

CIRCULAR

To: All Municipalities, Local Service Districts, Engineering Consultants & other potential applicants.

Re: Canada – Newfoundland and Labrador Building Canada Fund – Communities Component

Date: July 13, 2010

Applications are invited for the “**Collaborative**” projects category under the Canada – Newfoundland and Labrador Building Canada Fund – Communities Component (BCF-CC). These Capacity Building projects should achieve one or more of the following strategic objectives:

- promote the implementation of holistic approaches to public infrastructure planning and management, and sustainable community planning principles;
- encourage a culture of using integrated life cycle Asset management as a decision-making approach;
- promote the integration of demand management in public infrastructure planning and management;
- encourage dissemination of Project results to other municipalities; and,
- support collaborative feasibility and planning studies on public infrastructure Projects and issues.

Priority will be given to those projects which can demonstrate benefits to more than one community and that address water quality issues in a rural setting. The maximum federal amount available for the entire program in this category is \$563,300.

Applicants can access the BCF-CC application website at <https://bcfcc-fccvc.infrastructure.gc.ca/>. The Project Application Form Guidelines, Project Justification and Business Case Guidelines and supporting documentation can be viewed on the Municipal Affairs web-site and downloaded if the applicant desires. In order to gain access to the online application site Municipalities and Local Service Districts are hereby requested to utilize the USER ID and PASSWORD issued previously for the Municipal Rural Infrastructure Fund (MRIF). If you currently do not have a password, please contact Ms. Cheryl Powell, Atlantic Canada Opportunities Agency, telephone number 772-0312, for assistance.

- Applicants should only apply for projects which are affordable as demonstrated by the completion of the Financial Evaluation forms included with this application package or on the Department’s website: www.mpa.gov.nl.ca

The deadline for the receipt of applications is August 13, 2010.

The following items must be submitted in addition to the online application:

- Completed Financial Evaluation Form (for municipalities and local service districts), 2 copies
- Resolution of Local Government authorizing the Application, 3 copies
- Project Cost Estimates, 7 copies

All submissions are to be forwarded to the appropriate **Regional Engineer/Office** listed below:

Mr. John Dawe, P. Eng.
Eastern Regional Engineer
Dept. of Municipal Affairs
P. O. Box 8700
St. John's, NL A1B 4J6
(Phone: 729-5337)

Mr. Brian Beaton, P. Eng.
Central Regional Engineer
Dept. of Municipal Affairs
Fraser Mall
260 Airport Blvd.
Gander, NL A1V 1L7
(Phone: 256-1054)

Mr. Chris Power, P. Eng.
Western Regional Engineer
Dept. of Municipal Affairs
63 Broadway
c/o P.O. Box 2006
Corner Brook, NL A2H 6J8
(Phone: 637-2491)

Mr. Bruce McGrath, P. Eng.
Labrador Regional Engineer
Dept. of Municipal Affairs
Fraser Mall
260 Airport Blvd.
Gander, NL A1V 1L7
(Phone: 256-1055)

Questions regarding the application process can be directed to the appropriate Regional Office or:

Mr. Erik Seaward
Manager
Canada/Newfoundland Infrastructure Programs
Department of Municipal Affairs
P.O. Box 8700
Confederation Building (West)
St. John's, NL A1B 4J6

Tel: (709) 729-5411
Fax: (709) 729-7491
Email: eseaward@gov.nl.ca

cc: Regional Engineers
cc: Regional Managers
cc: Regional Directors

cc: MHA
cc: Ms. C. Powell

Encl.

/cs

TOWN OF _____

**FINANCIAL EVALUATION
FOR
MUNICIPAL CAPITAL WORKS PROJECTS**

**This completed report to be forwarded to the Regional Manager in the Regional
Office of the Department of Municipal Affairs.**

Town of

FINANCIAL EVALUATION FOR MUNICIPAL CAPITAL WORKS PROJECTS

PROJECT FINANCING:

OVERVIEW:

This section should provide an overview of current financial position and how Council intends to finance its portion of the cost of the project. It will identify any new sources of revenue that will be generated by the Project. It should also include a summarization of any proposed tax increases and other sources of assured revenue that may be pertinent to the viability of the project. (Complete Appendix A and B.)

REVENUE AND EXPENDITURE - Explanation and Spreadsheet:

This section should provide a general explanation of each revenue and expenditure category according to the budget format.

