

**THE CORPORATION OF THE
MUNICIPALITY OF ARRAN-ELDERSLIE**

BY-LAW NO. 60-09

A By-law to Amend the Municipal Code – Schedule D – Environmental Services
(Tara Water Distribution System – Capital Charge)

WHEREAS the *Municipal Act, 2001*, as amended, provides that a municipality may by by-law identify a prescribed special service and identify an area where land owners will receive an additional benefit from that service not received by other land owners in the municipality;

AND WHEREAS the *Municipal Act, 2001*, as amended further provides that a municipality may impose a special fee or charge related to the cost of the additional benefit;

AND WHEREAS the Municipality of Arran-Elderslie has undertaken capital upgrades to the Tara Water System resulting in a need to raise capital to pay for the remaining cost of the work;

AND WHEREAS Council at its meeting of October 26, 2009 adopted the recommendation in SRW.09.27 regarding amendments to the Municipal Code – Schedule D – Environmental Services to add the following section;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF ARRAN-ELDERSLIE HEREBY ENACTS AS FOLLOWS:

That the Municipal Code – Schedule D – Environmental Services be amended by the addition of the following:

**SCHEDULE D – ENVIRONMENTAL SERVICES
WATER: CAPITAL COST RECOVERY – TARA WATER SYSTEM**

1. That the Municipal share of the capital costs of constructing the new Tara Well #4 and associated appurtenances including the new pump house, and the municipal share of the costs of constructing the new Tara Standpipe, and a provision for contributions to reserves be determined to be:

ONE MILLION THREE HUNDRED AND EIGHTY-NINE THOUSAND, TWO
HUNDRED AND THIRTY-SEVEN DOLLARS (\$1,389,237)

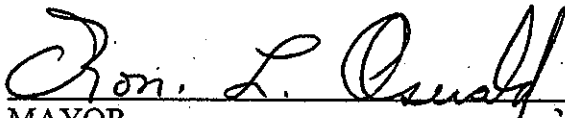
and it is hereby apportioned on the basis set out in Schedule A to this by-law.

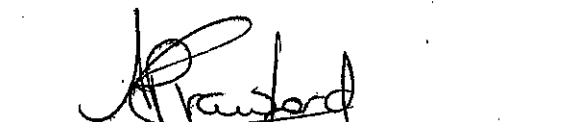
2. That each current water meter billing account holder (connected as of December 31, 2010) shall be given four options to pay the capital charge to the Municipality as laid out in Schedule B to this by-law, based on the apportionment set out in Schedule A to this By-law.
3. That all capital charges collected for lots connected to the Tara Water Distribution System as set out in this by-law shall be transferred to the Tara Water Reserves.
4. That all outstanding capital charges for the lots set out in this by-law are due and payable upon the sale of a property.

5. That all outstanding capital charges on a 5-year or 10-year repayment plan may be paid prior to the end of the term, subject to daily interest on the balance owing from the date of the last previous payment to the date of the proposed payment.
6. That each future lot connected to the Tara Water Distribution System after October 30, 2009 shall pay a capital charge (connection charge) equal to that charged for the same type of connection set out in Schedule A. This charge shall be due and payable for all new connections made in the years 2011 – 2020, both inclusive.
7. That the capital charge for connections to the Tara Water Distribution System set out in Section 6 to this by-law shall be reduced by 1/10th of the original charge on a cumulative basis each year starting with the year 2021, such that in the year 2031 there shall no longer be any charge payable.

READ A FIRST AND SECOND TIME THIS 9TH DAY OF NOVEMBER, 2009.

READ A THIRD TIME AND PASSED THIS 9TH DAY OF NOVEMBER, 2009.


MAYOR


CLERK

Schedule A
Apportionment of Capital Costs

Tara Water Connection Numbers	374 Residential Connections
	23 Commercial Apartments Non-Metered
	9 Metered Customers
	8 Metered Customers
	5 Commercial Residential
	419 Total Connections

Capital Charge based on \$ 3200 for single residential connection. All other connections based on formulas.

