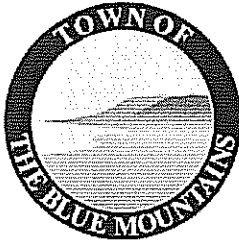


STAFF REPORT: Financial and Information Services



REPORT TO: Finance & Administration
Committee
MEETING DATE: June 24, 2009
REPORT NO.: FIS 09.36
SUBJECT: Treasurer's Statement, 2008
PREPARED BY: Darcy Chapman, Capital
Accountant
Robert Cummings, Director of
Financial Services

A. Recommendations

THAT Council receive Staff Report FIS.09.36 -- Treasurer's Statement, 2008 and;

THAT the Treasurer forward a copy of the Treasurer's Statement, 2008 and this report to the Minister of Municipal Affairs and Housing.

B. Background

Section 43 of the *Development Charges Act, 1997* 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.

Further, the Treasurer shall give a copy of the statement to the Minister of Municipal Affairs and Housing within 60 days after giving the statement to council.

C. The Blue Mountains' Strategic Plan

Providing a strong, well managed municipal government

D. Environmental Impacts

Supporting Environmentally sound decisions


E. Budget Impact

The balances of the reserve funds and collections of development charges are taken into account in the preparation of the budget.

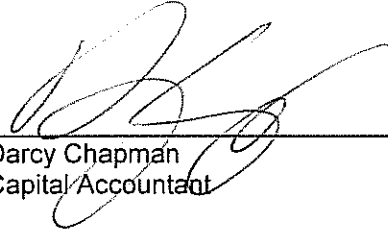
F. Attached

1. Treasurer's Statement, 2008 including schedules

Respectfully submitted,



Robert Cummings
Director of Financial Services



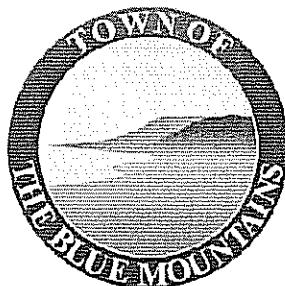
Darcy Chapman
Capital Accountant

For more information, please contact:

Name: Darcy Chapman

Email Address: dchapman@thebluemountains.ca

Business Telephone with Extension: 519-599-3131 x274



Report No.: **FIS.09.36**
June 18, 2009
Prepared by D. Chapman

Treasurer's Statement, 2008
Financial Statement Relating to Development Charges By-laws and Reserve Funds

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

Governing By-laws: Section 27 of the Development Charges By-law No. 2005-27,
By-law No. 2008-61, and By-law No. 2005-29

Background:

Section 43 of the *Development Charges Act, 1997* 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. Further, the treasurer shall give a copy of the statement to the Minister of Municipal Affairs and Housing within 60 days after giving the statement to council.

Reserve funds established under the old *Act* for eligible services under the new *Act* are deemed to be a 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 2008 was \$5,901,235. The balance of the "old" development charges of the former Township and former Town were either consolidated with other reserve funds or transferred to the Capital Fund in previous years. Development charges collected, credits granted, and prepayments recognized in 2008 amounted to \$15,955,830. Interest earned by the development charges reserve funds in 2008 amounted to \$114,527. The projects financed, in whole or in part, by development charges are also provided on the attached schedule. Development charges represented \$7,366,857 in financing for the projects. The total closing balance of the development charges reserve funds at the ending of 2008 was \$1,504,166, being only "new" development charges. 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. 2005-27

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: waste water services, including collection and treatment services for specific service areas.
Waterworks System: water supply services, including distribution and treatment services for specific service areas.

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.

By-law No. 2008-61

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

By-law No. 2005-29

Non-Discounted Services.

Sanitary Sewage System Lora Bay: waste water 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 \$181,353 in credits outstanding at the beginning of the year: \$181,353 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. \$51,382 in credits and \$2,071,652 in prepayments were used in the year. There were \$129,971 in credits for roads and related services and \$16,221,113 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, being all 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 \$2,004,914.27 was due from the Revenue Fund and a net amount of \$3,496,952.56 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.

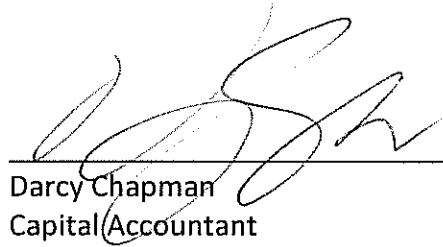
6. Credits.

