Ross Eadie, Mynarski Ward
Proposed changes to the 2011 - 2016 Preliminary Capital Budget
Presented to EPC on February 9, 2011

Essentially this suggested move of cash to capital to debt serviging addresses the huge problem of poor and failing infrastructure in our older neighbourhoods in a time of low interest rates when most smart businesses invest in capital infrastructure needed for a successful future.

Whereas cash to capital is a good financial strategy in high interest rate periods to pay for capital projects and equipment.;
Whereas the cash to capital money will be spent each year on an ongoing basis according to the draft capital budget for 2011 and projected future;
Whereas low interest rate periods are opportune times to invest in capital projects through debt;
Whereas construction inflation has risen much faster than the CPI and construction costs more than doubled over the last decade;
Whereas increased constructions projects need to be phased in so construction companies can meet the demand;
Whereas the current backlane, sidewalk, and street renewal program is not keeping up to the deteriation of older neighbourhood infrastructure; and
Whereas a similar deteriation of community centres and sport facilities exists in Winnipeg;

Be it resolved that

1) One million dollars ($1,000,000.00) be moved from cash to capital for 2011 and the next 19 years in the public works "regional and local streets" program in the details section 3-10 to debt servicing;

2) All the proceeds raised by the one million dollars of debt servicing from "1" above be added to the "lane renewals", local streets "sidewalk renewals", and "local streets renewals" for 2011 prorated according to the existing levels of funding specified on 3-11 for these three items;

3) Another One million dollars ($1,000,000.00) be moved from cash to capital for 2012 and the next 19 years in the public works "regional and local streets" program in the details on 3-10 to debt servicing with all the proceeds apportioned based on the three items in "2" above;

4) Invest one million dollars ($1,000,000.00) of debt financing, based on 20 years, starting in 2011 to Community Services capital budget with all proceeds going to major renovations and capital projects for community centres and older sport facilities not scheduled for replacement.