

**Ministry of
Municipal Affairs
and Housing**

Municipal Finance Policy Branch

777 Bay Street, 13th Floor
Toronto ON M7A 2J3
Tel.: 416-585-6111

**Ministère des Affaires
municipales et du Logement**

Direction des politiques relatives
aux finances municipales

777, rue Bay, 13^e étage
Toronto ON M7A 2J3
Tél. : 416-585-6111



March 15, 2022

Dear Municipal Treasurer,

I am pleased to enclose a report showing your municipality's 2022 Annual Repayment Limit (ARL) respecting long-term debt and financial obligations. Your 2022 ARL was calculated based on 25 percent of your net own source revenues as reported in your 2020 Financial Information Return (FIR).

Municipalities in Ontario are responsible for ensuring that they do not exceed their ARL. When a municipality proposes long-term borrowing (or other long-term financial obligation), the municipal treasurer is responsible for updating the limit provided by the Ministry. The treasurer must determine if there is capacity within the municipality's ARL to undertake the planned borrowing. Schedule 81 of the FIR may be among the schedules of interest to the treasurer when updating the municipality's ARL.

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 dark ink, appearing to read "Ruchi Parkash".

Ruchi Parkash
Director (A)

Enclosures

2022 ANNUAL REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403 / 02)

MMAH CODE: 47621
MUNID: 42005
MUNICIPALITY: Southgate Tp
UPPER TIER: Grey Co
REPAYMENT LIMIT: \$ 2,203,936

The repayment limit has been calculated based on data contained in the 2020 Financial Information Return, as submitted to the Ministry. This limit represents the maximum amount which the municipality had available as of December 31, 2020 to commit to payments relating to debt and financial obligation. 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, 2022

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.

If the municipalities could borrow at 5% or 7% annually, the annual repayment limits shown above would allow it to undertake additional long-term borrowing as follows:

5% Interest Rate			
(a)	20 years @ 5% p.a.	\$	27,465,914
(a)	15 years @ 5% p.a.	\$	22,876,102
(a)	10 years @ 5% p.a.	\$	17,018,210
(a)	5 years @ 5% p.a.	\$	9,541,889
7% Interest Rate			
(a)	20 years @ 7% p.a.	\$	23,348,529
(a)	15 years @ 7% p.a.	\$	20,073,260
(a)	10 years @ 7% p.a.	\$	15,479,524
(a)	5 years @ 7% p.a.	\$	9,036,573

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403/02)

MUNICIPALITY:

Southgate Tp

MMAH CODE:

47621

Debt Charges for the Current Year

		1 \$
0210	Principal (SLC 74 3099 01)	693,748
0220	Interest (SLC 74 3099 02)	134,081
0299	Subtotal	827,829
0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations (SLC 42 6010 01)	0
9910	Total Debt Charges	827,829

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)	161,319
1411	Provincial Grant funding for repayment of long term debt (SLC 74 3120 01 + SLC 74 3120 02)	0
1412	Lump sum (balloon) repayments of long term debt (SLC 74 3110 01 + SLC 74 3110 02)	0
1420	Total Debt Charges to be Excluded	161,319
9920	Net Debt Charges	666,510

		1 \$
1610	Total Revenue (SLC 10 9910 01)	13,683,913
Excluded Revenue Amounts		
2010	Fees for Tile Drainage / Shoreline Assistance (SLC 12 1850 04)	9,158
2210	Ontario Grants, including Grants for Tangible Capital Assets (SLC 10 0699 01 + SLC 10 0810 01 + SLC 10 0815 01)	1,352,333
2220	Canada Grants, including Grants for Tangible Capital Assets (SLC 10 0820 01 + SLC 10 0825 01)	0
2225	Deferred revenue earned (Provincial Gas Tax) (SLC 10 830 01)	0
2226	Deferred revenue earned (Canada Gas Tax) (SLC 10 831 01)	221,835
2230	Revenue from other municipalities including revenue for Tangible Capital Assets (SLC 10 1098 01 + SLC 10 1099 01)	345,831
2240	Gain/Loss on sale of land & capital assets (SLC 10 1811 01)	-100,820
2250	Deferred revenue earned (Development Charges) (SLC 10 1812 01)	440,964
2251	Deferred revenue earned (Recreation Land (The Planning Act)) (SLC 10 1813 01)	0
2252	Donated Tangible Capital Assets (SLC 53 0610 01)	25,425
2253	Other Deferred revenue earned (SLC 10 1814 01)	0
2254	Increase / Decrease in Government Business Enterprise equity (SLC 10 1905 01)	0
2255	Other Revenue (SLC 10 1890 01 + SLC 10 1891 01 + SLC 10 1892 01 + SLC 10 1893 01 + SLC 10 1894 01 + SLC 10 1895 01 + SLC 10 1896 01 + SLC 10 1897 01 + SLC 10 1898 01)	-92,597
2299	Subtotal	2,202,129
2410	Fees and Revenue for Joint Local Boards for Homes for the Aged	0
2610	Net Revenues	11,481,784
2620	25% of Net Revenues	2,870,446
9930	ESTIMATED ANNUAL REPAYMENT LIMIT (25% of Net Revenues less Net Debt Charges)	2,203,936

* SLC denotes Schedule, Line Column.