Residential Cost				Capital Charge
per/connection	3200	x	374	Generated
				\$1,196,800

Commercial Cost
Formula: 12% higher based on annual flat rate costs
Annual flat rate \$510.51 x 12% = \$ 571.78
Capital Cost \$3200 x 12% = \$3584

	3584	x	23	\$82,432
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Commercial Residential Cost
Formula: 6% higher based on annual flat rate costs
Annual flat rate \$510.51 x 6% = \$541.14
Capital Cost \$3200 x 6% = \$3392

	3392	x	5	\$16,960
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Apartments Non-Metered
Commercial Residential = \$3200 + 192
Formula: # apartments - 1 x 192+ \$ 3200.

duplex	3392	x	5	\$16,960
3 units	3584	x	1	\$3,584
4 units	3776	x	2	\$7,552
7 units	4352	x	1	\$4,352

Metered Customers:
Average household usage per year, per hook-up = 150m3
Base cost per household \$3,200/150=\$21.33 per/m3 \$21.33/1/4=\$5.33
Formula: 2008m3 usage - average annual household x 1/4 capital cost per m3
water meter usage - 150m3 x \$5.33 Minimum charge base rate \$3,200

Facility	m3 usage	sub-total	
Tara Curling Club	725	3065	\$3,200
Tara Pool	732	3102	\$3,200
Sensient Flavors	1268	5959	\$5,959
John St. Apartments	1543	7425	\$7,425
Tara Seniors	1600	7729	\$7,729
Community Centre	2350	11726	\$11,726
Tara School	3557	18159	\$18,159
Glading Tiding Church	81	-368	\$3,200
		Total	\$1,389,237
Reserves	\$312,237		

Schedule B – 1
Cost Recovery Payment Options
Capital Charge - \$3,200

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	3200.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$3200.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	3200.00	1600.00	1600.00	0	1632.00
2	1 Jun 2011	1632.00	1632.00	1600.00	32.00	nil
Total Principal and Interest Paid				3200.00	32.00	

Option 2 – 5-year repayment plan – Annual payment of \$718.81 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$3200.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3200.00	718.00	590.81	128.00	2609.19
2	2012	2609.19	718.00	614.44	104.37	1994.75
3	2013	1994.75	718.00	639.02	79.79	1355.74
4	2014	1355.74	718.00	664.58	54.23	691.16
5	2015	691.16	718.81	663.51	27.65	nil
Total Principal and Interest Paid				3200.00	394.04	

Option 3 – 10-year repayment plan – Annual payment of \$357.42 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$3200.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3200.00	434.78	242.78	192.00	2957.22
2	2012	2957.22	434.78	257.34	177.43	2699.88
3	2013	2699.98	434.78	272.78	161.99	2427.09
4	2014	2427.09	434.78	289.15	145.63	2137.94
5	2015	2137.94	434.78	306.50	128.28	1831.44
6	2016	1831.44	434.78	324.89	109.89	1506.55
7	2017	1506.55	434.78	344.38	90.39	1162.17
8	2018	1162.17	434.78	365.05	69.73	797.12
9	2019	797.12	434.78	386.95	47.83	410.17
10	2020	410.17	434.78	385.56	24.61	nil
Total Principal and Interest Paid				3200.00	1147.77	

**Schedule B – 2
Cost Recovery Payment Options
Capital Charge - \$3,392**

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$3392.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$3392.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	3392.00	1696.00	1696.00	0	1696.00
2	1 Jun 2011	1696.00	1729.92	1696.00	33.92	nil
Total Principal and Interest Paid				3392.00	33.92	

Option 2 – 5-year repayment plan – Annual payment of \$761.94 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$3392.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3392.00	761.94	626.26	135.68	2765.74
2	2012	2765.74	761.94	651.31	110.63	2114.44
3	2013	2114.44	761.94	677.36	84.58	1437.08
4	2014	1437.08	761.94	704.45	57.48	732.63
5	2015	732.63	761.94	703.32	29.31	nil
Total Principal and Interest Paid				3232.00	417.68	

