects and provide for debenturing process.

Given under the Seal of the
Corporation of the City of Brockville
and passed this 28th Day of April, 2009

MAYOR

CLERK

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
GENERAL GOVERNMENT MAYOR/COUNCIL				
EXPEND	186,701	200,368	7.3%	13,667
REVENUE	(3,635)	(3,922)	7.9%	(287)
NET EXP.	183,066	196,446	7.3%	13,380
ADMINISTRATION				
EXPEND	396,713	401,351	1.2%	4,638
REVENUE	(26,759)	(46,201)	72.7%	(19,442)
NET EXP.	369,954	355,150	-4.0%	(14,804)
CLERK/PARKING				
EXPEND	583,990	597,425	2.3%	13,435
REVENUE	(561,679)	(591,519)	5.3%	(29,840)
NET EXP.	22,311	5,906	-73.5%	(16,405)
ANIMAL CONTROL				
EXPEND	81,716	90,812	11.1%	9,096
REVENUE	(28,273)	(40,774)	44.2%	(12,501)
NET EXP.	53,443	50,038	-6.4%	(3,405)
NET CLERK, PARKING AND ANIMAL CONTROL				
	75,754	55,944	-26.2%	(19,810)
ECONOMIC DEVELOPMENT				
EXPEND	388,135	426,438	9.9%	38,303
REVENUE	(140,169)	(179,430)	28.0%	(39,261)
NET EXP.	247,966	247,008	-0.4%	(958)
TOURISM CHAMBER OF COMMERCE				
EXPEND	166,386	165,831	-0.3%	(555)
REVENUE	(5,500)	0	-100.0%	5,500
NET EXP.	160,886	165,831	3.1%	4,945
HUMAN RESOURCES				
EXPEND	408,852	412,839	1.0%	3,987
REVENUE	291,441	270,337	-7.2%	(21,104)
NET EXP.	117,411	142,502	21.3%	25,091
MIS				
EXPEND	368,611	376,992	2.3%	8,381
REVENUE	(42,011)	(46,046)	9.6%	(4,035)
NET EXP.	326,600	330,946	1.3%	4,346
FINANCE - ADMIN				
EXPEND	599,041	581,283	-3.0%	(17,758)
REVENUE	799,133	793,682	-0.7%	(5,451)
NET EXP.	182,037	187,601	3.0%	5,564
TOTAL GENERAL GOVERNMENT				
EXPEND	3,262,826	3,323,236	1.9%	60,410
REVENUE	(844,122)	(949,142)	12.4%	(105,020)
NET EXP.	2,418,704	2,374,094	-1.8%	(44,610)

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
GENERAL GOVERNMENT				
EXPEND.	3,262,826	3,323,236	1.9%	60,410
REVENUE	(844,122)	(949,142)	12.4%	(105,020)
NET REV..	2,418,704	2,374,094	-1.8%	(44,610)
FIRE				
Administration				
EXPEND	416,962	473,507	13.6%	56,545
REVENUE	(38,170)	(73,890)	93.6%	(35,720)
NET EXP.	378,792	399,617	5.5%	20,825
Prevention				
EXPEND	273,435	279,008	2.0%	5,573
REVENUE	(5,000)	(6,500)	30.0%	(1,500)
NET EXP.	268,435	272,508	1.5%	4,073
Fire-Fighting Operating				
EXPEND	2,977,407	2,991,807	0.5%	14,400
REVENUE	(73,550)	(64,050)	-12.9%	9,500
NET EXP.	2,903,857	2,927,757	0.8%	23,900
Fire-Fighting Communications				
EXPEND	341,828	342,794	0.3%	966
REVENUE	(237,047)	(240,191)	1.3%	(3,144)
NET EXP.	104,781	102,603	-2.1%	(2,178)
TOTAL				
EXPEND	4,009,632	4,087,116	1.9%	77,484
REVENUE	(353,767)	(384,631)	8.7%	(30,864)
NET EXP.	3,655,865	3,702,485	1.3%	46,620
PLANNING				
Administration				
EXPEND	405,799	671,540	65.5%	265,741
REVENUE	(48,015)	(289,890)	503.7%	(241,875)
NET EXP.	357,784	381,650	6.7%	23,866
Building Services				
EXPEND	526,244	522,694	-0.7%	(3,550)
REVENUE	(248,993)	(216,500)	-13.0%	32,493
NET EXP.	277,251	306,194	10.4%	28,943
TOTAL				
EXPEND	932,043	1,194,234	28.1%	262,191
REVENUE	(297,008)	(506,390)	70.5%	(209,382)
NET EXP.	635,035	687,844	8.3%	52,809

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
PARKS & RECREATION Administration				
EXPEND	207,119	194,999	-5.9%	(12,120)
REVENUE	0	(28,600)		(28,600)
NET EXP.	207,119	166,399	-19.7%	(40,720)
Parks				
EXPEND	1,028,952	1,094,273	6.3%	65,321
REVENUE	(358,472)	(351,596)	-1.9%	6,876
NET EXP.	670,480	742,677	10.8%	72,197
Gord Watts M.C.				
EXPEND	125,011	111,638	-10.7%	(13,373)
REVENUE	(125,011)	(111,638)	-10.7%	13,373
NET EXP.	0	0		0
Victoria Building				
EXPEND	190,769	181,901	-4.6%	(8,868)
REVENUE	(190,769)	(181,901)	-4.6%	8,868
NET EXP.	0	0		0
Rotary Building				
EXPEND	3,355	2,791	-16.8%	(564)
REVENUE	(17,824)	(17,879)	0.3%	(55)
NET EXP.	(14,469)	(15,088)	4.3%	(619)
Aquatics				
EXPEND	17,551	0	-100.0%	(17,551)
REVENUE	0	0		0
NET EXP.	17,551	0	-100.0%	(17,551)
Youth Arena				
EXPEND	309,576	309,778	0.1%	202
REVENUE	(250,052)	(260,347)	4.1%	(10,295)
NET EXP.	59,524	49,431	-17.0%	(10,093)
Memorial Centre				
EXPEND	443,419	445,318	0.4%	1,899
REVENUE	(361,558)	(354,832)	-1.9%	6,726
NET EXP.	81,861	90,486	10.5%	8,625
Arts Centre				
EXPEND	527,362	525,534	-0.3%	(1,828)
REVENUE	(383,368)	(386,013)	0.7%	(2,645)
NET EXP.	143,994	139,521	-3.1%	(4,473)
Programs				
EXPEND	9,378	9,512	1.4%	134
REVENUE	(2,500)	(2,500)	0.0%	0
NET EXP.	6,878	7,012	1.9%	134
TOTAL				
EXPEND	2,862,492	2,875,744	0.5%	13,252
REVENUE	(1,689,554)	(1,695,306)	0.3%	(5,752)
NET EXP.	1,172,938	1,180,438	0.6%	7,500

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
OPERATIONS				
Administration				
EXPEND REVENUE	102,639	106,841	3.9%	4,002
	0	0		0
	102,639	106,841	3.9%	4,002
Public Works				
EXPEND ONETIME	2,021,447	2,059,720	1.9%	38,273
REVENUE	160,051	0		(160,051)
	(13,553)	(17,617)	30.0%	(4,064)
	2,167,945	2,042,103	-5.8%	(125,842)
Fleet & Logistics				
EXPEND REVENUE	1,279,107	1,305,044	2.0%	25,937
	(929,726)	(925,183)	-0.5%	4,543
	349,381	379,861	8.7%	30,480
Engineering				
EXPEND REVENUE	690,646	718,787	4.1%	28,141
	(17,000)	(21,000)	23.5%	(4,000)
	673,646	697,787	3.6%	24,141
Solid Waste				
EXPEND REVENUE	1,025,167	1,087,552	6.1%	62,385
	(214,893)	(272,332)	26.7%	(57,439)
	810,274	815,220	0.6%	4,946
Transit				
EXPEND REVENUE	867,381	853,397	-1.6%	(13,984)
	(378,159)	(377,135)	-0.3%	1,024
	489,222	476,262	-2.6%	(12,960)
TOTAL				
EXPEND REVENUE	6,146,438	6,131,141	-0.2%	(15,297)
	(1,553,331)	(1,613,267)	3.9%	(59,936)
NET EXP. ONE TIME	4,593,107	4,517,874	-1.6%	(75,233)
REMOVE RESTATED	160,051			
	4,433,056	4,517,874	1.9%	
TOTAL CITY DEPTS				
EXPEND REVENUE	17,213,431	17,611,471	2.3%	398,040
	(4,737,782)	(5,148,736)	8.7%	(410,954)
NET EXP.	12,475,649	12,462,735	-0.1%	(12,914)

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
CORPORATE FINANCE				
A: CONTRIBUTION TO CAPITAL				
CONTRN TO RESERVE FUNDS	387,920	704,815	81.7%	316,895
	50,000			(50,000)
	437,920	704,815		266,895
B: FINANCIAL PLANNING				
CONTRIBUTIONS TO RESERVE FUNDS				
MAJOR OFFICE RSVE FUND	315,000	369,000	17.1%	54,000
FLEET & EQUIPMENT RSVE FUND	370,000	233,000	-37.0%	(137,000)
SICK LEAVE CREDIT RESERVE FUND	35,000	0	-100.0%	(35,000)
PARKLAND RESERVE FUND	31,000	70,000	125.8%	39,000
BUILDING RESERVE FUND	85,000	110,000	29.4%	25,000
INSURANCE RESERVE FUND	35,000	35,000	0.0%	0
ELECTION RESERVE FUND	25,000	25,000	0.0%	0
TAX RATIO MANAGEMENT	(250,000)		-100.0%	250,000
CONTRIBUTIONS FROM RESERVE FUNDS & RESERVES				
FROM HYDRO ONE RESERVE	(118,000)	(95,000)	-19.5%	23,000
STEP DOWN PROGRAM	(325,000)	(288,000)	-11.4%	37,000
	203,000	459,000	126.1%	256,000
C: ASSESSMENT, TAX POLICY ADMINISTRATION AND GRANTS ADMINISTRATION				
EXPEND	840,709	647,104	-23.0%	(193,605)
REVENUE	(990,725)	(914,403)	-7.7%	76,322
	(150,016)	(267,299)	78.2%	(117,283)
D. PROVINCIAL WDW DOWNLOADED COSTS AND CRF				
EXPEND	0	0		0
REVENUE	(2,861,000)	(2,047,500)	-28.4%	813,500
	(2,861,000)	(2,047,500)	-28.4%	813,500
E: CORPORATE MONEY MANAGEMENT				
EXPEND	488,762	276,332	-43.5%	(212,430)
REVENUE	(645,730)	(511,380)	-20.8%	134,350
	(156,968)	(235,048)	49.7%	(78,080)
F: RECOVERIES & ADJUSTMENTS				
EXPEND	63,174	64,634	2.3%	1,460
REVENUE	(26,555)	(36,432)	37.2%	(9,877)
	36,619	28,202	-23.0%	(8,417)
G: FINANCIAL PLANNING				
DEBT MANAGEMENT				
(A) DEBT CHARGES	4,014,564	4,039,664	0.6%	25,100
(B) CONT FROM RES FDS	(393,734)	(392,731)	-0.3%	1,003
(C) SLL SUBSIDY/PARTNERS	(1,527,717)	(1,527,717)	0.0%	0
NET DEBT CHARGES	2,093,113	2,119,216	1.2%	26,103
TOTAL CORP. FINANCE				
EXPEND	6,741,129	6,574,549	-2.5%	(166,580)
REVENUE	(7,138,461)	(5,813,163)	-18.6%	1,325,298
NET EXP.	(397,332)	761,386	-291.6%	1,158,718
TOTAL CITY DEPTS & CORPORATE FINANCE				
EXPEND	23,954,560	24,186,020	1.0%	231,460
REVENUE	(11,876,243)	(10,961,899)	-7.7%	914,344
NET EXP.	12,078,317	13,224,121	9.5%	1,145,804

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION		2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
POLICE					
Administration	EXPEND REVENUE NET EXP.	1,035,416 (10,000) 1,025,416	1,033,890 (8,000) 1,025,890	-0.1% -20.0% 0.0%	(1,526) 2,000 474
Court Security	EXPEND REVENUE NET EXP.	607,109 (5,000) 602,109	598,380 (7,000) 591,380	-1.4% -1.8%	(8,729) (2,000) (10,729)
Police Board	EXPEND REVENUE NET EXP.	32,700 0 32,700	64,817 0 64,817	98.2% 98.2%	32,117 0 32,117
Community Safety	EXPEND REVENUE NET EXP.	112,969 0 112,969	119,279 0 119,279	5.6% 5.6%	6,310 0 6,310
Enforcement	EXPEND REVENUE NET EXP.	4,803,231 (115,634) 4,687,597	4,959,863 (82,000) 4,877,863	3.3% -29.1% 4.1%	156,632 33,634 190,266
K-9	EXPEND REVENUE NET EXP.	3,000 0 3,000	1,500 0 1,500	-50.0% -50.0%	(1,500) 0 (1,500)
CRIMINAL CHECKS & RECORDS	EXPEND REVENUE NET EXP.	78,274 (768,800) (690,526)	108,457 (900,000) (791,543)	38.6% 17.1% 14.6%	30,183 (131,200) (101,017)
TOTAL	EXPEND REVENUE NET EXP.	6,672,699 (899,434) 5,773,265	6,886,186 (997,000) 5,889,186	3.2% 10.8% 2.01%	213,487 (97,566) 115,921
AIRPORT	EXPEND REVENUE NET EXP.	124,556 (49,713) 74,843	140,850 (48,069) 92,781	13.1% -3.3% 24.0%	16,294 1,644 17,938
HERITAGE BROCKVILLE	EXPEND REVENUE NET EXP.	9,593 (1,250) 8,343	9,499 (1,250) 8,249	-1.0% 0.0% -1.1%	(94) 0 (94)
CATARAQUI REGIONAL CONSERVATION AUTHORITY	EXPEND REVENUE NET EXP.	119,016 119,016	132,461 132,461	11.3% 11.3%	13,445 13,445
D.B.I.A.	EXPEND REVENUE NET EXP.	257,518 (257,518) 0	266,486 (266,486) 0	3.5% 3.5% D.B.I.A. BUDGET HAS NO IMPACT ON CITY TAX RATE	8,968 (8,968) 0

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
COMMITTEE OF ADJUSTMENT				
EXPEND REVENUE	6,449 (8,400)	6,529 (9,150)	1.2% 8.9%	80 (750)
NET EXP.	(1,951)	(2,621)	34.3%	(670)
LIBRARY				
EXPEND REVENUE	558,116	565,000	1.2%	6,884
NET EXP.	558,116	565,000	1.2%	6,884
MUSEUM				
EXPEND REVENUE	246,664 (62,450)	256,941 (71,500)	4.2% 14.5%	10,277 (9,050)
NET EXP.	184,214	185,441	0.7%	1,227
LEEDS & GRENVILLE HEALTH UNIT				
EXPEND REVENUE	262,380	325,402	24.0%	63,022
NET EXP.	262,380	325,402	24.0%	63,022
<i>Joint Services Committee</i> ADMINISTRATION				
EXPEND REVENUE	32,072	33,630	4.9%	1,558
NET EXP.	32,072	33,630	4.9%	1,558
<i>Joint Services Committee</i> AMBULANCE SERVICES				
EXPEND	969,064	1,027,604	6.0%	58,540
NET EXP.	969,064	1,027,604	6.0%	58,540
<i>Joint Services Committee</i> ODSP ONTARIO WORKS				
EXPEND	2,254,177	2,021,618	-10.3%	(232,559)
NET EXP.	1,498,703 3,752,880	1,533,335 3,554,953	2.3% -5.3%	34,632 (197,927)
<i>Joint Services Committee</i> CHILD CARE				
EXPEND REVENUE	234,234	257,745	10.0%	23,511
NET EXP.	234,234	257,745	10.0%	23,511
<i>Joint Services Committee</i> SOCIAL HOUSING				
EXPEND	708,143	808,373	14.2%	100,230
NET EXP.	708,143	808,373	14.2%	100,230
<i>Joint Services Committee</i> PROVINCIAL OFFENCES ACT				
REVENUE	(273,153)	(286,791)	5.0%	(13,638)
NET EXP.	(273,153)	(286,791)	5.0%	(13,638)
TOTAL JOINT SERVICES	5,423,240	5,395,514	-0.51%	(27,726)

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHG BASE LEVEL
BROCKVILLE CEMETERY BD.				
EXPEND	233,554	245,458	5.1%	11,904
REVENUE	(201,692)	(213,526)	5.9%	(11,834)
NET EXP.	31,862	31,932	0.2%	70
ST. LAWRENCE LODGE				
EXPEND	845,703	839,802	-0.7%	(5,901)
REVENUE				
NET EXP.	845,703	839,802	-0.7%	(5,901)
TOTAL BDS & COMM'NS				
EXPEND	15,032,641	15,356,919	2.2%	324,278
REVENUE	(1,753,610)	(1,893,772)	8.0%	(140,162)
NET EXP.	13,279,031	13,463,147	1.4%	184,116
MARITIME DISCOVERY CENTRE				
EXPEND	500,000	245,000	-51.0%	(255,000)
REVENUE	(255,000)		-100.0%	255,000
NET EXP.	245,000	245,000	0.0%	0
TOTAL CITY BUDGET				
EXPEND	39,487,201	39,787,939	0.8%	300,738
REVENUE	(13,884,853)	(12,855,671)	-7.4%	1,029,182
NET EXP.	25,602,348	26,932,268	5.19%	1,329,920
NET DOLLAR CHANGE		<u>1,329,920</u>		

2009 CAPITAL BUDGET - APPROVED MARCH 10, 2009

DESCRIPTION OF PROJECT COSTS AND REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
1.1 WPCC SECONDARY TREATMENT UPGRADE- Phase 2 of 4	48,000,000	13,365,000	Federal Infrastructure Funding	6,681,774	4,455,000	Hydro One RF	4,455,000	0	0
WATER PORTION			Provincial Infrastructure Funding	2,228,226					
2. SANITARY SEWER PORTION	130,000	130,000	May Court Club of Brockville	50,000	50,000	BMACC	50,000	0	0
2.1 BARRIER-FREE PLAY STRUCTURE	102,000	10,000	"Investing in Ontario Act"	30,000	10,000		10,000	0	0
3. LEEDS & GRENVILLE LANDFILL SITE - Property Acquisition	46,232,000	13,505,000		8,990,000	4,515,000	Surplus from CA050-E360	4,515,000	0	0
TOTAL MANDATED AND COMMITTED PROJECTS:									
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
2.1 KING ST WEST RECONSTRUCTION - Phase 2 of 2	1,836,500	1,836,500	COMRIF	247,280					
TAX RATE PORTION		900,000	Roads & Bridges Capital Invest Funds	389,890	262,830	Surplus from previous phases	20,428	242,402	0
WATER PORTION		514,250	COMRIF	141,499	372,751	Water Fund	0	0	372,751
SANITARY SEWER PORTION		422,250	COMRIF	116,221	306,029	Sewer Fund	0	0	306,029
2.2 KEEFER ST. RECONST. - First to North Augusta	1,094,000	1,094,000	COMRIF		269,068	Debtenture surplus from NA Road	107,565	161,403	0
TAX RATE PORTION		477,500	COMRIF	127,734					
WATER PORTION		334,250	"Investing in Ontario Act"	80,698	244,635	Water Fund	0	0	244,635
SANITARY SEWER PORTION		282,250	COMRIF	89,615	206,546	Sewer Fund	0	0	206,546
3. CALIFORNIA AVE /LAURIER BLVD. INTERSECTION	120,000	120,000	"Investing in Ontario Act"	120,000	0		0	0	0
4. SEWER SEPARATION INVESTIGATIONS	80,000	80,000			80,000	Sewer Fund	80,000	0	0
5. ENERGY RETROFITS	1,500,000	1,500,000	Federal Gas Tax	1,500,000	0		0	0	0
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	4,630,500	4,630,500		2,886,641	1,741,859		208,093	403,805	1,129,961
3. PARKS & RECREATION:									
3.1 RAILWAY TUNNEL - NORTH PORTAL	250,000	250,000	"Investing in Ontario Act"	165,000	85,000	Carry forward from previous year	85,000	0	0
2. ISLAND ENVIRONMENTAL ASSESSMENT	25,000	25,000		0	25,000		0	25,000	0
3. ELECTRICITY AT COURT HOUSE GREEN	33,000	33,000	"Investing in Ontario Act"	18,000	15,000	Carry forward from previous year	15,000	0	0
4. DOCKING AT MARINA	120,000	120,000	"Investing in Ontario Act"	120,000	0		0	0	0
TOTAL PARKS & RECREATION:	428,000	428,000		303,000	125,000		100,000	25,000	0
4. SERVICES:									
4.1 BRIDGE INSPECTION SERVICES	20,000	20,000		0	20,000		0	20,000	0
2. PEDESTRIAN BRIDGE AUDIT	10,000	10,000		0	10,000		0	10,000	0
3. DEVELOPMENT CHARGE STUDY	20,000	20,000		0	20,000	Growth Management RF	20,000	0	0
4. OFFICIAL PLAN UPDATE	240,915	240,915	Federal Gas Tax	229,829	11,086	Unspent Budget Items Reserve	11,086	0	0
TOTAL SERVICES:	290,915	290,915		229,829	61,086		31,086	30,000	0
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
6.1 FLEET PROGRAM									
TAX RATE PORTION		801,159	"Investing in Ontario Act"	664,999	136,160	Fleet Rsv Fd	136,160	0	0
WATER PORTION		51,128		0	51,128	Water Fund	51,128	0	0
WASTEWATER PORTION		32,289		0	32,289	Sewer Fund	32,289	0	0
TRANSIT PORTION		295,289		0	295,289	Transit Rsv Fund	295,289	0	0
2. WPCC EQUIPMENT PROGRAM		418,500		0	418,500	Sewer Fund	418,500	0	0
3. COMPUTER REPLACEMENT PROGRAM		131,500		0	131,500	M r Office Equip Rsv Fd	131,500	0	0
TAX RATE PORTION		4,250		0	4,250	Water Fund	4,250	0	0
WASTEWATER PORTION		5,750		0	5,750	Sewer Fund	5,750	0	0
4. CORPORATE COMPUTER SYSTEM		347,323	Federal Gas Tax	166,428	180,895	M r Office Equip Rsv Fd	180,895	0	0
TAX RATE PORTION		33,387		0	33,387	Water Fund	33,387	0	0
WATER PORTION		33,387		0	33,387	Sewer Fund	33,387	0	0
WASTEWATER PORTION		65,100		0	65,100	Parkland Equip Rsv Fd	65,100	0	0
5. PARKLAND EQUIPMENT PROGRAM		698,300	"Investing in Ontario Act"	585,000	133,300	Building Maint. Rsv Fd	124,800	0	0
6. BUILDING/EQUIPMENT MAINTENANCE PROGRAM		29,536		0	29,536	Health and Safety Rsv Fd	8,500	0	0
7. PARKING METERS INSTALLATION		22,800		0	22,800	Parking Reserve Fund	22,800	0	0
ST. LAWRENCE PARK PARKING		705,000		0	705,000	Water Fund	705,000	0	0
8. WATER EQUIPMENT/CONSTRUCTION									
TOTAL FUNDED RESERVE FUNDS:		3,674,698		1,396,427	2,278,271		2,278,271	0	0

