



# Staff Report

## Finance and IT Services

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**Report To:** Committee of The Whole  
**Meeting Date:** May 14, 2018  
**Report Number:** FAF.18.48  
**Subject:** 2017 Treasurer's Statement  
**Prepared by:** Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

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### A. Recommendations

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THAT Council receive Staff Report FAF.18.48, entitled "2017 Treasurer's Statement"; and

THAT Council approve the 2017 Treasurer's Statement and post it on the Town's website and make it available to the Minister of Municipal Affairs upon request.

### B. Overview

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This report presents the 2017 Treasurer's Statement as per the *Development Charges Act, 1997*.

### C. Background

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Section 43 of the *Development Charges Act, 1997* requires the Treasurer of a municipality each year to give Council a financial statement relating to the Development Charges By-law and reserve funds established under section 33, being separate reserve funds for each service to which the Development Charges relate.

### D. Analysis

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The Town saw growth again in 2017 which resulted in the collections of \$5,541,670 in Development Charges (DC) for the year. In 2017 \$962,000 was used to fund various capital and operating projects as well as \$500,000 in long-term debt payments. Included in the 2018 capital budget forecast is \$4.45 million to be spent over the next three years from the DC Reserve Funds.

Compared to just four years ago when the Town ended 2013 with less than \$100,000 in all of the DC Reserve Funds, the Town is in a much better position to take on these larger capital projects as well as the continued ability to fund the debt requirements.

## **E. The Blue Mountains' Strategic Plan**

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Goal #4: Promote a Culture of Organizational and Operational Excellence  
Objective #4: To Be a Financially Responsible Organization

## **F. Environmental Impacts**

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None.

## **G. Financial Impact**

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Strong Development Charge collections and healthy balances allow the Town to continue the capital requirements necessary to keep up with the growing infrastructure needs. With some significant projects in the short-term, specifically in Water and Wastewater, the Town is better suited to meet those needs and fund those projects.

As the Town continues the legislated update for the Development Charges Background Study and By-law, the balances of the Reserve Fund will be factored into the calculation for the updated charges. This means that any positive balances will lower the charge and any negative balances will increase the charge.

## **H. In consultation with**

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Ruth Prince, Director of Finance and IT Services  
Vicky Bouwman, Financial Analyst

## **I. Attached**

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1. 2017 Treasurer's Statement including Schedules

Respectfully Submitted,

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Sam Dinsmore  
Deputy Treasurer/Manager of Accounting and Budgets

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Ruth Prince  
Director of Finance and IT Services

For more information, please contact:  
Sam Dinsmore  
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## Treasurer's Statement, 2017

Financial Statement Relating to Development Charges By-laws and Reserve Funds

Report No.: **FAF.18.48**  
May 14, 2018  
Prepared by S. Dinsmore

Governing Act: Section 43 of the *Development Charges Act, 1997*  
Paragraphs 12 and 13 of Ontario Regulation 82/98

Governing By-law: Development Charges By-law No. 2014-51

### **Background:**

Section 43 of the *Development Charges Act, 1997* (herein after referred to as "Act") requires the Treasurer of a municipality each year to give the Council a financial statement relating to Development Charge By-laws and reserve funds established under Section 33, being the separate reserve funds for each service to which the development charge relates. It is required that the statement must be made available to the public and a copy can be requested by the Minister of Municipal Affairs and Housing.

Reserve funds established under the old Act for eligible services under the new Act are deemed to be reserve funds under the new Act, that is, they continue to be considered as development charges reserve funds. These reserve funds were consolidated with reserve funds under the new Act between 2000 and 2003. Reserve funds established under the old Act for ineligible services under the new Act are deemed to be general capital reserve funds. Both types of reserve funds were previously included in the Treasurer's Statement in order to provide for a transition from the old Act to the new Act. In addition, the Recreational Land Reserve Fund under the *Planning Act*, being a legislative reserve fund, has been included in the Treasurer's Statement.

### **Information:**

This report forms a part of the statement providing required information as outlined in Ontario Regulation 82/98.

The opening and closing balances of the reserve funds and the transactions relating to the funds are provided on the attached schedule. The total opening balance of the development charges reserve funds at the beginning of 2017 was \$4,812,083. Development charges collected

in 2017 amounted to \$5,541,670. Interest earned by the development charges reserve funds in 2017 amounted to \$78,548.

