

Clause No. 10 in Report No. 10 of the Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 15, 2014.

## **10**

### **2013 DEVELOPMENT CHARGE RESERVE FUND STATEMENT**

**Committee of the Whole recommends adoption of the recommendation contained in the following report dated April 22, 2014 from the Commissioner of Finance:**

#### **1. RECOMMENDATION**

It is recommended that:

1. The Regional Clerk forward this report to the Minister of Municipal Affairs and Housing, local municipalities, and the Building Industry and Land Development Association (BILD) York Region Chapter.

#### **2. PURPOSE**

This report provides a year end summary of development charge activity and reserve balances, as required under the *Development Charges Act, 1997*.

#### **3. BACKGROUND**

**Development charges are a key funding source for the Region's capital plan**

Development charges are imposed by York Region to recover growth-related capital costs from residential and non-residential development that create the need for capital works. The majority of York Region's capital expenditures are due to growth, so development charges are a major source of funding for the Region's capital plan.

### **Development charge reserve reporting is required by the Development Charges Act 1997**

The *Development Charges Act, 1997* outlines specific reporting requirements for development charge reserves. Sections 33 and 43 of the *Development Charges Act, 1997* require that:

- A municipality that has passed a development charge bylaw shall establish a separate reserve fund for each service to which the development charge relates and fund only eligible capital costs
- The Treasurer of the municipality shall provide Council a financial statement relating to development charge bylaws and reserve funds established.

Municipalities are also required to identify all other sources of funding applied to each project funded with development charges and provide a detailed summary of activity for each development charge reserve for the year.

#### **4. ANALYSIS AND OPTIONS**

**As of December 31, 2013, the Development Charge reserve balance was \$324.6 million**

The Development Charge reserve balance by service area is shown in Table 1 below.

**Table 1**  
York Region 2013 Development Charge  
Reserve Balance as at December 31, 2013

<b>Service</b>	<b>\$ millions</b>
Regional Roads	225.9
Water Supply	30.9
Sanitary Sewer Servicing	(92.6)
General Services	160.4
<b>Total</b>	<b>324.6</b>

Attached to this report are five schedules (*see Attachment 1*):

- Schedule 1 summarizes the development charge reserves established under the authority of the *Development Charges Act, 1997*, and the Development Charge Bylaw. Schedule 1 (A) provides a breakdown of the General Services column on Schedule 1. Schedule 1 (B) provides details of the development charge credits shown on Schedule 1.

- Schedule 2 details 2013 capital project expenditures and development charge funds transferred to each project.
- Schedule 3 details road-related development charge expenditures for 2013.
- Schedule 4 details water-related development charge expenditures for 2013.
- Schedule 5 details sewer-related development charge expenditures for 2013.

### **Link to Key Council–approved Plans**

This report is consistent with the 2011 to 2015 Strategic Plan objectives to expand the Region’s strategic financial management capability and practice sound fiscal management.

## **5. FINANCIAL IMPLICATIONS**

The balance of the Development Charge Reserves on December 31, 2013 was \$324.6 million, including interest of \$12.5M earned in 2013. Net collections in 2013 totalled \$186.4M. Development charge expenditures totalled \$252.0M.

## **6. LOCAL MUNICIPAL IMPACT**

Development charges are an important revenue source for constructing growth-related infrastructure, which benefits all municipalities in York Region

## **7. CONCLUSION**

The 2013 Development Charge Reserve Fund Statement presented in this report satisfies the Region’s reporting obligations pursuant to the Development Charges Act, 1997.

For more information on this report, please contact Warren Marshall, Director, Controllership Office, at Ext. 71601.

The Senior Management Group has reviewed this report.