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,



Robert Cummings
Director of Financial Services



Darcy Chapman
Capital Accountant

Town of The Blue Mountains

Financial Statement Relating to Development Charge By-laws and Reserve Funds
(prepared pursuant to Section 43 of the Development Charges Act, 1997 and Ontario Regulation 62/98)

For the Year Ended December 31, 2008

Reserve Fund Description and Categories of Services	Opening Balance \$	New Dev Charges	Park Land	Revenues		Sub-total	Expenditures		Other Adj	Sub-total	Closing Balance \$	
				Interest Own Funds see Note	Interest Other see Note		Capital Fund	Revenue Fund				
Now Act												
Town of The Blue Mountains, 2005-27												
Non-Discounted Services												
Fire	-\$ 257,854	\$ 47,405			-\$ 7,643	\$ 39,762	\$ 65,000			\$ 65,000	-\$ 283,092	
Police	\$ 163,254	\$ 13,073			\$ 4,806	\$ 17,878	\$ 176,010			\$ 176,010	\$ 5,123	
Roads and Related	-\$ 1,339,068	\$ 245,227			-\$ 44,610	\$ 200,616	\$ 768,912			\$ 768,912	-\$ 1,907,364	
Sanitary Sewage System	\$ 1,582,387	\$ 1,652,985	\$ -	\$ -	\$ 30,071	\$ 1,683,055	\$ 2,472,600	\$ -	\$ -	\$ 799	\$ 2,473,400	\$ 792,043
Waterworks System	\$ 3,758,548	\$ 1,005,623	\$ -	\$ -	\$ 125,222	\$ 1,130,846	\$ 1,716,969	\$ -	\$ -	\$ 37,423	\$ 1,754,392	\$ 3,135,001
Discounted Services												
General Government	-\$ 473,377	\$ 18,267			-\$ 15,782	\$ 2,486	\$ 91,289			\$ 91,289	-\$ 562,180	
Public Works	\$ 410,587	\$ 28,930			\$ 12,741	\$ 41,670	\$ 21,455			\$ 21,455	\$ 430,803	
Parks and Recreation	\$ 976,691	\$ 140,898			\$ 28,096	\$ 168,993	\$ 576,349			\$ 576,349	\$ 569,335	
Library	\$ 315,899	\$ 65,208			\$ 10,366	\$ 75,574	\$ 15,812			\$ 15,812	\$ 375,662	
Sub-total	\$ 5,137,068	\$ 3,217,615	\$ -	\$ -	\$ 143,267	\$ 3,360,881	\$ 5,904,397	\$ -	\$ -	\$ 38,223	\$ 5,942,619	\$ 2,555,329
Camperdown Service Area, 2005-28												
Non-Discounted Services												
Sanitary Sewage System	\$ 22,912	\$ -			\$ 615	\$ 615	\$ 5,358			-\$ 799	\$ 4,559	\$ 18,968
Waterworks System	\$ 11,652	\$ -			\$ 893	\$ 893	\$ 5,358			-\$ 21,888	-\$ 16,530	\$ 29,075
Sub-total	\$ 34,564	\$ -	\$ -	\$ -	\$ 1,508	\$ 1,508	\$ 10,717	\$ -	\$ -	\$ 22,687	-\$ 11,971	\$ 48,043
Lora Bay Service Area, 2005-29												
Non-Discounted Services												
Sanitary Sewage System	\$ 95,524	\$ 83,582			-\$ 35,169	\$ 48,413	\$ 1,448,497				\$ 1,448,497	-\$ 1,304,560
Waterworks System	\$ 81,324	\$ 106,820			\$ 4,921	\$ 111,741	\$ 3,247			-\$ 15,536	-\$ 12,288	\$ 205,354
Sub-total	\$ 176,849	\$ 190,402	\$ -	\$ -	-\$ 30,248	\$ 160,154	\$ 1,451,744	\$ -	\$ -	\$ 15,536	\$ 1,436,209	-\$ 1,099,206
Total Development Charges	\$ 5,348,481	\$ 3,408,017	\$ -	\$ -	\$ 114,627	\$ 3,522,543	\$ 7,366,857	\$ -	\$ -	\$ -	\$ 7,366,857	\$ 1,504,166
Planning Act												
Recreational Land (Parkland)	\$ 552,754		\$ 296,141		\$ 17,103	\$ 313,244	\$ 174,607			\$ -	\$ 174,607	\$ 691,392
Total Deferred Revenue	\$ 5,901,235	\$ 3,408,017	\$ 296,141	\$ -	\$ 131,629	\$ 3,835,787	\$ 7,541,464	\$ -	\$ -	\$ -	\$ 7,541,464	\$ 2,195,558