The projects financed, in whole or in part, by development charges are also provided on the attached schedule. Development charges represented \$962,135 in financing for the projects. The total closing balance of the development charges reserve funds at the ending of 2017 was \$9,470,166. The attached schedule forms a part of the statement providing required information as outlined in Ontario Regulation 82/98.

The specific detailed requirements of the Regulation are addressed under the following headings:

## **1. Description of Services and Categories of Services**

By-law No. 2014-51

### **Town of The Blue Mountains Discounted Services**

#### **General Government**

Various studies, including the development charges background study.

#### **Public Works**

Roads and public works services including land, buildings, furniture, equipment, and fleet.

#### **Parks and Recreation**

Parks and recreation services including trail and park development and indoor and outdoor recreational facilities, furniture, equipment, and vehicles.

#### **Library**

Library services, including land, buildings, furniture, equipment, and materials acquired for circulation, reference and information purposes.

### **Town of The Blue Mountains Non-Discounted Services**

#### **Fire**

Fire protection, rescue, and emergency services including land, buildings, furniture, equipment, and vehicles.

#### **Police**

Police services including land, buildings, furniture, equipment, and community policing space.

#### **Roads and Related**

Roads (highways) services including collector roads, bridges, culverts, sidewalks, streetlights, traffic signals, structures, and storm water drainage control services associated with roads.

#### **Sanitary Sewage System**

Wastewater services, including collection and treatment services for specific service areas.

### **Waterworks System**

Water supply services, including distribution and treatment services for specific service areas.

### **Camperdown Service Area Non-Discounted Services**

#### **Sanitary Sewage System Camperdown**

Wastewater services, including collection and treatment services for the Camperdown Service Area excluding sewage treatment plant.

#### **Waterworks System Camperdown**

Water supply services, including distribution and treatment services for the Camperdown Service Area excluding water treatment plant.

### **Lora Bay Service Area Non-Discounted Services**

#### **Sanitary Sewage System Lora Bay**

Wastewater services, including collection and treatment services for the Lora Bay Service Area excluding sewage treatment plant.

#### **Waterworks System Lora Bay**

Water supply services, including distribution and treatment services for the Lora Bay Service Area excluding water treatment plant.

## **2. Credits**

Section 38(1) of the Act provides that “If a municipality agrees to allow a person to perform work that relates to a service to which a development charge by-law relates, the municipality shall give the person a credit towards the development charge in accordance with the agreement.”

There was \$129,971 in credits outstanding at the beginning of the year: \$129,971 for roads and related services, \$0 for water supply services, and \$0 for sanitary sewer services.

\$0 in credits and \$0 in prepayments were granted in the year for roads and related services, water supply services, and sanitary sewer services under agreements with developers. \$0 in credits and \$109,018 in prepayments were used in the year. There were \$129,971 in credits for roads and related services and \$16,462,017 in prepayments for roads and related services, waterworks systems, and sanitary sewage systems outstanding at the end of the year. The credits and prepayments are detailed on the attached schedule.

## **3. Money Borrowed**

Money was borrowed from consolidated reserve funds, all being legislative and discretionary reserve funds, by the municipality during the year to provide short term financing for operations and capital projects. The amounts borrowed were dependent upon the cash flow of the Revenue Fund and Capital Fund during the year. With respect to the consolidated reserve

funds, a net amount of (\$15,663,289) was due from the Revenue Fund and a net amount of \$3,496,953 was due to the Capital Fund at the end of the year.

#### **4. Interest Accrued**

Interest was accrued on money borrowed from the consolidated reserve funds by the municipality during the year. Reserve funds are consolidated with interest allocated based on respective balances. The amount of interest accrued is based on the amounts due to and from the funds and prevailing interest rates.

#### **5. Source of Repayment**

Taxation, user rates, reserves, reserve funds, and other sources were used by the municipality to repay money borrowed from the consolidated reserve funds or interest on such money. The amounts of repayments were dependent upon the cash flow of the Revenue Fund and Capital Fund during the year.

#### **6. Credits**

There were no credits recognized under Section 14 of the old Act. No applications for the recognition of credits under the old Act were received.

