



# 2022 Budget

## Debt/Borrowing

- Debt is used as a funding source for capital projects





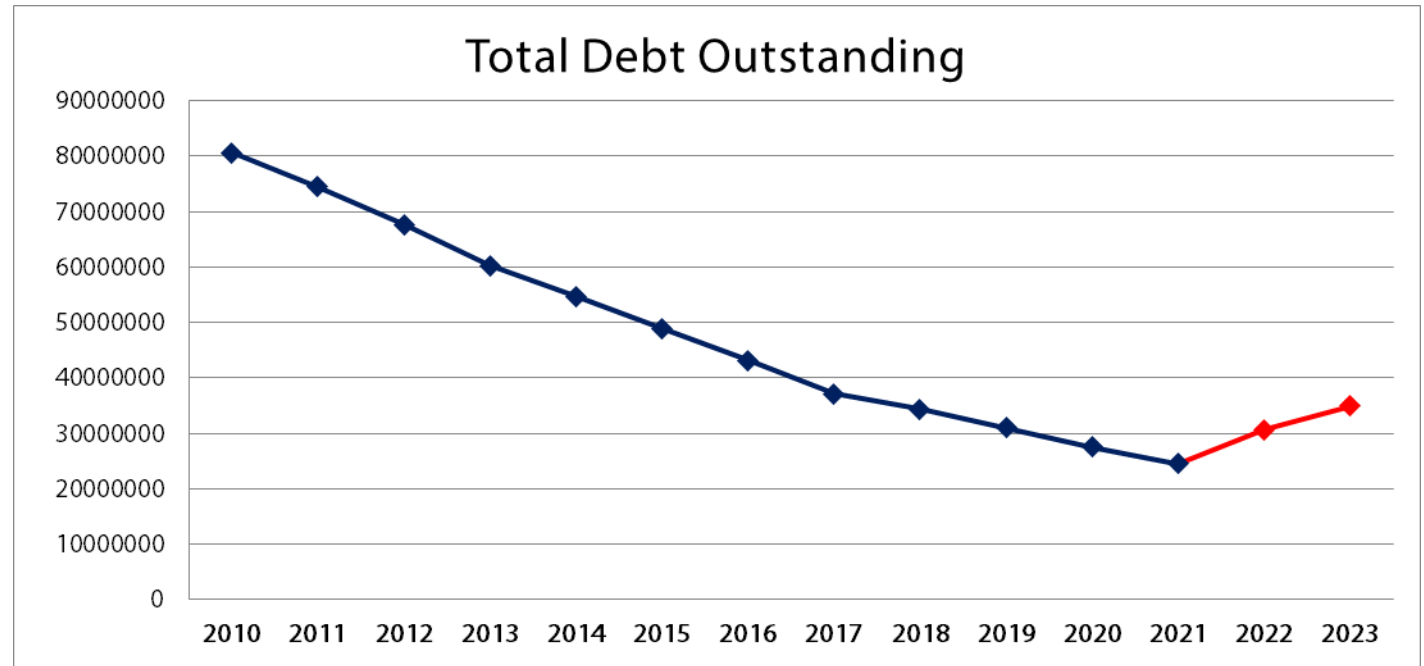
# Debt Summary

Funding	Outstanding 2021	2022 Interest	2022 Principal
Casino	881,152	74,500	135,099
Development Cost Charges (DCC)	1,677,241	96,906	175,768
Asset Sustainability	918,000	6,000	306,000
General	<u>8,388,914</u>	<u>353,326</u>	<u>627,411</u>
Total General	11,865,306	530,732	1,244,277
Water	5,228,420	285,475	422,123
Sewer	<u>7,405,996</u>	<u>413,125</u>	<u>538,987</u>
Total	24,499,722	1,229,332	2,205,387



# Debt Levels

The City's debt servicing levels have dropped from 46.25% in 2010 to 12.88% in 2020