*Attachment (1)*

REGIONAL MUNICIPALITY OF YORK  
DEVELOPMENT CHARGE RESERVE FUND STATEMENT  
JANUARY 1, 2013 TO DECEMBER 31, 2013

	REGIONAL ROADS	WATER SUPPLY	WASTEWATER SERVICING	GENERAL SERVICES <sup>1</sup>	2013 TOTAL
Opening Balance @ January 1, 2013	\$ 191,806,961.56	\$ 76,690,446.02	(\$54,297,196.43)	\$ 163,438,577.19	\$ 377,638,788.34
Add:					
Development Charges Collected ( Gross) <sup>2</sup>	\$57,272,340.52	\$38,169,914.44	\$65,370,644.85	\$25,948,325.34	\$186,761,225.15
Development Charge Credits Issued <sup>3</sup>			(\$321,642.00)		(\$321,642.00)
<b>Development Charge Collected (Net)</b>	<b>\$57,272,340.52</b>	<b>\$38,169,914.44</b>	<b>\$65,049,002.85</b>	<b>\$25,948,325.34</b>	<b>\$186,439,583.15</b>
Year-to-date interest	\$7,075,540.44	\$2,275,769.53	(\$1,751,540.39)	\$4,855,754.24	\$12,455,523.82
<b>Revenue Sub-total</b>	<b>\$64,347,880.96</b>	<b>\$40,445,683.97</b>	<b>\$63,297,462.46</b>	<b>\$30,804,079.58</b>	<b>\$198,895,106.97</b>
Expenditures	\$30,243,080.19	\$86,283,411.09	\$101,566,409.48	\$33,879,066.51	\$251,971,967.27
<b>Closing Balance @ December 31, 2013</b>	<b>\$225,911,762.33</b>	<b>\$30,852,718.90</b>	<b>(\$92,566,143.45)</b>	<b>\$160,363,590.26</b>	<b>\$324,561,928.04</b>

**Notes :**

1. See Schedule 1(A) for breakdown.
2. Adjusted to reflect gross DC collections before the deduction of DC credits
3. See Schedule 1(B) for breakdown.

REGIONAL MUNICIPALITY OF YORK  
GENERAL SERVICES DETAIL  
DEVELOPMENT CHARGE RESERVE FUND STATEMENT  
JANUARY 1, 2013 TO DECEMBER 31, 2013

	OPENING BALANCE JANUARY 1, 2013	ADD: DEVELOPMENT CHARGES COLLECTED (GROSS)	DEVELOPMENT CHARGE CREDITS ISSUED	DEVELOPMENT CHARGES COLLECTED (NET)	YEAR- TO-DATE INTEREST	REVENUE SUB-TOTAL	EXPENDITURES	CLOSING BALANCE DECEMBER 31, 2013
Growth Studies	\$9,369,437.00	\$207,052.38		\$207,052.38	\$268,989.24	\$476,041.62	\$99,116.17	\$9,746,362.45
Police	\$17,227,391.67	\$3,548,056.54		\$3,548,056.54	\$492,526.07	\$4,040,582.61	\$6,022,846.22	\$15,245,128.06
EMS	\$3,945,455.80	\$611,030.25		\$611,030.25	\$117,088.75	\$728,119.00	\$254,791.67	\$4,418,783.13
Health	\$7,901,426.70	\$493,840.75		\$493,840.75	\$230,600.19	\$724,440.94	\$0.00	\$8,625,867.64
Long Term Care	\$16,975,265.47	\$418,319.32		\$418,319.32	\$485,622.83	\$903,942.15	\$282,869.31	\$17,596,338.31
Social Housing	\$891,548.24	\$1,768,871.23		\$1,768,871.23	\$40,102.26	\$1,808,973.49	\$1,330,810.00	\$1,369,711.73
Public Works	\$9,139,382.33	\$1,487,116.55		\$1,487,116.55	\$277,994.73	\$1,765,111.28	\$166,185.28	\$10,738,308.33
Subway	\$1,775,916.40	\$9,505,463.34		\$9,505,463.34	\$131,371.58	\$9,636,834.92	*((\$359,922.00))	\$11,772,673.32
Transit Infrastructure	\$93,501,014.56	\$5,793,534.07		\$5,793,534.07	\$2,711,250.10	\$8,504,784.17	\$26,082,369.86	\$75,923,428.87
GO Transit	\$2,711,739.02	\$2,115,040.91		\$2,115,040.91	\$100,208.49	\$2,215,249.40	\$0.00	\$4,926,988.42
2013 Total	\$163,438,577.19	\$25,948,325.34	\$0.00	\$25,948,325.34	\$4,855,754.24	\$30,804,079.58	\$33,879,066.51	\$160,363,590.26