Respectfully submitted by,

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Sam Dinsmore  
Deputy Treasurer/Manager of Accounting and Budgets

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Ruth Prince  
Director of Finance and IT Services/Treasurer

**Town of The Blue Mountains**

Section 24 of By-law Number 2014-51

**Financial Statement relating to Development Charge By-laws and Reserve Funds**

For the year ending December 31, 2017

Prepared Pursuant to Section 43 of the Development Charges Act, 1997 and Ontario regulation 82/98

Reserve Fund Description and Categories of Services	Opening Balance (\$)	Revenue New Development Charges	Revenue Interest - Other	Revenue Sub-total	Expenditures Capital Fund	Expenditures Revenue Fund	Expenditures Sub-total	Closing Balance (\$)
<b>Non-Discounted Services</b>								
Fire	\$ (142,004)	\$ 459,243	\$ 271	\$ 459,514	\$ 40,593	\$ -	\$ 40,593	\$ 276,917
Police	\$ (59,844)	\$ 82,691	\$ (476)	\$ 82,215	\$ -	\$ 37,328	\$ 37,328	\$ (14,957)
Roads and Related	\$ 198,570	\$ 1,986,766	\$ 8,743	\$ 1,995,509	\$ 114,472	\$ 305,313	\$ 419,785	\$ 1,774,294
Sanitary Sewage System	\$ 1,854,085	\$ 744,241	\$ 25,625	\$ 769,867	\$ -	\$ 91,339	\$ 91,339	\$ 2,532,613
Waterworks System	\$ 3,307,840	\$ 448,392	\$ 42,850	\$ 491,242	\$ -	\$ 356,669	\$ 356,669	\$ 3,442,413
Public Works	\$ 465,957	\$ 227,565	\$ 6,832	\$ 234,398	\$ -	\$ -	\$ -	\$ 700,355
<b>Discounted Services</b>								
General Government	\$ (577,156)	\$ 296,279	\$ (5,939)	\$ 290,340	\$ 1,594	\$ 1,376	\$ 2,971	\$ (289,787)
Parks and Recreation	\$ 192,762	\$ 628,381	\$ 5,123	\$ 633,504	\$ 13,451	\$ -	\$ 13,451	\$ 812,815
Library	\$ 605,656	\$ 318,192	\$ 9,222	\$ 327,414	\$ -	\$ -	\$ -	\$ 933,070
<b>Sub-total</b>	<b>\$ 5,845,866</b>	<b>\$ 5,191,751</b>	<b>\$ 92,251</b>	<b>\$ 5,284,002</b>	<b>\$ 170,110</b>	<b>\$ 792,025</b>	<b>\$ 962,135</b>	<b>\$ 10,167,732</b>
<b>Camperdown Service Area non-Discounted Services</b>								
Sanitary Sewage System	\$ 57,804	\$ -	\$ 1,002	\$ 1,002	\$ -	\$ -	\$ -	\$ 58,806
Waterworks System	\$ (32,931)	\$ -	\$ (323)	\$ (323)	\$ -	\$ -	\$ -	\$ (33,254)
<b>Sub-total</b>	<b>\$ 24,873</b>	<b>\$ -</b>	<b>\$ 680</b>	<b>\$ 680</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,553</b>
<b>Lora Bay Service Area Non-Discounted Services</b>								
Sanitary Sewage System	\$ (1,269,596)	\$ 292,985	\$ (16,739)	\$ 276,246	\$ -	\$ -	\$ -	\$ (993,350)
Waterworks System	\$ 210,940	\$ 56,935	\$ 2,356	\$ 59,291	\$ -	\$ -	\$ -	\$ 270,231
<b>Sub-total</b>	<b>\$ (1,058,656)</b>	<b>\$ 349,920</b>	<b>\$ (14,382)</b>	<b>\$ 335,538</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (723,118)</b>
<b>Total Development Charges</b>	<b>\$ 4,812,083</b>	<b>\$ 5,541,671</b>	<b>\$ 78,548</b>	<b>\$ 5,620,219</b>	<b>\$ 170,110</b>	<b>\$ 792,025</b>	<b>\$ 962,135</b>	<b>\$ 9,470,168</b>
<b>Planning Act</b>								
Recreational Land (Parkland)	\$ 1,215,344	\$ 44,416	\$ 14,012	\$ 58,428	\$ 253,746	\$ -	\$ 253,746	\$ 1,020,027
<b>Total Deferred Revenue</b>	<b>\$ 6,027,427</b>	<b>\$ 5,586,087</b>	<b>\$ 92,561</b>	<b>\$ 5,678,647</b>	<b>\$ 423,856</b>	<b>\$ 792,025</b>	<b>\$ 1,215,881</b>	<b>\$ 10,490,194</b>