2009 CAPITAL BUDGET - APPROVED MARCH 10, 2009

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM		450,000	Federal Gas Tax	228,091	223,909	Carry forward from previous year	4,895	130,000	89,014
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		450,000		228,091	223,909		4,895	130,000	89,014
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		143,000	Partner Contributions	15,000	128,000	Parking Reserve Fund Surplus from other projects	13,000 43,990	71,010	0
TOTAL MINOR CAPITAL:		143,000		15,000	128,000		56,990	71,010	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS .1 NORTHERN CABLES ENTRANCE	84,000	84,000	INDUSTRY "Investing in Ontario Act"	42,000	0			0	0
.2 BMAAC	135,000	45,000		42,000	0			0	0
.3 VICTORIA BUILDING CEILING	41,944	41,944	Federal Gas Tax	0	45,000		0	45,000	0
.4 BROCKVILLE ARTS CENTRE FLOOR	15,000	15,000	"Investing in Ontario Act"	41,944	0		0	0	0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	275,944	185,944		15,000	45,000		0	45,000	0
10. GRAND TOTAL THIS YEAR	51,857,359	23,308,057		14,189,932	9,118,125		7,194,335	704,815	1,218,975

Less Debtentures contemplated through Water Fund 617,386
Less Debtentures contemplated through Sewer Fund 512,575

In 2009 the Contribution to Capital for City Projects is 704,815

(capacity not necessarily available)

Proposed Tax Rate Debtentures in this 2009 Capital Budget 89,014

CAPACITY PER FINANCE PLAN 202,909

Remaining Debtentures for 2009 per the Finance Plan 113,895

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHNG BASE LEVEL
WATER RATE ADMINISTRATION				
Distribution				
EXPENDITURE	675,297	664,944	-1.5%	(10,353)
REVENUE	(15,209)	(15,042)	-1.1%	167
	<u>660,088</u>	<u>649,902</u>	<u>-1.5%</u>	<u>(10,186)</u>
Inventory				
EXPENDITURE	43,471	43,478	0.0%	7
REVENUE	(1,300)	(1,300)	0.0%	0
	<u>42,171</u>	<u>42,178</u>	<u>0.0%</u>	<u>7</u>
Engineering				
EXPENDITURE	177,133	229,077	29.3%	51,944
REVENUE				0
	<u>177,133</u>	<u>229,077</u>	<u>29.3%</u>	<u>51,944</u>
Finance - Revenue				
EXPENDITURE	504,096	639,406	26.8%	135,310
DEBT CHARGES	134,222	134,222		0
REVENUE	(3,323,287)	(3,316,120)	-0.2%	7,167
	<u>(2,684,969)</u>	<u>(2,542,492)</u>	<u>-5.3%</u>	<u>142,477</u>
Human Resources/MIS				
EXPENDITURE	10,830	11,104		274
REVENUE	0	0		0
	<u>10,830</u>	<u>11,104</u>		<u>274</u>
Administration				
EXPENDITURE	65,648	46,956	-28.5%	(18,692)
REVENUE	0	0		0
	<u>65,648</u>	<u>46,956</u>	<u>-28.5%</u>	<u>(18,692)</u>
Treatment				
EXPENDITURE	955,456	942,157	-1.4%	(13,299)
REVENUE	0	0		0
	<u>955,456</u>	<u>942,157</u>	<u>-1.4%</u>	<u>(13,299)</u>
Elizabethtown				
EXPENDITURE	54,669	54,536	-0.2%	(133)
REVENUE	(51,050)	(58,711)		(7,661)
	<u>3,619</u>	<u>(4,175)</u>	<u>-215.4%</u>	<u>(7,794)</u>
Capital & Reserves				
CAPITAL	739,133	591,800	-19.9%	(147,333)
MAJOR OFFICE	16,912	37,637	122.5%	20,725
FLEET	5,121	41,014	700.9%	35,893
REVENUE	0	0		0
	<u>761,166</u>	<u>670,451</u>	<u>-11.9%</u>	<u>(90,715)</u>
TOTAL	3,381,988	3,436,331	1.61%	54,343
	<u>(3,390,846)</u>	<u>(3,391,173)</u>	<u>0.01%</u>	<u>-327</u>
	<u>(8,858)</u>	<u>45,158</u>		<u>54,016</u>
Add contribution to Water Reserve Fund	4,429			
Contribution from Water Reserve Fund		45,158		

**CORPORATION OF THE CITY OF BROCKVILLE
SUMMARY OF 2009 BUDGET**

FUNCTION	2008 BUDGET	2009 BUDGET	% CHANGE	DOLLAR CHNG BASE LEVEL
WASTEWATER RATE ADMINISTRATION				
Supervisory Administration	9,114	29,394	222.5%	20,280
	0	0		0
EXPENDITURE				
REVENUE				
	9,114	29,394	222.5%	20,280
Public Works - Garage	19,539	20,243	3.6%	704
	0	0		0
EXPENDITURE				
REVENUE				
	19,539	20,243	3.6%	704
Sewer Maintenance	230,843	235,159	1.9%	4,316
	(9,484)	(10,294)	8.5%	(810)
EXPENDITURE				
REVENUE				
	221,359	224,865	1.6%	3,506
Engineering	69,009	126,222	82.9%	57,213
	0	0		0
EXPENDITURE				
REVENUE				
	69,009	126,222	82.9%	57,213
Finance - Revenue	153,136	123,820	-19.1%	(29,316)
DEBT CHARGES	235,638	236,085	0.2%	447
REVENUE				
	(3,411,244)	(3,570,227)	4.7%	(158,983)
	(3,022,470)	(3,210,322)	6.2%	(187,852)
EXPENDITURE				
REVENUE				
	20,120	20,684	2.8%	564
	0	0		0
Human Resources/MIS	20,120	20,684	2.8%	564
	0	0		0
EXPENDITURE				
REVENUE				
	20,120	20,684	2.8%	564
Treasury Administration	212,532	226,234	6.4%	13,702
	0	0		0
EXPENDITURE				
REVENUE				
	212,532	226,234	6.4%	13,702
Operations Administration	160,646	97,221	-39.5%	(63,425)
	0	0		0
EXPENDITURE				
REVENUE				
	160,646	97,221	-39.5%	(63,425)
Sewage Plant	1,268,599	1,300,175	2.5%	31,576
	(5,158)	(4,938)		220
EXPENDITURE				
REVENUE				
	1,263,441	1,295,237	2.5%	31,796
Sewer Abatement	54,627	55,679	1.9%	1,052
	0	0		0
EXPENDITURE				
REVENUE				
	54,627	55,679	1.9%	1,052
Main Pump Station	166,727	170,391	2.2%	3,664
	0	0		0
EXPENDITURE				
REVENUE				
	166,727	170,391	2.2%	3,664
Pumping Stations	75,377	83,617	10.9%	8,240
	0	0		0
EXPENDITURE				
REVENUE				
	75,377	83,617	10.9%	8,240
Leachate Station	70,618	69,248	-1.9%	(1,370)
	0	0		0
EXPENDITURE				
REVENUE				
	70,618	69,248	-1.9%	(1,370)
Capital & Reserves	712,500	498,500	-30.0%	(214,000)
MAJOR OFFICE	13,016	39,137	200.7%	26,121
FLEET	54,326	41,014	-24.5%	(13,312)
	779,842	578,651	-25.8%	(201,191)
TOTAL	3,526,367	3,372,823	-4.35%	(153,544)
	(3,425,886)	(3,585,459)	4.66%	(159,573)
	100,481	(212,636)		(313,117)
Add contribution to Wastewater Reserve	0	212,636		
Contribution from Wastewater Reserve Fund	100,481			

March 4, 2009

REPORT TO FINANCE ADMINISTRATION COMMITTEE – APRIL 21, 2009

2009-047-04

2009 DEBT CAPACITY LIMIT

FILE: F08-20

D. CYR

DIRECTOR OF FINANCE

L. FERGUSON

SUPERVISOR OF ACCOUNTING SERVICES

C. WARD TREASURY OFFICER – RESERVES & CAPITAL

RECOMMENDATION

THAT the Debt Capacity Limit for 2009, as calculated and updated by the Treasurer be received.

PURPOSE

To inform Council of the debt repayment limit calculated by the Ministry of Municipal Affairs and Housing, which has subsequently been updated by the Treasurer as required under Ontario Regulation 403/02.

BACKGROUND

Each year, the Ministry of Municipal Affairs and Housing (MMAH) determines the Municipality's Annual Debt Repayment Limit [Attachment 1 to Report # 2009-047-04]. This limit is calculated as prescribed under Ontario Regulation 403/02 [Attachment 2 to Report # 2009-047-04]. Information obtained from a previous year's Financial Information Return (FIR) is used in the determination of this limit. For this year, the information is obtained from the 2007 FIR. Regulation 403/02 also requires that the Treasurer update this calculation [Attachment 3 to Report # 2009-047-04] with more recent information before the issuance of any new long term debt instrument (i.e. debentures).

ANALYSIS

The Unadjusted Annual Repayment Limit for 2009 provided by MMAH \$ 6,129,017

Treasurer's Adjustments:

Debt

Add:	Debt Charges for Debt Matured in 2007	\$	134,190
	Debt Charges for Debt Matured in 2008		29,232
Less:	2007 Debenture Issue Debt Charges	(	335,708)
	2008 Debenture Issue Debt Charges	(	94,530)
	2005 & 2006 projects left to be debentured	(	1,874)
	2009 Debenture Issue Debt Charges – estimated	(	165,620)
	Estimated Debt Charges for the WPCC Upgrade	(	566,910)

Financial Commitments

Less: St. Lawrence College (2008-2011)	(	37,500)
Xerox lease agreement	(	36,001)
Police vehicle lease (4 year lease)	(	6,870)
St. John's Ambulance (2 year commitment from 2009-2010)	(	2,500)
Brockville General Hospital (5 year commitment from 2009-2013)	(	10,000)
Kingston General Hospital (5 year commitment from 2009-2013)	(	25,000)

Adjusted Annual Repayment Limit for 2009: **\$ 5,009,926**

The Adjusted Annual Repayment Limit for 2009 of \$5,009,926 equates to:

<u>Term</u>	<u>Interest Rate</u>	<u>Amount</u>
10 year Debenture Issue	6.0 %	\$ 36,873,491

This reflects the maximum amount of new debentures that may be issued according to Provincial Regulations. This does not indicate Brockville's ability or capacity to assume this debt and its annual debt charges.

FINANCIAL CONSIDERATIONS

There are no financial considerations at this time

CONCLUSION

The debt charge capacity calculated by the Province and as adjusted by the Treasurer is effective January 1, 2009.


C. Ward, Treasury Officer –
Reserves & Capital


L. Ferguson, Supervisor of
Accounting Services


D. Cyr, Director of Finance


B. Casselman, City Manager

**Ministry of
Municipal Affairs
and Housing**

**Ministère des
Affaires municipales
et du Logement**



Municipal Finance Policy Branch
777 Bay Street, 13th Floor
Toronto ON M5G 2E5
Phone: (416) 585-6310
Fax: (416) 585-6315

777, Rue Bay, 13^e étage
Toronto ON M5G 2E5
Téléphone: (416) 585-6310
Télécopieur: (416) 585-6315



January 5, 2009

Dear Municipal Treasurer, Clerk/Treasurer:

I am pleased to enclose a report showing your municipality's 2009 Annual Repayment Limit (ARL) respecting long-term debt and financial obligations.

Your 2009 ARL was calculated based on 25 percent of your 2007 net own source revenues as reported in your 2007 FIR. Note that revenues for municipal electrical utilities are not included in the calculation of the ARL, in accordance with Public Sector Accounting Board (PSAB) guidelines.

If you require any further information, please contact the appropriate Municipal Services Office of the Ministry of Municipal Affairs and Housing (list enclosed).

Yours truly,

Frances Johnston
Director (A)

Enclosures

Ministry of Municipal Affairs and Housing
777 Bay Street.
Toronto, Ontario.
MSG 2E5

Ministère des affaires municipales et du logement
777 rue Bay
Toronto (Ontario)
MSG 2E5

ANNUAL REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403/02)

MMA CODE:	56101
MUNID:	7015
MUNICIPALITY:	Brockville C
UPPER TIER:	n.a.
REPAYMENT LIMIT:	C \$6,129,017

The repayment limit has been calculated based on data contained in the 2007 Financial Information Return, as submitted to the Ministry. This limit represents the maximum amount which the municipality had available as of December 31, 2007 to commit to payments relating to debt and financial obligations. Prior to the authorization by Council of a long term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner. The limit is effective January 01, 2009.

FOR ILLUSTRATION PURPOSES ONLY,

the additional long-term borrowing which a municipality could undertake over a 5-year, a 10-year, a 15-year and a 20-year period is shown.

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Brockville C

MMAH CODE: 56101

1.0	GROSS DEBT CHARGES		
1.1	Principal	SLC 74 3099 01	1,887,799
1.2	Interest	SLC 74 3099 02	1,342,828
1.3	SUBTOTAL	Add Lines 1.1, 1.2	3,230,627
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	3,230,627
5.0	AMOUNTS RECOVERED FROM UNCONSOLIDATED ENTITIES		
5.1	Electricity (Principal)	SLC 74 3030 01	0
5.2	Electricity (Interest)	SLC 74 3030 02	0
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	0
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	0
8.0	SUBTOTAL - DEBT CHARGES TO BE EXCLUDED	Add Lines 5.5,6.0,7.0	0
9.0	NET DEBT CHARGES		3,230,627

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Brockville C

MMAH CODE: 56101

10.0	TOTAL REVENUE FUND REVENUES	SLC 10 9910 01	41,644,348
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	0
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	3,417,537
13.2	Canada Grants	SLC 10 0820 01	14,354
13.3	Other Municipalities	SLC 10 1099 01	773,881
13.4	SUBTOTAL	Add Lines 13.1 thru 13.3	4,205,772
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	37,438,576
16.0	25% OF NET REVENUE FUND REVENUE		9,359,644
17.0	ANNUAL REPAYMENT LIMIT 25% of Net Revenue Fund Revenues less Net Debt Charges		6,129,017

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.	64,930,893
(b) 15 years @ 7.0% p.a.	55,822,560
(c) 10 years @ 7.0% p.a.	43,047,651
(d) 05 years @ 7.0% p.a.	25,130,180
<u>9.0% Interest Rate:</u>	
(a) 20 years @ 9.0% p.a.	55,949,012
(b) 15 years @ 9.0% p.a.	49,404,096
(c) 10 years @ 9.0% p.a.	39,333,933
(d) 05 years @ 9.0% p.a.	23,839,739

MUNICIPAL SERVICES OFFICES - MUNICIPAL SERVICES DIVISION

Updated: January 5, 200

MSO OFFICE

CENTRAL:
777 Bay Street - 2nd
Floor
Toronto ON M5G 2E5
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585-6226
Toll Free # 1-800-668-
9230
FAX: 416-585-6882

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Doyle, Victor, Manager, Comm Plng & Dev	(416) 585-6109
Sit, David, Planning Team Leader	(416) 585-6583
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West, Glenda, Admin Co-ordinator Support	(416) 585-6734
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Fenton, Terry, Senior Municipal Advisor	(416) 585-6687
Fox, Michael, Planner	(416) 585-6554
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Gardiner, Heather, Planner	(416) 585-7578
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Magierowicz, Marc, Planner	(416) 585-6626
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Winborn, Donna, Municipal Adviser	(416) 585-6687
Whittingham, Carlene, Planner	(416) 585-6085

Senior Planner
Senior Municipal Advisor
Project Group
Community Planning, Greenbelt
Durham, Toronto
Peel

Toronto, Dufferin
Simcoe
Muskoka, York, Dufferin
Niagara, Hamilton, Simcoe South of Hwy 89
Durham, Muskoka
Housing Issues
Housing Issues

Durham, Muskoka, Halton
Halton, Niagara, Hamilton

MUNICIPAL SERVICES OFFICES - MUNICIPAL SERVICES DIVISION

Updated: January 5, 2009

MUNICIPAL SERVICES OFFICES - MUNICIPAL SERVICES DIVISION

STAFF

AREA OF RESPONSIBILITY

NORTHEASTERN:
159 Cedar Street, Suite 401
Sudbury ON P3E 6A5
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Toll Free #: 1-800-461-1193
FAX: (705) 564-6863

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Leclair, Richard, Municipal Adviser.....(705) 564-6857
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Paul Properi, Assistant Municipal Advisor.....(705) 564-6856

Planning - Nipissing District, Parry Sound District
Planning - Cochrane District, Timiskaming District, Dubreuilville
Planning - Algoma Dist
Planning - Sudbury District, Manitoulin District
Minister's Zoning Orders, Planning Boards, Consents, Subdivisions, Planning Inquiries, Uninc. Twps.
Consents, Subdivisions, General Planning Inquiries, Unincorporated Townships
Housing Issues

Algoma & Moosonee
Parry Sound
Sudbury, Manitoulin
Cochrane and North Timiskaming
Nipissing, South Timiskaming

NORTHWESTERN:
435 James St. S., Suite 223
Thunder Bay ON P7E 6S7
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Toll Free #: 1-800-465-5027
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To Be Filled, Senior Municipal Financial Advisor.....(807)
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Rainy River District
Kenora District
Thunder Bay District

Thunder Bay District

Kenora -excluding Machin, Ear falls & Sioux Narrows-Nestor Falls

Rainy River District, Machin, Ear falls & Sioux Narrows-Nestor Falls
Social Housing & Market Housing

Municipal Act, 2001
Loi de 2001 sur les municipalités

ONTARIO REGULATION 403/02

DEBT AND FINANCIAL OBLIGATION LIMITS

Consolidation Period: From January 1, 2003 to the e-Laws currency date.

No amendments.

This Regulation is made in English only.

Debt and financial obligation limit

1. (1) The annual debt and financial obligation limit for municipalities shall be determined under this Regulation. O. Reg. 403/02, s. 1 (1).

(2) The Ministry shall annually determine the limit using the formula described in section 3 based on the financial information supplied to the Ministry by each municipality under the Act and under the *Municipal Affairs Act*. O. Reg. 403/02, s. 1 (2).

(3) The Ministry shall inform the treasurer of the municipality in writing of the limit. O. Reg. 403/02, s. 1 (3).

Determination as to whether OMB approval required

2. A municipality shall use the most recent limit provided to it by the Ministry to determine whether Ontario Municipal Board approval is required in respect of the following categories of debt or financial obligation:

1. Long-term debt assumed by a municipality for which repayment will be required beyond the term for which the council was elected.
2. Other financial commitments, liabilities and contractual obligations, for which payment may or will be required beyond the term for which the council was elected, including, without being limited to,
 - i. lease agreements,
 - ii. financial commitments to hospitals and universities. O. Reg. 403/02, s. 2.

Determination of limit

3. The Ministry shall determine the debt and financial obligation limit of a municipality as follows:

1. Calculate the revenue fund revenues for a past fiscal year, excluding amounts received in the year,
 - i. as grants from the Government of Ontario or Canada or from another municipality,
 - ii. as proceeds from the sale of real property,
 - iii. as a contribution or transfer from a reserve, reserve fund or capital fund,
 - iv. under agreement with the Government of Ontario, for the purpose of repaying

- the principal and interest of long-term debt or meeting financial obligations of the municipality,
- v. from another municipality or a school board for the repayment of the principal and interest of long-term debt of the municipality borrowed for the exclusive purposes of the other municipality or school board,
 - vi. as revenues from electrical, telephone and gas service,
 - vii. as revenues for the purpose of repaying the principal and interest of debt under the *Tile Drainage Act* or the *Shoreline Property Assistance Act*, and
 - viii. as revenues for the purpose of repaying the principal and interest of debt with respect to the downtown revitalization loan program.
2. Multiply the amount obtained in paragraph 1 by 25 per cent.
3. Subtract from the amount obtained in paragraph 2 the total payments in the fiscal year related to the long-term debt of the municipality less,
- i. the payments in that year for long-term debt or financial obligations for which the Government of Ontario has agreed to provide to the municipality the amounts required by the municipality to repay the principal and interest of the debt or to meet the financial obligations,
 - ii. payments in that year from another municipality or a school board for the repayment of the principal and interest of long-term debt of the municipality borrowed for the exclusive purposes of the other municipality or school board,
 - iii. the payments for electrical, telephone and gas service provided by the municipality for which revenues are received by the municipality in that year,
 - iv. the payments for shoreline assistance and tile drainage in that year, and
 - v. the payments made respecting the downtown revitalization loan program in that year.
4. Subtract from the amount obtained in paragraph 3,
- i. payments made in the fiscal year in respect of the financial commitments, obligations and liabilities described in paragraph 2 of section 2, and
 - ii. for any fiscal year in a construction period during which amounts of principal, interest or both are not payable in respect of debenture debt for an undertaking authorized by the municipality for its purposes through a by-law under clause 408 (4) (d) of the Act, an amount equal to the estimated average annual amount of principal and interest that will be payable by the municipality in respect of the debt during the period when those debt payments are to be actually made.
- O. Reg. 403/02, s. 3.

