



**TOWNSHIP OF EDWARDSBURGH CARDINAL
INFORMATION ITEM**

Committee: Administration & Finance
Date: February 6, 2020
Department: Administration
Topic: 2020 Capital Adjustments

Background: The result of balancing the 2019 budget places the \$150,000.00 that was originally planned to offset a portion of the purchase of the tandem axle truck in question. Drawing an additional \$150,000.00 from the public works reserve now would drop the projected balance to only \$148,610.75 at the end of 2020.

There are a couple of suggested alternatives available instead of further dropping the reserve.

Option # 1

Removal of the gravel to surface program (excluding Latimer Road) from the capital budget. The estimated cost of the program is \$313,750.00 coming from taxation.

The Roads Superintendent has expressed concern about proceeding with the gravel to surface program this year. The roads completed in the 2017 program have not held up well. This appears to be a combination of poor product binding and large agricultural equipment travelling on the surface treatment. The Roads Superintendent would prefer undertaking further investigation and evaluation of alternative application techniques before continuing on with the conversion program.

Does council wish to remove the program for 2020? Does council wish to put a portion of this amount into reserve to fund a possible larger scope project in 2021?

Option # 2

Council may wish to consider proceeding with the gravel to surface program as presented in the capital budget. The engineering work planned on Cedar Grove Rd could be reduced by \$50,000 and the planned \$100,000.00 payback into the Industrial Park Land reserve fund for could be removed for 2020. The repayment plan could be extended an additional year, ending in 2023 versus 2022. See attached internal repayment schedule for more details.

A handwritten signature in blue ink, appearing to read 'D. B. C.', written over a horizontal line.

CAO

Schedule of repayment of Internal Borrowing as of March 25, 2019

Project- LED Streetlights

Originally borrowed from Public Works Reserve 01-3520		\$205,764.22
Repayment Year	Repayment amount	Balance
2015	\$26,000.00	\$179,764.22
2016	\$26,000.00	\$153,764.22
2017	\$38,450.00	\$115,314.22
2018	\$38,450.00	\$76,864.22
2019	\$38,450.00	\$38,414.22
2020	\$38,414.22	\$0.00

Project- Gravel to Surface Treatment completed in 2017

Originally borrowed from Industrial Park Land Reserve Fund 98-3813		\$500,000.00
Repayment Year	Repayment amount	Balance
2018	\$100,000.00	\$400,000.00
2019	\$100,000.00	\$300,000.00
2020	\$100,000.00	\$200,000.00
2021	\$100,000.00	\$100,000.00
2022	\$100,000.00	\$0.00