

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 2012 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 2012. 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, 2012 – opening balance	\$ 496,564
Development Charges received	4,689,117
Interest earned	40,598
Transfers to capital projects	(4,687,646)
December 31, 2012 – closing balance	<u>\$ 538,633</u>

Signed By

Report Prepared By

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Co-ordinator of Capital
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Recommended by the Department

Lorella Hayes
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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	\$ 538,633
Engineered services	0
Total Development Charge reserve funds	<u>\$ 538,633</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 2011 with no construction development within one year. These refunds in the amount of \$130,330 have reduced the amount shown for Development Charges received as identified above.

No amounts have been borrowed from the funds during the year or in any previous years. Therefore, no amounts have been repaid for any previous borrowings as there have been no 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, 2012**

	Balance at January 1, 2012	Development charges collected <i>(note 1)</i>	Interest	Subtotal	Transfers to capital	Balance at December 31, 2012
General Services						
General Government	-	(17,329)	(130)	(17,459)	17,459	-
Library (Buildings)	(79,725)	(115,344)	(1,502)	(196,571)	196,571	-
Fire (Buildings and Equipment)	(315,659)	(135,594)	(8,170)	(459,423)	-	(459,423)
Police (Buildings and Equipment)	(46,537)	(145,351)	(2,141)	(194,029)	194,029	-
Parks and recreation (Facilities & Parkland Development)	-	(683,583)	(4,153)	(687,736)	687,736	-
Public Works (Equipment)	-	(100,562)	(752)	(101,314)	101,314	-
Ambulance (Buildings)	(54,643)	(23,154)	(1,413)	(79,210)	-	(79,210)
Transit (Buildings)	-	(115,875)	(312)	(116,187)	116,187	-
Emergency Preparedness (Buildings and Equipment)	-	(60,952)	(454)	(61,406)	61,406	-
Total General Services	\$ (496,564)	\$ (1,397,744)	\$ (19,027)	\$ (1,913,335)	\$ 1,374,702	\$ (538,633)
Engineered Services						
Roads and related	-	(2,911,939)	(18,828)	(2,930,767)	2,930,767	-
Water	-	(177,055)	(1,272)	(178,327)	178,327	-
Waste Water	-	(125,069)	(894)	(125,963)	125,963	-
Drains	-	(77,310)	(577)	(77,887)	77,887	-
Total Engineered Services	\$ -	\$ (3,291,373)	\$ (21,571)	\$ (3,312,944)	\$ 3,312,944	\$ -
Total Development Charge Obligatory Reserve Funds	\$ (496,564)	\$ (4,689,117)	\$ (40,598)	\$ (5,226,279)	\$ 4,687,646	\$ (538,633)
Comparative Balances from January 1, 2011 to December 31, 2011:	<u>\$ (393,570)</u>	<u>\$ (6,370,625)</u>	<u>\$ (45,931)</u>	<u>\$ (6,416,556)</u>	<u>\$ 6,313,562</u>	<u>\$ (496,564)</u>

Note 1 The development charges collected as per by-law 2009-200F during the 12 months ended December 31, 2012, 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, 2012**