Updated limit

4. (1) Before authorizing any specific work or class of work or any increase in expenditure for a previously authorized specific work or class of work that would require a long-term debt or financial obligation described in section 2, the council of the municipality shall have its treasurer calculate an updated limit using the most recent debt and financial obligation limit determined by the Ministry. O. Reg. 403/02, s. 4 (1).

(2) The treasurer shall update the most recent limit determined by the Ministry as follows:

1. Adjust the limit in respect of the estimated annual amount payable for any long-term debt or financial obligation described in section 2 assumed or discharged by the municipality since the last day of the past fiscal year for which the limit was calculated.
2. Subtract from the amount obtained in paragraph 1, the estimated annual amount payable in respect of any project approved by the Ontario Municipal Board or the council, as the case may be, to be financed by long-term debt or financial obligation described in section 2 but not as yet assumed unless council has, by resolution, indicated that it will not proceed with that project.
3. Subtract from the amount obtained in paragraph 1, for any fiscal year in a construction period during which amounts of principal, interest or both are not payable in respect of debenture debt for an undertaking authorized by the municipality for its purposes through a by-law under clause 408 (4) (d) of the Act, an amount equal to the estimated average annual amount of principal and interest that will be payable by the municipality in respect of the debt during the period when those debt payments are to be actually made.
4. Subtract from the amount obtained in paragraph 1 any amount recognized by the treasurer as annually payable or as payable in the year in respect of a financial obligation described in paragraph 2 of section 2. O. Reg. 403/02, s. 4 (2).

(3) The treasurer shall calculate the estimated annual amount payable by the municipality in respect of the work or class of work. O. Reg. 403/02, s. 4 (3).

(4) The treasurer shall not include in the update under subsection (2) or the calculation under subsection (3) any amounts payable by the municipality for the following categories of long-term debt or financial obligation:

1. Debt or financial obligation for which the Government of Ontario has agreed to pay to the municipality the amounts required by the municipality to repay the principal and interest of the debt or to meet the financial obligation.
2. Debt under the *Tile Drainage Act* or the *Shoreline Property Assistance Act*.
3. Debt or financial obligation in respect of electrical, telephone and gas service provided by the municipality for which revenues are received by the municipality.
4. Debt with respect to the downtown revitalization loan program. O. Reg. 403/02, s. 4 (4).

(5) The treasurer is not required to include in the update under subsection (2) or the calculation under subsection (3) any amounts recognized by the treasurer as current expenditures that are, or are payable under, any of the following:

1. Arrangements to provide pensions.
2. Agreements with a municipality or local body under section 20 of the Act.
3. Agreements with a First Nation under section 21 of the Act.
4. Agreements with the Province of Ontario under section 22 of the Act.

5. Agreements under the *Police Services Act* respecting policing of the whole or any part of a municipality by the Ontario Provincial Police.
6. Agreements respecting matters of employment of officers and employees of the municipality or a local board of the municipality.
7. Agreements for sharing the cost of services of officers and employees of municipalities or local boards.
8. Agreements respecting homes under the *Homes for the Aged and Rest Homes Act*.
9. Agreements respecting bus franchises.
10. Agreements for insurance and reciprocal contracts of indemnity or inter-insurance, including premium notes given for fire insurance.
11. Any other agreement with any person for the provision of a service. O. Reg. 403/02, s. 4 (5).

(6) Subsection (5) does not apply to,

- (a) agreements to borrow money or sell debt prescribed under section 305 of the Act payable to the municipality;
- (b) agreements to incur debt without borrowing money for the purpose of obtaining long-term financing of any capital undertaking of the municipality, including lease agreements; or
- (c) agreements for the purpose of minimizing costs or financial risk associated with the incurring of debt. O. Reg. 403/02, s. 4 (6).

(7) The council of any municipality that borrows money or issues debentures for the exclusive purposes of one or more other municipalities or school boards is not required to have its treasurer update its debt and financial obligation limit in respect of the borrowing or issuance. O. Reg. 403/02, s. 4 (7).

(8) If a council does not require the treasurer to calculate an updated limit under subsection (7), the treasurer shall not include any amount in respect of the borrowing, issuance or authorization in an update under subsection (2) or a calculation under subsection (3). O. Reg. 403/02, s. 4 (8).

(9) If the amount calculated under subsection (3) exceeds the amount updated under subsection (2), the council must obtain the approval of the Ontario Municipal Board before authorizing the work or class of work. O. Reg. 403/02, s. 4 (9).

Transitional limit

5. (1) The Ministry shall calculate a transitional debt and financial obligation limit for a municipality in respect of any fiscal year in which the following conditions are met:

1. The municipality has been erected, incorporated or created by statute or has had a boundary alteration within the past five years.
2. The financial information necessary for the Ministry to determine a debt and financial obligation for the municipality under section 3 is not available. O. Reg. 403/02, s. 5 (1).

(2) Despite sections 1 and 3, the Ministry may determine a transitional debt limit by

estimating the revenue fund revenues for the year and by using relevant financial information obtained from any municipality or from any fiscal year. O. Reg. 403/02, s. 5 (2).

(3) Despite section 4, the treasurer may update a transitional debt limit using relevant financial information from any fiscal year. O. Reg. 403/02, s. 5 (3).

6. Omitted (revokes other Regulations). O. Reg. 403/02, s. 6.

7. Omitted (provides for coming into force of provisions of this Regulation). O. Reg. 403/02, s. 7.

[Back to top](#)

**TREASURERS CALCULATION OF THE CITY'S ANNUAL DEBT CAPACITY BASED ON THE PROVINCIAL
CALCULATION METHODS AND INFORMATION PROVIDED BY THE PROVINCE**

Attachment 3 to Report # 2009-047-04

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

UPDATED FEBRUARY 9, 2009

AS PER PROVINCIAL REGULATION 403/02

CALCULATION OF ANNUAL REPAYMENT LIMIT

2007

10.0 TOTAL REVENUE FUND REVENUES per FIR 41,644,348

ADD:

10.1 FEES AND REVENUES FOR SOCIAL HOUSING 0

LESS:

11.0 FEES FOR REPAYING THE PROVINCE FOR DOWNTOWN
REVITALIZATION LOANS 0

12.0 FEES FOR TILE DRAINAGE & SHORELINE ASSISTANCE 0

13.0 GRANTS FROM GOVERNMENT OF ONTARIO, GOVERNMENT OF
CANADA AND OTHER MUNICIPALITIES

13.1 ONTARIO GRANTS -3,417,537

13.2 CANADA GRANTS -14,354

13.3 OTHER MUNICIPALITIES -773,881

13.4 SUB-TOTAL Lines 13.1;13.2;13.3 -4,205,772

14.0 FEES AND REVENUES FOR JOINT LOCAL BOARDS FOR
HOMES FOR THE AGED

15.0 NET REVENUE FUND REVENUES 37,438,576

18.0 25% OF NET REVENUE FUND REVENUE 9,359,644

19.0 ANNUAL REPAYMENT LIMIT

(a) 25% of Net Revenue Fund Expenditures: City Debt Capacity 9,359,644

(b) Less: 2007 Net Debt Charges -3,230,627

ANNUAL REPAYMENT AMOUNT AVAILABLE FOR 2009 PER MMAH: 6,129,017

TREASURER'S ADJUSTMENTS:

DEBT:

Add:

Debt Charges for Debt Maturing in 2007 134,190

Debt Charges for Debt Maturing in 2008 29,232

Less:

2007 Debenture Issue Debt Charges -335,708

2008 Debenture Issue Debt Charges -94,530

Remaining 2005 & 2006 capital projects to be debentured -1,874

2009 Proposed Debenture Issue Debt Charges -165,620

Estimated Debt Charges for the Secondary Treatment Upgrade to the WPCC -566,910

FINANCIAL COMMITMENTS:

Add:

Less:

St. Lawrence College 2008 - 2011 -37,500

Xerox lease agreement -36,001

Police vehicle lease (4 year lease) -6,870

St. John's Ambulance (2 year commitment) -2,500

Brockville General Hospital (5 year commitment) -10,000

Kingston General Hospital (5 year commitment) -25,000

ADJUSTED ANNUAL REPAYMENT AMOUNT AVAILABLE FOR 2009: 5,009,926

ADDITIONAL DEBENTURES IN THE FOLLOWING AMOUNTS COULD BE ISSUED

AT THE INDICATED INTEREST RATE AND AMORTIZATION :

RATE OF INTEREST	YEARS TO AMORTIZE	ADDITIONAL DEBENTURES
6.00%	10	36,873,491

Certificate of the Treasurer

I, Donna Cyr, Treasurer of the City of Brockville in the County of Leeds do hereby certify that annual payments relating to the net capital cost of the works plus the annual debt payments relating to all other capital projects proposed by the municipality are within the annual debt repayment limit established by the Ministry of Municipal Affairs and Housing under Ontario Regulation 403/02 and therefore OMB approval is not required.

Dated and signed in the City of Brockville this th day of March 2009

Donna Cyr, Treasurer



INTEROFFICE MEMO ADMINISTRATION DEPARTMENT

TO: MEMBERS OF COUNCIL
FROM: B. Casselman
SUBJECT: INFRASTRUCTURE STIMULUS FUND
DATE: April 17, 2009

On April 3, 2009 details of the Government of Canada Economic Action Plan (Budget 2009) (**Schedule 1**) providing \$12 billion in new infrastructure investments over the next two (2) years was released. There are a variety of programs that the City of Brockville should pursue including:

1. Communities Component of Build Canada Fund (BCF)
 - Intake One - MDC
 - Intake Two - Application deadline May 1, 2009
2. \$4 Billion Infrastructure Stimulus Fund
 - Priority One
 - Priority Two
 - Priority Three } Application Deadline May 1, 2009
3. \$1 Billion Green Infrastructure Fund - Proposals will be accepted on a continual basis
4. \$500 Million Recreation Infrastructure Fund – Proposals to MP's office as soon as possible
5. \$2 Billion Low Cost Loans - CMHC will launch details in the coming weeks
6. 1812 Project Legacy Fund – Allocation to Brockville TBD in next month

In preparation for these program announcements, staff has reviewed:

- 2009 Capital Budget
- Gas Tax Reserve
- Building Audit
- Energy Audit
- Parking Study
- 2010 Canada Summer Games
- Sewer Separation Program
- Ten (10) Year Capital Forecast
- Strategic Plan
- Waterfront Public Use Strategy (TBD)
- Staff Work Plans/Capacity
- 1/3 Financial Requirement

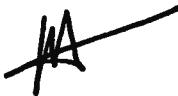
As a result of this analysis staff has established a list of projects (**Schedule 2**) for your consideration.

Undoubtedly we have missed projects and/or have not given due priority to others. All of us need to put our thoughts together in short order to arrive at what we believe to be our priority projects.

Schedule 3 has been attached to provide Council with some of the aforementioned background material.

All Members of Council are encouraged to attend the Finance & Administration Committee meeting scheduled for April 21st @ 5:15 p.m. where both our strategy for the stimulus package and a presentation on PSAB Tangible Capital Asset Policies will be considered.

In the interim, should you have any questions, do not hesitate to contact me.

A handwritten signature in black ink, appearing to be 'JA' with a long horizontal stroke extending to the right.

BC:bar

Attachments

April 3, 2009

Open Letter to Municipal Councils – Update on Federal Infrastructure Funding: From Minister John Baird and FCM President Jean Perrault

Dear Municipal Leader,

The current economic crisis is of great concern to all Canadians. In response to this global economic downturn, the Government of Canada, provinces and territories and municipal governments across the country have joined in a national effort to invest in job-creating stimulus to our economy while improving Canada's public infrastructure.

In addition to accelerating billions of dollars in infrastructure investments under the seven-year (2007-2014) Building Canada Plan, the Government of Canada's Economic Action Plan (Budget 2009) provides \$12 billion in new infrastructure investments over the next two years. For their part, Canadian municipalities will continue to make multi-billion dollar annual investments in capital projects from their own funds.

This funding will help create jobs and boost our economy. It will also help municipal governments meet their varied and growing infrastructure needs.

This letter and attached backgrounder is a joint undertaking between the Government of Canada and the Federation of Canadian Municipalities (FCM) to provide an update to municipal governments on the development and implementation of new federal infrastructure programs. It is also intended to help municipalities prepare to put stimulus dollars to work in their own communities. As the attached backgrounder describes, there are specific steps municipal councils can take to identify stimulus opportunities and prepare for new funding programs.

FCM and the federal government have both committed to provide additional updates to municipalities as new information becomes available. Regular updates will also be posted online at www.buildingcanada.gc.ca. For details about the rollout of federal stimulus programs in a specific region, municipalities should also contact their provincial/territorial municipal association.

Sincerely,



Jean Perrault
FCM President
Mayor of Sherbrooke



John Baird
Minister of Transport,
Infrastructure and Communities

Federal Infrastructure Update

ACCELERATING BUILDING CANADA

The **2007 \$33-billion Building Canada Plan** was designed to provide a long-term, seven-year commitment to infrastructure investments. However, with the downturn in the economy, and following discussions with FCM and municipal representatives, provinces and territories, a number of steps have been taken to accelerate investments under the Plan.

These steps include:

- Changes to the *Navigable Waters Protection Act* passed with the *Budget Implementation Act* that received Royal Assent on March 16;
- Regulatory changes under the *Canadian Environmental Assessment Act* that will exempt many infrastructure projects under Building Canada or allow a provincial environmental assessment process to substitute for a federal assessment, reducing duplication; and
- Streamlining the federal review and approval of projects, simplifying criteria and reducing the amount of information required in the application process.

Together, these steps will streamline the process and accelerate federal approvals, in some cases by up to 12 months.

Small Communities

Since late January 2009, the Government of Canada has approved 500 projects in small communities (less than 100,000 people) worth over \$1.5 billion in combined funding under the Communities Component of the Building Canada Fund (BCF) in several provinces across Canada.

Major Projects

The federal government is also working with provinces and territories to accelerate major projects. Of the \$7 billion available across Canada, \$2.9 billion has been announced for major projects under the BCF and the federal government is in discussions with provinces about allocating remaining funds as quickly as possible.

Recent Funding Announcements

Recent announcements include: \$250 million to improve GO Transit in the Greater Toronto Area; \$350 million to build the new Evergreen transit line in Vancouver; almost \$12 million for a water treatment plant in Lévis, Quebec; as well as highway investments that will help rural communities in Nova Scotia, British Columbia and Saskatchewan. Recently, the Prime Minister and Premier Jean Charest announced a joint investment of \$820 million under Building Canada for large and small community projects in Quebec.

Gas Tax Fund

The Gas Tax Fund's annual allocation doubles to \$2 billion per year on April 1, 2009, and the first payments in this fiscal year will be made in April rather than in July to put funds in municipal hands as quickly as possible. As announced in Budget 2008, this \$2-billion commitment will become permanent at this level. FCM estimates this funding will create more than 22,000 jobs each year.

Provincial Base Fund Allocations

The Government is prepared to allocate all of the \$175 million remaining in the Provincial Base Fund allocations to jurisdictions for construction-ready projects over the next two years. Some provinces are already taking advantage of this opportunity.

NEW FUNDING UNDER BUDGET 2009

The 2009 federal budget announced \$12 billion in new and accelerated infrastructure funding, largely over the next two construction seasons. Some of this new funding will be provided through top-ups to or advances on existing funds, while much of it will come from new funds such as the \$4-billion Infrastructure Stimulus Fund, the \$1-billion Green Infrastructure Fund and the \$500-million Recreational Infrastructure Fund.

THE \$4-BILLION INFRASTRUCTURE STIMULUS FUND

The \$4-billion Infrastructure Stimulus Fund provides funding to provincial, territorial, municipal, community and private sector construction-ready infrastructure projects. The focus is on rehabilitation of existing assets but new construction is also eligible. The federal government has said that eligible projects will need to be built over the next two construction seasons, and completed by March 31, 2011, in order to create jobs quickly enough to counter the economic slowdown.

The \$4 billion is notionally allocated on a per capita basis for projects in each province and territory. However, should progress be slow, funds may be reallocated to federal infrastructure elsewhere in that province or to other regions of the country where they can be quickly injected into the economy.

Eligibility

The Government wants to maximize the stimulus provided to the economy through cost-sharing partnerships with provincial, territorial and municipal governments. All project proponents will have to attest that the project would not have been completed in the next two years without federal funding. The federal government will provide one-third of the funding for approved municipal projects.



In the municipal sector, eligible projects can include water and wastewater, transit, roads and bridges, parks and trails, solid waste, and recreation and culture. Projects from community groups for community and social services are also eligible.

Wherever possible, existing programs will be used to accelerate approvals and get funding flowing quickly, notably by avoiding duplication in the application process. For example, in many jurisdictions, applications to the BCF's cost-shared Communities Component far exceed the available funding. Where this program is oversubscribed, it may be used as a source of projects considered for stimulus funding. In other cases, provinces have already compiled lists of municipal and community projects, or have existing programs that can be enhanced to undertake incremental projects. In others, specific calls for proposals will be made for stimulus projects using a short application form and quick approval process.

THE \$1-BILLION GREEN INFRASTRUCTURE FUND

The \$1-billion Green Infrastructure Fund will provide \$1 billion over five years for infrastructure that supports green infrastructure projects with a focus on sustainable energy. Funding will be allocated based on merit to support green infrastructure projects on a cost-shared basis. The merit of the projects will be based on basic eligibility criteria, financial and legal requirements, and environmental benefits.

Eligibility

The fund will support green projects including the generation and transmission of clean energy, carbon capture and storage, wastewater treatment, and solid waste management. It is expected that the fund will support a relatively small number of large, strategic, cost-shared projects.

Applications

Proponents are encouraged to submit an initial letter and short summary of the project to Infrastructure Canada (visit www.buildingcanada.gc.ca for contact information). Following an initial assessment, the proponent may then be asked to submit a more detailed project proposal that describes the project and its components, cost estimates, expected results and environmental benefits. Proposals will be accepted on a continual intake.



THE \$500-MILLION RECREATIONAL INFRASTRUCTURE FUND

The \$500-million Recreational Infrastructure Fund will be provided over two years to renew community recreation facilities across Canada. The federal government will typically fund up to 33 per cent of eligible costs but may, on occasion, fund up to 50 per cent. The remaining funding will need to be sourced from provincial or municipal governments, community organizations, or the private sector. The maximum federal contribution to any one project under this program will be \$1 million.

Project Selection

There is no formal allocation of funding. Projects will be selected on the basis of merit and construction readiness. The program will be delivered by the regional development agencies across Canada. These agencies will be soliciting and reviewing applications.

Project Proposals

Please contact your regional development agency regarding the submission of your project proposals.

THE \$500-MILLION TOP-UP TO THE BCF COMMUNITIES COMPONENT

The \$500-million top-up to the BCF Communities Component will accelerate infrastructure projects in small communities (populations less than 100,000) over the next two years. Projects are selected through an application-based process. This fund will kick in once a province or territory has committed its entire Communities Component to approved projects, and additional projects remain that could be completed over the next two years.

UP TO \$2 BILLION IN LOW-COST LOANS FOR MUNICIPAL INFRASTRUCTURE

The new federal Municipal Infrastructure Lending Program will inject up to \$2 billion over two years in direct, low-cost loans to municipalities through Canada Mortgage and Housing Corporation (CMHC). There will be a focus on projects that are shovel-ready, as this is a targeted, short-term, temporary measure intended to create jobs.

These low-cost loans will significantly decrease the cost of borrowing for municipalities, and can be used by them to directly invest in infrastructure projects or fund their contribution to cost-shared federal infrastructure programming.

CMHC will announce program details in the coming weeks.

What you can do

The federal government is working with each province and territory to identify:

- Where underfunded and/or oversubscribed funding programs can be quickly activated with an infusion of new dollars; and
- Where new application intakes are needed to be launched specifically for stimulus funding.

The mix of stimulus-funded programs will vary by region, and individual programs will come online at different stages. For example, in British Columbia, the federal and provincial governments announced the first stimulus projects to be funded and are cost-sharing up to 160 projects identified through the Towns for Tomorrow program. In Quebec, the province and federal government have announced a joint \$700-million stimulus program to partner with municipalities in order to repair and replace water and sewage conduits. This secures provincial funding for stimulus projects and provides a flexible approach to ensuring stimulus funding reaches communities quickly and avoids duplication in application processes.

Additional announcements in each province and territory will follow in the coming weeks and months. In the interim, there are steps municipalities can take to help identify stimulus opportunities and prepare to put new dollars to work:

1. Identify Existing Funding Applications

Calls for applications are underway in many provinces across the country for the Communities Component of Building Canada. Ensure your municipality submits its application by the deadline in your province (see www.buildingcanada.gc.ca). Your municipality may be waiting to hear whether previously submitted funding applications to the Building Canada Fund or other federal and/or provincial/territorial infrastructure programs will be approved. If these projects do not receive funding under their original program, there is still a possibility they will be considered for new stimulus funding where the province/territory has agreed to provide additional funding; the project can be built in the next two years; and the project is incremental, meaning that it would not be undertaken in the next two years without new federal funding.