**Town of The Blue Mountains**

**Projects Financed, in whole or in part, by Development Charges**

Prepared Pursuant to Section 43 of the Development Charges Act, 1997 and Ontario regulation 82/98

Section 24 of By-law Number 2014-51  
For the year ending December 31, 2017

Projects	Development Charges	Parkland Reserve Fund	Other Reserve Funds	Reserves	Proceeds of Long Term Debt	Revenue Fund (Taxation)	Developer Contributions	User Rates	Other Contributions	Total Amount Financed
<b>Non-Discounted Services</b>										
Hwy 26 and Grey Road 2 EA	\$ 1,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,031	\$ 5,753
Fire-Vehicle Acquisition-Growth	\$ 40,593	\$ -	\$ -	\$ -	\$ -	\$ 45,775	\$ -	\$ -	\$ -	\$ 86,368
Reservoir Loan Payment	\$ 209,012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,012
OPP Station Loan Payment	\$ 37,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,328
Mill Street	\$ 66,219	\$ -	\$ -	\$ (51,557)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,661
Water Distribution Plan	\$ 54,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,918
Wastewater Collection Model	\$ 63,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,219
Thornbury Wastewater Treatment Plant EA Amendment	\$ 28,120	\$ -	\$ -	\$ 18,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,942
Streetscape & Engineering	\$ 12,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,290
Hidden Lake EA	\$ 48,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,253
Lora Bay Corporation Repayment	\$ 92,739	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,739
Sobeys Repayment	\$ 291,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,301
<b>Discounted Services</b>										
Zoning By-Law	\$ 905	\$ -	\$ -	\$ 1,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,012
Active Transportation Plan	\$ 471	\$ -	\$ -	\$ 576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,047
Trail Counters	\$ 1,594	\$ -	\$ -	\$ 1,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,542
Northwinds Beach Crossing	\$ 12,641	\$ -	\$ 54	\$ 1,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,045
Lora Bay Park Improvement	\$ 810	\$ -	\$ -	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900
<b>Camperdown Service Area Non-Discounted Services</b>										
Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Lora Bay Service Area Non-Discounted Services</b>										
Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Development Charges</b>	\$ 962,135	\$ -	\$ 54	\$ (27,664)	\$ -	\$ 45,775	\$ -	\$ -	\$ 4,031	\$ 984,332
<b>Planning Act</b>										
<b>Recreational Land</b>										
see above	\$ -	\$ 253,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,746
<b>Total</b>	\$ 962,135	\$ 253,746	\$ 54	\$ (27,664)	\$ -	\$ 45,775	\$ -	\$ -	\$ 4,031	\$ 1,238,078

**Notes:**

Reserve funds are consolidated with interest allocated based on respective balances, including interest borrowed from the funds by the municipality.



## Town of The Blue Mountains

### Credits Outstanding under Section 38 of the Development Charges Act, 1997

Prepared Pursuant to Section 43 of the Development Charges Act, 1997 and Ontario regulation 82/98

Section 24 of By-law Number 2014-51  
For the year ending December 31, 2017

<b>Reserve Fund Description and Categories of Services</b>	<b>Opening Balance (\$)</b>	<b>Credits Granted</b>	<b>Credits Transferred</b>	<b>Credits Used</b>	<b>Closing Balance (\$)</b>
Roads and Related	\$ 129,971	\$ -	\$ -	\$ -	\$ 129,971
Sanitary Sewage System	\$ -	\$ -	\$ -	\$ -	\$ -
Waterworks System	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 129,971</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,971</b>

<b>Individual Credit Holders</b>	<b>Opening Balance (\$)</b>	<b>Credits Granted</b>	<b>Credits Transferred</b>	<b>Credits Used</b>	<b>Closing Balance (\$)</b>
1562220 Ontario Limited	\$ 19,476	\$ -	\$ -	\$ -	\$ 19,476
Siljon Investments Inc. (Farhills)	\$ 110,495	\$ -	\$ -	\$ -	\$ 110,495
<b>Total</b>	<b>\$ 129,971</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,971</b>

**Town of The Blue Mountains****Prepayments Outstanding under Section 27 of the Development Charges Act, 1997**

Prepared Pursuant to Section 43 of the Development Charges Act, 1997 and Ontario regulation 82/98

