

## TOWN OF INGERSOLL

# TREASURY DEPARTMENT REPORT

Report No. T- 035/09  
Approval Date: Feb 09, 2009

Mayor Holbrough & Members of Council:

### 1.0 **Activities and Information**

- 1.1 - Continue to revise 5 Year Capital Budget for special Council/Public meeting on Tuesday February 10<sup>th</sup> at 5:30 pm to review 5 & 10 Year Capital Forecast 2009 - 2018.
- 1.2 - Preparing 1<sup>st</sup> Draft 2009 Operating Budget for Council review for Council meeting on Tuesday February 10<sup>th</sup> at 5:30 pm.
- 1.3 - The 2009 Annual Repayment Limit (ARL) received in January is attached for your review (see attached announcement). The annual repayment limit for the Town of Ingersoll is \$2,326,994. Currently, our annual debt charges are \$267,840 (*adjusted for 2009*)
- 1.4 - Meetings with CAO and Dept Head regarding 2009 Capital and Operating Budgets.
- 1.5 - Preparing for 2008 Year End Auditors
- 1.6 - Attended meeting regarding Conestoga College (*Fusion Centre*).
- 1.7 - Developing new electronic time sheet for all non-union staff to report bi-weekly time banks to Payroll, ie Vacation, Sick Leave, Bereavement, OT, etc. Target implementation date March 2009.

**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<sup>e</sup> 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,

A handwritten signature in black ink, appearing to read "Frances Johnston".

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)

<b>MMA CODE:</b>	37401
<b>MUNID:</b>	32018
<b>MUNICIPALITY:</b>	Ingersoll T
<b>UPPER TIER:</b>	Oxford Co
<b>REPAYMENT LIMIT:</b>	C \$2,326,994

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: Ingersoll T**

**MMAH CODE: 37401**

1.0	GROSS DEBT CHARGES		
1.1	Principal	SLC 74 3099 01	92,000
1.2	Interest	SLC 74 3099 02	32,840
1.3	SUBTOTAL	Add Lines 1.1, 1.2	124,840
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	124,840
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		124,840

## DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

MUNICIPALITY: Ingersoll T		MMAH CODE: 37401	
10.0	TOTAL REVENUE FUND REVENUES	SLC 10 9910 01	11,838,307
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	1,538,254
13.2	Canada Grants	SLC 10 0820 01	1,857
13.3	Other Municipalities	SLC 10 1099 01	490,862
13.4	SUBTOTAL	Add Lines 13.1 thru 13.3	2,030,973
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	9,807,334
16.0	25% OF NET REVENUE FUND REVENUE		2,451,834
17.0	ANNUAL REPAYMENT LIMIT 25% of Net Revenue Fund Revenues less Net Debt Charges		2,326,994

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. <span style="float: right;">24,652,202</span>
(b)	15 years @ 7.0% p.a. <span style="float: right;">21,194,057</span>
(c)	10 years @ 7.0% p.a. <span style="float: right;">16,343,829</span>
(d)	05 years @ 7.0% p.a. <span style="float: right;">9,541,133</span>
<u>9.0% Interest Rate:</u>	
(a)	20 years @ 9.0% p.a. <span style="float: right;">21,242,066</span>
(b)	15 years @ 9.0% p.a. <span style="float: right;">18,757,170</span>
(c)	10 years @ 9.0% p.a. <span style="float: right;">14,933,848</span>
(d)	05 years @ 9.0% p.a. <span style="float: right;">9,051,193</span>