

For Information Only

Development Charges - Treasurer's Annual Statement

Presented To:	City Council
Presented:	Wednesday, Apr 28, 2010
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Recommendation

For information only.

Background

The Development Charges Act, section 43(1) states that "The treasurer of a municipality shall each year on or before such date as the council of the municipality may direct, give the council a financial statement relating to development charge by-laws and reserve funds established under section 33." In addition, Paragraphs 12 and 13 of Ontario Regulation 82/98 indicate the information to be included in the report.

Development charges are collected by municipalities to recover a portion of the growth-related costs associated with the capital infrastructure needed to service new development. Development charges in the City are established through By-Laws 2004-200F (to July 8, 2009) and 2009-200F (effective July 9, 2009) and are payable on the date the building permit is issued and is based on the development charges schedule in force on that date.

Development charges collected from January 1, 2009 to July 8, 2009 were for projects identified by the Regional Municipality of Sudbury. Although the projects had been completed, the anticipated revenues from development charges had not materialized. Consequently, all development charges collected are transferred monthly to the appropriate Capital Financing Reserve Fund, to reimburse the reserve funds for projects already financed in accordance with By-Law 2004-200F (see Schedule A).

Staff completed the background study for Development Charges By-Law 2009-200F that was effective July 9, 2009. See Schedule B for the development charges collected as per this By-Law including reserve fund transactions and balances. Schedule C provides a list of growth related capital projects that have received contributions from the development charges reserve funds in 2009. Funding the growth related capital projects resulted in unspent dollars in the capital cost centres which was transferred to the respective capital financing reserve fund for the affected departments.

A summary of the Development Charges activities relating to by-law 2009-200F is detailed below:

July 9, 2009 – opening balance	\$	0
Development Charges received		1,794,817
Interest earned		2,518

Signed By

Report Prepared By

Lorraine Larose
Manager of Financial Support and
Budgeting
Digitally Signed Apr 22, 10

Recommended by the Department

Lorella Hayes
Chief Financial Officer/City Treasurer
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Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
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Transfers to capital projects	(1,700,273)
December 31, 2009 – closing balance	<u>\$ 97,062</u>

The balance in the reserve funds is made up of the following major categories:

General services	\$ 97,062
Engineered services	<u>0</u>
Total Development Charge reserve funds	<u>\$ 97,062</u>

Funds remaining in the Development Charges Reserve Funds are considered to be committed for projects as identified in the 2009 Development Charges Background Study.

No credits have been issued for any of the service categories; therefore there are no balances outstanding at year end.

No amounts have been borrowed from the funds during the year and no amounts have been repaid for any previous borrowings.

Pursuant to Section 43 of the Development Charges Act, the Treasurer shall furnish to Council a financial statement relating to the Development Charges By-Law and reserve funds.

A copy of this statement shall be forwarded to the Ministry of Municipal Affairs and Housing. This is also a requirement under the Act.

**CITY OF GREATER SUDBURY
DEVELOPMENT CHARGES COLLECTED (per by-law 2004-200F)
FROM JANUARY 1, 2009 TO JULY 8, 2009**

	Development Charges Collected	Development Charges reallocated per Resolution #99-106			
		Wastewater Capital Financing Reserve Fund	Water Capital Financing Reserve Fund	Police Services Capital Financing Reserve Fund	Roads Capital Financing Reserve Fund
January	(\$161.00)	(\$458.00)	(\$888.00)	\$266.00	\$919.00
February	\$147,855.00	\$35,995.00	\$69,807.00	\$9,358.00	\$32,695.00
March	\$48,295.00	\$10,761.00	\$22,340.00	\$3,446.00	\$11,748.00
April	\$74,243.00	\$16,825.00	\$34,083.00	\$5,152.00	\$18,183.00
May	\$89,118.00	\$20,702.00	\$40,142.00	\$6,312.00	\$21,962.00
June	\$116,833.10	\$25,836.00	\$52,737.10	\$8,538.00	\$29,722.00
July	\$75,537.90	\$17,062.00	\$33,412.90	\$5,588.00	\$19,475.00
August	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
September	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
October	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
November	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
December	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Development Charges Collected	\$ 551,721.00	\$ 126,723.00	\$ 251,634.00	\$ 38,660.00	\$ 134,704.00
	30105-01	(35950-30)	(35960-30)	(35930-30)	(35940-30)

SCHEDULE B

**Development Charges Reserve Funds
Annual Continuity Statement by Service Category
For the Year Ended December 31, 2009**