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)

For the Year Ended December 31, 2008

Projects	New Dev 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
New Act										
Town of The Blue Mountains, 2005-27										
Non-Discounted Services										
Fire: Pumper Rescue Truck	\$ 65,000				\$ 104,762	\$ 125,000				\$ 294,762
Police: Police Station	\$ 176,010				\$ 124,069	\$ 85,400				\$ 385,479
Greer Creek Bridge Approaches	\$ 54,627									\$ 54,627
Hidden Lake Road	\$ 10,927									\$ 10,927
Mountain Drive Phase 2 Construction	\$ 543,496			\$ 72,900		\$ 30,000		\$ 1,800		\$ 648,196
Craigleith Road	\$ 1,493									\$ 1,493
Jozo Weider Boulevard	\$ 158,370									\$ 158,370
Combined Environmental Assessment - Wastewater	\$ 35,473									\$ 35,473
Craigleith Sewage Treatment Plant incl debt repayment	\$ 607,448									\$ 607,448
Thornbury Sewage Treatment Plant Phase 1 incl debt repay	\$ 83,125									\$ 83,125
Thornbury Sewage Treatment Plant Phase 2	\$ 258,289									\$ 258,289
Thornbury Main Sewage Pumping Station	\$ 1,257,015									\$ 1,257,015
Beaver River Siphon	\$ 1,518,264									\$ 1,518,264
Thornbury Water Storage (Reservoir)	\$ 183,945									\$ 183,945
Combined Environmental Assessment - Water	\$ 15,462									\$ 15,462
Thornbury WTP Pall Membrana Expansion	\$ 1,394,000			\$ 307,015		\$ 376,400				\$ 2,077,415
Thornbury Water AWS (Huron Street)	\$ 158,235									\$ 158,235
Craigleith Water Storage Expansion	\$ 123,562									\$ 123,562
Discounted Services										
Development Charges Background Study Update	\$ 15,043			\$ 1,671						\$ 16,715
Area Specific DC Background Study Update	\$ 17,211									\$ 17,211
Zoning By-law Update & Consolidation	\$ 5,706				\$ 64,668	\$ 634				\$ 71,008
Comprehensive Parking Strategy	\$ 9,055			\$ 1,006						\$ 10,061
Streetscape & Engineering Standards	\$ 1,751					\$ 195				\$ 1,946
Roads Need Study	\$ 27,000		\$ 68,873			\$ 3,000				\$ 98,873
Regional Transportation Study	\$ 32,734					\$ 3,637				\$ 36,372
Snow Storage Facility	\$ 2,129					\$ 237				\$ 2,366
Tomahawk Visioning & Parks Management Plan	\$ 64,688	\$ 83,189								\$ 147,876
Parks Georgian Trail Improvements	\$ 11,831					\$ 1,315				\$ 13,145
Riverwalk Trail	\$ 22,320					\$ 2,480				\$ 24,800
Waterfront Development	\$ 37,631		\$ 19,181							\$ 56,812
Athletic Fields - Soccer Pitches	\$ 135,063		\$ 15,007							\$ 150,070
Parks Equipment - Skateboard Park	\$ 15,660					\$ 1,740				\$ 17,400
Parks Operations Building	\$ 175,948			\$ 17,836		\$ 2,000		\$ 2,000		\$ 197,783
Parks Machinery & Equipment	\$ 35,910					\$ 3,990				\$ 39,900
Ravenna Hall	\$ 58,066			\$ 7,756				\$ 55,000		\$ 120,822
Multi-Use Indoor Recreation Complex	\$ 19,235			\$ 2,137						\$ 21,372
Branch Library Feasibility Study	\$ 3,832			\$ 426						\$ 4,258
Integrated Library System	\$ 8,500					\$ 17,000				\$ 25,500
Library Parking Lot	\$ 3,480					\$ 387				\$ 3,866
Public Works Vehicles	\$ 19,326					\$ 2,147				\$ 21,473
Campertown Service Area, 2005-28										
Non-Discounted Services										
Sewer	\$ -									\$ -
Water	\$ -									\$ -
Lora Bay Service Area, 2005-29										
Non-Discounted Services										
Sewer	\$ -									\$ -
Water	\$ -									\$ -
Total Development Charges	\$ 7,366,857	\$ 83,189	\$ 103,061	\$ 410,747	\$ 293,500	\$ 655,561	\$ -	\$ -	\$ 58,800	\$ 8,971,715
Planning Act										
Recreational Land										
see above	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 7,366,857	\$ 83,189	\$ 103,061	\$ 410,747	\$ 293,500	\$ 655,561	\$ -	\$ -	\$ 58,800	\$ 8,971,715