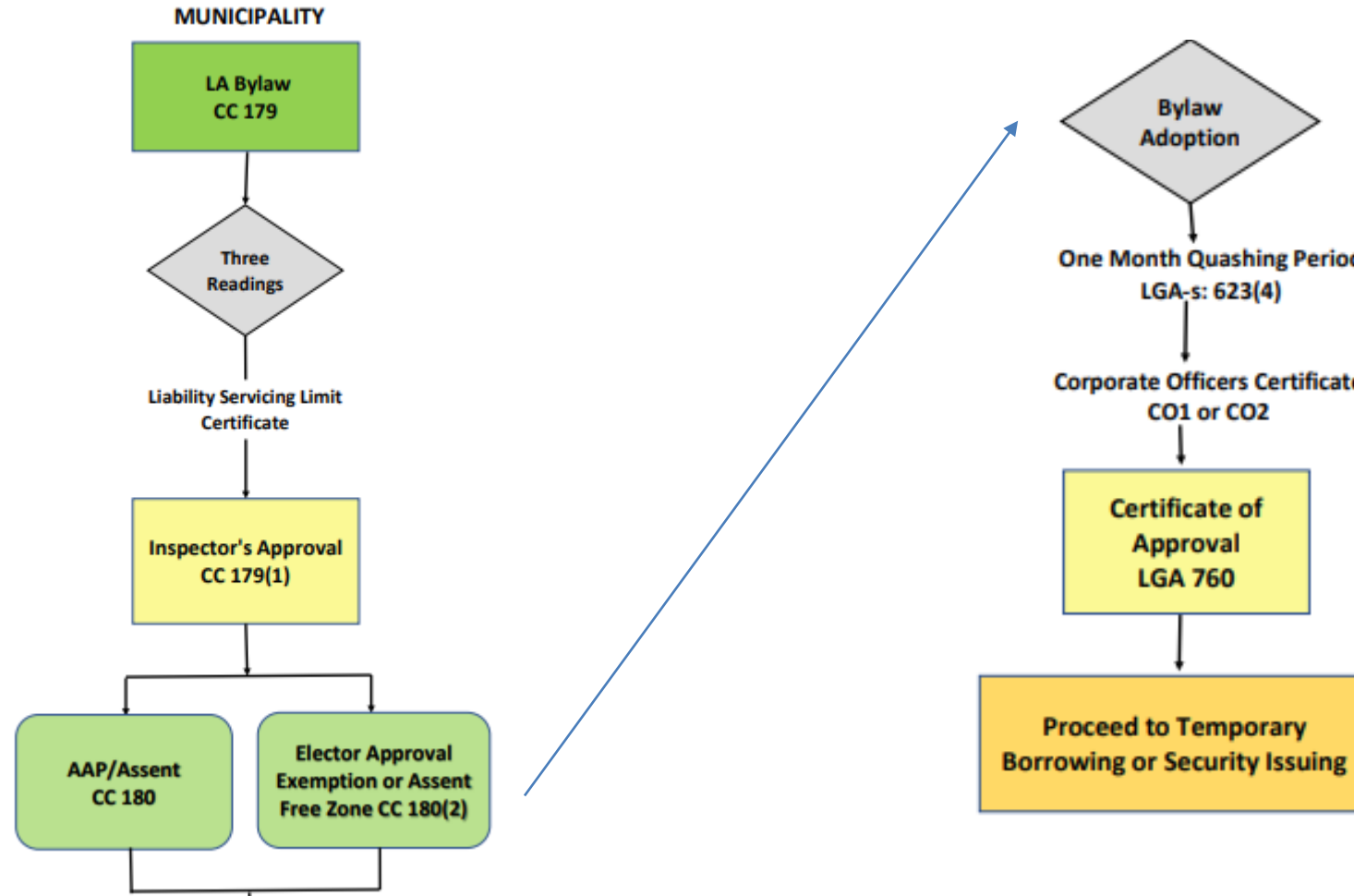
# Capital Financing - Considerations

- Debt
  - Types
    - Short term
    - Long term
  - Benefits
- Reserves
  - Interfund borrowing