Your municipality should have a running list of these outstanding applications, and be prepared to speak to their eligibility for stimulus funding if and when they are up for consideration. In particular, it will be important to establish how quickly the project can be completed.

2. Identify Additional Priorities for Stimulus Funding

In addition to identifying existing funding applications, it may be worthwhile to establish further priorities for stimulus funding, particularly if there is reason to expect your province or territory will launch a new intake of funding applications.

In establishing a list of priorities, make sure to note:

- The type of infrastructure project;
- The approximate number of jobs the project will create;
- The total cost of the project and the required federal and provincial/territorial contributions;
- That the project is shovel-ready (all required permits, status of environmental assessments and plans complete) and can be completed by the federal deadline of March 31, 2011; and
- That the project would be incremental, meaning that it would not be undertaken in the next two years without new federal funding

3. Communicate Your Stimulus Priorities

As the federal government rolls out funding programs tailored to the circumstances in each province and territory, it is important for municipalities to show their provincial and territorial government the local projects that new stimulus dollars could help get off the ground. Encourage your provincial and territorial governments to provide matching funding to take advantage of the federal stimulus funding available.

Inform your provincial or territorial government so that it knows what applications your municipality has pending, and what additional stimulus priorities you have identified. Also, let them know how important it is that your province or territory provides additional funding that allows stimulus dollars to start flowing to your community.

Make sure to share this information with your provincial/territorial municipal association.



**For more information about the
federal government's infrastructure
funding programs visit
www.buildingcanada.gc.ca**



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[Application](#)

[Guide](#)

The Government of Canada has announced the creation of a new \$4-billion Infrastructure Stimulus Fund, aimed at getting shovels in the ground for infrastructure projects across Canada over the next two years. Ontario has agreed to match federal funding and to work together with Canada to ensure that these funds are delivered expeditiously and efficiently to municipalities in the province. These funds are focused on the rehabilitation of existing assets, but new construction is eligible, provided it can be fully completed by March 31, 2011, and it represents an incremental investment on the part of the municipality.

The Infrastructure Stimulus Fund works by having the federal and provincial governments match municipal contributions towards infrastructure projects on an equal basis. All parties share one-third of the total eligible project cost. This funding will help create jobs and provide much-needed stimulus to the economy. It will also help municipal governments meet their varied and growing infrastructure needs.

Proponents will be required to attest that the projects would not have been built over the next two construction seasons without the federal and provincial funding.

Your municipality can complete applications for up to three projects. Municipalities are encouraged to contact the Canada-Ontario Infrastructure Secretariat at 1-866-306-7827 to get a username and password to access the on-line application form.

All applications are due on May 1, 2009. Proponents will be notified quickly so that construction may begin. Financial agreements will be signed between the Province of Ontario and municipalities. Prior to final approval of your funding and the conclusion of an agreement with the province, the Municipality must provide proof of Council support for each approved project and the municipal contribution.



Dear Head of Council,

The current economic crisis is of great concern to all Canadians. Both the Government of Canada and the Government of Ontario have undertaken and are committed to making significant investments to help communities weather this economic storm and get much needed stimulus money into the economy.

Through the recent federal and provincial budgets, our governments have recognized that improving Ontario's infrastructure backbone will also help boost the economy, create jobs and will improve the daily quality of life in communities across the province. We want to take this opportunity to tell you about a new way for you to have your municipality's short-term priority infrastructure projects that can be built within two years identified for funding consideration.

As many of you know, we recently announced 290 projects in Ontario valued at over one billion dollars under the Communities Component of Building Canada. The Government of Ontario and the Government of Canada remain committed to working together to continue to build modern public infrastructure in our municipalities across Ontario. In its Budget 2009, the federal government announced a Communities Component Top-Up of \$500 million available to municipalities for projects that could be started and completed by March 31, 2011. The Government of Ontario has set aside matching funds for Ontario's portion of the Top-up funding in its recent provincial budget.

We are launching a new intake for applications for the remaining funding and for the Top-up Funds available under the Communities Component of Building Canada for municipalities of under 100,000 people.

The Government of Canada has also announced the creation of a new \$4-billion Infrastructure Stimulus Fund, aimed at getting shovels in the ground for infrastructure projects that can be completed over the next two years. The Government of Ontario will match this federal funding and work together with the Government of Canada to ensure that these funds are delivered expeditiously and efficiently to municipalities in the province. These funds are focused on the rehabilitation of existing assets, but new construction is eligible,

provided it can be fully completed by March 31, 2011, and it represents an incremental investment on the part of the municipality.

The Infrastructure Stimulus Fund works by having the federal and provincial governments match municipal contributions towards infrastructure projects on an equal basis. All parties share one-third of the total eligible project cost. This funding will help create jobs and provide much-needed stimulus to the economy. It will also help municipal governments meet their varied and growing infrastructure needs.

Proponents will be required to attest that the projects would not have been built over the next two construction seasons without the federal and provincial funding. A program guide and a very short application form can be accessed at: www.bcfontario.ca. Your municipality can complete applications for up to three economic stimulus projects. You can also access application forms for the Communities Component of the Building Canada Fund through this web site. Municipalities are encouraged to contact the Canada–Ontario Infrastructure Secretariat at 1-866-306-7827 to get a username and password to access the on-line application form.

All applications are due on May 1, 2009. Successful proponents will be notified quickly so that construction may begin. Financial agreements will be signed between the Province of Ontario and municipalities. Prior to final approval of your funding and the conclusion of an agreement with the Province, the Municipality must provide proof of Council support for the approved project and the municipal contribution.

We hope that you share our enthusiasm for this significant new funding and our new streamlined application process. We believe that it will make our decision-making process more efficient and get this much-needed infrastructure money flowing faster.

We look forward to learning more about your municipality's infrastructure priorities. We value our collaboration with municipal governments in ensuring Ontario's infrastructure needs are met.

Sincerely,



John Baird, P.C., M.P.
Canada's Minister of Transport,
Infrastructure and Communities



George Smitherman, M.P.P.
Ontario's Deputy Premier and
Minister of Energy and
Infrastructure

MEMBER COMMUNICATION

ALERT N°: 09/023

To the attention of the Clerk and Council
April 15, 2009

FOR MORE INFORMATION CONTACT:
Craig Reid, Senior Policy Advisor
(416) 971-9856 ext 334

Canada and Ontario Launch Intake 2 of BCF Communities Component and Application Process for Infrastructure Stimulus Fund

Applications are due May 1, 2009

Issue:

Federal and Provincial Ministers responsible for Infrastructure sent out joint letters today to heads of council announcing the opening of intake 2 of the Communities Component of the Building Canada Fund (BCF) and launched the application process for the Infrastructure Stimulus Fund. ***The deadline for applying for both programs is May 1, 2009.***

Background:

AMO has been advised that the application process for the Infrastructure Stimulus Fund is very simple and that the application process for Intake 2 of the BCF Communities Component has been further streamlined. Municipalities can apply for up to 3 projects under the Infrastructure Stimulus Fund. Municipalities with populations under 100,000 can apply for the BCF Communities Component.

Note that for both programs, ***projects must be completed by March 31, 2011.***

Municipalities will be required to attest that the projects would not have been built over the next two construction seasons without the federal and provincial funding. Both programs require a one-third municipal financial contribution.

A program guide and a very short application form for Stimulus Funding can be accessed at: www.bcfontario.ca. You can also access application forms for the Communities Component of the Building Canada Fund through this web site. Municipalities are encouraged to contact the Canada-Ontario Infrastructure Secretariat at 1-866-306-7827 to get a username and password to access the on-line application form.

According to the letters, successful proponents will be notified quickly so that construction may begin. Financial agreements will be signed between the Province of Ontario and municipalities. Prior to final approval of funding and the conclusion of an agreement with the Province, the Municipality must provide proof of Council support for the approved project and the municipal contribution.

Eligible Categories:

The following are eligible project categories for Local Government Assets under the **Infrastructure Stimulus Fund**:

- Water and Waste Water Infrastructure
- Public Transit Infrastructure
- Local Road Infrastructure
- Disaster Mitigation Infrastructure
- Solid Waste Management Infrastructure
- Brownfield Redevelopment Infrastructure
- Cultural Infrastructure
- Airport Infrastructure
- Port and Cruiseship Infrastructure
- Municipal Buildings
- Parks and Trails

While new construction which can be completed by March 31, 2011 is eligible, the Governments of Ontario and Canada advise that existing asset rehabilitation is the primary focus of the Infrastructure Stimulus Fund program.

Under the **BCF Communities Component Intake Two** there are 18 project categories:

- Brownfield Redevelopment
- Collaborative Projects
- Connectivity And Broadband
- Core National Highway System
- Culture
- Disaster Mitigation
- Drinking Water
- Green Energy
- Local And Regional Airports
- Local Roads
- Public Transit
- Recreation ***New***
- Shortline Railways
- Short-Sea Shipping
- Solid Waste Management
- Sport
- Tourism
- Wastewater Infrastructure

The "Recreation" category is a new addition under Intake Two of the BCF Communities Component. Eligible municipalities with populations under 100,000 continue to be able to submit one application to this program intake.

For further information, municipalities should review the web site www.bcfontario.ca or contact the Canada-Ontario Joint Secretariat at:

Building Canada Fund, Communities Component Joint Secretariat
1 Stone Road West, 4th Floor NW, Guelph, Ontario N1G 4Y2
Phone: 1-866-306-7827, Fax: 519-826-4336, Email: BCF.CC@ontario.ca

Action: For your information.

This information is available in the Policy Issues section of the AMO website at www.amo.on.ca.

Funding Sources	SCHEDULE 2		Project req'd Completion Date
	Potential Projects	Application Due Date	
Build Canada Fund			
1st Round -	MDC - 11.4 million		
2nd Round -	2010 Canada Senior Summer Games Tennis Courts/Ball Diamonds Memorial Centre- roof/seating	May-01	01/03/2011
Infrastructure Stimulus			
\$4 billion for construction-ready projects. Project would not have been completed in the next two years without this funding. Community groups may apply. Will allow new buildings but focus in on retrofits	Pathway Connectivity Sewer Separation projects Streetsight Program Acceleration Building Retrofit Project - Energy/Accessibility	May-01	01/03/2011
	1,100,000 500,000+ 500,000 +		
Green Infrastructure			
\$1 billion for infrastructure that supports green infrastructure projects with focus on sustainable energy.	Solar project at landfill		800,000
Recreational Infrastructure Fund			
\$500 million to renew community recreation facilities across Canada. Projects selected on the basis of merit and construction readiness. Max fed. Contribution to any project 50% Distributed by CDC	Tunnel- South Portal Arenas - renovate Memorial/ Youth Arena Harbour Wall Retrofit/Dredging St. Lawrence Park pavilions Relocate Dive Charter - separate building/washroom Reynolds Park Splash pad Ball diamonds/tennis courts		
Low-cost loans for Municipal Infrastructure			
\$2 Billion for low cost loans to Municipalities. Focus on projects that are shovel-ready.	WCCP MDC 1/3 share of stimulus projects		

Other Potential Projects:

Parking garage
Extension of Services along Hwy. 29 to Centennial Rd.

DESCRIPTION OF PROJECT COSTS AND REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debitures
			Externat Source	Amount		Fund	Amount		
1. MANAGED AND COMMITTED PROJECTS									
1. WPCC SECONDARY TREATMENT UPGRADE- Phase 2 of 4	46,000,000	13,365,000	Federal Infrastructure Funding	6,681,774	4,455,000	Hydro One RF	4,455,000	0	0
TAX RATE PORTION			Provincial Infrastructure Funding	2,228,226					
SANITARY SEWER PORTION	130,000	130,000	May Court Club of Brookville	50,000	50,000	BMACC	50,000	0	0
2. BARRIER-FREE PLAY STRUCTURE			"Investing in Ontario Act"	30,000					
3. LEEDS & GRENVILLE LANDFILL SITE - Property Acquisition	102,000	10,000		0	10,000	Surplus from C4050-E360	10,000	0	0
TOTAL MANAGED AND COMMITTED PROJECTS:	46,232,000	13,505,000		8,990,000	4,515,000		4,515,000	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
1. KING ST WEST RECONSTRUCTION - Phase 2 of 2	1,836,500	1,836,500	COMRIF	247,280	262,830	Surplus from previous phases	20,428	242,402	0
TAX RATE PORTION			Roads & Bridges Capital Invest Funds	389,880	372,751	Water Fund	0		372,751
WATER PORTION			COMRIF	141,499	306,029	Sewer Fund	0		306,029
SANITARY SEWER PORTION	514,250	422,250	COMRIF	116,221	269,068	Debiture surplus from NA Road	107,665	161,403	0
2. KEEFER ST. RECONST. - First to North Augusta	1,094,000	1,094,000	"Investing in Ontario Act"	127,734	244,635	Water Fund	0		244,635
TAX RATE PORTION			COMRIF	80,698	206,546	Sewer Fund	0		206,546
WATER PORTION	334,250	282,250	COMRIF	89,615	80,000	Sewer Fund	80,000	0	0
SANITARY SEWER PORTION	120,000	120,000	"Investing in Ontario Act"	75,704	1,500,000				
4. SEWER SEPARATION INVESTIGATIONS	80,000	80,000	Federal Gas Tax	1,500,000	1,741,859		208,093	403,805	1,129,961
5. ENERGY RETROFITS	1,500,000	1,500,000							
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	4,630,500	4,630,500		2,888,641					
3. PARKS & RECREATION:									
1. RAILWAY TUNNEL - NORTH PORTAL	250,000	250,000	"Investing in Ontario Act"	165,000	85,000	Carry forward from previous year	85,000	0	0
2. ISLAND ENVIRONMENTAL ASSESSMENT	25,000	25,000		0	25,000		0	25,000	0
3. ELECTRICITY AT COURT HOUSE GREEN	33,000	33,000	"Investing in Ontario Act"	18,000	15,000	Carry forward from previous year	15,000	0	0
4. DOCKING AT MARINA	120,000	120,000	"Investing in Ontario Act"	120,000	0				0
TOTAL PARKS & RECREATION:	428,000	428,000		303,000	125,000		100,000	25,000	0
4. SERVICES:									
1. BRIDGE INSPECTION SERVICES	20,000	20,000		0	20,000		0	20,000	0
2. PEDESTRIAN BRIDGE AUDIT	10,000	10,000		0	10,000		0	10,000	0
3. DEVELOPMENT CHARGE STUDY	20,000	20,000		0	20,000	Growth Management RF	20,000	0	0
4. OFFICIAL PLAN UPDATE	240,915	240,915	Federal Gas Tax	229,829	11,086	Unspent Budget Items Reserve	11,086	0	0
TOTAL SERVICES:	290,915	290,915		229,829	61,086		31,086	30,000	0
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
1. FLEET PROGRAM									
TAX RATE PORTION	801,159	801,159	"Investing in Ontario Act"	664,999	136,160	Fleet Rsv Fd	136,160	0	0
WATER PORTION	51,128	51,128		0	51,128	Water Fund	51,128	0	0
WASTEWATER PORTION	32,289	32,289		0	32,289	Sewer Fund	32,289	0	0
TRANSIT PORTION	295,289	295,289		0	295,289	Transit Rsv Fund	295,289	0	0
2. WPCC EQUIPMENT REPLACEMENT PROGRAM	418,500	418,500		0	418,500	Sewer Fund	418,500	0	0
3. COMPUTER REPLACEMENT PROGRAM	131,500	131,500		0	131,500	Mr. Office Equip Rsv Fd	131,500	0	0
TAX RATE PORTION	4,250	4,250		0	4,250	Water Fund	4,250	0	0
WASTEWATER PORTION	5,750	5,750		0	5,750	Sewer Fund	5,750	0	0
4. CORPORATE COMPUTER SYSTEM									
TAX RATE PORTION	347,323	347,323	Federal Gas Tax	166,428	180,895	Mr. Office Equip Rsv Fd	180,895	0	0
WATER PORTION	33,387	33,387		0	33,387	Water Fund	33,387	0	0
WASTEWATER PORTION	33,387	33,387		0	33,387	Sewer Fund	33,387	0	0
5. PARKLAND EQUIPMENT PROGRAM	65,100	65,100		0	65,100	Parkland Equip Rsv Fd	65,100	0	0
6. BUILDING/EQUIPMENT MAINTENANCE PROGRAM	698,300	698,300	"Investing in Ontario Act"	565,000	133,300	Building Maint. Rsv Fd	124,800	0	0
7. PARKING METERS INSTALLATION	29,536	29,536		0	29,536	Health and Safety Rsv Fd	8,500	0	0
ST. LAWRENCE PARK PARKING	22,800	22,800		0	22,800	Parking Reserve Fund	29,536	0	0
8. WATER EQUIPMENT/CONSTRUCTION	705,000	705,000		0	705,000	Water Fund	705,000	0	0
TOTAL FUNDED RESERVE FUNDS:	3,674,698	3,674,698		1,396,427	2,278,271		2,278,271	0	0

2009 CAPITAL BUDGET - APPROVED MARCH 10, 2009

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT/CONCRETE PROGRAM		450,000	Federal Gas Tax	226,091	223,909	Carry forward from previous year	4,895	130,000	89,014
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		450,000		226,091	223,909		4,895	130,000	89,014
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		143,000	Partner Contributions	15,000	128,000	Parking Reserve Fund Surplus from other projects	13,000 43,990	71,010	0
TOTAL MINOR CAPITAL:		143,000		15,000	128,000		56,990	71,010	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS .1 NORTHERN CABLES ENTRANCE	84,000	84,000	INDUSTRY *Investing in Ontario Act*	42,000	0			0	0
.2 BMAAC	135,000	45,000		42,000	0			0	0
.3 VICTORIA BUILDING CEILING	41,944	41,944	Federal Gas Tax	41,944	0		0	45,000	0
.4 BROCKVILLE ARTS CENTRE FLOOR	15,000	15,000	*Investing in Ontario Act*	15,000	0		0	0	0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	275,944	185,944		140,944	45,000		0	45,000	0
10. GRAND TOTAL THIS YEAR	51,857,359	23,308,057		14,189,932	9,118,125		7,194,335	704,815	1,218,975

Less Debtentures contemplated through Water Fund
Less Debtentures contemplated through Sewer Fund

617,386
512,575

(capacity not necessarily available)

Proposed Tax Rate Debtentures in this 2009 Capital Budget

89,014

CAPACITY PER FINANCE PLAN

202,909

Remaining Debtentures for 2009 per the Finance Plan

113,892

In 2009 the Contribution to Capital for City Projects is 704,815

2009 BUDGET - MINOR CAPITAL PROPOSALS

	DEPARTMENT/ BOARD	DESCRIPTION	Amount Proposed
1	Operations / Engineering	Supply and install one (1) traffic controller.	\$23,000
2	Operations / Engineering	Supply and install one (1) traffic camera for controlling signal timing for turning movements.	\$10,000
3	Operations / Engineering	Electrical reconnection of street lights following Hydro One's removal of transformer from 25 poles.	\$25,000
4	Operations / Public Works	Perth Street railway crossing improvements.	\$16,500
5	MIS	Furniture, switch, screen, cabling for training facility	\$6,000
6	MIS/FIRE	X-pert Loader software for 911 (to be cost-shared with Partner municipalities)	\$20,000
7	Parks & Recreation	Score Clock at the Youth Arena	\$15,000
8	Clerk	Pay and Display parking lot machine (to be funded from the Parking Reserve Fund)	\$13,000
9	Parks & Recreation	Refurbish extension for accessibility from boardwalk to Water Street parking lot	\$4,000
10	Council	Island breakfast cooking equipment	\$2,500
11	Parks & Recreation	Concrete bollard rehabilitation at Blockhouse Island	\$8,000
Total Minor Capital Projects for 2009 Less: Funding from other sources Partner's Contributions Parking Reserve Fund Funding from C3011-PKDL surplus Estimated surplus from previous years allocation Total Minor Capital Projects for 2009			\$143,000 -\$15,000 -\$13,000 -\$33,000 -\$10,990 \$71,010

Federal Gas Tax Funding

	2007	2008	2009	2010	2011	2012	2013
Beginning Balance	853,909	1,452,353	1,297,763	522,552	1,373,347	2,224,141	3,074,936
Federal Funding	555,670	694,541	1,389,082	1,350,795	1,350,795	1,350,795	1,350,795
Interest Earned	42,774	38,424					
	1,452,353	2,185,318	2,686,844	1,873,347	2,724,141	3,574,936	4,425,731

Proposed Projects to Utilize Funding

Capital Projects

North Augusta Road Overpass -- Phase 2 of 2
Louis / Norton Reconstruction
- William Street Easterly (Tax Portion)

Asphalt

Gord Watts Municipal Centre Lighting Upgrade

LED Lighting

Landfill Solar Project

Energy Retrofits

Official Plan Update

ERP

Building Maintenance

Centennial Youth Arena

Humicon Replacement

Victoria Building Roof Repairs

Estimated Project Costs

Available Funds

440,000
211,064
126,948
67,543
500,000
800,000
200,000
229,829
166,428

42,000

41,944

2,164,292

1,452,353 1,297,763 522,552 1,373,347 2,224,141 3,074,936 3,925,731

Funding Sources for the 2009 Capital Budget

Roads and Bridges Capital Investment Funds	\$ 389,890.00
King Street West Reconstruction	(389,890.00)
Total Available	<u>0</u>
 Investing in Ontario Act	 \$ 2,089,171.00
Capital Projects:	
Barrier-free play structure	(30,000.00)
Keefer Street Reconstruction	(80,698.00)
California Ave / Laurier Blvd. intersection	(120,000.00)
Railway Tunnel - North Portal Tunnel	(165,000.00)
Electricity at Court House Green	(18,000.00)
Northern Cables entrance	(42,000.00)
Docking at the Marina	(120,000.00)
Floor repairs to the washrooms at the Brockville Arts Centre	(15,000.00)
Fleet Purchases:	
Fire Department - Station Wagon	(31,250.00)
Public Works - Sweeper	(248,000.00)
Public Works - Bombardier SW48CS	(155,000.00)
Fiatallis Tractor	(192,000.00)
3/4 ton 4X4 Pick-up with Plow	(38,749.00)
Building Maintenance Projects:	
Roof Repairs/Replacements at:	
Brockville Arts Centre	(60,000.00)
Police Station	(305,000.00)
Public Library	(5,000.00)
Brockville Memorial Centre	(195,000.00)
Total proposed allocation towards Capital Projects	<u>(1,820,697.00)</u>
Subtotal	268,474.00
Strategic Planning Initiatives	<u>(268,474.00)</u>
Dollars Remaining	<u><u>\$ -</u></u>