Supplementary Information  
For the year ending December 31, 2017

<b>Reserve Fund Description and Categories of Services</b>	<b>Opening Balance (\$)</b>	<b>Prepayments Earned</b>	<b>Prepayments Transferred</b>	<b>Prepayments Used/ Recovered</b>	<b>Closing Balance (\$)</b>
Roads and Related	\$ 2,102,018	\$ -	\$ -	\$ -	\$ <b>2,102,018</b>
Sanitary Sewage System	\$ 175,000	\$ -	\$ -	\$ -	\$ <b>175,000</b>
Sanitary Sewage System Osler	\$ 105,047	\$ -	\$ -	\$ -	\$ <b>105,047</b>
Sanitary Sewage System Castle Glen	\$ 584,640	\$ -	\$ -	\$ -	\$ <b>584,640</b>
Sanitary Sewage System Craigleith	\$ 835,672	\$ -	\$ -	\$ 109,018	\$ <b>726,654</b>
Waterworks System	\$ -	\$ -	\$ -	\$ -	\$ -
Sanitary Sewage System Camperdown	\$ 7,289,518	\$ -	\$ -	\$ -	\$ <b>7,289,518</b>
Waterworks System Camperdown	\$ 2,856,166	\$ -	\$ -	\$ -	\$ <b>2,856,166</b>
Sanitary Sewage System Lora Bay	\$ 1,447,937	\$ -	\$ -	\$ -	\$ <b>1,447,937</b>
Waterworks System Lora Bay	\$ 1,175,037	\$ -	\$ -	\$ -	\$ <b>1,175,037</b>
<b>Total</b>	\$ <b>16,571,035</b>	\$ -	\$ -	\$ <b>109,018</b>	\$ <b>16,462,017</b>

## Town of The Blue Mountains

### Prepayments Outstanding under Section 27 of the Development Charges Act, 1997

Prepared Pursuant to Section 43 of the Development Charges Act, 1997 and Ontario regulation 82/98

Supplementary Information  
For the year ending December 31, 2017

Individual Prepayment Holders	Opening Balance (\$)	Prepayments Earned	Prepayments Transferred	Prepayments Used/Recovered	Closing Balance (\$)
Alliance Peaks Meadows Inc.	\$ 1,278,649	\$ -	\$ -	\$ -	\$ 1,278,649
The Neighbourhoods at Delphi Point Inc* (Phoebus)	\$ 1,591,061	\$ -	\$ -	\$ -	\$ 1,591,061
The Neighbourhoods at Delphi Point Inc* (Delphi)	\$ 1,831,759	\$ -	\$ -	\$ -	\$ 1,831,759
Georgian Bay Golf Club Ltd & Georgian Bay Estates Ltd*	\$ 3,751,601	\$ -	\$ -	\$ -	\$ 3,751,601
P B Holdings Limited*	\$ 996,243	\$ -	\$ -	\$ -	\$ 996,243
Sorichetti Development Group Inc*	\$ 1,288,331	\$ -	\$ -	\$ -	\$ 1,288,331
William Allan Holdings Limited*	\$ 1,237,916	\$ -	\$ -	\$ -	\$ 1,237,916
The Lora Bay Corporation	\$ 2,895,116	\$ -	\$ -	\$ -	\$ 2,895,116
Castle Glen Development Corp	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Langwest Developments Limited	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Tyrolean Village Resorts Limited	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ -
Georgian Sands Development Corporation	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Craighleith Development Corporation	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Tabera Limited	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Georgian International	\$ 1,525,359	\$ -	\$ -	\$ 84,018	\$ 1,441,341
<b>Total</b>	<b>\$ 16,571,035</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 109,018</b>	<b>\$ 16,162,017</b>

#### Notes:

- "Credits Granted" and "Prepayments Earned" in the year are included in "New Dev Charges" Revenues.
- \*potential Credits held for Camperdown Road were recognized as prepayments of development charges in the year
- Credits and Prepayments held by the Camperdown developers are pursuant to the Camperdown Servicing Agreement, dated May 2, 2005, as amended, and subject to the terms and conditions of that agreement.
- Credits and Prepayments held by The Lora Bay Corporation are pursuant to a cost sharing agreement, subdivision agreements, and pending servicing agreement and subject to the terms and conditions of those agreements.
- Credits held by 1562220 Ontario Limited are pursuant to a subdivision agreement and subject to the terms and conditions of that agreement.