

Marina Budget

Nov 20, 2020

Fully User-Pay Promise

Past Mayor's and CAO's have said "The Marina is fully user-pay" Boat and yacht owners should pay their own way.

June 2009

"Deputy Mayor Gil Brocanier said all money for the marina comes from marina revenues and its reserves, not the taxpayer".

Northumberland News Jun 17, 2009

Nov 2013

From COW Report by Bill Watson Nov 18, 2013

3.0 BACKGROUND Cobourg Marina operates as a standalone business unit within the town's corporate structure. As a result the marina does not receive funding from the municipal tax base. The town relies solely on revenues generated from use fees to pay all of the capital and operating cost of the marina

<https://cobourg.civicweb.net/document/73091>

Feb 2016

"The Cobourg marina facility operates on a user pay basis being wholly funded from fees received for rentals and usage."

From report by CAO Stephen Peacock
<https://cobourg.civicweb.net/document/73091>

During this homelessness and pandemic crisis in Cobourg, with many single mon's struggling to find a place to live, as well as food, it's hard for us to remember back when every dollar counts. Are we going to take money from them by using tax dollars to support the marina? This expensive, exclusive-use facility has less than 200 participants.

...” internet research: the results showed conclusively that rents rise after tax changes sufficiently to fully absorb 80-90% of the change in landlord tax payments! This estimate is highly significant statistical”

This is a perfect opportunity for Councillor’s, who truly believe in fairness to the poor in Cobourg, to draw a line in the sand, to say NO to public money being spent to pay for the Marina.

This is the fundamental question: Will our Council continue to maintain the promise that the Marina is “fully user-pay.”

The current Marina Reserve Fund stands at \$ 475K

		MARINA BUDGET	
	Item	Money spent & owing	Planned Spending
1	2014 - 32 dock / slip additions	\$ 290K	
2	Raising electrical wiring, high lake water (2020)	\$ 260K	
3	Remained of \$310K – spent next year		\$ 50K
4	Dock Replacement over next 5 years – info from Paul Gauthier		\$ 1.2M
5			
6	Security gates (2021)		\$ 60K
7			
8	Upgrade G dock 50A (2021)		\$ 31K
9	Power to C D docks (2022)		\$ 100K
10			
11	TOTAL	\$ 550K	\$ 1.441M
12	<i>Estimated annual debt service @3.5% for 15 years</i>	\$ 58K	\$ 130K
13			

This total debt service is more than double the expected marina net profit.(which for the last 9 years has averaged \$ 77K)

From item 4: Is Paul Gauthier correct about the \$ 1.2M. Doesn't council, in order to make an informed decision, deserve a professional / independent and up-to-date reserve fund study?

If you care what the residents want for their town - read the 19 pages of the Waterfront User Needs RESIDENTS Survey. (especially page 2, and 7 and 8 and 11)

EXTRA Explanations

- Reduced 2020 revenue at Marina because of Covid 19 and high water.
- Operations budget is approx. \$ 760 K (a huge budget for a seasonal facility)
- Marina current Reserve Fund stands at approx. \$ 475 K
- The push to spend extra millions on travelift for a hundred boaters used twice a year to lift 50 boats
- Listen carefully because, in the past, staff has promised "revenue generation" but has not promise "profit generation"
- Paul Gauthier reported in 2015 in his 15 page asset management report for \$ 1.2 M dock replacement he specifically states that the Marina cannot afford a travelift *"The projected reserve fund is insufficient to fund the cost for boat handling equipment, storage compound expansion and replacement of Dock's C, D, E, & F. Alternate source of funding will be required to cover these cost"- Sept 2015*
(Paul Gauthier <https://cobourg.civicweb.net/document/59406>)

*Ted Williams
Cobourg Resident*