Option 3 – 10-year repayment plan – Annual payment of \$460.86 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$3392.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3392.00	460.86	257.34	203.52	3134.66
2	2012	3134.66	460.86	272.78	188.08	2861.87
3	2013	2861.87	460.86	289.15	171.71	2573.72
4	2014	2573.72	460.86	306.50	154.36	2266.22
5	2015	2266.22	460.86	324.89	135.97	1941.33
6	2016	1941.33	460.86	344.38	116.48	1596.94
7	2017	1596.94	460.86	365.05	953.82	1231.9
8	2018	1231.9	460.86	386.95	73.91	844.94
9	2019	844.94	460.86	410.17	50.70	434.78
10	2020	434.78	460.87	408.69	26.09	nil
Total Principal and Interest Paid				3392.00	1216.64	

Schedule B – 3
Cost Recovery Payment Options
Capital Charge - \$3,584

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$3584.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$3584.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	3584.00	1792.00	1792.00	0	1792.00
2	1 Jun 2011	1792.00	1827.84	1792.00	35.84	nil
Total Principal and Interest Paid				3584.00	35.84	

Option 2 – 5-year repayment plan – Annual payment of \$805.06 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$3584.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3584.00	805.06	661.70	143.36	2922.30
2	2012	2922.30	805.06	688.17	116.89	2234.12
3	2013	2234.12	805.06	715.70	89.36	1518.43
4	2014	1518.43	805.06	744.33	60.74	774.10
5	2015	774.10	805.06	743.14	30.96	nil
Total Principal and Interest Paid				3584.00	441.32	

Option 3 – 10-year repayment plan – Annual payment of \$486.95 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$3584.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3584.00	486.95	271.91	215.04	3312.09
2	2012	3312.09	486.95	288.23	198.73	3023.86
3	2013	3023.86	486.95	305.52	181.43	2718.34
4	2014	2718.34	486.95	323.85	163.10	2394.49
5	2015	2394.49	486.95	343.28	143.67	2051.21
6	2016	2051.21	486.95	363.88	123.07	1687.34
7	2017	1687.34	486.95	385.71	101.24	1301.63
8	2018	1301.63	486.95	408.85	78.10	892.77
9	2019	892.77	486.95	433.38	53.57	459.39
10	2020	459.39	486.95	431.82	27.56	nil
Total Principal and Interest Paid				3584.00	1285.51	

Schedule B - 4
Cost Recovery Payment Options
Capital Charge - \$3,776

Option 1 - Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$3776.00

Option 2 - Two Payments - December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$3776.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	3776.00	1888.00	1888.00	0	1888.00
2	1 Jun 2011	1888.00	1925.76	1888.00	37.76	nil
Total Principal and Interest Paid				3776.00	37.76	

Option 2 - 5-year repayment plan - Annual payment of \$848.19 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$3776.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3776.00	848.19	697.15	151.04	3078.85
2	2012	3078.85	848.19	725.04	123.15	2353.81
3	2013	2353.81	848.19	754.04	94.15	1599.77
4	2014	1599.77	848.19	784.20	63.99	815.57
5	2015	815.57	848.19	782.95	32.62	nil
Total Principal and Interest Paid				3776.00	464.96	

Option 3 - 10-year repayment plan - Annual payment of \$513.04 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$3776.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	3776.00	513.04	286.48	226.56	3489.52
2	2012	3489.52	513.04	303.67	209.37	3185.86
3	2013	3185.86	513.04	321.89	191.15	2863.97
4	2014	2863.97	513.04	341.20	171.84	2522.77
5	2015	2522.77	513.04	361.67	151.37	2161.10
6	2016	2161.10	513.04	383.37	129.67	1777.73
7	2017	1777.73	513.04	406.37	106.66	1371.36
8	2018	1371.36	513.04	430.76	82.28	940.60
9	2019	940.60	513.04	456.60	56.44	484.00
10	2020	484.00	513.04	454.96	29.04	nil
Total Principal and Interest Paid				3776.00	1354.37	

Schedule B – 5
Cost Recovery Payment Options
Capital Charge - \$4,352

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$4352.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$4352.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	4352.00	2176.00	2176.00	0	2176.00
2	1 Jun 2011	2176.00	2219.52	2176.00	43.52	nil
Total Principal and Interest Paid				3776.00	43.52	