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 62/98)

For the Year Ended December 31, 2008

Reserve Fund Description and Categories of Services	Opening Balance \$	Credits Granted	Credits Transferred	Credits Used	Closing Balance \$
Roads and Related	\$ 181,353				\$ 181,353
Sanitary Sewage System	\$ -				\$ -
Waterworks System	\$ -				\$ -
Total	\$ 181,353	\$ -	\$ -	\$ -	\$ 181,353

Individual Credit Holders

The Lora Bay Corporation	\$ 51,382			-\$ 51,382	\$ -
1562220 Ontario Limited	\$ 19,476				\$ 19,476
Siljon Investments Inc. (Farhills)	\$ 110,495				\$ 110,495
Total	\$ 181,353	\$ -	\$ -	-\$ 51,382	\$ 129,971

Supplementary Information

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 62/98)

For the Year Ended December 31, 2008

Reserve Fund Description and Categories of Services	Opening Balance \$	Prepayments Earned	Prepayments Transferred	Prepayments Used	Closing Balance \$
Roads and Related*	\$ 611,679	\$ 1,719,516		-\$ 367,310	\$ 1,963,885
Roads and Related	\$ 1,112,701			-\$ 241,461	\$ 871,240
Sanitary Sewage System	\$ -				\$ -
Waterworks System	\$ -				\$ -
Sanitary Sewage System Camperdown	\$ 52,830	\$ 7,924,069		-\$ 595,737	\$ 7,381,162
Waterworks System Camperdown	\$ 226,154	\$ 2,904,228		-\$ 243,822	\$ 2,886,560
Sanitary Sewage System Lora Bay	\$ 3,018,800			-\$ 273,540	\$ 2,745,260
Waterworks System Lora Bay	\$ 722,788			-\$ 349,782	\$ 373,006
Total	\$ 5,744,952	\$ 12,547,813	\$ -	-\$ 2,071,652	\$ 16,221,113

Individual Prepayment Holders

Alliance Peaks Meadows Inc.	\$ 131,744	\$ 1,545,737		-\$ 398,832	\$ 1,278,649
The Neighbourhoods at Delphi Point Inc* (Phoebus)	\$ 317,346	\$ 1,273,715			\$ 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*	\$ 61,271	\$ 3,946,376			\$ 4,007,647
P B Holdings Limited*	\$ 133,962	\$ 1,305,041		-\$ 442,760	\$ 996,243
Sorichetti Development Group Inc*	\$ 119,933	\$ 1,168,398			\$ 1,288,331
William Allan Holdings Limited*	\$ 126,406	\$ 1,476,787		-\$ 365,277	\$ 1,237,916
The Lora Bay Corporation	\$ 4,854,290			-\$ 864,783	\$ 3,989,507
Total	\$ 5,744,952	\$ 12,547,813	\$ -	-\$ 2,071,652	\$ 16,221,113

Notes:

1. "Credits Granted" and "Prepayments Earned" in the year are included in "New Dev Charges" Revenues.
2. *potential Credits held for Camperdown Road were recognized as prepayments of development charges in the year
3. 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.
4. 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.
5. Credits held by 1562220 Ontario Limited are pursuant to a subdivision agreement and subject to the terms and conditions of that agreement.