

STAFF REPORT: Finance & IT Services

REPORT TO: Finance & Administration
MEETING DATE: January 30, 2012
REPORT NO.: FIT.12.02
SUBJECT: 2012 Annual Repayment Limit
PREPARED BY: Robert Cummings, Director of Finance & IT Services

A. Recommendations

THAT Council receive Staff Report FIT.12.02 "2012 Annual Repayment Limit" for information purposes.

B. Background

Each year, the Ministry of Municipal Affairs and Housing calculates the Annual Repayment Limit, based on 25 percent of the own source revenue as reported in the Financial Information Report (FIR). The 2012 Limit is based on the 2010 FIR. This limit represents the maximum amount which the municipality had available as of December 31, 2010 to commit to payments relating to debt and financial obligation.

For 2012, MMAH has calculated the Annual Repayment Limit at \$3,765,823. The Town is well within its limit, having debt payments totalling \$1,529,774 for 2012.

C. The Blue Mountains' Strategic Plan

Providing a strong, well managed municipal government

D. Environmental Impacts

None

E. Financial Impact

The Annual Repayment Limit of \$3,765,823 provides the Town with some versatility in its borrowing decisions over time. Ultimately, the Town could borrow up to \$40 M over 15 years @ 5% interest per annum. This is only an illustration of the leverage ability of the Town at this point in time.

F. In Consultation With

Darcy Chapman, Capital Accountant

G. Attached

1. 2012 Annual Repayment Limit

Respectfully submitted,

Robert Cummings, CMA
Director of Finance & IT Services

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DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403/02)

MUNICIPALITY: **The Blue Mountains T**

MMAH CODE: **47405**

Debt Charges for the Current Year

		1 \$
0210	Principal (SLC 74 3099 01)	717,685
0220	Interest (SLC 74 3099 02)	224,659
0299	Subtotal	942,344

Ontario Clean Water Agency Provincial Projects

0410	Water projects - For this Municipality only (SLC 74 2810 03)	0
0420	Water projects - Share of integrated project(s) (SLC 74 2820 03)	0
0430	Wastewater projects - For this Municipality only (SLC 74 2830 03)	0
0440	Wastewater projects - Share of integrated project(s) (SLC 74 2840 03)	0
0499	Subtotal	0

0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations (SLC 42 6010 01)	0
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0810	Debt Charges for Lease Purchase Agreements (Tangible Capital Leases) (SLC 74 3140 03)	0
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9910	Total Debt Charges	942,344
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Amounts Recovered from Unconsolidated Entities

		1 \$
1010	Electricity - Principal (SLC 74 3030 01)	0
1020	Electricity - Interest (SLC 74 3030 02)	0
1030	Gas - Principal (SLC 74 3040 01)	0
1040	Gas - Interest (SLC 74 3040 02)	0
1050	Telephone - Principal (SLC 74 3050 01)	0
1060	Telephone - Interest (SLC 74 3050 02)	0
1099	Subtotal	0

1410	Debt Charges for Tile Drainage/Shoreline Assistance (SLC 74 3015 01 + SLC 74 3015 02)	9,905
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1411	Provincial Grant funding for repayment of long term debt (SLC 74 3120 01 + SLC 74 3120 02)	0
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	Total Debt Charges to be Excluded	9,905
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9920	Net Debt Charges	932,439
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		1 \$
1610	Total Revenues (Sale of Hydro Utilities Removed) (SLC 10 9910 01)	30,314,845

Excluded Revenue Amounts

2010	Fees for Tile Drainage / Shoreline Assistance (SLC 12 1850 04)	2,857
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Grants from Government of Ontario, Canada and Other Municipalities

2210	Ontario Grants, including Grants for Tangible Capital Assets (SLC 10 0699 01 + SLC 10 0810 01 + SLC 10 0815 01)	6,442,507
2220	Canada Grants, including Grants for Tangible Capital Assets (SLC 10 0820 01 + SLC 10 0825 01)	2,701,026
2230	Revenue from other municipalities (SLC 10 1099 01)	30,396
2240	Gain/Loss on sale of land & capital assets (SLC 10 1811 01)	0
2250	Deferred revenue earned (Development Charges) (SLC 10 1812 01)	2,345,013
2251	Deferred revenue earned (Recreation Land (The Planning Act)) (SLC 10 1813 01)	0
2252	Donated Tangible Capital Assets (SLC 53 0610 01)	0
2299	Subtotal	11,518,942

2410	Fees and Revenue for Joint Local Boards for Homes for the Aged	0
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2610	Net Revenues	18,793,046
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2620	25% of Net Revenues	4,698,262
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9930	ESTIMATED ANNUAL REPAYMENT LIMIT	3,765,823
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(25% of Net Revenues less Net Debt Charges)

* SLC denotes Schedule, Line Column.