Option 2 – 5-year repayment plan – Annual payment of \$977.58 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$4352.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	4352.00	977.58	803.50	174.08	3548.50
2	2012	3548.50	977.58	835.64	141.94	2712.87
3	2013	2712.87	977.58	869.06	108.51	1843.80
4	2014	1843.80	977.58	903.83	73.75	939.98
5	2015	939.98	977.58	902.38	37.60	nil
Total Principal and Interest Paid				4325.00	535.89	

Option 3 – 10-year repayment plan – Annual payment of \$591.30 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$4352.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	4352.00	591.30	330.18	261.12	4021.82
2	2012	4021.82	591.30	349.99	241.31	3671.83
3	2013	3671.83	591.30	370.99	220.31	3300.85
4	2014	3300.85	591.30	393.25	198.05	2907.60
5	2015	2907.60	591.30	416.84	174.46	2490.76
6	2016	2490.76	591.30	441.85	149.45	2048.91
7	2017	2048.91	591.30	468.36	122.93	1580.54
8	2018	1580.54	591.30	496.46	94.83	1084.08
9	2019	1084.08	591.30	526.25	65.04	557.83
10	2020	557.83	591.30	254.36	33.47	nil
Total Principal and Interest Paid				4352.00	1560.97	

Schedule B - 6
Cost Recovery Payment Options
Capital Charge - \$5,959

Option 1 - Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$5959.00

Option 2 - Two Payments - December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$5959.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	5959.00	2979.50	2979.50	0	2979.50
2	1 Jun 2011	2979.50	3039.09	2979.50	59.59	nil
Total Principal and Interest Paid				5959.00	59.59	

Option 2 - 5-year repayment plan - Annual payment of \$1,338.55 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$5959.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	5959.00	1338.55	1100.19	238.36	4858.81
2	2012	4858.81	1338.55	1144.20	194.35	3714.61
3	2013	3714.61	1338.55	1189.97	148.58	2524.64
4	2014	2524.64	1338.55	1237.57	100.99	1287.07
5	2015	1287.07	1338.55	1235.59	51.48	nil
Total Principal and Interest Paid				5959.00	733.76	

Option 3 - 10-year repayment plan - Annual payment of \$809.64 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$5959.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	5959.00	809.64	452.10	357.54	5506.90
2	2012	5506.90	809.64	479.22	330.41	5027.68
3	2013	5027.68	809.64	507.98	301.66	4519.70
4	2014	4519.70	809.64	538.45	271.18	3981.25
5	2015	3981.25	809.64	570.76	238.87	3410.49
6	2016	3410.49	809.64	605.01	204.63	2805.48
7	2017	2805.48	809.64	641.31	168.33	2164.17
8	2018	2164.17	809.64	679.79	129.85	1484.38
9	2019	1484.38	809.64	720.57	89.06	763.81
10	2020	763.81	809.64	717.98	45.83	nil
Total Principal and Interest Paid				5959.00	2137.37	

Schedule B - 7
Cost Recovery Payment Options
Capital Charge - \$7,425

Option 1 - Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$7425.00

Option 2 - Two Payments - December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$7425.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	7425.00	3712.50	3712.50	0	3712.50
2	1 Jun 2011	3712.50	3786.75	3712.50	74.25	nil
Total Principal and Interest Paid				7425.00	74.25	

Option 2 - 5-year repayment plan - Annual payment of \$1,667.86 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$7425.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	7425.00	1667.86	1370.86	297.00	6054.14
2	2012	6054.14	1667.86	1425.69	242.17	4628.45
3	2013	4628.45	1667.86	1482.72	185.14	3145.73
4	2014	3145.73	1667.86	1542.03	125.83	1603.71
5	2015	1603.71	1667.86	1539.56	64.15	nil
Total Principal and Interest Paid				7425.00	914.28	

Option 3 - 10-year repayment plan - Annual payment of \$1,008.82 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$7425.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	7425.00	1008.82	563.32	445.50	6861.68
2	2012	6861.68	1008.82	597.12	411.70	6264.56
3	2013	6264.56	1008.82	632.95	375.87	5631.62
4	2014	5631.62	1008.82	670.92	337.90	4960.69
5	2015	4960.69	1008.82	711.18	297.64	4249.52
6	2016	4249.52	1008.82	753.85	254.97	3495.67
7	2017	3495.67	1008.82	799.08	209.74	2696.59
8	2018	2696.59	1008.82	847.02	161.80	1849.56
9	2019	1849.56	1008.82	897.85	110.97	951.72
10	2020	951.72	1008.82	894.61	57.10	nil
Total Principal and Interest Paid				7425.00	2663.20	