CAPITAL PROJECTS PROPOSED FOR 2010

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
.1 WPCC SECONDARY TREATMENT UPGRADE- Phase 3 of 4	46,000,000	16,000,000	Federal Infrastructure Funding	7,999,130	5,333,334	Hydro One Rsv Fund	1,545,000		3,638,334
WATER PORTION			Provincial Infrastructure Funding	2,667,536		WPCC Dev Chg RF	150,000		
SANITARY SEWER PORTION	283,971	283,971			283,971				
.2 CENTRE ST. RECONSTRUCTION - King Street to Baxter Drive	283,971	283,971			283,971				
TAX RATE PORTION		173,241			173,241	Centre Street Rsv Fund	150,000		23,241
WATER PORTION		84,866			84,866	Water Fund	84,866		0
SANITARY SEWER PORTION		25,864			25,864	Sewer Fund	25,864		0
TOTAL MANDATED AND COMMITTED PROJECTS:	46,283,971	16,283,971		10,666,666	5,617,305		1,955,730	0	3,661,575
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
.1 FRONT AVE. RECONSTRUCTION - Stewart to Perth	625,000	625,000			200,000	Water Fund	0		200,000
TAX RATE PORTION		200,000			195,000	Sewer Fund	0		195,000
WATER PORTION		230,000			230,000				230,000
SANITARY SEWER PORTION	390,000	120,000			120,000	Water Fund	0		120,000
.2 PARKVIEW BLVD/GRENVILLE CT RECONSTRUCTION		130,000			130,000	Water Fund	0		130,000
TAX RATE PORTION		140,000			140,000	Sewer Fund	0		140,000
WATER PORTION		320,000			95,000				95,000
SANITARY SEWER PORTION	320,000	105,000			105,000	Water Fund	105,000		0
.3 EMMA ST. RECONSTRUCTION - Park to Ormond	450,000	120,000			120,000	Sewer Fund	0		120,000
TAX RATE PORTION		450,000			450,000				450,000
WATER PORTION	350,000	280,000			280,000	Sewer Fund	0		280,000
.4 SAND AND SALT DOME									
.5 LANDFILL LEACHATE TREATMENT SYSTEM - Phase 2 of 2									
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	2,135,000	2,065,000		0	2,065,000		105,000	0	1,960,000
3. PARKS & RECREATION:									
.1 PEDESTRIAN PATHWAY LINKAGE - East/West	900,000	125,000			125,000				125,000
.2 WATER STREET PARK DEVELOPMENT	375,000	100,000			100,000				100,000
.3 COURT HOUSE GREEN FOUNTAIN	70,000	70,000			70,000				70,000
.4 SPLASH PAD DESIGN	10,000	10,000			10,000				10,000
TOTAL PARKS & RECREATION:	1,355,000	305,000		0	305,000		0	0	305,000
4. SERVICES:									
.1 PRE-ENGINEERING SERVICES	25,000	25,000			25,000				25,000
.2 CENTRE PARK PARKING	25,000	25,000			25,000	Parking Rsv Fd	25,000	0	0
.3 HANCOCK PARK PARKING	32,500	32,500			32,500	Parking Rsv Fd	32,500	0	0
TOTAL SERVICES:	82,500	82,500		0	82,500		57,500	0	25,000
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0

* draft *

CAPITAL PROJECTS PROPOSED FOR 2010

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM		1,795,776			1,795,776	Fleet Rsv Fd	908,016	0	887,760
TAX RATE PORTION		251,153			251,153	Water Fund	121,336	0	129,817
WATER PORTION		304,966			304,966	Sewer Fund	166,578	0	138,388
WASTEWATER PORTION		0			0	Transit Rsv Fund	0	0	0
TRANSIT PORTION		323,500			323,500	Sewer Fund	323,500	0	0
.2 WPCC EQUIPMENT PROGRAM		143,650			143,650	Mjr Office Equip Rsv Fd	143,650	0	0
.3 COMPUTER REPLACEMENT PROGRAM		470,905			470,905	Mjr Office Equip Rsv Fd	470,905	0	0
.4 CORPORATE COMPUTER SYSTEM		588,555			588,555	Parkland Equip Rsv Fd	588,555	0	0
.5 PARKLAND EQUIPMENT PROGRAM		180,757			180,757	Building Maint. Rsv Fd	180,757	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		0			0	Parking Reserve Fund	0	0	0
.7 PARKING LOT IMPROVEMENTS		957,500			957,500	Water Fund	957,500	0	0
.8 WATER EQUIPMENT/CONSTRUCTION		5,016,762			5,016,762		3,860,797	0	1,155,965
TOTAL FUNDED RESERVE FUNDS:									
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:									
.1 ASPHALT / CONCRETE PROGRAM		450,000			450,000			0	450,000
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		450,000			450,000		0	0	450,000
8. MINOR CAPITAL: (Items below \$25,000)									
.1 PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000			0	100,000
TOTAL MINOR CAPITAL:		100,000			100,000		0	0	100,000
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									
.1 BMAAC	135,000	45,000			45,000	Fine revenue from operating fund	22,500	0	22,500
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	135,000	45,000			45,000		22,500	0	22,500
10. GRAND TOTAL THIS YEAR	49,991,471	24,348,233		10,666,666	13,681,567		6,001,527	0	7,680,040

Less Debtentures contemplated through Resv. Fd.

In 2010 the Contribution to Capital for City Projects is (1,022,513)

(capacity not necessarily available)

5,001,539

Proposed Debtentures in this 2010 Capital Budget

2,678,501

CAPACITY PER FINANCE PLAN

735,250

2010 Debtentures available of Finance Plan

-1,943,251

CAPITAL PROJECTS PROPOSED FOR 2011

DESCRIPTION OF PROJECT													
COSTS and REVENUES STATED IN 2008 DOLLARS													
1		2		3		4		5		6		7	
Total Gross Cost of Project		Amount Required This Year		Cost Recovery External Source		Net Cost of Project to The City		Contributions from Internal Sources		Current Fund		Total Resulting Debentures	
				Amount				Fund		Amount			
1. MANDATED AND COMMITTED PROJECTS													
.1 WPCC SECONDARY TREATMENT UPGRADE– Phase 4 of 4		46,000,000		13,055,000		Federal Infrastructure Funding		4,351,668				4,351,668	
TAX RATE PORTION						6,526,790							
WATER PORTION						2,176,542							
SANITARY SEWER PORTION		450,000		450,000									
TAX RATE PORTION				162,000				162,000		Centre Street Rsv Fund		12,000	
WATER PORTION				54,000				54,000		Water Fund		0	
SANITARY SEWER PORTION				324,000				324,000		Sewer Fund		324,000	
TOTAL MANDATED AND COMMITTED PROJECTS:													
		46,450,000		13,595,000		8,703,332		4,891,668		204,000		0	
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS													
.1 NORTH TRUNK SANITARY SEWER -Bridlewood to Windsor Dr.		103,000		103,000				103,000		Water Fund		0	
TAX RATE PORTION				0						North Trunk Sanitary Sewer Rs Fd		0	
WATER PORTION				0									
SANITARY SEWER PORTION				103,000				70,000					
TAX RATE PORTION		200,000		200,000				50,000		Water Fund		70,000	
WATER PORTION				80,000				80,000		Sewer Fund		0	
SANITARY SEWER PORTION				440,000				135,000					
TAX RATE PORTION		440,000		135,000				140,000		Water Fund		135,000	
WATER PORTION				140,000				165,000		Sewer Fund		140,000	
SANITARY SEWER PORTION				480,000				155,000					
TAX RATE PORTION		480,000		155,000				140,000		Water Fund		155,000	
WATER PORTION				185,000				185,000		Sewer Fund		185,000	
SEWER PORTION													
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:													
		1,223,000		1,223,000		0		1,223,000		153,000		0	
3. PARKS & RECREATION:													
.1 PEDESTRIAN PATHWAY LINKAGE - East/West		900,000		250,000				250,000				250,000	
.2 PEDESTRIAN PATHWAY LINKAGE -Cedar to St. Lawrence Park		175,000		175,000				175,000				175,000	
.3 GREEN SPACE MASTER PLAN, BROCK TRAIL		15,000		15,000				15,000				15,000	
TOTAL PARKS & RECREATION:													
		1,090,000		440,000		0		440,000		0		440,000	
4. SERVICES:													
.1 BRIDGE INSPECTION SERVICES		20,000		20,000				20,000				20,000	
.2 TRAFFIC STUDY		50,000		50,000				50,000				50,000	
TOTAL SERVICES:													
		70,000		70,000		0		70,000		0		70,000	
5. WATERFRONT DEVELOPMENT:													
TOTAL WATERFRONT:		0		0		0		0		0		0	

CAPITAL PROJECTS PROPOSED FOR 2011

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtures
			External Source	Amount		Fund	Amount		
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
TAX RATE PORTION		187,067			187,067	Fleet Rsv Fd	187,067	0	0
WATER PORTION		203,116			203,116	Water Fund	52,090	0	0
WASTEWATER PORTION		21,834			21,834	Sewer Fund	21,834	0	151,026
TRANSIT PORTION		224,122			224,122	Transit Rsv Fund	224,122	0	0
.2 WPOC EQUIPMENT PROGRAM		372,500			372,500	Sewer Fund	372,500	0	0
.3 COMPUTER REPLACEMENT PROGRAM		103,450			103,450	Mjr Office Equip Rsv Fd	103,450	0	0
.4 CORPORATE COMPUTER SYSTEM		220,000			220,000	Mjr Office Equip Rsv Fd	220,000	0	0
.5 PARKLAND EQUIPMENT PROGRAM		221,419			221,419	Parkland Equip Rsv Fd	221,419	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		65,974			65,974	Building Maint. Rsv Fd	65,974	0	0
.7 PARKING LOT IMPROVEMENTS		0			0	Parking Reserve Fund	0	0	0
.8 WATER EQUIPMENT/CONSTRUCTION		793,000			793,000	Water Fund	793,000	0	0
TOTAL FUNDED RESERVE FUNDS:		2,412,482	0		2,412,482		2,261,456	0	151,026
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:									
.1 ASPHALT / CONCRETE PROGRAM		450,000			450,000			420,487	29,513
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		450,000	0		450,000		0	420,487	29,513
8. MINOR CAPITAL: (Items below \$25,000)									
.1 PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000			100,000	0
TOTAL MINOR CAPITAL:		100,000	0		100,000		0	100,000	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									
.1 BMAAC	135,000	45,000			45,000	Fine revenue from operating fund	20,000	25,000	0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	135,000	45,000	0		45,000		20,000	25,000	0
10. GRAND TOTAL THIS YEAR	48,968,000	18,335,482		8,703,332	9,632,150		2,638,456	545,487	6,448,207

In 2011 the Contribution to Capital for City Projects is **540,487**

Less Debtures contemplated through Resv. Fd.
(capacity not necessarily available)

5,536,694

Proposed Debtures in this 2011 Capital Budget

911,513

CAPACITY PER FINANCE PLAN

1,443,299

2011 Debtures available of Finance Plan

531,786

CAPITAL PROJECTS PROPOSED FOR 2012

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0	0	0	0			0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
.1 STEWART BLVD. RECONST. - Butler's Creek to Schofield Ave.	760,000	760,000			360,000				360,000
TAX RATE PORTION		360,000			200,000	Water Fund	0	0	200,000
WATER PORTION		200,000			200,000	Sewer Fund	0	0	200,000
SANITARY SEWER PORTION		200,000							
.2 BUTTERFIELD PLACE RECONSTRUCTION	495,000	495,000			215,000				215,000
TAX RATE PORTION		215,000			95,000	Water Fund	95,000	0	0
WATER PORTION		95,000			185,000	Sewer Fund	0	0	185,000
SANITARY SEWER PORTION		185,000							
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	1,255,000	1,255,000	0	0	1,255,000		95,000	0	1,160,000
3. PARKS & RECREATION:									
.1 PEDESTRIAN PATHWAY LINKAGE - East/West	900,000	300,000			300,000				300,000
TOTAL PARKS & RECREATION:	900,000	300,000	0	0	300,000		0	0	300,000
4. SERVICES:									
.1 CONWAY CRES. RECONST.-Front Ave. to Front Ave.	600,000	600,000			200,000				200,000
TAX RATE PORTION		200,000			175,000	Water Fund	0	0	175,000
WATER PORTION		175,000			225,000	Sewer Fund	0	0	225,000
SANITARY SEWER PORTION		225,000							
.2 PRE-ENGINEERING SERVICES	25,000	25,000			25,000				25,000
TOTAL SERVICES:	625,000	625,000	0	0	625,000		0	0	625,000
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0	0	0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
TAX RATE PORTION		298,164			298,164	Fleet Rsv Fd		0	0
WATER PORTION		121,433			121,433	Water Fund		0	0
WASTEWATER PORTION		65,189			65,189	Sewer Fund		0	0
TRANSIT PORTION		0			0	Transit Rsv Fund		0	0
.2 WPPCC EQUIPMENT PROGRAM		333,500			333,500	Sewer Fund		0	0
.3 COMPUTER REPLACEMENT PROGRAM		121,850			121,850	Mjr Office Equip Rsv Fd		0	0
.4 CORPORATE COMPUTER SYSTEM		127,000			127,000	Mjr Office Equip Rsv Fd		0	0
.5 PARKLAND EQUIPMENT PROGRAM		349,069			349,069	Parkland Equip Rsv Fd		0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		22,128			22,128	Building Maint. Rsv Fd		0	0
.7 PARKING LOT IMPROVEMENTS		6,500			6,500	Parking Reserve Fund		0	0
.8 WATER EQUIPMENT/CONSTRUCTION		629,500			629,500	Water Fund		0	0
TOTAL FUNDED RESERVE FUNDS:		2,074,333	0	0	2,074,333		2,074,333	0	0

CAPITAL PROJECTS PROPOSED FOR 2012

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1	2	3	4	5		6	7	
	Total Gross Cost of Project	Amount Required This Year	Cost Recovery		Net Cost of Project to The City	Contributions from Internal Sources		Total Resulting Debentures	
			External Source	Amount		Fund	Amount		Current Fund
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:									
.1 ASPHALT / CONCRETE PROGRAM		450,000		450,000			405,587	44,413	
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		450,000	0	450,000		0	405,587	44,413	
8. MINOR CAPITAL: (Items below \$25,000)									
.1 PRIORITY MINOR CAPITAL PROJECTS		100,000		100,000			100,000	0	
TOTAL MINOR CAPITAL:		100,000	0	100,000		0	100,000	0	
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									
.1 BMAAC	135,000	45,000							
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	135,000	45,000	0	45,000		20,000	25,000	0	
10. GRAND TOTAL THIS YEAR	2,915,000	4,849,333	0	4,849,333		2,189,333	530,587	2,129,413	

In 2012 the Contribution to Capital for City Projects is **530,487**

Less Debentures contemplated through Resv. Fd.
(capacity not necessarily available)

985,000

Proposed Debentures in this 2012 Capital Budget

1,144,413

CAPACITY PER FINANCE PLAN

147,533

2012 Debentures in Excess of Finance Plan

-996,880

CAPITAL PROJECTS PROPOSED FOR 2013

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0		0	0		0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
.1 TUNNEL AVE. RECONSTRUCTION - Pearl St. W. to Brock St.	218,700	218,700			120,000				120,000
TAX RATE PORTION		120,000			33,000	Water Fund	33,000		0
WATER PORTION		33,000			65,700	Sewer Fund	65,700		0
SANITARY SEWER PORTION		65,700							
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	218,700	218,700		0	218,700		98,700	0	120,000
3. PARKS & RECREATION:									
.1 PEDESTRIAN PATHWAY LINKAGE - East/West	900,000	225,000			225,000				225,000
TOTAL PARKS & RECREATION:	900,000	225,000		0	225,000		0	0	225,000
4. SERVICES:									
.1 STEWART BLVD./CENTRAL AVE. Intersection Improvements	300,000	300,000			300,000				300,000
.2 VICTORIA AVE. RECONST. - King to James	446,300	446,300							
TAX RATE PORTION		151,300			151,300				151,300
WATER PORTION		130,000			130,000	Water Fund	0		130,000
SANITARY SEWER PORTION		165,000			165,000	Sewer Fund	0		165,000
.3 VICTORIA AVE. RECONSTRUCTION - James to Pearl	270,000	270,000							
TAX RATE PORTION		80,000			80,000				80,000
WATER PORTION		95,000			95,000	Water Fund	0		95,000
SANITARY SEWER PORTION		95,000			95,000	Sewer Fund	0		95,000
.4 BRIDGE INSPECTION SERVICES	20,000	20,000			20,000				20,000
TOTAL SERVICES:	1,036,300	1,036,300		0	1,036,300		0	0	1,036,300
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
.2 TAX RATE PORTION		964,667			964,667	Fleet Rsv Fd	373,650	0	591,017
.3 WATER PORTION		205,002			205,002	Water Fund	11,870	0	193,132
.4 WASTEWATER PORTION		7,082			7,082	Sewer Fund	7,082	0	0
.5 TRANSIT PORTION		127,580			127,580	Transit Rsv Fund	127,580	0	0
.6 PCC EQUIPMENT PROGRAM		243,000			243,000	Sewer Fund	243,000	0	0
.7 COMPUTER REPLACEMENT PROGRAM		144,300			144,300	Mjr Office Equip Rsv Fd	144,300	0	0
.8 CORPORATE COMPUTER SYSTEM		60,000			60,000	Mjr Office Equip Rsv Fd	60,000	0	0
.9 PARKLAND EQUIPMENT PROGRAM		166,006			166,006	Parkland Equip Rsv Fd	166,006	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		224,005			224,005	Building Maint. Rsv Fd	224,005	0	0
.7 PARKING LOT IMPROVEMENTS		0			0	Parking Reserve Fund	0	0	0
.8 WATER EQUIPMENT/CONSTRUCTION		388,000			388,000	Water Fund	388,000	0	0
TOTAL FUNDED RESERVE FUNDS:		2,529,642		0	2,529,642		1,745,493	0	784,149

CAPITAL PROJECTS PROPOSED FOR 2013

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debentures
			External Source	Amount		Fund	Amount		
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM		475,000			475,000			465,487	9,513
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		475,000		0	475,000		0	465,487	9,513
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000			100,000	0
TOTAL MINOR CAPITAL:		100,000		0	100,000		0	100,000	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	0	0		0	0		0	0	0
10. GRAND TOTAL THIS YEAR	2,155,000	4,584,642		0	4,584,642		1,844,193	565,487	2,174,962

In 2013 the Contribution to Capital for City Projects is **565,487**

Less Debentures contemplated through Resv. Fd.
(capacity not necessarily available) 678,132

Proposed Debentures in this 2013 Capital Budget 1,496,830
CAPACITY PER FINANCE PLAN 165,626
2013 Debentures in Excess of Finance Plan -1,331,204

CAPITAL PROJECTS PROPOSED FOR 2014

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1		2		3		4	5		6	7
	Total Gross Cost of Project	Amount Required This Year	Cost Recovery External Source	Amount	Contributions from Internal Sources						
					Fund	Amount	Current Fund				
1. MANDATED AND COMMITTED PROJECTS											
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0	0	0			0	0	0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS											
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	0	0	0	0			0	0	0	0	0
3. PARKS & RECREATION:											
TOTAL PARKS & RECREATION:	0	0	0	0			0	0	0	0	0
4. SERVICES:											
.1 HASTINGS DRIVE/RIFLE ROAD RECONSTRUCTION	325,000	325,000					117,000				117,000
TAX RATE PORTION		117,000					62,000	Water Fund	62,000		0
WATER PORTION		62,000					146,000	Sewer Fund	0		146,000
SANITARY SEWER PORTION	600,000	146,000					165,000				165,000
.2 GARDEN ST. RECONST.-Pearl St. to James St. - Phase 1 of 2		300,000					70,000	Water Fund	70,000		0
TAX RATE PORTION		165,000					65,000	Sewer Fund	0		65,000
WATER PORTION		70,000					165,000				165,000
SANITARY SEWER PORTION		65,000					65,000	Water Fund	65,000		0
.3 BETHUNE ST. RECONST.- King St. Pine St. - Phase 1 of 3	900,000	300,000					70,000	Sewer Fund	0		70,000
TAX RATE PORTION		165,000					25,000		25,000		0
WATER PORTION		65,000					950,000		222,000	0	728,000
SANITARY SEWER PORTION	25,000	70,000									
.4 PRE-ENGINEERING SERVICES		25,000									
TOTAL SERVICES:	1,850,000	950,000	0	0			0		0	0	0
5. WATERFRONT DEVELOPMENT:											
TOTAL WATERFRONT:	0	0	0	0			0		0	0	0
6. MANAGED REPLACEMENT FUNDS:											
.1 FLEET PROGRAM											
TAX RATE PORTION		1,741,951					1,741,951	Fleet Rsv Fd	420,991	0	1,320,960
WATER PORTION		15,219					15,219	Water Fund	15,219	0	0
WASTEWATER PORTION		7,556					7,556	Sewer Fund	7,556	0	0
TRANSIT PORTION		128,056					128,056	Transit Rsv Fund	128,056	0	0
.2 WPCO EQUIPMENT PROGRAM		140,000					140,000	Sewer Fund	140,000	0	0
.3 COMPUTER REPLACEMENT PROGRAM		133,950					133,950	Mjr Office Equip Rsv Fd	133,950	0	0
.4 CORPORATE COMPUTER SYSTEM		205,000					205,000	Mjr Office Equip Rsv Fd	205,000	0	0
.5 PARKLAND EQUIPMENT PROGRAM		334,666					334,666	Parkland Equip Rsv Fd	334,666	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		107,068					107,068	Building Maint. Rsv Fd	107,068	0	0
.7 PARKING LOT IMPROVEMENTS		0					0	Parking Reserve Fund	0	0	0
.8 WATER EQUIPMENT/CONSTRUCTION		420,000					420,000	Water Fund	420,000	0	0
TOTAL FUNDED RESERVE FUNDS:		3,233,466	0	3,233,466			1,912,506		0		1,320,960