**Note:** \* Represents interest earned on debt issued which was not needed during 2013.

REGIONAL MUNICIPALITY OF YORK  
DEVELOPMENT CHARGE CREDITS ISSUED  
JANUARY 1, 2013 TO DECEMBER 31, 2013

MUNICIPALITY	SUBDIVISION	DEVELOPER	DC CREDITS *			
			REGIONAL ROADS	WATER SUPPLY	WASTEWATER	TOTAL
Georgina	19T-95G82 & 19T-95G84	2151028 Ontario Ltd.			\$321,642.00	\$321,642.00
Total Development Charge Credits Issued			\$0.00	\$0.00	\$321,642.00	\$321,642.00

**Note:** \* DC credits were direct reductions to the developer's DC payable to the Region and were tracked separately.

REGIONAL MUNICIPALITY OF YORK DEVELOPMENT CHARGE RESERVE  
CAPITAL PROGRAM TRANSFER ADDENDUM  
JANUARY 1, 2013 TO DECEMBER 31, 2013

DEVELOPMENT CHARGE CATEGORY	PROJECT NUMBER	PROJECT DESCRIPTION	2013 TOTAL DEVELOPMENT CHARGES FUNDING	ASSOCIATED 2013 PROJECT FUNDING			2013 TOTAL PROJECT FUNDING
				TAX LEVY FUNDING	USER RATE FUNDING	OTHER PROJECT FUNDING <sup>1</sup>	
Growth Studies	15000	Finance Studies	\$99,116.17			\$368,237.89	\$467,354.06
			\$99,116.17	\$0.00	\$0.00	\$368,237.89	\$467,354.06
Police	26160	Debenture Payments	\$3,478,286.96			\$13,957,262.38	\$17,435,549.34
	29017	Specialized Equipment Purchasing	\$623,782.26				\$623,782.26
	29026	In Car Video	\$191,777.00			\$1,408,000.00	\$1,599,777.00
	29041	5th District Substation	\$1,080,000.00			\$120,000.00	\$1,200,000.00
	29042	Radio System	\$649,000.00			\$13,316,308.66	\$13,965,308.66
			\$6,022,846.22	\$0.00	\$0.00	\$28,801,571.04	\$34,824,417.26
EMS	54190	Debenture Payments	\$254,791.67			\$629.62	\$255,421.29
			\$254,791.67	\$0.00	\$0.00	\$629.62	\$255,421.29
Public Health			\$0.00				\$0.00
			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Long Term Care	55190	Debenture Payments	\$282,869.31			\$159,589.00	\$442,458.31
			\$282,869.31	\$0.00	\$0.00	\$159,589.00	\$442,458.31
Social Housing	67917	Essex Avenue Richmond Hill	\$1,330,810.00			\$28,724,626.00	\$30,055,436.00
			\$1,330,810.00	\$0.00	\$0.00	\$28,724,626.00	\$30,055,436.00
Public Works	99900	Fleet	\$166,185.28	\$195,087.06			\$361,272.34
			\$166,185.28	\$195,087.06	\$0.00	\$0.00	\$361,272.34
Subway/ RapidCo		Interest Earned on Debt not used	(\$359,922.00)				(\$359,922.00)
			(\$359,922.00)	\$0.00	\$0.00	\$0.00	(\$359,922.00)
Transit Infrastructure	12000/38001	Debenture Payments	\$5,130,796.63			\$38,248,515.40	\$43,379,312.03
	81582	Transit Vehicle Garages - North	\$49,615.76			\$304,782.49	\$354,398.25
	52150	Bus Terminals, Loops & Stops - Expansion	\$129,547.18			\$1,359,500.88	\$1,489,048.06
	90992	Facilities and Terminals	\$2,557,388.26			\$18,228,733.57	\$20,786,121.83
	90993	Vehicles Funded	\$13,777,520.85			\$13,689,192.83	\$27,466,713.68
	90996	Spadina Subway Extension	\$3,120,533.18			\$3,749,987.59	\$6,870,520.77
	90999	Capacity Upgrades Projects	\$1,316,968.00			\$63,667.97	\$1,380,635.97
			\$26,082,369.86	\$0.00	\$0.00	\$75,644,380.73	\$101,726,750.59
GO Transit			\$0.00				\$0.00
			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Regional Roads		See Schedule 3 for details Expenditures	\$30,243,080.19	\$5,839,729.87	\$0.00	\$1,586,038.12	\$37,668,848.18
Water Supply		See Schedule 4 for details Expenditures	\$86,283,411.09	\$0.00	\$0.00	\$0.00	\$86,283,411.09
Wastewater		See Schedule 5 for details Expenditures	\$101,566,409.48	\$0.00	\$0.00	\$0.00	\$101,566,409.48
<b>Total Capital Programs</b>			<b>\$251,971,967.27</b>	<b>\$6,034,816.93</b>	<b>\$0.00</b>	<b>\$135,285,072.40</b>	<b>\$393,291,856.60</b>