Schedule B – 8
Cost Recovery Payment Options
Capital Charge - \$7,729

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$7729.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$7729.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	7729.00	3864.50	3864.50	0	3864.50
2	1 Jun 2011	3864.50	3941.79	3864.50	77.29	nil
Total Principal and Interest Paid				7729.00	77.29	

Option 2 – 5-year repayment plan – Annual payment of \$1,736.14 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$7729.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	7729.00	1736.14	1426.98	309.16	6302.02
2	2012	6302.02	1736.14	1484.06	252.08	4817.95
3	2013	4817.95	1736.14	1543.42	192.72	3274.53
4	2014	3274.53	1736.14	1605.16	130.98	1669.37
5	2015	1669.37	1736.14	1602.59	66.77	nil
Total Principal and Interest Paid				7729.00	951.71	

Option 3 – 10-year repayment plan – Annual payment of \$1,050.12 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$7729.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	7729.00	1050.12	586.38	463.74	7142.62
2	2012	7142.62	1050.12	621.57	428.56	6521.05
3	2013	6521.05	1050.12	658.86	391.26	5862.19
4	2014	5862.19	1050.12	698.39	351.73	5163.80
5	2015	5163.80	1050.12	740.30	309.83	4423.50
6	2016	4423.50	1050.12	784.71	265.41	3638.79
7	2017	3638.79	1050.12	831.80	218.33	2086.99
8	2018	2086.99	1050.12	881.70	168.42	1925.29
9	2019	1925.29	1050.12	934.61	115.52	990.68
10	2020	990.68	1050.12	931.24	59.44	nil
Total Principal and Interest Paid				7729.00	2772.23	

Schedule B – 9
Cost Recovery Payment Options
Capital Charge - \$18,159

Option 1 – Direct Payment in full by December 1, 2010

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by December 1, 2010	None	\$18159.00

Option 2 – Two Payments – December 1, 2010 and June 1, 2011

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by June 1, 2011	2%	\$18159.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	1 Dec 2010	18159.00	9079.50	9079.50	0	9079.50
2	1 Jun 2011	9079.50	9261.09	9079.50	181.59	nil
Total Principal and Interest Paid				18159.00	181.59	

Option 2 – 5-year repayment plan – Annual payment of \$4,079 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2015	4.00 %	\$18159.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	18159.00	4079.00	3352.64	726.36	14806.36
2	2012	14806.36	4079.00	3486.75	592.25	11319.51
3	2013	11319.51	4079.00	3626.22	452.78	7693.39
4	2014	7693.39	4079.00	3771.27	307.74	3922.12
5	2015	3922.12	4079.00	3765.23	156.88	nil
Total Principal and Interest Paid				18159.00	2236.02	

Option 3 – 10-year repayment plan – Annual payment of \$2,467.23 (added to taxes)

Payment Option	Interest Rate	Capital Charge
Capital charge paid in full by end of 2020	6.00%	\$18159.00

Payment No.	Payment Date	Beginning Balance	Total Payment	Principal	Interest	Ending Balance
1	2011	18159.00	2467.23	1377.69	1089.54	16781.31
2	2012	16781.31	2467.23	1460.35	1006.88	15320.97
3	2013	15320.97	2467.23	1547.97	919.26	13773.00
4	2014	13773.00	2467.23	1640.85	826.38	12132.15
5	2015	12132.15	2467.23	1739.30	727.93	10392.85
6	2016	10392.85	2467.23	1843.65	623.57	8549.20
7	2017	8549.20	2467.23	1954.27	512.95	6594.93
8	2018	6594.93	2467.23	2071.53	395.70	4526.39
9	2019	4526.39	2467.23	2195.82	271.40	2327.57
10	2020	2327.57	2467.23	2187.92	139.65	nil
Total Principal and Interest Paid				18159.00	6513.26	