CAPITAL PROJECTS PROPOSED FOR 2014

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1		2		3		4	5			6	7
	Total Gross Cost of Project	Amount Required This Year	Cost Recovery		Net Cost of Project to The City	Contributions from Internal Sources		Total Resulting Debtentures				
			External Source	Amount		Fund	Amount		Current Fund			
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM		475,000				475,000				315,487	159,513	
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		475,000	0			475,000	0			315,487	159,513	
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		100,000				100,000				100,000	0	
TOTAL MINOR CAPITAL:		100,000	0			100,000	0			100,000	0	
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS												
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	0	0	0	0		0	0			0	0	
10. GRAND TOTAL THIS YEAR	1,850,000	4,758,466	0			4,758,466				415,487	2,208,473	

Less Debtentures contemplated through Resv. Fd.
(capacity not necessarily available)

281,000

In 2014 the Contribution to Capital for City Projects is **415,487**

Proposed Debtentures in this 2014 Capital Budget

1,927,473

CAPACITY PER FINANCE PLAN

2014 Debtentures in Excess of Finance Plan

3,824,200

1,896,727

CAPITAL PROJECTS PROPOSED FOR 2015

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0			0		0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	0	0			0		0	0	0
3. PARKS & RECREATION:									
TOTAL PARKS & RECREATION:	0	0			0		0	0	0
4. SERVICES:									
.1 STEWART BLVD WIDENING - Laurier to Centennial Rd - Phase 1 of 2	900,000	500,000			500,000				500,000
.2 GARDEN ST. RECONST.-James St. to Pine St. - Phase 2 of 2	600,000	300,000			165,000				165,000
TAX RATE PORTION		165,000			70,000	Water Fund	70,000		0
SANITARY SEWER PORTION		65,000			65,000	Sewer Fund	0		65,000
.3 BETHUNE ST. RECONST.- Pine St. to James St. - Phase 2 of 3	900,000	300,000			165,000				165,000
TAX RATE PORTION		165,000			65,000	Water Fund	65,000		0
WATER PORTION		65,000			70,000	Sewer Fund	0		70,000
SANITARY SEWER PORTION		70,000			20,000				20,000
.4 BRIDGE INSPECTION SERVICES	20,000	20,000							
TOTAL SERVICES:	2,420,000	1,120,000			1,120,000		135,000	0	985,000
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0			0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM	1,593,901	1,593,901			1,593,901	Fleet Rsv Fd	610,985	0	982,916
TAX RATE PORTION		68,748			68,748	Water Fund	0	0	0
WATER PORTION		188,024			188,024	Sewer Fund	53,921	0	134,103
WASTEWATER PORTION		385,635			385,635	Transit Rsv Fund	385,635	0	0
TRANSIT PORTION		237,000			237,000	Sewer Fund	237,000	0	0
.2 WPCC EQUIPMENT PROGRAM	119,850	119,850			119,850	Mjr Office Equip Rsv Fd	119,850	0	0
.3 COMPUTER REPLACEMENT PROGRAM	117,000	117,000			117,000	Mjr Office Equip Rsv Fd	117,000	0	0
.4 CORPORATE COMPUTER SYSTEM	305,428	305,428			305,428	Parkland Equip Rsv Fd	305,428	0	0
.5 PARKLAND EQUIPMENT PROGRAM	289,972	289,972			289,972	Building Maint. Rsv Fd	289,972	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM	0	0			0	Parking Reserve Fund	0	0	0
.7 PARKING LOT IMPROVEMENTS	468,500	468,500			468,500	Water Fund	468,500	0	0
.8 WATER EQUIPMENT/CONSTRUCTION									
TOTAL FUNDED RESERVE FUNDS:	3,774,058	3,774,058			3,774,058		2,657,039	0	1,117,019

CAPITAL PROJECTS PROPOSED FOR 2015

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM		475,000			475,000				475,000
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		475,000		0	475,000		0	0	475,000
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000			68,487	31,513
TOTAL MINOR CAPITAL:		100,000		0	100,000		0	68,487	31,513
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	0	0		0	0		0	0	0
10. GRAND TOTAL THIS YEAR	2,420,000	5,469,058		0	5,469,058		2,792,039	68,487	2,608,532

Less Debtentures contemplated through Resv. Fd.
(capacity not necessarily available)

269,103

In 2015 the Contribution to Capital for City Projects is **68,487**

Proposed Debtentures in this 2015 Capital Budget
CAPACITY PER FINANCE PLAN
2015 Debtentures in Excess of Finance Plan

2,339,429

147,194

-2,192,235

CAPITAL PROJECTS PROPOSED FOR 2016

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debitures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									0
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0		0	0		0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									0
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	0	0		0	0		0	0	0
3. PARKS & RECREATION:									
TOTAL PARKS & RECREATION:	0	0		0	0		0	0	0
4. SERVICES:									
.1 STEWART BLVD WIDENING - Laurier to Centennial Rd. - Phase 2 of 2	900,000	400,000			400,000				400,000
.2 PARKDALE AVE. WIDENING - Millwood St. to Ormond St.	600,000	600,000			600,000				600,000
.3 BETHUNE ST. RECONST. - James St. to Pearl St. - Phase 3 of 3	900,000	300,000			165,000				165,000
TAX RATE PORTION		65,000			65,000	Water Fund	65,000		0
WATER PORTION		70,000			70,000	Sewer Fund	70,000		0
SANITARY SEWER PORTION	25,000	25,000			25,000				25,000
.4 PRE-ENGINEERING SERVICES	2,425,000	1,325,000		0	1,325,000		135,000	0	1,190,000
TOTAL SERVICES:									
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
TAX RATE PORTION	2,001,863	2,001,863			2,001,863	Fleet Rsv Fd	277,705	0	1,724,158
WATER PORTION	8,603	8,603			8,603	Water Fund	8,603	0	0
WASTEWATER PORTION	76,409	76,409			76,409	Sewer Fund	76,409	0	0
TRANSIT PORTION	0	0			0	Transit Rsv Fund	0	0	0
.2 WPA&C EQUIPMENT PROGRAM	148,000	148,000			148,000	Sewer Fund	148,000	0	0
.3 COMPUTER REPLACEMENT PROGRAM	132,750	132,750			132,750	Mjr Office Equip Rsv Fd	132,750	0	0
.4 CORPORATE COMPUTER SYSTEM	97,000	97,000			97,000	Mjr Office Equip Rsv Fd	97,000	0	0
.5 PARKS AND EQUIPMENT PROGRAM	276,775	276,775			276,775	Parkland Equip Rsv Fd	276,775	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM	341,667	341,667			341,667	Building Maint. Rsv Fd	341,667	0	0
.7 PARKING LOT IMPROVEMENTS					0	Parking Reserve Fund	0	0	0
.8 WATER EQUIPMENT/CONSTRUCTION	743,000	743,000			743,000	Water Fund	743,000	0	0
TOTAL FUNDED RESERVE FUNDS:		3,826,067		0	3,826,067		2,101,909	0	1,724,158
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:									
.1 ASPHALT / CONCRETE PROGRAM		475,000			475,000			326,487	148,513
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		475,000		0	475,000		0	326,487	148,513

CAPITAL PROJECTS PROPOSED FOR 2016

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
8. MINOR CAPITAL: (Items below \$25,000)		100,000			100,000			100,000	0
1. PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000			100,000	0
TOTAL MINOR CAPITAL:		100,000		0	100,000		0	100,000	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	0	0		0	0		0	0	0
10. GRAND TOTAL THIS YEAR	2,425,000	5,726,067		0	5,726,067		2,236,909	426,487	3,062,671

Less Debtentures contemplated through Resv. Fd.
(capacity not necessarily available)

In 2016 the Contribution to Capital for City Projects is **426,487**

Proposed Debtentures in this 2016 Capital Budget

3,062,671

CAPACITY PER FINANCE PLAN

596,130

2016 Debtentures in Excess of Finance Plan

-2,466,541

CAPITAL PROJECTS PROPOSED FOR 2017

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debtentures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0	0	0	0		0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
.1 CHURCHILL PARK SUBDIVISION - Phase 1 of 8	7,800,000	910,000			650,000				650,000
TAX RATE PORTION		650,000			80,000		80,000		0
WATER PORTION		80,000			180,000		0		180,000
SANITARY SEWER PORTION		180,000							
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	7,800,000	910,000	0	0	910,000		80,000	0	830,000
3. PARKS & RECREATION:									
TOTAL PARKS & RECREATION:	0	0	0	0	0		0	0	0
4. SERVICES:									
.1 PEDEN BLVD. RECONSTRUCTION - Laurier St. to Bowie St.	600,000	600,000							
TAX RATE PORTION		330,000			330,000				330,000
WATER PORTION		150,000			150,000		150,000		0
SANITARY SEWER PORTION		120,000			120,000		0		120,000
.2 BRIDGE INSPECTION SERVICES	20,000	20,000			20,000				20,000
TOTAL SERVICES:	620,000	620,000	0	0	620,000		150,000	0	470,000
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0	0	0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
TAX RATE PORTION		746,712			746,712	Fleet Rsv Fd	546,132	0	200,580
WATER PORTION		65,110			65,110	Water Fund	65,110	0	0
WASTEWATER PORTION		84,933			84,933	Sewer Fund	84,933	0	0
TRANSIT PORTION		292,694			292,694	Transit Rsv Fund	292,694	0	0
.2 WPCC EQUIPMENT PROGRAM		75,000			75,000	Sewer Fund	75,000	0	0
.3 COMPUTER REPLACEMENT PROGRAM		130,200			130,200	Mjr Office Equip Rsv Fd	130,200	0	0
.4 CORPORATE COMPUTER SYSTEM		220,000			220,000	Mjr Office Equip Rsv Fd	220,000	0	0
.5 PARKLAND EQUIPMENT PROGRAM		958,176			958,176	Parkland Equip Rsv Fd	958,176	0	0
.6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM		318,271			318,271	Building Maint. Rsv Fd	318,271	0	0
.7 PARKING LOT IMPROVEMENTS					0	Parking Reserve Fund	0	0	0
.8 WATER EQUIPMENT/CONSTRUCTION		445,000			445,000	Water Fund	445,000	0	0
TOTAL FUNDED RESERVE FUNDS:		3,336,096	0	0	3,336,096		3,135,516	0	200,580

CAPITAL PROJECTS PROPOSED FOR 2017

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2008 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debentures
			External Source	Amount		Fund	Amount		
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM		475,000			475,000				475,000
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:		475,000		0	475,000		0	0	475,000
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS		100,000			100,000				100,000
TOTAL MINOR CAPITAL:		100,000		0	100,000		0	0	100,000
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS									0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:	0	0		0	0		0	0	0
10. GRAND TOTAL THIS YEAR	8,420,000	5,441,096		0	5,441,096		3,365,516	0	2,075,580

Less Debentures contemplated through Resv. Fd.
(capacity not necessarily available)

300,000

In 2017 the Contribution to Capital for City Projects is **-501,513**

Proposed Debentures in this 2017 Capital Budget
CAPACITY PER FINANCE PLAN
2017 Debentures in Excess of Finance Plan

1,775,580

1,681,266

-94,314

CAPITAL PROJECTS PROPOSED FOR 2018

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2007 DOLLARS	1 Total Gross Cost of Project	2 Amount Required This Year	3 Cost Recovery		4 Net Cost of Project to The City	5 Contributions from Internal Sources		6 Current Fund	7 Total Resulting Debitures
			External Source	Amount		Fund	Amount		
1. MANDATED AND COMMITTED PROJECTS									
TOTAL MANDATED AND COMMITTED PROJECTS:	0	0		0	0		0	0	0
2. HEALTH - SAFETY - ENVIRONMENTAL PROJECTS									
.1 CHURCHILL PARK SUBDIVISION - Phase 2 of 8	7,800,000				0				
TAX RATE PORTION									
WATER PORTION									
SANITARY SEWER PORTION						Water Fund Sewer Fund			
TOTAL HEALTH-SAFETY-ENVIRONMENTAL PROJECTS:	7,800,000	0		0	0		0	0	0
3. PARKS & RECREATION:									
TOTAL PARKS & RECREATION:	0	0		0	0		0	0	0
4. SERVICES:									
.1 PRE-ENGINEERING SERVICES	25,000	25,000			25,000				25,000
TOTAL SERVICES:	25,000	25,000		0	25,000		0	0	25,000
5. WATERFRONT DEVELOPMENT:									
TOTAL WATERFRONT:	0	0		0	0		0	0	0
6. MANAGED REPLACEMENT FUNDS:									
.1 FLEET PROGRAM									
TAX RATE PORTION	891,271				891,271	Tax Rate Portion	665,676	0	225,595
WATER PORTION	201,583				201,583	Water Fund	16,416	0	185,167
WASTEWATER PORTION	9,794				9,794	Sewer Fund	9,794	0	0
TRANSIT PORTION	0				0	Transit Rsv Fund	0	0	0
TPCC EQUIPMENT PROGRAM	55,000				55,000	Sewer Fund	55,000	0	0
30 COMPUTER REPLACEMENT PROGRAM	133,750				133,750	Mjr Office Equip Rsv Fd	133,750	0	0
40 CORPORATE COMPUTER SYSTEM	60,000				60,000	Mjr Office Equip Rsv Fd	60,000	0	0
5 PARKLAND EQUIPMENT PROGRAM	104,083				104,083	Parkland Equip Rsv Fd	104,083	0	0
6 BUILDING/EQUIPMENT MAINTENANCE PROGRAM	20,408				20,408	Building Maint. Rsv Fd	20,408	0	0
7 PARKING METERS	410,000				410,000	Parking Reserve Fund	0	0	0
8 WATER EQUIPMENT/CONSTRUCTION						Water Fund	410,000	0	0
TOTAL FUNDED RESERVE FUNDS:		2,727,184		0	2,727,184		2,316,422	0	410,762

CAPITAL PROJECTS PROPOSED FOR 2018

DESCRIPTION OF PROJECT COSTS and REVENUES STATED IN 2007 DOLLARS	1		2 Amount Required This Year	3		4 Net Cost of Project to The City	5		6 Current Fund	7 Total Resulting Debentures	
	Total Gross Cost of Project	Amount		Cost Recovery External Source	Amount		Fund	Amount			
7. ASPHALT, ROADS, SIDEWALK RECONSTRUCTION: .1 ASPHALT / CONCRETE PROGRAM			500,000			500,000			0	500,000	0
TOTAL ASPHALT, ROADS, SIDEWALK RECONSTRUCTION:			500,000			500,000			0	500,000	0
8. MINOR CAPITAL: (Items below \$25,000) .1 PRIORITY MINOR CAPITAL PROJECTS			100,000			100,000				100,000	0
TOTAL MINOR CAPITAL:			100,000			100,000			0	100,000	0
9. OTHER PROJECTS & FINANCIAL CONSIDERATIONS											0
TOTAL OTHER PROJECTS & FIN. CONSIDERATIONS:		0	0			0				0	0
10. GRAND TOTAL THIS YEAR	7,825,000	3,352,184	0			3,352,184			2,316,422	600,000	435,762

In 2007 the Contribution to Capital for City Projects is **663,487**

Less Debentures contemplated through Resv. Fd.
(capacity not necessarily available)

185,167

Proposed Debentures in this 2007 Capital Budget

250,595

CAPACITY PER FINANCE PLAN

575,199

Available debenture room per Finance Plan

324,604

APRIL 14, 2009

REPORT TO FINANCE & ADMINISTRATION COMMITTEE – APRIL 21, 2009

2009-053-04

TANGIBLE CAPITAL ASSET POLICIES

FILE: F03-10

D. CYR

DIRECTOR OF FINANCE

RECOMMENDED

THAT Council authorize the Tangible Capital Asset Policy – Transitional Provisions (Attachment #1 to Report 2009-053-04); and

THAT Council authorize the Tangible Capital Asset Policy (Attachment #2 to Report 2009-053-04).

PURPOSE

To establish Tangible Capital Assets (TCA) policies by Council and to outline the accounting treatment for TCA in accordance with the new Public Sector Accounting Board (PSAB) municipal requirements which came into effect beginning with the fiscal year 2009.

BACKGROUND

Beginning with the fiscal year 2009 municipalities will be required, as per PSAB 3150, to:

- account for and report their tangible capital assets (TCA) on the statement of financial position at historical cost
- move to a full accrual accounting from the current modified accrual format
- revise financial statement formats to reflect above changes

Tangible Capital Assets

As per Section PS 3150, TCA are defined as:

“non-financial assets having physical substance that:

- (i) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- (ii) have useful economic lives extending beyond an accounting period;
- (iii) are to be used on a continuing basis; and
- (iv) are not for sale in the ordinary course of operations.”

The City of Brockville has many TCA which are utilized in the delivery of services and programs such as roads, buildings, fleet, street lights, equipment, land, water and wastewater infrastructure, bridges, computer hardware and software.

Accounting Principles

Historically, municipalities have expensed their TCA at the time of purchase. The new requirements will have municipalities “amortize (previously known as depreciation) the value of the asset over its useful life in a rational and systematic manner appropriate to its nature and use”. The annual amortization shall be recorded as an expense in the statement of operations.

Amortization methods and useful life span should be reviewed on a regular basis and revisions made if necessary. Annual adjustments will be required for:

- net write-downs for decline in asset values to be recorded as an expense in the statement of operations and not reversed
- net proceeds upon disposal of asset to be accounted for as a revenue or expense, as applicable

Financial Statements and Disclosure Requirements

In conjunction with these changes, Section PS3150.40 states:

“The financial statements should disclose, for each major category of tangible capital assets and in total:

- (a) cost at the beginning and end of the period;
- (b) additions in the period;
- (c) disposals in the period;
- (d) the amount of any write-downs in the period;
- (e) the amount of amortization of the costs of tangible capital assets for the period;
- (f) accumulated amortization at the beginning and end of the period; and
- (g) net carrying amount at the beginning and end of the period.”

Disclosures to the statements are to reflect the following information as per Section PS3150.42:

- (a) “the amortization method used, including the amortization period or rate for each major category of tangible capital asset;
- (b) the net book value of tangible capital assets not being amortized because they are under construction or development or have been removed from service;
- (c) the nature and amount of contributed tangible capital assets received in the period and recognized in the financial statements;
- (d) the nature and use of tangible capital assets recognized at nominal value;
- (e) the nature of the works of art and historical treasures held by government; and
- (f) the amount of interest capitalized in the period.”

During the transition period (2008 financial statements) if information is available on some but not all TCA categories, that information should be disclosed in accordance with Public Sector Guideline PSG-7. The 2008 financial statements will have to be restated for comparison with the 2009 financial statements.

ANALYSIS/OPTIONS

The City needs to establish two policies as it pertains to provisions for the accounting and financial reporting treatment of TCA – one for TCA owned on or before January 1, 2008 and another for TCA purchased after January 1, 2008.

These policies must apply to all departments, boards and agencies of the City that are consolidated for the purposes of financial statements.

The policies are intended to:

- establish accounting policies in accordance with PS 3150 – Tangible Capital Assets; PS 3060 – Government Partnerships; Public Sector Guideline 2 (PSG-2) – Leased Tangible Capital Assets; and their respective representation on the financial statements of the City;
- establish a consistent approach to accounting estimates in areas where measurement uncertainty exists in accordance with CICA Section 1508 – Accounting for Estimates; and

- ensure consistent, transparent treatment of all TCA and the reporting of the financial results.

The principles of these policies have been based upon the following:

for TCA owned on or before January 1, 2008

- historical costs be utilized to establish the cost of TCA if the costs are readily available;
- if historical costs are not readily available due to lack of records, a consistent method to estimate historical costs be utilized

for TCA purchased after January 1, 2008

- authority to be delegated to the appropriate level to enable City departments to meet service requirements while preserving the asset accounting policies and principles
- efficient, effective and quality service and product delivery through effective asset management practices while meeting generally accepted accounting principles (GAAP) as set out in PSAB standards are the responsibility of all managers within the City

POLICY IMPLICATIONS

There is currently no policies established pertaining to tangible capital assets.

The intention of this report is to create the initial policies in conjunction with the PSAB requirements.

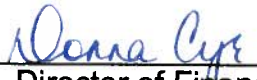
FINANCIAL CONSIDERATIONS

There are no financial considerations associated with this report.

CONCLUSION

In conjunction with attaining PSAB compliance, the establishment of TCA policies will create a corporate vision for asset management / asset financial management.

Tammy Wolters, WSCS Consulting Inc., will be making a detailed presentation to Council at the Finance & Administration Committee meeting to discuss the new PSAB requirements.



D. Cyr, Director of Finance



B. Casselman, City Manager

City of Brockville

POLICY

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1. POLICY CONTENT

This policy prescribes the transitional provisions for the accounting and financial reporting treatment of tangible capital assets owned on or before January 1, 2008. This policy applies to all departments, boards and agencies of the City of Brockville (the City) that are consolidated for the purposes of financial statement presentation for the transition to full accrual based accounting. This policy should be read in conjunction with the Tangible Capital Asset Policy, Policy Number XXXXXXXX.