NOTES :

1. Other funding consists of third party recoveries, capital reserves, Provincial/Federal grants, fees and charges

2. Debenture Payments include both principal and interest

REGIONAL MUNICIPALITY OF YORK DEVELOPMENT CHARGE RESERVES  
ROADS CAPITAL PROGRAM TRANSFER ADDENDUM  
AS AT DECEMBER 31, 2013

PROJECT NUMBER	PROJECT DESCRIPTION	TOTAL 2013 DEVELOPMENT CHARGE FUNDING	TOTAL 2013 TAX LEVY FUNDING	TOTAL OTHER PROJECT FUNDING *	2013 TOTAL PROJECT FUNDING
39950	Miscellaneous Capital Improvements	\$2,608,127.42	\$289,791.94		\$2,897,919.36
99530	Bloomington - Yonge To Bathurst	\$1,548,507.04	\$484,278.56		\$2,032,785.60
80270	York Durham Line and Durham Road 5	\$1,241,678.77	\$157,964.31		\$1,399,643.08
99890	Intelligent Traffic System	\$962,115.06	\$106,901.67		\$1,069,016.73
81810	Hwy 50 - Hwy 7 to Rutherford Road	\$832,897.69	\$404,321.97		\$1,237,219.66
98670	Warden Avenue - 16th to Major Mackenzie	\$793,498.15	\$1,977,610.91		\$2,771,109.06
84940	Pedestrian and Cycling Program	\$722,880.77	\$80,320.09		\$803,200.86
96700	Woodbine - Ravenshoe to Morton	\$680,213.84	\$75,579.32	(\$411,600.25)	\$344,192.91
85700	Stouffville Road - Kennedy To McCowan	\$407,957.90	\$45,328.66		\$453,286.56
86860	16th Avenue - Reesor Road Jog Elimination	\$388,705.81	\$43,189.53		\$431,895.34
80220	Markham ByPass Ph3 - Hwy7 to 16th	\$315,737.88	\$736,721.73	\$118,084.15	\$1,170,543.76
82690	Vaughan Community Centre - Hwy 400 at Hwy7	\$283,815.08	\$31,535.01		\$315,350.09
81320	Major Mackenzie Drive - Weston To Hwy 27	\$227,272.88	\$40,252.54		\$267,525.42
39990	Miscellaneous Signal & Electronic Improvements	\$225,679.54	\$25,075.50		\$250,755.04
83490	Smart Commute Association Contribution	\$178,876.82	\$19,875.20		\$198,752.02
94200	9th Line - Hwy 407 to 16th Ave	\$159,484.10	\$41,720.46		\$201,204.56
97150	Leslie - Bethesda To Bloomington	\$105,366.96	\$158,050.44		\$263,417.40
98170	Hwy 7 - Rouge River to Warden	\$71,567.79	\$7,951.98		\$79,519.77
81020	King Road at Hwy27	\$67,826.61	\$7,536.29		\$75,362.90
86920	Keele Street and King/Vaughan Line	\$62,713.93	\$6,968.21		\$69,682.14
86930	Jane Street and King/Vaughan Line	\$61,247.36	\$6,805.26		\$68,052.62
99540	Langstaff Road - Dufferin To Keele	\$57,654.21	\$6,406.02		\$64,060.23
81510	Keele Street at 15th Sideroad	\$44,323.29	\$4,924.81		\$49,248.10
84950	Drainage System Program	\$40,454.65	\$94,394.17		\$134,848.82
91100	York Durham Line - Steeles to Hwy 7	\$38,027.39	\$4,225.26		\$42,252.65
39980	Various Road Improvements	\$37,816.65	\$1,208,238.84	\$11,131.02	\$1,257,186.51
	Development Charge Credits Payment	\$6,480,312.41			\$6,480,312.41
	Overfunding of Street Trees	(\$48,294.75)			(\$48,294.75)
	Various Programs, Credits and Transfers	(\$2,454,060.68)	(\$226,238.81)	\$1,868,423.20	(\$811,876.29)
	Debenture Payments	\$14,100,675.62			\$14,100,675.62
<b>Total Regional Roads Capital Programs</b>		<b>\$30,243,080.19</b>	<b>\$5,839,729.87</b>	<b>\$1,586,038.12</b>	<b>\$37,668,848.18</b>