The accompanying spreadsheet (Appendix C (i) (ii) is to provide the actual revenue and expenditure for the year ended 2008, estimates/actuals for the year ended 2009, 2010 budget information, and future projections to show operating costs plus debt servicing. It is important to consider additional operational and maintenance costs associated with the Project.

DEBT SERVICING PROFILE - Spreadsheet:

This section will identify current long-term and short-term loans, principal, date of maturity, annual instalments, etc., and comments related to debt servicing. The accompanying spreadsheet will show the annual projected debt servicing costs (Appendix D).

CONCLUSION:

This section will summarize Council's financial position and support for the application for capital works funding. Council can add any additional comments that will lend support as to why the project is important to the community.

SUPPORTING DOCUMENTS

Please attach the following to your written proposal:

1. Letter from the Bank approving a non-guaranteed loan for Council's share of the project together with a loan amortization and payment schedule.
2. The Town's latest audited financial statements if not already submitted to the Department of Municipal Affairs.

IMPORTANT TO NOTE: Failure to include these documents will delay processing your application.

FINANCIAL OVERVIEW

Appendix A

PROPOSED MUNICIPAL CAPITAL WORKS PROJECTS

MUNICIPALITY: _____

PROJECT DESCRIPTION:

CURRENT DEBT SERVICING RATIO

(ANNUAL MUNICIPAL DEBT SERVICING/(LOCAL REVENUES+MOG))

%

PROPOSED NEW LOANS (ESTIMATED):

	2009	2010	2011	2012	2013	2014
Loan Amount	\$					
Debt Servicing Costs	\$	\$	\$	\$	\$	\$
Operating Costs from Project	\$	\$	\$			
Loan Amount	\$					
Debt Servicing Costs	\$	\$	\$	\$	\$	\$
Operating Costs from Project	\$	\$	\$			

METHOD OF FINANCING NEW DEBT

Revenue Sources:	Amount	2009	2010	2011	2012	2013	2014
Millrate increase		\$	\$	\$	\$	\$	\$
W/S tax increase		\$	\$	\$	\$	\$	\$
Debt Retirement		\$	\$	\$	\$	\$	\$
Other		\$	\$	\$	\$	\$	\$

PROJECTED DEBT SERVICING RATIO AFTER NEW LOAN REFINANCED.

%

MUNICIPALITY: _____

IDENTIFICATION OF REVENUE SOURCE TO SERVICE NEW BORROWING

Municipal Statistics	
Households:	_____
Population:	_____
Tax Rate:	_____
Property tax:	_____
Poll Tax:	_____
W/S Tax:	_____
Water:	_____
Sewer:	_____
Current Services: Water -	_____
	Sewer: _____
Roads/km:	_____
Debt Servicing Ratio:	_____
Assessed Property Value:	_____
Year:	_____
Amount:	_____

[illegible]

FINANCIAL OVERVIEW

Appendix C (i)

MUNICIPALITY: _____						
	2008 Actual	2009 Estimates/Actuals	2010 Budget	2011 Projection	2012 Projection	2013 Projection
REVENUES						2014 Projection
Residential Property Tax						
Commercial/Non-Residential Property Tax						
Residential Water & Sewer Tax						
Commercial/Non-Residential Water & Sewer Tax						
Grants in Lieu of Taxes						
Tax Agreements						
Poll tax						
Business Tax						
Utility Tax						
Municipal Utility (Sales) Tax						
Direct Sellers Tax						
Other Authorized Taxes						
Sales of Goods & Services						
Other Revenue From Own Sources						
Municipal Operating Grant						
Province's Debt Charges						
Other Provincial Grants						
Federal Grants and Subsidies						
Federal Grant-Gas Tax						
Other Transfers						
TOTAL REVENUE						

FINANCIAL OVERVIEW

Appendix C (ii)

MUNICIPALITY:						
	2008 Actual	2009 Estimates/Actuals	2010 Budget	2011 Projection	2012 Projection	2013 Projection
EXPENDITURES						2014 Projection
General Government						
Protective Services						
Transportation Services:						
Environmental Health:						
Planning & Development						
Recreation & Cultural Services						
Fiscal Services:						
Debt Charges from all sources Municipal Share						
Debt Charges from all sources Provincial Share						
Provision for Uncollectables						
Deficit of Prior Year						
Accumulated Deficit Reduction Plan						
Discounts, Losses, Allowances						
Capital Expenditure Out of Revenue						
Gas Tax						
Authorized Transfers to Reserves & Other Transfers						
Other Fiscal Services						
TOTAL EXPENDITURES						
NET INCOME/DEFICIT						