2. AUTHORITY

The Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA) issues standards and guidance with respect to matters of accounting and financial reporting in the public sector. PSAB issues such standards and guidance which reflect solid financial accounting and reporting to serve the public interest by strengthening accountability in the public sector. Under section 294 of the Municipal Act (the Act), municipalities must follow the generally accepted accounting principles as follows:

“A municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principles for local governments as recommended, from time to time, by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.”

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3. DEFINITIONS

Refer to the Tangible Capital Asset Policy, Policy Number xxxx for general definitions. The following definitions are specific for transition provisions.

“Betterment Rate” is the rate assigned to the asset by relating the current condition to a deemed level of betterments that have been completed prior to January 1, 2008.

“Replacement Cost” is the amount that would be needed currently to acquire an equivalent asset. This may be used, for example, when inventories are valued at the lower of historical cost and replacement value.

“Reproduction Cost” is based on the attributes of the assets a local government currently owns. It is the cost of reproducing an asset in substantially identical form. It does not attempt to take into account impacts on costs such as changes in technology or construction methods.

“Realizable value” is the amount that would be received by selling an asset. Market value may be used to estimate realizable value when a market for an asset exists.

4. INTRODUCTION

4.1. **Purpose**

The objective of this policy is to outline the accounting treatment for tangible capital assets for the transition period and establish opening gross and net book values of assets owned on January 1, 2008. In particular, this policy is intended to:

- 4.1.1. Establish accounting policies for tangible capital assets in accordance with PS 3150- tangible capital assets, PS 3060- Government Partnerships, Public Sector Guideline 2 (PSG-2) – Leased Tangible Capital Assets and their respective representation on the financial statements of the City during transition period effective January 1, 2008.
- 4.1.2. Establish a consistent approach to accounting estimates in areas where measurement uncertainty exists in accordance with CICA Section 1508 – Accounting for Estimates.
- 4.1.3. Ensure consistent, transparent treatment of all tangible capital assets and the reporting of the financial results.

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4.2. Application And Scope

- 4.2.1. This policy applies to all City departments, boards and commissions, agencies and other organizations falling within the reporting entity of the City.
- 4.2.2. This policy applies to all tangible capital assets owned, purchased, constructed by the City or donated to the City by other governments and non-governmental parties. Intangible assets are not covered by this policy.
- 4.2.3. This policy applies to existing tangible capital assets as of January 1, 2008.
- 4.2.4. This policy should be read in conjunction with PSAB Handbook Section PS 3150 and PS Sections 1000 – Financial Statement Concepts, PS 1100 – Financial Objectives, PS 1200 – Financial Statement Presentation, PS 2700 – Segment Reporting, PS 3060- Government Partnerships and Public Sector Guideline 2 (PSG-2) – Leased Tangible Capital Assets.

4.3. Principles

The following principles are developed to establish opening gross and net book values for tangible capital assets on January 1, 2008.

- 4.3.1. Where historical cost for tangible capital assets are readily available, historical cost will be utilized to establish the cost of the tangible capital asset.
- 4.3.2. Where historical cost is not readily available due to lack of records, the City will utilize a consistent method to estimate historical costs.

5. ACCOUNTABILITY FRAMEWORK

5.1. City Council Responsibilities

As per the Municipal Act, City Council is responsible for setting and amending the Tangible Capital Asset policy for the municipality.

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5.2. Finance Department (Treasurer) Responsibilities

- 5.2.1. To liaise with the City appointed auditors regarding accounting policy matters and providing appropriate documentation for accounting estimates as required.
- 5.2.2. To ensure tangible capital asset accounting policies are applied consistently and to assist with the determination of accounting estimates;
- 5.2.3. To ensure that business transactions are conducted ethically and professionally within generally accepted accounting principles (GAAP);
- 5.2.4. To produce the annual financial statements in accordance with GAAP and to prepare audit papers for the annual audit. In particular, to provide sufficient audit evidence of opening gross and net book values for tangible capital assets on January 1, 2008.

5.3. City Staff Responsibilities

- 5.3.1. To assist the Finance Department in developing opening gross and net book values of the tangible capital assets on hand under their control at January 1, 2008.

6. GENERAL TRANSITION PROVISIONS FOR TANGIBLE CAPITAL ASSETS

In 2009, the new PSAB standards become effective for municipalities. This policy outlines the City's approach to the transition to tangible capital asset accounting and determination of valuation for assets where historical costs are not available. The transitional provisions allow municipalities to utilize accounting estimates to determine the opening book values of the tangible capital asset. These opening balances must be done in a consistent manner and documented.

6.1. Valuation of Tangible Capital Assets on hand at January 1, 2008

- 6.1.1. All tangible capital assets held by a department at January 1, 2008 must be identified and valued using an appropriate cost base. Considerations should include reasonableness and materiality in the approach. Specifically, in this regard:

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- i. Where practical and cost-effective, existing tangible capital assets will be valued using historical costs, adjusted for the proportion of the useful life of the asset that has already been consumed through the establishment of a provision for accumulated amortization (see Tangible Capital Asset Policy for further guidance);
- ii. When the City does not have historical cost accounting records for its tangible capital assets, it will need to use other methods to estimate the cost and accumulated amortization of the assets. The City will apply a consistent method of estimating the cost of the tangible capital assets for which it does not have historical cost records, except in circumstances where it can be demonstrated that a different method would provide a more accurate estimate of the cost of a particular type of tangible capital asset.
- iii. Since there are many City assets whereby historical costs do not exist and/or it is not practical and cost-effective to establish a reasonable estimate of an asset's historical cost, the City will utilize appraised or some appropriate measure of current value and extrapolate back to estimated historical cost using the consumer price index (CPI) or some other relevant price/cost index including those utilized by the federal government in the Book Value Calculator or the Deflator Study commissioned by the Municipal Finance Officers Association.
- iv. In particular, the City will utilize the following estimates for historical costs:
 - a. **Reproduction cost**, which is based on the attributes of the assets the City currently owns. It is the cost of reproducing an asset in substantially identical form. It does not attempt to take into account impacts on costs such as changes in technology or construction methods.
 - b. **Replacement cost**, adjusted to take into account any major differences between an actual asset and a replacement asset. That is, the current replacement cost is the amount of cash or other consideration that would be needed to acquire an asset having equivalent service potential to that of the asset presently owned. It would take into account changes in technology. It would be based on the estimated present cost of constructing the existing asset or component of the asset by the same or (similar method) of construction using the same or similar materials.

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Replacement cost may be established by reference to the price of a similar asset in an active and liquid market.

- c. **Market value**, where there is an open market for an asset. May be available for many types of assets such as buildings or unoccupied land. May rely upon appraisals.
- d. **Fair value**, where there may not be an active market for an asset, but a valuator, applying different valuation approaches and by referencing market data and reasoning, can arrive at a value.
- v. The appropriate deflator will depend on the asset being valued. The method utilized will be documented and provided to the auditors in support of the 2009 audit of the financial statements.
- vi. Some municipal tangible capital assets that are still in use by the government may not have any unamortized cost remaining because of their age and the amortization period set for that type of tangible capital asset. A record of such tangible capital assets would, however, need to be set up for asset control purposes. If a department has the information to estimate the historical cost and accumulated amortization of such fully amortized assets, then that information would be recorded in the accounting records. If the department does not have this detailed information on its fully amortized assets, it would disclose them at an initial value equal to their residual value, where material and previously known. Otherwise it would disclose them at a nominal value. The determination will be undertaken in consultation with the Finance Department.
- vii. All City tangible capital assets would be recorded in the financial system according to this Section. The information recorded would include the actual or estimated original cost of the tangible capital assets, their estimated useful lives and the related estimated accumulated amortization. When recording the initial value of a tangible capital asset for the purposes of applying this Section, consideration would be given to whether the net book value of the tangible capital asset is in excess of the future economic benefits expected from its use and, therefore, whether a write-down is required to establish more appropriate cost and accumulated amortization amounts for the asset.

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- viii. Betterment rates of tangible capital assets on hand should be based upon a condition assessment of the asset.
- ix. Existing capital leases will be analyzed and accounted for in accordance with the Public Sector Guideline 2, Leased Tangible Capital Assets.

7. TANGIBLE CAPITAL ASSETS UNDER CONSTRUCTION/DEVELOPMENT

- 7.1.1. Determining when a tangible capital asset, or a portion thereof, is ready for productive use requires consideration of the circumstances in which it is to be operated.
- 7.1.2. Assets under Construction at January 1, 2008 will be reflected in the work in progress inventory until it is determined that the asset has been placed in service.
- 7.1.3. Assets under Construction will not be amortized while in progress.

8. DONATED TANGIBLE CAPITAL ASSETS

- 8.1.1. The cost of a contributed or donated tangible capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Donated tangible capital assets on hand at January 1, 2008 will be recognized at fair market value on the date of donation as per Section 6.1.
- 8.1.2. Asset transfers from other governments will be accounted for in accordance with PS3410 – Government Transfers.

9. BETTERMENTS VS. MAINTENANCE

- 9.1.1. Costs of betterments are considered to be part of the cost of a tangible capital asset and would be added to the recorded cost of the related asset. A betterment is a cost incurred to enhance the service potential of a tangible capital asset.

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- 9.1.2. Betterments are expenditures relating to the alteration or modernization of an asset that appreciably prolong the item's period of usefulness or improve its functionality.
- 9.1.3. In general, for tangible capital assets other than complex network systems, service potential may be enhanced when there is an increase in the previously assessed physical output or service capacity, where associated operating costs are lowered, the useful life of the property is extended or the quality of the output is improved.
- 9.1.4. Determination of betterments for tangible capital assets on hand at January 1, 2008 will be a combination of historical cost, reproduction, replacement and fair value based upon the condition of the asset as of the last date of assessment.

10. AMORTIZATION OF TANGIBLE CAPITAL ASSETS

- 10.1.1. Amortization of tangible capital assets reflects the cost to the municipality of utilizing the tangible capital asset in providing services.
- 10.1.2. The cost of tangible capital assets on hand at January 1, 2008, as determined in accordance with Sections 6,7 and 8 above, less any residual value, will be amortized over the estimated useful life in a rational and systematic manner appropriate to its nature and use by the municipality.
- 10.1.3. Land generally has an unlimited life and will not be amortized.
- 10.1.4. The amortization of the costs of tangible capital assets is accounted for as expenses in the statement of operations. Amortization expense is an important part of the cost associated with providing government services, regardless of how the acquisition of tangible capital assets is funded.
- 10.1.5. Amortization for the period from purchase or construction of the tangible capital asset until December 31, 2007 will be calculated based upon the estimated in-service date, estimated useful lives and remaining useful lives of the assets.

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10.2. Determination of Residual Value of a Tangible Capital Asset

Where a Department expects the residual value of a tangible capital asset to be significant, it would be factored into the calculation of amortization for assets on hand January 1, 2008.

10.3. Determination of Useful Life of a Tangible Capital Asset

Useful life is the estimate of either the period over which a tangible capital asset is expected to be used by a municipality, or the number of production or similar units that can be obtained from the tangible capital asset by a government. Useful lives of assets on hand will be determined in accordance with the Tangible Capital Asset Policy.

10.4. Amortization Methods

As a general principle, the City will utilize declining balance method of amortization for vehicles and the straight line method of amortization for all other classes of tangible capital assets on hand January 1, 2008.

11. IMPAIRMENT OF ASSETS (WRITE DOWNS OF TANGIBLE CAPITAL ASSETS)

11.1. PS 3150 – Tangible Capital Assets states that when conditions indicate that a tangible capital asset no longer contributes to a municipality's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset should be reduced to reflect the decline in the asset's value.

11.2. The net write-downs of the tangible capital asset will be accounted for and included in the opening gross and net book values at January 1, 2008.

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12. DISPOSALS

- 12.1. Under PS 3150, the difference between the net proceeds on disposal of a tangible capital asset and the net book value of the asset should be accounted for as a revenue or expense in the statement of operations.
- 12.2. Disposals of tangible capital assets in the fiscal year 2008 will be reflected on the books of accounts for the year 2008 and be reflected in the closing book values at December 31, 2008.

13. CAPITAL LEASES

- 13.1. Leased Tangible Capital Assets will be capitalized and reflected on the Statement of Financial Position in accordance with the Tangible Capital Asset Policy for those assets on hand on January 1, 2008 and any new leases for 2008.

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1. POLICY CONTENT

This policy prescribes the accounting and financial reporting treatment of tangible capital assets for all departments of the City of Brockville (the City). This policy applies to financial results for fiscal years ending after January 1, 2009.

2. AUTHORITY

The Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA) issues standards and guidance with respect to matters of accounting and financial reporting in the public sector. PSAB issues such standards and guidance which reflect solid financial accounting and reporting to serve the public interest by strengthening accountability in the public sector. Under section 294 of the Municipal Act (the Act), municipalities must follow the generally accepted accounting principles as follows:

"A municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principles for local governments as recommended, from time to time, by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants."

3. DEFINITIONS

"Accrual Based Accounting" means a system of accounting that measures the economic impact of transactions and economic events rather than cash flows.

"Acquisition" means the process that will be followed when purchasing new inventory stock or fixed assets

"Amortization" is the systematic recognition of the cost of utilizing a tangible capital expenditure over its service life. The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use by the City.

"Betterment" is a cost incurred to enhance the service potential of a tangible capital asset. In general, for tangible capital assets service potential is enhanced when there is an increase in the previously assessed physical output or service capacity; where associated operating costs are lowered; when the useful life of the property is extended; or the quality of the output is improved.

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“City” means the Corporation of the City of Brockville.

“Council” means Council of the Corporation of the City of Brockville.

“Councillor” is defined as an elected member of City Council and includes the Mayor.

“Department” means any department within the City.

“Director” means the director or senior manager of a division within the Corporation of the City of Brockville.

“Fair Market Value” is the amount of consideration that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

“Historical Cost” means the sum of all costs that were incurred in the past to acquire or better an asset.

“Net Book Value” means the historical cost of an asset less accumulated amortization to date.

“Residual Value” means the estimated net recoverable amount from disposal or trade-in of an asset at the end of its estimated useful life.

“Realizable Value” is the amount that would be received by selling an asset. Market value may be used to estimate realizable value when a market for an asset exists.

“Tangible capital assets” are assets containing physical substance that are purchased, constructed, developed or otherwise acquired and:

- i. are held for use in the production or supply of goods, the delivery of services or to produce program outputs;
- ii. have a useful life extending beyond one fiscal year and are intended to be used on a continuing basis; and
- iii. are not intended for resale in the ordinary course of operations.

“Service potential” is tangible capital asset’s output or service capacity, normally determined by reference to attributes such as physical output capacity, quality of output, associated operating costs and useful life.

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“Useful life” is the estimate of either the period over which the City expects to use a tangible capital asset, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

“Write-down” is a reduction in the cost of a tangible capital asset to reflect the decline in the asset’s value due to the permanent impairment of future economic benefits of the asset.

4. INTRODUCTION

4.1. Purpose

The objective of this policy is to outline the accounting treatment for tangible capital assets. In particular, this policy is intended to:

- 4.1.1. Establish accounting policies for tangible capital assets in accordance with PS 3150- tangible capital assets, PS 3060- Government Partnerships, Public Sector Guideline 2 (PSG-2) – Leased Tangible Capital Assets and their respective representation on the financial statements of the City effective January 1, 2009.
- 4.1.2. Establish a consistent approach to accounting estimates in areas where measurement uncertainty exists in accordance with CICA Section 1508 – Accounting for Estimates.
- 4.1.3. Ensure consistent, transparent treatment of all tangible capital assets and the reporting of the financial results.

4.2. Application And Scope

- 4.2.1. This policy applies to all departments, boards and committees of the City that are consolidated for the purposes of financial statements.
- 4.2.2. This policy applies to all tangible capital assets owned, purchased, constructed by the City or donated to the City by other governments and non-governmental parties. Intangible assets are not covered by this policy.

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- 4.2.3. This policy should be read in conjunction with PSAB Handbook Section PS 3150 and PS Sections 1000 – Financial Statement Concepts, PS 1100 – Financial Objectives, PS 1200 – Financial Statement Presentation, PS 2700 – Segment Reporting, PS 3060- Government Partnerships and Public Sector Guideline 2 (PSG-2) – Leased Tangible Capital Assets.

4.3. Principles

The policy is designed to ensure that the generally accepted accounting principles contained in PSAB 3150 – Tangible Capital Assets are reflected in all accounting practices within the City.

The following principles and goals should be considered when determining the accounting treatment of tangible capital assets and during the procurement activities.

- 4.3.1. Authority is to be delegated to the appropriate level to enable City departments to meet service requirements while preserving the asset accounting policies and principles.
- 4.3.2. Efficient, effective and quality service and product delivery through effective asset management practices while meeting the generally accepted accounting principles as set out in the PSAB standards are the responsibility of all managers within the City.

5. ACCOUNTABILITY FRAMEWORK

5.1. City Council Responsibilities

As per *the Municipal Act*, City Council is responsible for setting and amending the Tangible Capital Asset Policy for the municipality.

5.2. Finance Department (Treasurer) Responsibilities

- 5.2.1. To liaise with the City appointed auditors regarding accounting policy matters and to provide appropriate documentation for accounting estimates as required.

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- 5.2.2. To ensure tangible capital asset accounting policies are applied consistently and to assist with the determination of accounting estimates;
- 5.2.3. To ensure that business transactions are conducted ethically and in accordance with generally accepted accounting principles (GAAP);
- 5.2.4. To evaluate, on a regular basis, the appropriateness of the accounting policies in light of City operations and make recommendations for changes as appropriate, and provide the impact of such changes on the current and comparative financial statements;
- 5.2.5. To update this policy to reflect changes in City programs and services and as new tangible capital asset classes are acquired, purchased or constructed.
- 5.2.6. To develop and monitor procedures regarding purchase orders, commitments, receiving, payables, asset management and property to ensure that asset accounting practices are effective;
- 5.2.7. To train staff on policies and procedures regarding tangible capital asset accounting including purchasing functions;
- 5.2.8. To advise and assist in preparation of budgets and contracts in order to implement this policy.
- 5.2.9. To maintain records of business transactions. Ensure that all purchasing transactions are reflected in the books of account and documentation is retained in accordance with the Tangible Capital Asset Policy.
- 5.2.10. To produce the City's annual financial statements in accordance with GAAP and to prepare audit papers as required.

5.3. City Staff Responsibilities

- 5.3.1. To ensure that procurement activities and budget preparation of tangible capital assets will provide the information required to afford the treatment of all tangible capital assets as in accordance with this policy.
- 5.3.2. To liaise with the Finance Department where required in order to ensure that financial information is sufficient for the Treasurer to render decisions in accordance with GAAP as it pertains to tangible capital assets.

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5.3.3. To manage tangible capital assets with prudence and integrity to ensure best value for tax dollars and appropriate long term capital planning.

6. PSAB STANDARDS

PSAB Section (PS) 1000 – Financial Statement Concepts, PS 1100 – Financial Statement Objectives and PS 1200- Financial Statement Presentation outline the design, accounting concepts and objectives under full accrual accounting for local governments including the recognition of tangible capital assets. These sections should be read in conjunction with this policy.

7. TANGIBLE CAPITAL ASSETS

7.1. As defined in PS3150, tangible capital assets are non-financial assets having physical substance that:

- i. are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- ii. have useful economic lives extending beyond an accounting period;
- iii. are to be used on a continuing basis; and
- iv. are not for sale in the ordinary course of operations.

7.1.1. For the City, tangible capital assets have the following characteristics:

- i. beneficial ownership and control clearly rests with the City, and
- ii. the tangible capital asset is utilized to achieve City plans, objectives and services with the intention of being used on a continuous basis and is not intended for sale in the ordinary course of business.

7.1.2. For further clarification, tangible capital assets:

- i. include land, land improvements, buildings, leasehold improvements, infrastructure assets, vehicles, machinery and equipment including purchased computer software, in-house developed software, computer hardware and assets acquired by capital leases or by donations;

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- ii. do not include intangible assets such as copyrights, trademarks, patents and human capital;
- iii. include operational heritage assets. Heritage assets are those assets, usually irreplaceable, that are intended to be preserved in trust for future generations. Operational heritage assets are those assets used for purposes in addition to the maintenance of local and/or national heritage (e.g. heritage building with office space, parkland).
- iv. do not include non-operational heritage assets. Non-operational heritage assets include: Museum and gallery collections, other works of art, monuments and statues.
- v. include spare parts which are acquired, acquired as part of the same procurement as the original capital asset. They will be considered integral to the acquisition of the asset and form part of the total cost of the tangible capital asset.

7.2. Asset Classes

Tangible capital assets will be classified as follows:

	General Capital + Infrastructure Assets	Capital Work in Progress
	Land	Asset Sub-Classes are not applicable.
Asset Sub-Class	Land Improvements	
	Linear Assets	
	Buildings & Building Improvements	
	Leasehold Improvements	
	Machinery & Equipment	
	Vehicles	
	Computer Hardware	
	Computer Software	

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7.3. Capitalization Threshold

7.3.1. Tangible Capital Assets will be capitalized if the following thresholds are met:

Asset Class	Asset Sub-Class	Threshold
General Capital + Infrastructure Assets	Land	zero
	Land Improvements	\$50,000
	Linear Assets	\$50,000
	Buildings	\$50,000
	Leasehold Improvements	\$50,000
	Machinery & Equipment	\$ 5,000
	Vehicles	\$10,000
	Computer Hardware	\$ 5,000
	Computer Software	\$ 5,000
Capital Work in Progress		zero

7.3.2. All land will be capitalized regardless of its cost.

7.3.3. Tangible Capital Assets, that meet the definition of a tangible capital asset, and have a useful life in excess of one year but the per item cost is less than the threshold, will be expensed in the year of acquisition unless it is an asset that is included in an asset pool (refer to Section 7.4). These assets may be tracked for asset management purposes.