	Balance at January 1, 2009	Development charges collected <i>(note 1)</i>	Interest	Subtotal	Transfers to capital	Balance at December 31, 2009
General Services						
General Government (studies)	\$ -	\$ (5,836)	\$ (8)	\$ (5,844)	\$ -	\$ (5,844)
Library (buildings)	-	(52,083)	(73)	(52,156)	52,156	-
Fire (buildings and equipment)	-	(44,487)	(63)	(44,550)	-	(44,550)
Police (buildings and equipment)	-	(47,719)	(67)	(47,786)	47,786	-
Parks and recreation (facilities & parkland development)	-	(308,278)	(433)	(308,711)	308,711	-
Public Works (equipment)	-	(33,172)	(47)	(33,219)	33,219	-
Ambulance (buildings)	-	(8,017)	(11)	(8,028)	-	(8,028)
Transit (buildings)	-	(38,586)	(54)	(38,640)	-	(38,640)
Emergency Preparedness (buildings and equipment)	-	(19,679)	(28)	(19,707)	19,707	-
Total General Services	\$ -	\$ (557,857)	\$ (784)	\$ (558,641)	\$ 461,579	\$ (97,062)
Engineered Services						
Roads and related	\$ -	\$ (1,091,856)	\$ (1,534)	\$ (1,093,390)	\$ 1,093,390	\$ -
Water	-	(69,259)	(96)	(69,355)	69,355	-
Waste Water	-	(50,668)	(69)	(50,737)	50,737	-
Drains	-	(25,177)	(35)	(25,212)	25,212	-
Total Engineered Services	\$ -	\$ (1,236,960)	\$ (1,734)	\$ (1,238,694)	\$ 1,238,694	\$ -
Total Development Charge Reserve	\$ -	\$ (1,794,817)	\$ (2,518)	\$ (1,797,335)	\$ 1,700,273	\$ (97,062)

Note 1 The development charges collected as of the passing of by-law 2009-200F effective July 9, 2009.

**Annual Capital Fund Transfers by Project
For the Year Ended December 31, 2009**

Project Description	Cost to December 31, 2009	Amount funded by development charges collected to date	Municipal Contribution to be repaid by development charges collected in the future	Provincial and Federal Grants	Contribution from others	Operating	Reserves	Municipal contribution	Total funding
General Services									
Library (buildings)									
Azilda Library	563,185	52,156	82,547				120,823	307,659	563,185
Police (buildings and equipment)									
Carport	321,002	28,329	200,532				92,141	-	321,002
Outfitting 4 police officers	26,013	19,457	-				6,556	-	26,013
Parks and recreation (facilities & parkland development)									
Lively Ski Hill - water line upgrades	65,275	30,055	-			-	35,220	-	65,275
New accessibility features	82,151	65,841	-			2,365	13,945	-	82,151
Howard Armstrong - 3 soccer fields	253,453	15,782	85,784					151,887	253,453
Three outdoor rink development	87,774	70,347	-					17,427	87,774
Accessible playgrounds	125,000	100,182	-			3,599	21,219	-	125,000
Soccer Field development	388,418	26,504	-		190,000			171,914	388,418
Public Works (equipment)									
Fuel System	911,489	33,219	327,437				550,833		911,489
Emergency Preparedness (buildings and equipment)									
CLELC roadway access	228,110	19,707	90,111			94,870	23,422		228,110
Total General Services	3,051,870	461,579	786,411	-	190,000	100,834	864,159	648,887	3,051,870
Engineered Services									
Roads and related									
MR80 Valleyview to Second Ave	4,653,329	908,253	-	1,600,000				2,145,076	4,653,329
Kingsway Widening	12,585,398	185,136	3,804,470	4,000,000	128,000			4,467,792	12,585,398
Water									
MR80 watermain upgrade	629,443	69,355	120,781					439,307	629,443
Waste Water									
Assessment and rerating Azilda and Chelmsford	72,258	18,339	-					53,919	72,258
Azilda WWTP upgrade	75,258	20,105	-					55,153	75,258
Sudbury WWTP upgrade	801,297	12,293	133,987					655,017	801,297
Drains									
Tributary 8A	1,141,482	22,263	22,263					1,096,956	1,141,482
Lake Nepawhin Stormwater	2,460,569	2,950	615,186					1,842,433	2,460,569
Total Engineered Services	22,419,034	1,238,694	4,696,687	5,600,000	128,000	-	-	10,775,653	22,419,034
Total	25,470,904	1,700,273	5,483,098	5,600,000	318,000	100,834	864,159	11,404,540	25,470,904