**NOTE :** \* Other funding consists of third party recoveries, capital reserves, Provincial/Federal grants, fees and charges.



REGIONAL MUNICIPALITY OF YORK DEVELOPMENT CHARGE RESERVES  
WATER SUPPLY CAPITAL PROGRAM TRANSFER ADDENDUM  
AS AT DECEMBER 31, 2013

PROJECT NUMBER	PROJECT DESCRIPTION	TOTAL 2013 DEVELOPMENT CHARGE FUNDING	TOTAL 2013 TAX LEVY FUNDING	TOTAL OTHER PROJECT FUNDING *	2013 TOTAL PROJECT FUNDING
71260	Decommission Sharon Elevated Tank	\$44,107.20			\$44,107.20
72440	Aurora/Newmarket Water Supply System Study	\$104,034.68			\$104,034.68
73300	Master Plan	\$218,674.37			\$218,674.37
74170	Decommission Wooten Way Elevated Tank	\$1,068.73			\$1,068.73
74220	Decommission Markham Pumping Station	\$116,672.74			\$116,672.74
79670	System Capacity Assessment	\$90,748.98			\$90,748.98
	Debenture Payments	\$85,077,156.33			\$85,077,156.33
	Mt. Albert Benefitting Area payment	\$630,948.06			\$630,948.06
<b>Total Water Supply Capital Programs</b>		<b>\$86,283,411.09</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$86,283,411.09</b>

**NOTE :** \* Other funding consists of third party recoveries, capital reserves, Provincial/Federal grants, fees and charges.

REGIONAL MUNICIPALITY OF YORK DEVELOPMENT CHARGE RESERVES  
WASTEWATER SUPPLY CAPITAL PROGRAM TRANSFER ADDENDUM  
AS AT DECEMBER 31, 2013

PROJECT NUMBER	PROJECT DESCRIPTION	TOTAL 2013 DEVELOPMENT CHARGE FUNDING	TOTAL 2013 TAX LEVY FUNDING	TOTAL OTHER PROJECT FUNDING *	2013 TOTAL PROJECT FUNDING
79100	YDSS Master Plan Update	\$204,219.36			\$204,219.36
	Debenture Payments	\$99,311,125.56			\$99,311,125.56
	Bathurst and Langstaff Sewer Benefitting Area payment	\$2,051,064.56			\$2,051,064.56
<b>Total Wastewater Supply Capital Programs</b>		<b>\$101,566,409.48</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$101,566,409.48</b>

**NOTE :** \* Other funding consists of third party recoveries, capital reserves, Provincial/Federal grants, fees and charges.