7.4. Pooled Tangible Capital Assets

7.4.1. Certain items such as tools, furniture and computers are generally below the capitalization threshold individually but are typically purchased or held in large quantities so as to represent significant expenditures overall. In such cases, it would seem reasonable to capitalize all items acquired in a given asset class or pool and amortize the pool over a pre-determined amortization period.

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7.4.2. Due to the large financial impact and large numbers purchased, there are certain assets that represent a material pooled asset. The City will create pools of assets when it believes that the pool of assets represent a significant pool of tangible capital assets that has or will have a significant financial impact on the City.

7.4.3. Inventory disposal will be accounted for utilizing the deemed disposal method.

7.5. Bundling of Assets (Whole Asset vs. Component Approach)

7.5.1. For purposes of capitalization and amortization, the two methods of defining tangible capital assets are Whole Asset and Component.

- i. The Whole Asset approach considers an asset to be an assembly of connected parts. Costs of all parts would be capitalized and amortized as one asset. For example, a computer network could be considered as one asset.
- ii. Under the Component approach, different components are individually capitalized and amortized. Under this approach, the servers, routers, lines, software, etc. used in a network would all be individual assets.

7.5.2. Both the whole asset method and the component approach are equally acceptable under GAAP. In certain circumstances, it is appropriate to allocate the total disbursement on an asset to its component parts and account for each component separately. This is the case when the component assets have different useful lives or provide economic benefits or service potential to the entity in a different pattern, thus necessitating use of different amortization rates and methods. For example, the pavements, road base, curbs, sidewalks, bridges and lighting may need to be treated as separate items within a road system to the extent that they have different useful lives.

Additional factors influencing the choice of method include:

- i. Significance of amounts;
- ii. Quantity of individual asset components (volume);
- iii. Availability of information with respect to specific components of the capital expenditures; and

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- iv. Specific information needs of management for decision making and asset control purposes.

7.5.3. Based upon materiality, the City will utilize the Whole Asset approach for all assets with the following exceptions which will be accounted for on a Component basis:

- i. Linear infrastructure assets
- ii. Buildings >500m²

7.6. Assets Owned by Multiple Departments or Entities

7.6.1. In certain cases, more than one department has some involvement with the use of an asset. The concept of “control” should be used in determining which department records and amortizes the asset in their financial statements.

7.6.2. “Control” in this context means the ability to obtain future economic benefits in fulfillment of aims and objectives of the entity and to restrict the access to others. Legal terms and conditions, risks and liabilities also assist in determining the ownership of an asset.

7.6.3. The Finance Department should be consulted where it is unclear as to which entity should record the asset.

7.7. Tangible Capital Assets under Construction/Development

7.7.1. Determining when a tangible capital asset, or a portion thereof, is ready for productive use requires consideration of the circumstances in which it is to be operated.

7.7.2. Assets under Construction will be reflected in the work in progress inventory until it is determined that the asset has been placed in service.

7.7.3. Assets under Construction will not be amortized while in progress.

8. COST

8.1. Historical Cost

8.1.1. As per PS 3150, tangible capital assets are to be recognized on the Statement of Financial Position as non-financial assets and are to be recorded at cost. In accordance with GAAP and to be consistent with the

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Financial Statement Objectives in PS 1100, cost is defined as historical cost as it is considered to be the only reliable and relevant information available to appropriately represent the cost of providing services.

8.1.2. Cost is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, and includes all costs directly attributable to acquisition, construction, development or betterment of the tangible capital asset, including installing the asset at the location and in the condition necessary for its intended use.

8.1.3. The cost of a tangible capital asset includes:

- i. the purchase price of the asset
- ii. other acquisition costs such as:
 - a. installation costs
 - b. design and engineering fees
 - c. legal fees
 - d. survey costs
 - e. site preparation costs
 - f. freight charges
 - g. transportation insurance costs; and
 - h. duties

8.1.4. The cost of a constructed asset includes:

- i. direct construction or development costs (such as materials, contracted services and labour);
- ii. overhead costs directly attributable to the construction or development activity;
- iii. activities necessary to prepare a tangible capital asset for its intended use which may encompass more than the physical construction of the tangible capital asset. They may include the technical and administrative work prior to the commencement of and during construction provided that it can be

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shown it is directly attributable to the construction of the tangible capital asset.

- iv. interest will be capitalized provided that financing was undertaken during the construction phase of the asset;
- v. City supplied labour will only be capitalized as part of the tangible capital asset cost as directly attributable costs in situations where the documentation is satisfactory, provides sufficient detail and substantiates the cost for the capital project.

8.1.5. The cost of each tangible capital asset acquired as part of a single purchase (for example, the purchase of a building and land for a single amount) is determined by allocating the total price paid for all of the tangible capital assets acquired to each asset class on the basis of its relative fair value at the time of acquisition.

9. DONATED TANGIBLE CAPITAL ASSETS

9.1.1. The cost of a contributed or donated tangible capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution.

9.1.2. Asset transfers from other governments will be accounted for in accordance with PS 3410 – Government Transfers.

9.1.3. In order to determine the fair value, an independent valuation of the tangible capital asset will be undertaken such as an appraisal, professional opinions or quotes from independent sources. These accounting estimates must be documented and provided to the Finance Department for the appropriate financial transactions.

9.1.4. In the case where a tangible capital asset is being constructed on behalf of the City or as part of a development, the responsible Director should attempt to acquire the fair value from the developer and include this as a requirement of the contract.

9.1.5. If the fair value cannot be determined by any means outlined above, the asset should be recorded at a nominal value and disclosed in the notes to the

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financial statements.

10. FUTURE SITE RESTORATION COSTS

- 10.1.1. Although PS 3150- Tangible Capital Assets does not specifically address the issue of future site restoration costs, CICA Section 3110 – Asset Retirement Obligations such requirements for non-public entities. Consequently, although not a requirement of PS 3150, the requirement to address future site restoration costs is considered to be a best practice and considered by the City with respect to long life assets.
- 10.1.2. This policy applies in situations where the City constructs an asset on leased land, with the condition that it restores the site to its original condition at the end of the lease term. In this case, an estimate of the cost of demolishing the asset and cleaning-up the site should be capitalized as part of the cost of the asset and amortized to expense at the same rate as the asset.
- 10.1.3. Future site restoration costs encompass costs for dismantling, abandoning, and cleaning up a property. These costs may be incurred as a result of a contract or because the municipality has established a policy to restore a site. When such costs can be reasonably estimated, they should be accrued (net of expected recoveries), as part of the capital asset and amortized over its useful life. The provision for future site restoration costs is to be recorded as a liability until the future site restoration takes place.
- 10.1.4. The rationale behind this accounting treatment is that the site restoration costs are linked to the use of the asset and hence should be recognized over the years of use rather than at the time the restoration work is performed.
- 10.1.5. Where future site restoration costs are expected to be significant but cannot be reasonably estimated, a contingent liability should be reported.
- 10.1.6. Costs to be capitalized exclude costs related to environmental liabilities due to contaminated sites and solid waste landfills.

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11. BETTERMENTS VERSUS MAINTENANCE

- 11.1.1. Costs of betterments are considered to be part of the cost of a tangible capital asset and would be added to the recorded cost of the related asset. A betterment is a cost incurred to enhance the service potential of a tangible capital asset.
- 11.1.2. Betterments are expenditures relating to the alteration or modernization of an asset that appreciably prolong the item's period of usefulness or improve its functionality.
- 11.1.3. In general, for tangible capital assets other than complex network systems, service potential may be enhanced when there is an increase in the previously assessed physical output or service capacity, where associated operating costs are lowered, the useful life of the property is extended or the quality of the output is improved.
- 11.1.4. Therefore, for complex network systems, the following basic distinctions can be used to identify maintenance and betterments:
 - i. Maintenance and repairs maintain the predetermined service potential of a tangible capital asset for a given useful life. Such expenditures are charged in the accounting period in which they are made.
 - ii. Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the cost of the related asset.
- 11.1.5. Determination of betterments will be undertaken during the annual budget exercise as much as possible in order to determine the impact on the financial statements.
- 11.1.6. Where a cost cannot easily be differentiated between a repair and a betterment, the cost should be expensed in respecting the accounting principle of conservatism. Departments must provide the rationale to the Finance Department both at the budget stage and following project completion.

12. AMORTIZATION OF TANGIBLE CAPITAL ASSETS

12.1. General

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12.1.1. Amortization of tangible capital assets reflects the cost to the municipality of utilizing the tangible capital asset in providing services. The cost of property, equipment and other capital assets is essentially a long-term prepayment of an expense in advance of the use of the asset. As the economic service life of the asset expires, the cost of the asset is systematically allocated to operations as an expense called "amortization".

12.1.2. Periodic amortization expense should be an allocation of the historical cost of the asset less expected residual value, if applicable, to operations in proportion to the economic benefits received each period from the use of the asset.

12.1.3. The cost of the tangible capital asset, less any residual value, is amortized over its useful life in a rational and systematic manner appropriate to its nature and use by the municipality.

12.1.4. Land generally has an unlimited life and will not be amortized.

12.1.5. The amortization of the costs of tangible capital assets is accounted for as expenses in the statement of operations. Amortization expense is an important part of the cost associated with providing government services, regardless of how the acquisition of tangible capital assets is funded.

12.1.6. The service life of an asset should be determined on a basis that is linked with the expiration of the economic benefits. For example, service life may be measured in terms of years; total units of output; or total hours of operating time. Vehicles might use hours of operation as the appropriate measure of service life.

12.1.7. Amortization of constructed assets will commence starting the fiscal year following the year that the tangible capital asset is put in service.

12.1.8. Amortization of minor purchased assets that meet the capitalization threshold shall be recorded monthly commencing on the first day of the month following the month that the asset was put into service.

12.1.9. For pooled assets, where purchases and disposals affect the pool balance throughout the year, the amortization calculation may be based on the estimated pool balance rather than actual.

12.2. Determination of Residual Value of a Tangible Capital Asset

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12.2.1. Where a Department expects the residual value of a tangible capital asset to be significant, it would be factored into the calculation of amortization.

12.2.2. The Department, in consultation with the Finance Department, will determine the appropriate residual value based upon market information and experience with the particular tangible capital asset.

12.3. Determination of Useful Life of a Tangible Capital Asset

12.3.1. Useful life is the estimate of either the period over which a tangible capital asset is expected to be used by a municipality, or the number of production or similar units that can be obtained from the tangible capital asset by a government. The life of a tangible capital asset may extend beyond the useful life of a tangible capital asset to the City. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

12.3.2. The useful life of a tangible capital asset depends on its expected use by the municipality. Factors to be considered in estimating the useful life of a tangible capital asset include:

- i. experience with similar assets through use;
- ii. expected future usage;
- iii. effects of technological obsolescence;
- iv. expected wear and tear from use or the passage of time;
- v. the maintenance program;
- vi. studies of similar items retired; and
- vii. the condition of existing comparable items.

12.3.3. Departments are in the best position to estimate the expected life of an asset. However, departments should work with the Finance Department to determine the useful lives within the range of useful lives outlined in Section 12.3.4.

12.3.4. Generally, the useful lives will be utilized for the asset classes. However, the determination of the useful life of any particular asset must be done based

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upon the factors in 12.3.2. As a guideline assets should be amortized over the following life spans:

- i. The original cost of land is not amortized;
- ii. Land Improvements: 10 to 25 years;
- iii. Buildings: 20 to 50 years;
- iv. Machinery and equipment: 5 to 15 years;
- v. Works and infrastructure: 20 to 100 years;
- vi. Computer hardware: 3 to 10 years;
- vii. Computer software: 1 to 10 years;
- viii. Vehicles: 3 to 25 years;
- ix. Leasehold improvements: over the useful life of the improvement or the lease term, whichever is shorter. The lease term would include any renewal option periods where extension of the lease is expected; and
- x. Betterments: over the useful life of the asset to which the improvement was made or the useful life of the betterment if significantly shorter.

12.4. Amortization Methods

12.4.1. Different methods of amortizing a tangible capital asset result in different patterns of cost recognition. The objective is to provide a systematic and rational basis for allocating the cost of a tangible capital asset, less any residual value, over its useful life. A straight-line method reflects a constant charge for the service as a function of time. A variable charge method reflects service as a function of usage. Other methods may be appropriate in certain situations. The amortization methods that meet GAAP are as follows:

- i. **Straight-line** - The straight-line method of amortization is based on the assumption that an asset provides equivalent service or value for its use each year of its life. Straight-line depreciation has a constant amount of depreciation recognized per time period.

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ii. **Declining Balance** - Declining balance method of amortization accelerates the recognition of amortization by recognizing large amounts of depreciation early in the useful life of the asset. This method does not subtract the asset's residual value from the cost, instead the depreciation stops when the asset's net book value equals its residual value. The declining balance rate is 100% divided by the Useful Life in years. For example, if an asset had a useful life of 5 years, the declining balance rate would be 20%.

iii. **Double-Declining Balance** - double-declining balance method of depreciation uses a rate twice the straight line rate.

iv. **Sum of the Years Digits** - Sum of the Years Digits (SOY) method of depreciation provides more depreciation at the beginning of an asset's life than at the end. The SOY fraction made up of the sum of the years of the useful life as a denominator and the numerator is the number of years remaining in the useful life. For example if the useful life of an asset was 3 years and there were two years remaining in the asset's useful life, the denominator would be 6 and the numerator would be 2.

12.4.2. As a general principle, the City will utilize declining balance method of amortization for vehicles and the straight line method of amortization for all other classes of tangible capital assets.

12.5. Review of Amortization Methods and Estimate of Useful Lives

12.5.1. The amortization method and estimate of the useful life of the remaining unamortized portion of a tangible capital asset should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated.

12.5.2. Significant events that may indicate a need to revise the amortization method or the estimate of the remaining useful life of a tangible capital asset include:

- i. a change in the extent to which the tangible capital asset is used;
- ii. a change in the manner in which the tangible capital asset is used;
- iii. removal of the tangible capital asset from service for an extended period of time;

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- iv. physical damage;
- v. significant technological developments;
- vi. change in the demand for the services provided through use of the tangible capital asset; and
- vii. a change in the law or environment affecting the period of time over which the tangible capital asset can be used.

12.5.3. Departments and the Finance Department will review the amortization methods and estimates of useful lives on an annual basis prior to the finalization of the annual financial statements. For significant and material issues, the Treasurer may prepare a report for City Council outlining the impacts on the financial statements.

13. TRANSFERS OF TANGIBLE CAPITAL ASSETS

13.1.1. Transfers of capital assets between departments shall be at the net book value of the asset. The receiving department would record the asset at its original historical cost and accumulated amortization.

13.1.2. The transfer of land from an outside party to a department should only be capitalized as an asset when the agreement provides for a transfer of ownership. Where the agreement does not provide for a transfer of ownership, the land may not be capitalized. However, the costs of buildings and infrastructure built on the land will be capitalized if they meet the capitalization criteria. An example of this situation is when an agreement provides for unlimited use of the land by a department but the land reverts to the outside party once the department is no longer using it.

14. IMPAIRMENT OF ASSETS (WRITE DOWNS OF TANGIBLE CAPITAL ASSETS)

14.1.1. PS 3150 – Tangible Capital Assets, states that when conditions indicate that a tangible capital asset no longer contributes to a municipality's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset should be reduced to reflect the decline in the asset's value.

14.1.2. The net write-downs of the tangible capital asset will be accounted for as an expense in the statement of operations and cannot be reversed.

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Consequently, the decision to write-down an impaired asset could have a significant impact on the annual surplus or deficit. It is important to note, however, that this is simply a timing difference. Eventually, the impairment of the asset will be reflected on the statement of operations, that is upon its disposal.

- 14.1.3. The City should write down the cost of a tangible capital asset when it can demonstrate that the reduction in future economic benefits is expected to be permanent. A write down of an asset is generally more desirable than a change in amortization method since those decisions are policy decisions affecting prior accounting periods.
- 14.1.4. Conditions that may indicate that the future economic benefits associated with a tangible capital asset have been reduced and a write-down is appropriate include:
- i. a change in the extent to which the tangible capital asset is used;
 - ii. a change in the manner in which the tangible capital asset is used;
 - iii. significant technological developments;
 - iv. physical damage;
 - v. removal of the tangible capital asset from service;
 - vi. a decline in, or cessation of, the need for the services provided by the tangible capital asset;
 - vii. a decision to halt construction of the tangible capital asset before it is complete or in usable or saleable condition; and
 - viii. a change in the law or environment affecting the extent to which the tangible capital asset can be used.
- 14.1.5. The persistence of such conditions over several successive years increases the probability that a write-down is required unless there is persuasive evidence to the contrary.
- 14.1.6. When the tangible capital asset no longer contributes to the municipality's ability to provide goods and services, it would be written down to residual value, if any. This would be appropriate when the City has no intention of

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continuing to use the asset in its current capacity, and there is no alternative use for the asset.

14.1.7. In other circumstances, it will be necessary to estimate the value of expected remaining future economic benefits. Where a municipality can objectively estimate a reduction in the value of the asset's service potential to the government, and has persuasive evidence that the reduction is expected to be permanent in nature, the tangible capital asset would be written down to the revised estimate of the value of the asset's remaining service potential to the government.

14.1.8. Since all of the above decisions affect the City's statement of operations, the Department and the Finance Department must work together to determine the best approach. In the event that the impact is material, a report to City Council outlining the impact on the financial statements, budget and operations may be warranted.

15. DISPOSALS

15.1.1. Under PS3150, the difference between the net proceeds on disposal of a tangible capital asset and the net book value of the asset should be accounted for as a revenue or expense in the statement of operations.

15.1.2. Disposals of tangible capital assets in the accounting period may occur by sale, trade-in destruction, loss or abandonment. Such disposals represent a reduction in the City's investment in tangible capital assets, regardless of how that investment is reported.

15.1.3. Departments are required to identify the planned disposals of tangible capital assets during the budget process. The Finance Department will assist in the determination of the effect of these disposals on the statement of operations and the budgetary impacts.

15.1.4. Upon disposal, the Departments must inform the Finance Department of the result of the disposal and provide the proceeds on disposal together with the documentation describing the disposal.

15.1.5. Whenever a disposal of a tangible capital asset results in a material gain or loss on the Statement of Operations, City Council will be informed of the disposal and the impact on the financial statements.

16. CAPITAL LEASES

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- 16.1.1. The determination of a capital versus an operating lease needs to be undertaken in all leasing situations. The Statement of Leasing Policy and Goals, within the City's Financial Leases Policy, should be referred to with respect to the responsibilities for financing.
- 16.1.2. This section is designed to assist the City in determining whether or not the lease of tangible capital assets meets the definition of a capital lease. If a capital lease meets the definition below, the asset must be capitalized and reflected as an asset on the City's Statement of Financial Position.
- 16.1.3. A leased tangible capital asset is defined in Public Sector Guideline 2 (PSG-2) as follows:
- "A leased tangible capital asset is a non-financial asset that has physical substance and a useful life extending beyond an accounting period, and is held under lease by a government for use, on a continuing basis, in the production or supply of goods and services. Under the terms and conditions of the lease, substantially all of the benefits and risks incident to ownership are, in substance, transferred to the government without necessarily transferring legal ownership."*
- 16.1.4. A tangible capital asset procured and financed meeting the definition of a capital lease must be capitalized in the same manner as all other tangible capital assets and follow this policy. The Treasurer in conjunction with the Department will make the determination of the type of lease. This should be determined during the budget process as the impact on the statement of operations should be disclosed to City Council.

17. LEASEHOLD IMPROVEMENTS

- 17.1.1. A leasehold improvement is a betterment made to leased property. Betterments are expenditures relating to the alteration or modernization of an asset that appreciably prolong the item's period of usefulness or improve its functionality.
- 17.1.2. To be considered a leasehold improvement, the modification must have at least four characteristics:
- i. The modifications must be made to assets that have been leased;
 - ii. The lessee department/board/committee/agency must pay for the improvements. If the expenses are the responsibility of the lessor

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then it will account for the expenses in its own records;

- iii. The leasehold improvements should be durable, they should bring benefits to the department for more than one year; and
- iv. The betterment reverts to the lessor at the end of the lease (i.e. cannot be detached from the leased property).

17.1.3. Examples of leasehold improvements that should be capitalized include significant upgrades to the electrical system to meet the needs of computer systems and the installation of walls and doors to create permanent offices. Examples of modifications that would generally not be capitalized are items such as remodeling costs, painting and carpeting.

17.1.4. Betterments made to an asset subject to an operating lease or a capital lease where ownership does not transfer to the lessee (i.e. lease does not contain a bargain purchase option or provide for transfer of ownership of the asset) should be classified as a leasehold improvement.

17.1.5. Betterments made to an asset subject to a capital lease where ownership is expected to transfer to the lessee, should be classified as betterments. The cost of betterments may be capitalized as part of the cost of the capital asset and amortized over the useful life of the asset. However, where the useful life of the betterment is significantly shorter than that of the asset, it should be capitalized and amortized separately.

17.1.6. Where a department constructs a building and/or infrastructure on leased land, these costs would be capitalized as a leasehold improvement except where the land is leased from another department or the lease provides for transfer of ownership. In the latter cases, the building and/or infrastructure should be capitalized as an asset rather than a leasehold improvement.

Motion from Councillor Beach

COMPUTERS FOR SENIORS

WHEREAS our Brockville grown Computers for Seniors program is at jeopardy of ending due to the lack of Federal or Provincial Funding; and

WHEREAS this program has had tremendous response, been of benefit to local seniors and is quickly spreading across all of Ontario;

NOW THEREFORE City Council hereby approves funding for the program for the year 2009 in the amount of \$10,000 from the Fiscal Policy Reserve; and

THAT the MIS department make further applications for funding for future years.