

2021 Development Charges - Treasurer's Annual Statement as of December 31, 2021

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Type:	Correspondence for Information Only
Prepared by:	Apryl Lukezic Financial Support & Budgeting
Recommended by:	General Manager of Corporate Services

Report Summary

This report provides information regarding Development Charges including a financial statement for development charges collected during 2021 along with reserve fund transactions and balances.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

Financial Implications

There are no financial implications associated with this report.

Background

This report provides a financial statement relating to development charges collected during 2021 including reserve fund transactions and balances.

Overview - How Development Charges Are Recorded

Development charges collected are included in an obligatory reserve fund by each service area as outlined in the 2019 DC background studies. At the end of each year, staff reviews the spending on growth related projects as identified in the background study and transfers the DC's collected that can be earned during the year. The funds are transferred to fund the respective growth related projects, which creates a project surplus and is transferred to the respective Capital Financing Reserve Fund. These reserve funds can then be used towards future capital projects.

Currently, DC's are not shown as a funding source in the annual Capital Budget as the funding amount is unknown until collected at the building stage which is based on the development activity that varies year to year. As well, there are DC instalments where DC's will be collected over 5 or 20 years when certain types

of buildings are first occupied, as well as exemptions from the DC Act and DC By-Law 2019-100.

Treasurer's Annual Statement

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.

Schedule "A" provides a summary of the development charges collected during 2021 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 2021. The City prefunds the growth related portion of capital projects until development charges are collected in future years.

A summary of the Development Charges activities and obligatory reserve funds relating to by-law 2019-100 is detailed below:

January 1, 2021 – opening balance	\$ 2,205,468
Development Charges received	4,171,312
Interest earned	57,049
Transfers to capital projects	(4,087,784)
December 31, 2021 – closing balance	<u>\$ 2,346,045</u>

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

General services	\$ 2,346,045
Engineered services	0
Total Development Charge reserve funds	<u>\$ 2,346,045</u>

Funds remaining in the Development Charges Reserve Funds are considered to be committed for projects as identified in the 2019 Development Charges Background Study. In addition, these funds have been reflected in the 2019 Development Charges Background Study under the column of "Available DC Reserves" which decreases DC eligible costs to be collected in the future as this amount has already been collected for projects not yet started (ie. new buildings for Fire Services, Paramedic Services and Police Services). The funds will be transferred to the capital projects when growth related costs are incurred.

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.

Further, the City is in compliance with provisions in the Development Charges Act prohibiting additional charges related to development related costs that are not allowed for in the Act or other Acts.

Conclusion

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

Appendix A
Development Charges Obligatory Reserve Funds
Annual Continuity Statement by Service Category
For the Year Ended December 31, 2021

	Balance at January 1, 2021	Development Charges Collected	Interest	Less: Transfers to Capital	Less: Transfers to Operating	Balance at December 31, 2021
General Services						
General Government	\$ 0	\$ 56,205	\$ 320	\$ 56,525	\$ -	\$ 0
Library (Buildings)	0	103,560	594	104,154	-	0
Fire (Buildings and Equipment)	1,306,136	12,430	20,401	759	-	1,338,208
Police (Buildings and Equipment)	365,573	87,670	6,189	-	-	459,432
Public Safety	0	29,504	168	29,672	-	0
Parks and Recreation (Facilities & Parkland Development)	19,518	376,545	2,464	398,526	-	0
Public Works (Equipment)	51,014	-	666	51,680	-	(1)
Ambulance (Buildings)	336,365	29,511	5,403	-	-	371,279
Transit (Buildings)	126,863	148,292	1,971	-	100,000	177,126
Emergency Preparedness (Buildings and Equipment)	0	95,652	545	96,196	-	0
Total General Services	\$ 2,205,468	\$ 939,369	\$ 38,720	\$ 737,513	\$ 100,000	\$ 2,346,045
Engineered Services						
Roads and related	\$ 0	\$ 1,973,647	\$ 11,072	\$ 1,984,719	\$ -	\$ 0
Water	0	200,025	1,173	201,198	-	0
Waste Water	0	830,193	4,781	834,975	-	(0)
Drains	0	228,078	1,302	229,380	-	0
Total Engineered Services	\$ 0	\$ 3,231,943	\$ 18,328	\$ 3,250,272	\$ -	\$ 0
Total - January 1, 2021 to December 31, 2021	\$ 2,205,468	\$ 4,171,312	\$ 57,049	\$ 3,987,784	\$ 100,000	\$ 2,346,045
Comparative Balances - January 1, 2020 to December 31, 2020	\$ 2,097,307	\$ 2,714,996	\$ 58,095	\$ 2,564,930	\$ 100,000	\$ 2,205,468