Project Description	Cost to December 31, 2012	Amount funded by development charges collected during 2012	Amount funded by development charges collected from August 2009 to date	Municipal Contribution to be repaid by development charges collected in the future (Note 1)	Provincial and Federal Grants	Contribution from others	Municipal Contribution	Total Funding to December 31, 2012
General Services								
General Government								
Zoning By-Law Update	147,340	17,459	58,497	547			88,296	147,340
Library (Buildings)								
Azilda Library Branch Expansion	558,222	-	134,703	-			423,519	558,222
Archive Project	367,365	-	72,780	-			294,585	367,365
South Branch Library	5,694,580	196,571	196,571	1,008,199	26,561	107,427	4,355,822	5,694,580
Police (Buildings and Equipment)								
Carport	321,552	-	228,861	-			92,691	321,552
Outfitting 4 Police Officers	26,013	-	19,457	-			6,556	26,013
Communication Infrastructure	1,832,253	194,029	231,387	160,769			1,440,097	1,832,253
Parks and recreation (Facilities & Parkland Development)								
Lively Ski Hill - Water Line Upgrades	65,275	-	30,055	-			35,220	65,275
New Accessibility Features	204,552	1,772	109,358	52,025		3,190	39,979	204,552
Howard Armstrong - Three New Soccer Fields	571,773	-	160,291	-			411,482	571,773
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	122,875	-	18,033	8,385		56,950	39,507	122,875
Soccer Field Development	561,899	30,892	61,699	-		290,000	210,200	561,899
Countryside Pad 2	10,274,933	655,072	1,776,413	4,635,245			3,863,275	10,274,933
Land Appraisals	194	-	155	-			39	194
Chelmsford Passive Park	55,041	-	40,073	-			14,968	55,041
Public Works (Equipment)								
Fuel System	931,389	101,314	333,216	27,440			570,733	931,389
Transit								
Transit Garage	6,590,172	116,187	385,136	44,620	800,000		5,360,416	6,590,172
Emergency Preparedness (Buildings and Equipment)								
CLELC Roadway Access	280,211	-	134,900	-			145,311	280,211
CLELC Phase II	2,284,795	61,406	63,043	558,669			1,663,083	2,284,795
Total General Services	31,132,005	1,374,702	4,248,238	6,495,899	826,561	457,567	19,103,740	31,132,005
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	-	4,174,771	-	4,000,000	128,000	4,282,627	12,585,398
MR80 Valleyview to Donaldson	10,745,020	-	1,467,924	-	3,350,401		5,926,695	10,745,020
Main Street Val Caron	6,060,523	1,017,700	1,157,910	-	1,889,513		3,013,100	6,060,523
Consultants	66,008	45,216	45,216	-			20,792	66,008
Property Acquisition	313,192	120,853	120,853	-			192,339	313,192
Garson-Coniston Road widening	703,154	158,950	158,950	-			544,204	703,154
Maley Drive	3,869,250	300,000	600,000	87,622			3,181,628	3,869,250
Garson-Coniston Road widening	2,404,659	536,387	536,387	-			1,868,272	2,404,659
Long Lake Rd at MTO Bypass	2,066,520	690,034	690,034	-			1,376,486	2,066,520
New Streetlights	25,000	17,126	17,126	-			7,874	25,000
New Streetlights	54,040	17,125	17,125	-			36,915	54,040
New Signals: Regent & Mallards Landing	141,481	27,376	27,376	69,540			44,565	141,481
Water								
MR80 Watermain Upgrade	629,443	-	190,136	-			439,307	629,443
Long Lake Road at MTO Bypass	1,927,538	169,883	394,905	-			1,532,633	1,927,538
Regent: Bouchard to Caswell	1,757,008	3,262	3,262	163,263			1,590,483	1,757,008
Kelly Lake Watermain Oversizing	218,934	5,182	5,182	4,566			209,186	218,934
Waste Water								
Assessment and Rerating Azilda and Chelmsford	99,592	-	18,339	6,937			74,316	99,592
Azilda WWTP Upgrade	323,972	29,680	86,550	-			237,422	323,972
Sudbury WWTP Upgrade	10,576,003	96,283	289,116	1,641,577			8,645,310	10,576,003
Lively / Walden Environmental Assessment	332,586	-	26,715	-			305,871	332,586
Drains								
Tributary 8A	1,141,482	-	44,526	-	500,000		596,956	1,141,482
Tributary 9	1,265,265	10,855	139,142	-	850,000		276,123	1,265,265
Lake Nepawhin Stormwater	4,813,880	67,032	69,982	465,868			4,278,030	4,813,880
Total Engineered Services	66,773,277	3,312,944	11,189,780	2,439,373	12,189,914	128,000	40,826,210	66,773,277
Total	97,905,282	4,687,646	15,438,018	8,935,272	13,016,475	585,567	59,929,951	97,905,282

Note 1 - The amount to be repaid by development charges collected in the future may vary based upon final costs and the growth related portion of these projects