# Borrowing Process





# Proposed Borrowing

Fund	2022	2023	2024	2025	2026	Type
General	6,784,170	-	450,000	-	-	Internal
Sewer	3,320,089	-	2,587,000	-	5,171,000	External
Water	6,298,430	8,300,000	750,000	-	-	External
Storm	-	-	951,500	-	-	External
<b>Total</b>	<b>16,402,689</b>	<b>8,300,000</b>	<b>4,738,500</b>	<b>-</b>	<b>5,171,000</b>	



# Proposed Borrowing Detail

## Internal and External Debt Projects - Capital

	2022 Budget	2023 Budget	2024 Projection	2025 Projection	2026 Projection
<b>Internal borrowing</b>					
Bike Network Plan (Financed)	\$ 4,700,000	\$ -	\$ -	\$ -	\$ -
Fire Hall 2 - 2 Bay Garage (Financed)	500,000	-	-	-	-
IT - Billing Software upgrade/replacement	-	-	450,000	-	-
Point Intersection Kinney & South Main - Re-Align Galt Avenue (Financed)	1,484,170	-	-	-	-
Point Intersection Kinney & South Main - street lighting (Financed)	100,000	-	-	-	-
<b>Total Internal borrowing</b>	<b>6,784,170</b>	<b>-</b>	<b>450,000</b>	<b>-</b>	<b>-</b>
<b>External borrowing</b>					
Ellis Creek Reach 7 Design (Financed)	-	-	951,500	-	-
AWWTP Expansion and Upgrades (Financed)	3,320,089	-	2,587,000	-	5,171,000
Ellis 2 Dam (Financed)	-	-	750,000	-	-
Ellis 4 Dam (Financed)	-	8,300,000	-	-	-
Penticton Ave PRV Upgrade (Financed)	2,912,000	-	-	-	-
Ridgedale Reservoir Upgrade (Financed)	3,386,430	-	-	-	-
<b>Total External borrowing</b>	<b>9,618,519</b>	<b>8,300,000</b>	<b>4,288,500</b>	<b>-</b>	<b>5,171,000</b>
<b>Total Internal and External Debt Projects - Capital</b>	<b>\$ 16,402,689</b>	<b>\$ 8,300,000</b>	<b>\$ 4,738,500</b>	<b>\$ -</b>	<b>\$ 5,171,000</b>



