

For Information Only

Development Charges - Treasurer's Annual Statement

Presented To:	City Council
Presented:	Wednesday, Apr 27, 2011
Report Date	Tuesday, Apr 19, 2011
Type:	Correspondence for Information Only

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-Law 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.

Staff completed the background study for Development Charges By-Law 2009-200F that was effective July 9, 2009. See Schedule A for the development charges collected as per this By-Law including reserve fund transactions and balances. Schedule B provides a list of growth related capital projects that have received contributions from the development charges reserve funds in 2010. The City prefunds the growth related portion of capital projects until development charges are collected in future years. Therefore, the funding of the growth related portion of 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 and obligatory reserve funds relating to by-law 2009-200F is detailed below:

January 1, 2010 – opening balance	\$ 97,062
Development Charges received	3,018,196
Interest earned	14,848
Transfers to capital projects	(2,736,536)
December 31, 2010 – closing balance	<u>\$ 393,570</u>

Signed By

Report Prepared By
 Apryl Lukezic
 Co-ordinator of Capital
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Recommended by the Department
 Lorella Hayes
 Chief Financial Officer/City Treasurer
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Recommended by the C.A.O.
 Doug Nadorozny
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The balance in the obligatory reserve funds is made up of the following major categories:

General services	\$ 393,570
Engineered services	0
Total Development Charge reserve funds	<u>\$ 393,570</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.

Refunds were issued where development charges were collected in 2009 with no construction development within one year. These refunds in the amount of \$185,109 have reduced the amount shown for Development Charges received identified above.

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.

**Development Charges Obligatory Reserve Funds
Annual Continuity Statement by Service Category
For the Year Ended December 31, 2010**

	Balance at January 1, 2010	Development charges collected <i>(note 1)</i>	Interest	Subtotal	Transfers to capital	Balance at December 31, 2010
General Services						
General Government (studies)	\$ (5,844)	\$ (11,684)	\$ (198)	\$ (17,726)	\$ -	\$ (17,726)
Library (buildings)	-	(73,261)	(308)	(73,569)	73,569	-
Fire (buildings and equipment)	(44,550)	(82,547)	(1,480)	(128,577)	-	(128,577)
Police (buildings and equipment)	-	(88,556)	(370)	(88,926)	88,926	-
Parks and recreation (facilities & parkland development)	-	(432,890)	(1,822)	(434,712)	210,112	(224,600)
Public Works (equipment)	-	(61,550)	(257)	(61,807)	61,807	-
Ambulance (buildings)	(8,028)	(14,374)	(265)	(22,667)	-	(22,667)
Transit (buildings)	(38,640)	(71,990)	(1,286)	(111,916)	111,916	-
Emergency Preparedness (buildings and equipment)	-	(37,550)	(158)	(37,708)	37,708	-
Total General Services	\$ (97,062)	\$ (874,402)	\$ (6,144)	\$ (977,608)	\$ 584,038	\$ (393,570)
Engineered Services						
Roads and related	\$ -	\$ (1,916,441)	\$ (7,822)	\$ (1,924,263)	\$ 1,924,263	\$ -
Water	-	(106,763)	(413)	(107,176)	107,176	-
Waste Water	-	(73,399)	(271)	(73,670)	73,670	-
Drains	-	(47,191)	(198)	(47,389)	47,389	-
Total Engineered Services	\$ -	\$ (2,143,794)	\$ (8,704)	\$ (2,152,498)	\$ 2,152,498	\$ -
Total Development Charge Obligatory Reserve Funds	\$ (97,062)	\$ (3,018,196)	\$ (14,848)	\$ (3,130,106)	\$ 2,736,536	\$ (393,570)

Note 1 The development charges collected as per by-law 2009-200F during the 12 months ended December 31, 2010, net of refunds.

**Annual Capital Fund Transfers by Project
For the Year Ended December 31, 2010**

Project Description	Cost to December 31, 2010	Amount funded by development charges collected during 2010	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 to December 31, 2010
General Services										
Library (buildings)	558,222	73,569	125,725	8,978				70,000	353,519	558,222
Azilida Library										
Police (buildings and equipment)	321,002	88,926	117,255	111,606				92,141	-	321,002
Carport	26,013	-	19,457	-				6,556	-	26,013
Outfitting 4 police officers										
Parks and recreation (facilities & parkland development)	65,275	-	30,055	-				35,220	-	65,275
Lively Ski Hill - water line upgrades	82,151	-	65,841	134,523				13,945	(134,523)	82,151
New accessibility features	554,111	144,510	160,292	-			2,365		393,819	554,111
Howard Armstrong - 3 soccer fields		23,080	93,427	26,792					(3,648)	116,571
Three outdoor rink development	125,000	-	100,182	-			3,599		-	125,000
Accessible playgrounds	388,418	2,294	28,798	371,931		190,000			(202,311)	388,418
Soccer field development	194	155	155	39,917					(39,878)	194
Land Appraisals - Park Dedications	51,726	40,073	40,073	-					11,653	51,726
Chelmsford Passive Park										
Public Works (equipment)	931,389	61,807	95,026	265,630				570,733	-	931,389
Fuel System										
Transit	5,066,421	111,916	111,916	1,779,221				2,340,000	835,284	5,066,421
Transit Garage										
Emergency Preparedness (buildings and equipment)	280,211	37,708	57,415	87,013				23,422	17,491	280,211
CLELC roadway access										
Total General Services	8,566,704	584,038	1,045,617	2,825,612	-	190,000	100,834	3,173,236	1,231,406	8,566,704
Engineered Services										
Roads and related	4,653,329	-	908,253	-	1,600,000				2,145,076	4,653,329
MR80 Valleyview to Second Ave	12,585,398	1,924,263	2,109,399	2,065,372	4,000,000	128,000			4,282,627	12,585,398
Kingsway Widening										
Water	629,443	107,176	176,531	13,605					439,307	629,443
MR80 watermain upgrade										
Waste Water	72,258	-	18,339	29,281					24,638	72,258
Assessment and rerating Azilida and Chelmsford	106,861	8,443	28,548	185,174					(106,861)	106,861
Azilida WWTP upgrade	4,191,109	65,227	77,520	2,195,279					1,918,310	4,191,109
Sudbury WWTP upgrade										
Drains	1,141,482	22,262	44,525	-					1,096,957	1,141,482
Tributary 8A	1,265,265	25,127	25,127	114,015					1,126,123	1,265,265
Tributary 9	4,379,921	-	2,950	615,186					3,761,785	4,379,921
Lake Nepawhin Stormwater										
Total Engineered Services	29,025,066	2,152,498	3,391,192	5,217,912	5,600,000	128,000	-	-	14,687,962	29,025,066
Total	37,591,770	2,736,536	4,436,809	8,043,523	5,600,000	318,000	100,834	3,173,236	15,919,368	37,591,770