Notice to Residents

San Pareil Fire Service Improvements Project
Additional Information Regarding Payment Options March 3, 2014

Lump Sum vs: Parcel Tax

The estimated completion date of the remaining upgrades to the San Pareil Fire Service Improvements project is mid to late May, 2014. At that time, final project costs will be known and RDN staff will be able to make a final calculation of the one-time costs to those participants who wish to pay their share of the capital costs as a lump sum. Staff estimate the full $1,360,000 as projected will be needed to finance the project which results in an estimated one-time payment of $4,200.00 as was predicted in 2011 for those who elect this method of payment. Those who select this method of payment will not pay an annual parcel tax in any of the years as noted below.

For those residents who wish to pay the capital costs through annual parcel taxes over 20 years, the following information is provided to estimate payments over the debt term. For 2014, interim financing costs are being incurred which require a parcel tax payment in 2014 prior to final borrowing in the fall – this amount estimated at $110.00 will be included on your property tax notice in June.

After final costs are known and the actual interest rate for borrowing is confirmed in the fall of this year, final parcel tax amounts for debt repayment to be included in property tax notices will be known. The current estimates of these parcel taxes are:

- 2014 = $110.00 – cost of interim financing on borrowing only
- 2015 = $410.00 – year 1 debt servicing + debt issuing costs + remainder interim financing
- 2016 onwards = $325.00 debt servicing only for 19 years

If you are planning to make the $4,200.00 lump sum payment for your share of the capital cost, the RDN Finance Department needs to hear from you in order to exclude you from the long term debt repayment/parcel tax process. The payment date for this amount would be September 30, 2014. Please contact Wendy Idema at the numbers below or email to finance1@rdn.bc.ca by March 31, 2014 if you wish to pursue the one-time payment.

Thank you

If you have any questions about this project please contact the Regional District of Nanaimo Water & Utility Services Department at 250-954-3792 or toll free at 1-877-607-4111.