



2010 CAPITAL BUDGET



County of Prince Edward
December 10, 2009

BUDGET DELIBERATIONS TODAY

- Motion approving Continuing Capital Projects
- Motion approving Public Works Priority Projects to allow tendering process to proceed
- Additional Capital Spending to be determined during Budget Process
- All Capital Projects will be presented.

BUDGET PRESSURES

- Risk of losing OMPF funding of \$744,800
- OPP Contract Renewal – Increase of \$400,000 to \$600,000 versus 2009 Budget
- The 2009 Tax Levy would need to be increased by 5.0% to 5.9% to offset these items

CAPITAL SHIFT TO OPERATING

- PSAB 3150 adoption creates a shift of items previously Budgeted as Capital to Operating
- \$377,000 identified in 2009 Capital Budget that are considered Operating going forward
- \$535,000 of 2009 Capital program was raised through the Tax Levy

CAPITAL BUDGET IMPLICATIONS

2009 Tax Levy for Capital	\$535,000
Shift to Operating – PSAB 3150	<u>(250,000)</u>
2010 Tax Levy for Capital	<u>\$285,000</u>

- Additional \$127,000 of shifted Capital will be absorbed in Operating Budgets
- No allowance made for portion of OMPF or OPP

2010 CAPITAL BUDGET

- Capital Projects have been presented by department and organized into
 - ▶ Continuing Projects - projects previously approved and continuing into 2010
 - ▶ Priority Projects - projects previously approved but have substantial budget changes - 2010 projects considered priority by staff
 - ▶ Other Projects – 2010 projects identified – not priority

CONTINUING PROJECTS

- \$64.5 Million of Continuing Projects
- Includes 2009 Expenditures
- Major Projects

	(\$Millions)
▶ Picton Wastewater Treatment Plant -	\$ 29.0
▶ Wellington & District Community Centre -	\$ 11.9
▶ Picton Water Treatment Plant- Residue Mgmt -	\$ 5.6
▶ Queen & Centre Street Reconstruction	\$ 4.1
▶ County Road 15 Rehabilitation	\$ 3.5
▶ Macaulay Heritage Park Church Museum Rehabilitation	\$ 1.7
▶ Prince Edward Community Centre	\$ 1.5
▶ Youth Park	\$ 1.5
▶ Picton Main St. Talbot-Walton	\$1.2
▶ Picton Main St. – Sewer Mains	\$ 1.0
▶ MacDonald Drive	\$ 0.8
▶ County Road 25	\$ 0.7
▶ Other Projects (collective)	\$ 2.0

FUNDING CONTINUING PROJECTS

	(\$ Millions)
■ COMRIF	10.3
■ Build Canada	10.4
■ Infrastructure Stimulus	2.9
■ RinC	2.1
■ Connecting Link	1.4
■ Cultural Spaces Canada	.8
■ Donations	1.7
■ Investing in Ontario	1.8
■ Federal Gas Tax	1.7
■ Municipal Roads & Bridges (Reserve)	1.4
■ Other Reserve Accounts	.5
■ Tax Payer Supported Debt	3.6
■ User Fee Supported Debt	25.6
■ Current User Fees	.3
■ Tax Levy (\$15,000)	-

PRIORITY PROJECTS — APPROVAL REQUESTED

- 5 Projects that we are seeking approval for to allow tendering to proceed
 - ▶ Scotts Mill Bridge Replacement \$ 340,000
 - ▶ Allisonville Bridge Repairs \$ 210,000
 - ▶ Black River Bridge Repairs \$ 90,000
 - ▶ Stormwater Management Plan – Hospital Creek \$ 30,000
 - ▶ Picton Intake Replacement – Design/Engineering \$ 900,000

- Total \$ 1,570,000

PRIORITY PROJECTS – FUNDING

■ Reserves - Municipal Road & Bridge Infrastructure Investment (2008)	\$ 420,000
■ Roads Construction Reserve	\$ 220,000
■ Tax Levy	\$ 30,000
■ User Fee Supported Debt	\$ 900,000
▶ Total	\$ 1,570,000

FUNDING SUMMARY –

CONTINUING & PRIORITY PROJECTS

- \$29.6 Million Senior Government Funding
- \$ 6.1 Million Reserves and Reserve Funds
- \$30.1 Million Debt
- \$280,000 User Fees
- \$45,000 Tax Levy

RESERVES & RESERVE FUNDS

Major Reserve & Reserve Fund Balances
remaining after Continuing & Priority Projects:

- | | |
|---|-----------|
| ▶ Investing in Ontario Act (Reserve Fund) | \$146,000 |
| ▶ Federal Gas Tax (Reserve Fund) | \$270,000 |
| ▶ Municipal Roads & Bridges (Reserve) | \$138,000 |

CURRENT DEBT

- Loan Balances as at December 31, 2009
 - ▶ Tax Supported Debt* \$ 12.3 Million
 - ▶ User Supported Debt – Water \$ 3.6 Million
 - ▶ User Supported Debt- Sewer \$ 1.1 Million
 - ▶ TOTAL \$17.0 Million

- *Includes \$2.6 Million Borrowed for Pits & Quarries and \$771,000 to be Borrowed for 2008 Roads Capital

DEBT WITH CONTINUING & APPROVED PROJECTS

	Balance as at Dec. 31, 2009	Picton WWTP Replacement	Wellington Community Centre	Macauley Museum	Picton Main St. Rehabilitation	Queen & Centre Streets	Picton WTP Residue Management System	Picton WTP Transformer Replacement	Hill St. Pumping Station	Total Debt
Tax Supported Debt*	12,322,000		2,491,000	400,000		135,000				15,348,000
User Supported Debt – Water	3,604,000				345,000	135,000	5,350,000	130,000		9,564,000
User Supported Debt- Sewer	1,050,000	18,700,000			695,000	135,000			75,000	20,655,000
TOTAL	\$ 16,976,000	\$ 18,700,000	\$ 2,491,000	\$ 400,000	\$ 1,040,000	\$ 405,000	\$ 5,350,000	\$ 130,000	\$ 75,000	\$ 45,567,000

Note: Excludes Loan (\$610,000) for McDonald Drive- loan to be short term and repaid from lot sales

DEBT SERVICING PAYMENTS & ARL

Year	Tax Supported Debt	User Fee Supported Debt Sewer	Water	TOTAL	% of 2008 Net Revenue Fund Revenues
2010	1,480,000	210,000	610,000	2,290,000	7.2%
2011	1,690,000	1,630,000	1,130,000	4,440,000	13.9%
2012	1,600,000	1,630,000	1,130,000	4,350,000	13.6%
2013	1,540,000	1,630,000	1,130,000	4,290,000	13.4%
2014	1,540,000	1,520,000	870,000	3,920,000	12.3%
2015	1,530,000	1,500,000	810,000	3,830,000	12.0%
2016	1,460,000	1,460,000	700,000	3,610,000	11.3%
2017	1,460,000	1,460,000	700,000	3,610,000	11.3%
2018	1,460,000	1,460,000	700,000	3,610,000	11.3%
2019	1,460,000	1,460,000	700,000	3,610,000	11.3%
2020	1,030,000	1,460,000	700,000	3,180,000	10.0%

TAX LEVY

- \$285,000 tentatively identified for Capital Projects
- \$45,000 will be used for Capital Projects