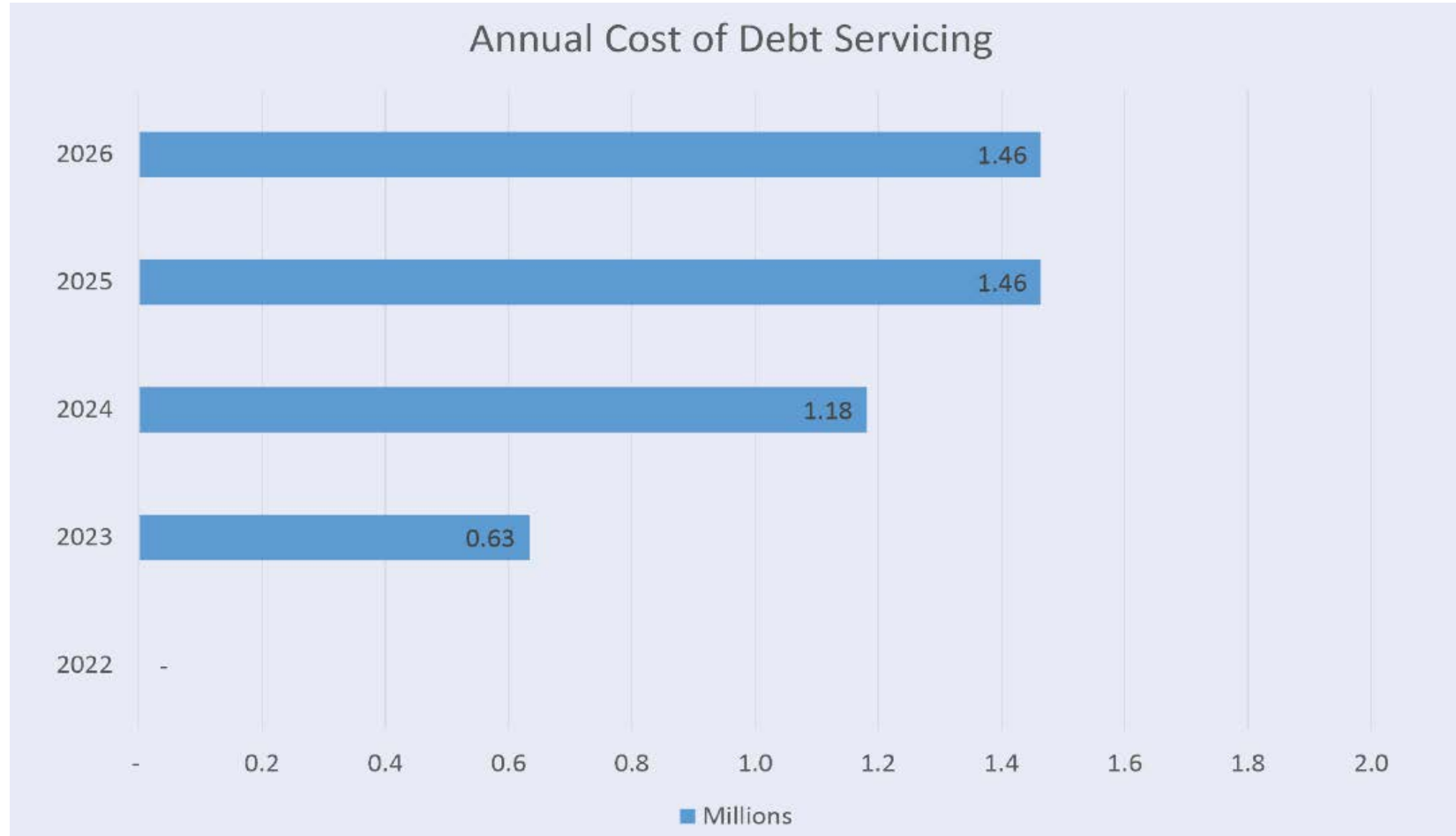


# Debt Servicing on New Internal Debt

Project	Total Borrowing	2022	2023	2024	2025	2026	Funded By
Fire Hall 2 Bay Garage	500,000	-	50,000	50,000	50,000	50,000	Gaming Reserve
Point Intersection	1,584,170	-	79,209	79,209	79,209	79,209	Asset Sustainability Reserve
Bike Network	4,700,000	-	313,333	313,333	313,333	313,333	Gaming Reserve
IT Billing Software	450,000	-	-	-	90,000	90,000	To be determined
<b>Total</b>	<b>7,234,170</b>	<b>-</b>	<b>442,542</b>	<b>442,542</b>	<b>532,542</b>	<b>532,542</b>	



# Total Debt Servicing on New External Debt





# Debt Servicing on New External Debt By Fund

Fund	2022	2023	2024	2025	2026
General	-	-	-	-	-
Sewer	-	218,933	218,933	389,526	389,526
Water	-	415,332	962,651	1,012,108	1,012,108
Storm	-	-	-	62,744	62,744
<b>Total</b>	-	634,265	1,181,584	1,464,378	1,464,378



# Current Debt Outstanding with Projected New Debt

Fund	2022	2023	2024	2025	2026
General	9,733,300	8,481,323	7,533,334	6,672,876	5,936,958
Sewer	6,521,248	9,302,350	8,763,363	8,224,376	7,685,389
Water	<u>4,512,634</u>	<u>10,388,942</u>	<u>18,266,819</u>	<u>17,844,696</u>	<u>17,422,574</u>
Total	20,767,182	28,172,614	34,563,516	32,741,949	31,044,921
New Debt	9,618,519	8,300,000	4,288,500	-	5,171,000
Debt Payments	<u>-</u>	<u>634,265</u>	<u>1,181,584</u>	<u>1,464,378</u>	<u>1,464,378</u>
Total Debt	30,385,701	35,838,349	37,670,432	31,277,571	34,751,543
Servicing Levels	11.96%	13.71%	14.21%	14.22%	13.44%



# Questions?