Appendix B							
Annual Development Charges Transfers by Project for Growth Related Projects Identified in 2019 Development Charges Background Study							
For the Year Ended December 31, 2021							
Project Description	Cost to December 31, 2021	Net Growth Related Share (Development Charges)					Total Funding to December 31, 2021
		Amount Funded by Development Charges Collected During 2021	Amount Funded by Development Charges Collected up to December 2020	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	
General Services							
General Government							
Official Plan Update	298,418	18,184	116,104	0		164,130	298,418
Development Charges Study	93,066	35,788	47,971	(0)		9,307	93,066
Population Project Forecast	35,879	2,553	10,000	19,738		3,588	35,879
Land and Planning Software	700,794			13,876		686,918	700,794
Subtotal	1,128,157	56,525	174,075	33,614	-	863,943	1,128,157
Library (Buildings)							
South Branch Library Expansion	5,713,696	104,154	1,043,721	2,113,389	138,888	2,313,545	5,713,696
Mackenzie Library Study	50,625			20,048		30,577	50,625
Main Library-Business Plan/Study/Consultant	264,446			104,721		159,725	264,446
Circulation Materials	5,359,303			86,821		5,272,482	5,359,303
Electronic Materials	306,539			4,966		301,574	306,539
Subtotal	11,694,610	104,154	1,043,721	2,329,944	138,888	8,077,903	11,694,610
Fire (Buildings and Equipment)							
Training Vehicles	57,472		57,472	0		(0)	57,472
Two Generators	155,194	50	3,364	0		151,779	155,194
Records Management System	166,655		3,667	(0)		162,989	166,655
Prevention Inspection Scheduling System	43,897		966	-		42,931	43,897
Mobile for Public Safety	136,991	709	2,305	-		133,977	136,991
Mobile Responder (Cellular Dispatch)	8,609		189	-		8,420	8,609
Subtotal	568,817	759	67,962	0	-	500,095	568,817
Police (Buildings and Equipment)							
Equipment for 4 new officers	19,210	-	19,210	0		-	19,210
Equipment for 2 new officers	40,024		40,024	-		-	40,024
Subtotal	59,234	-	59,234	0	-	-	59,234
Public Safety							
Communications Infrastructure	12,582,035	29,672	561,610	513,741	304,000	11,173,012	12,582,035
Next Generation 911	109,026		1,199	1,199		106,627	109,026
Subtotal	12,691,061	29,672	562,809	514,940	304,000	11,279,639	12,691,061
Parks and Recreation (Facilities & Parkland Development)							
Gerry McCrory Countryside Sports Complex - 2nd Ice Pad	10,375,315	398,526	2,950,753	5,978,425	11,200	1,036,411	10,375,315
James Jerome Sports Complex Renewal Program	3,584,492		291,302	-	2,505,598	787,592	3,584,492
Subtotal	13,959,807	398,526	3,242,055	5,978,425	2,516,798	1,824,003	13,959,807
Transit							
Transit Garage	18,098,787	100,000	1,341,607	2,621,810	8,648,980	5,386,390	18,098,787
Subtotal	18,098,787	100,000	1,341,607	2,621,810	8,648,980	5,386,390	18,098,787
EMS							
Equipment for two FTE's-ACP and PCP	4,766	-	4,290	(0)		477	4,766
Subtotal	4,766	-	4,290	(0)	-	477	4,766
Public Works							
Snowplow	299,065	51,680	-	-		247,384	299,065
Subtotal	299,065	51,680	-	-	-	247,384	299,065
Emergency Preparedness (Buildings and Equipment)							
CLELC Phase II	2,284,795	96,196	548,380	511,739	1,000,000	128,479	2,284,795
Garage for Mobile Command Unit	354,042			318,638		35,404	354,042
Subtotal	2,638,837	96,196	548,380	830,377	1,000,000	163,883	2,638,837
Total General Services	61,143,139	837,513	7,044,133	12,309,110	12,608,666	28,343,717	61,143,139

