

For Information Only

Development Charges - Treasurer's Annual Statement

Presented To:	Finance and Administration Committee
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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-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.

Schedule A provides a summary of the development charges collected during 2011 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 2011. 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, 2011 – opening balance	\$ 393,570
Development Charges received	6,370,625
Interest earned	45,931
Transfers to capital projects	(6,313,562)
December 31, 2011 – closing balance	<u>\$ 496,564</u>

Signed By

Report Prepared By

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 Co-ordinator of Capital
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Recommended by the Department

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

General services	\$ 496,564
Engineered services	0
Total Development Charge reserve funds	<u>\$ 496,564</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 2010 with no construction development within one year. These refunds in the amount of \$162,573 have reduced the amount shown for Development Charges received as identified above.

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

Conclusion

Pursuant to Section 43 of the Development Charges Act, the Treasurer shall furnish to Council a financial statement (Schedule A and B) 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, 2011**

	Balance at January 1, 2011	Development charges collected <i>(note 1)</i>	Interest	Subtotal	Transfers to capital	Balance at December 31, 2011
General Services						
General Government (studies)	\$ (17,726)	\$ (22,724)	\$ (588)	\$ (41,038)	\$ 41,038	\$ -
Library (buildings)	-	(160,489)	(994)	(161,483)	81,758	(79,725)
Fire (buildings and equipment)	(128,577)	(182,722)	(4,360)	(315,659)	-	(315,659)
Police (buildings and equipment)	-	(194,360)	(1,140)	(195,500)	148,963	(46,537)
Parks and recreation (facilities & parkland development)	(224,600)	(947,609)	(10,919)	(1,183,128)	1,183,128	-
Public Works (equipment)	-	(136,080)	(797)	(136,877)	136,877	-
Ambulance (buildings)	(22,667)	(31,212)	(764)	(54,643)	-	(54,643)
Transit (buildings)	-	(156,417)	(616)	(157,033)	157,033	-
Emergency Preparedness (buildings and equipment)	-	(78,660)	(463)	(79,123)	79,123	-
Total General Services	\$ (393,570)	\$ (1,910,273)	\$ (20,641)	\$ (2,324,484)	\$ 1,827,920	\$ (496,564)
Engineered Services						
Roads and related	\$ -	\$ (3,951,240)	\$ (22,265)	\$ (3,973,505)	\$ 3,973,505	\$ -
Water	-	(237,219)	(1,408)	(238,627)	238,627	-
Waste Water	-	(169,335)	(1,015)	(170,350)	170,350	-
Drains	-	(102,558)	(602)	(103,160)	103,160	-
Total Engineered Services	\$ -	\$ (4,460,352)	\$ (25,290)	\$ (4,485,642)	\$ 4,485,642	\$ -
Total Development Charge Obligatory Reserve Funds	\$ (393,570)	\$ (6,370,625)	\$ (45,931)	\$ (6,810,126)	\$ 6,313,562	\$ (496,564)

Note 1 The development charges collected as per by-law 2009-200F during the 12 months ended December 31, 2011, net of refunds.

**Annual Capital Fund Transfers by Project for Growth Related Projects Identified in 2009 Development Charge Background Study
For the Year Ended December 31, 2011**

Project Description	Cost to December 31, 2011	Amount funded by development charges collected during 2011	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 GOVERNMENT									
Zoning By-Law Update	147,340	41,038	41,038	18,005			88,297		147,340
Library (buildings)									
Azilda Library Branch Expansion	558,222	8,978	134,703	-			70,000	353,519	558,222
Archive Project	302,245	72,780	72,780	-				229,465	302,245
Police (buildings and equipment)									
Carpool	321,002	111,605	228,861	-			92,141	137,188	321,002
Outfitting 4 Police Officers	26,013	-	19,457	-			6,556		26,013
Communication Infrastructure	174,546	37,358	37,358	-					174,546
Parks and recreation facilities & parkland development)									
Lively Ski Hill - Water Line Upgrades	65,275	-	30,055	-			35,220		65,275
New Accessibility Features	134,237	41,745	107,586	-		2,365	13,945	10,341	134,237
Howard Armstrong - 3 New Soccer Fields	554,111	-	160,291	-				393,820	554,111
Three Outdoor Rink Development	116,571	-	93,427	-				23,144	116,571
Accessible Playgrounds	125,000	-	100,183	-				24,817	125,000
Let Them Be Kids	45,000	18,033	18,033	-				26,967	45,000
Soccer Field Development	230,631	2,009	30,807	-		190,000		9,824	230,631
Skating Rink	9,514,446	1,121,341	1,121,341	5,290,317				3,102,788	9,514,446
Land Appraisals - Park Dedications	194	-	155	-				39	194
Chelmsford Passive Park	55,041	-	40,073	-				14,968	55,041
Public Works (Equipment)									
Fuel System	931,389	136,877	231,902	128,754			570,733		931,389
Transit									
Transit Garage	5,067,872	157,033	268,949	61,535	400,000		2,340,000	1,997,388	5,067,872
Emergency Preparedness (buildings and equipment)									
CLEC Roadway Access	280,211	77,486	134,900	-				27,019	280,211
CLEC Phase II	2,284,795	1,637	1,637	620,075				1,663,083	2,284,795
Total General Services	20,934,141	1,827,920	2,873,536	6,118,686	400,000	190,000	97,235	8,014,370	20,934,141
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	2,065,372	4,174,771	-	4,000,000	128,000		4,282,627	12,585,398
MR80 Valleyview to Donaldson	10,745,020	1,467,924	1,467,924	-	3,350,401			5,926,695	10,745,020
Main Street Val Canon	6,060,523	440,210	440,209	717,700	1,889,513			3,013,101	6,060,523
Water									
MR80 Watermain Upgrade	629,443	13,604	190,136	-			1,500,000	439,307	629,443
Long Lake Road at WTO	1,927,538	225,022	225,022	169,883				32,633	1,927,538
Waste Water									
Assessment and Rerating Azilda and Chelmsford	72,258	-	18,339	-				53,919	72,258
Azilda WWTP Upgrade	212,872	28,321	56,869	-				156,003	212,872
Sudbury WWTP Upgrade	8,858,158	115,314	192,834	1,424,260			500,000	6,741,064	8,858,158
Lively / Walden Environmental Assessment	302,742	26,715	26,715	-				276,027	302,742
Drains									
Tributary 8A	1,141,482	-	44,526	-	500,000			596,956	1,141,482
Tributary 9	1,265,265	103,160	128,287	10,855	850,000			276,123	1,265,265
Lake Nepawihin Stormwater	4,783,401	-	2,950	529,508			150,000	4,100,943	4,783,401
Total Engineered Services	53,237,429	4,485,642	7,876,835	2,852,206	12,189,914	128,000	-	28,040,474	53,237,429
Total	74,171,570	6,313,562	10,750,371	8,970,892	12,589,914	318,000	97,235	36,054,845	74,171,570