Project Description	Cost to December 31, 2021	Amount Funded by Development Charges Collected During 2021	Amount Funded by Development Charges Collected up to December 2020	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	Total Funding to December 31, 2021
Engineered Services							
Roads and related							
Property Acquisition (2014 and after)	2,209,047		1,104,523	0		1,104,523	2,209,047
Lasalle Notre Dame Intersection Improvements	8,051,462		1,342,151	661,057	38,630	6,009,624	8,051,462
Lasalle Notre Dame Intersection - Engineering / Property Acquisition / Utilities	2,273,907		1,523,518	750,389		-	2,273,907
MR80 - Valleyview to Donaldson	10,745,020		5,176,233	(0)	3,350,401	2,218,386	10,745,020
Maley Drive	83,316,236		815,547	15,031,498	46,674,743	20,794,448	83,316,236
MR 15 MR80 Intersection Improvements	2,859,068		223,741	474,974	64,210	2,096,144	2,859,068
Barry Downe Road from Westmount Road to Kingsway	3,029,006			176,181		2,852,824	3,029,006
MR35 from Notre Dame West to Hwy 144	27,175,084			1,446,404	2,307,746	23,420,934	27,175,084
MR4 from Highway 17 to C. Johnson Road	19,636,493	184,075	373,727	(0)	16,847,483	2,231,208	19,636,493
Four Laning MR 80 - Frost to Glenn	6,965,587	1,049,860	503,421	1,734,569	1,485,838	2,191,900	6,965,587
Second Avenue (Sudbury) Donna Drive to Kenwood Drive	6,206,581			4,237,517	152,986	1,816,078	6,206,581
Crean Hill Road from MR4 to Victoria Mine	11,048,757	578,832		-	8,154,597	2,315,328	11,048,757
Moonlight Ave from Kingsway to Bancroft Drive	2,956,304	171,952		-		2,784,351	2,956,304
Kingsway Realignment	3,657,058			231,357		3,425,701	3,657,058
Silver Hills Drive	914,274		914,274	(0)		-	914,274
Montrose Avenue	1,211,553		602,000	5,339	301,000	303,214	1,211,553
Elgin Greenway from Nelson St to Cedar Street	165,520			9,627		155,893	165,520
Active Transportation	4,494,479			191,495	1,202,196	3,100,789	4,494,479
Subtotal	196,915,434	1,984,719	12,579,136	24,950,406	80,579,830	76,821,343	196,915,434
Water							
New Valley Wells	7,195,171	14,251	672,174	2,911,536		3,597,209	7,195,171
Wanapitei Alternate Trunk - Preliminary Design Geotechnical Study	310,066		3,980	12,028		294,058	310,066
Regent Street - Bouchard to Walford and Bouchard - Regent to Southview	2,234,533	59,671	55,694	(0)		2,119,168	2,234,533
MR 35	1,096,289	33,967	21,511	-		1,040,811	1,096,289
Second Avenue Sudbury	721,757	21,077	16,186	-		684,494	721,757
Lorne Street	2,473,439	72,232	55,467	-		2,345,740	2,473,439
Maley Drive (Barrydowne to Railway Tracks)	2,756,785		56,305	86,023		2,614,458	2,756,785
Lorne Street (Kelly Lake Rd to Elm)	165,276		6,343	2,190		156,743	165,276
Subtotal	16,953,316	201,198	887,659	3,011,778	-	12,852,681	16,953,316
Waste Water							
BioSolids Management Facility	70,049,434			8,200,330	11,475,646	50,373,458	70,049,434
Walden WWTP Expansion - Design/Admin/Construction	1,725,123		256,328	399,219		1,069,576	1,725,123
WWTP Upgrades for Azilda	3,080,647	-	60,072	8,186		3,012,388	3,080,647
Sudbury WWTP Phase I	10,184,732	569,145	3,229,377	377,219		6,008,991	10,184,732
Sudbury WWTP Phase II	16,643,201		122,731	6,700,981		9,819,488	16,643,201
Jacob St Sewer (Lively Phase 1)	3,639,462			1,382,995		2,256,466	3,639,462
Gatchell Outfall Sewer	2,671,626			137,931		2,533,695	2,671,626
Algonquin Forcemain	1,287,781	231,756		-	824,269	231,756	1,287,781
Laurier Lift Station	1,537,791	34,073		-		1,503,717	1,537,791
Subtotal	110,819,796	834,975	3,668,509	17,206,862	12,299,915	76,809,536	110,819,796
Drains							
Minnow Lake Stormwater Treatment Station	3,666,102			231,930		3,434,171	3,666,102
Green Ave Stormwater Pond and Channel	46,512		9,444	13,812		23,256	46,512
Countryside Stormwater Pond and Channel	3,821,992			2,584,572	22,822	1,214,598	3,821,992
Lavalee Drain F	12,361			6,181		6,181	12,361
Rockwood Storm Sewer	805,408	229,380	273,587	101,089		201,351	805,408
Subtotal	8,352,375	229,380	283,031	2,937,584	22,822	4,879,557	8,352,375
Total Engineered Services	333,040,921	3,250,272	17,418,335	48,106,630	92,902,567	171,363,118	333,040,921
Total	394,184,061	4,087,784	24,462,468	60,415,740	105,511,233	199,706,835	394,184,061
Note - The projects identified above are for projects with development charges collected and transferred during 2021 and/or earlier years.							
Note 1 - The amount to be repaid by development charges collected in the future may vary based upon limitations under DC Act, actual growth forecast, exemptions, final costs, growth related portion of these projects and timelines.							

**Appendix C - Development Charges - Credits Outstanding
For the Year Ended December 31, 2021**

The credits outstanding are in accordance with Section 38 of the Development Charges Act, 1997. The project noted below is a growth related project within the 2019 Development Charges Background Study that was constructed by the DC Credit Holder below. This growth related project is partially funded by development charges as noted on Schedule B and DC Credits (DC Credit at time of building permit issuance or cash payments based on negotiated agreement) is provided to the DC Credit Holder as form of payment for the constructed project.

DC Credit Holders	Service Area - Project	Opening Balance, January 1, 2021	Credits Granted	Credits Used / Transferred	Closing Balance, December 31, 2021
1721169 Ontario Inc.	Roads - Silver Hills Drive	772,703	-	-	772,703
		772,703	-	-	772,703