



Growth Management Implementation Strategy - 2013 Update

**SWM Reserve Fund
Debt Management Issue**

Growth Management Implementation Strategy - 2013 Report

- The GMIS:
 - Aligns major servicing infrastructure with growth needs across multiple capital budgets:
 - Wastewater and Treatment Capital,
 - Water Capital, and
 - General Growth Supported Capital.
 - Allows Council to react to significant fluctuations in development charge revenues, and
 - Provides an opportunity for the development community to comment on the timing of specific infrastructure projects.

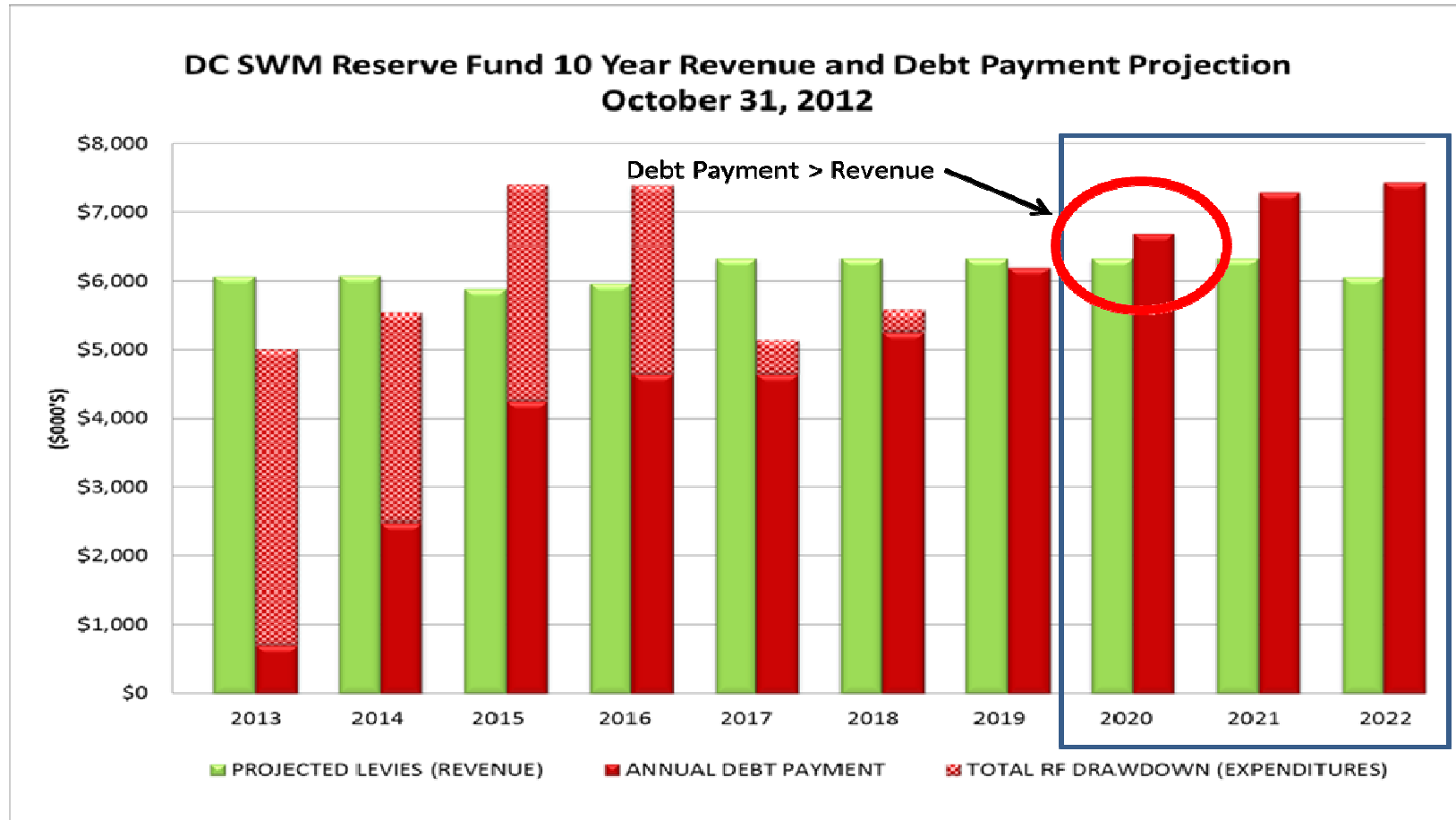
Growth Management Implementation Strategy 2013

- 2013 GMIS Report
 - Includes a new comprehensive financial and debt analysis.

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- The current debt position of the ten (10) reserve funds was reviewed
- Due to debt levels for approved projects, the Stormwater Management Reserve Fund is not on a sustainable path, over the long term.

Stormwater Management Debt

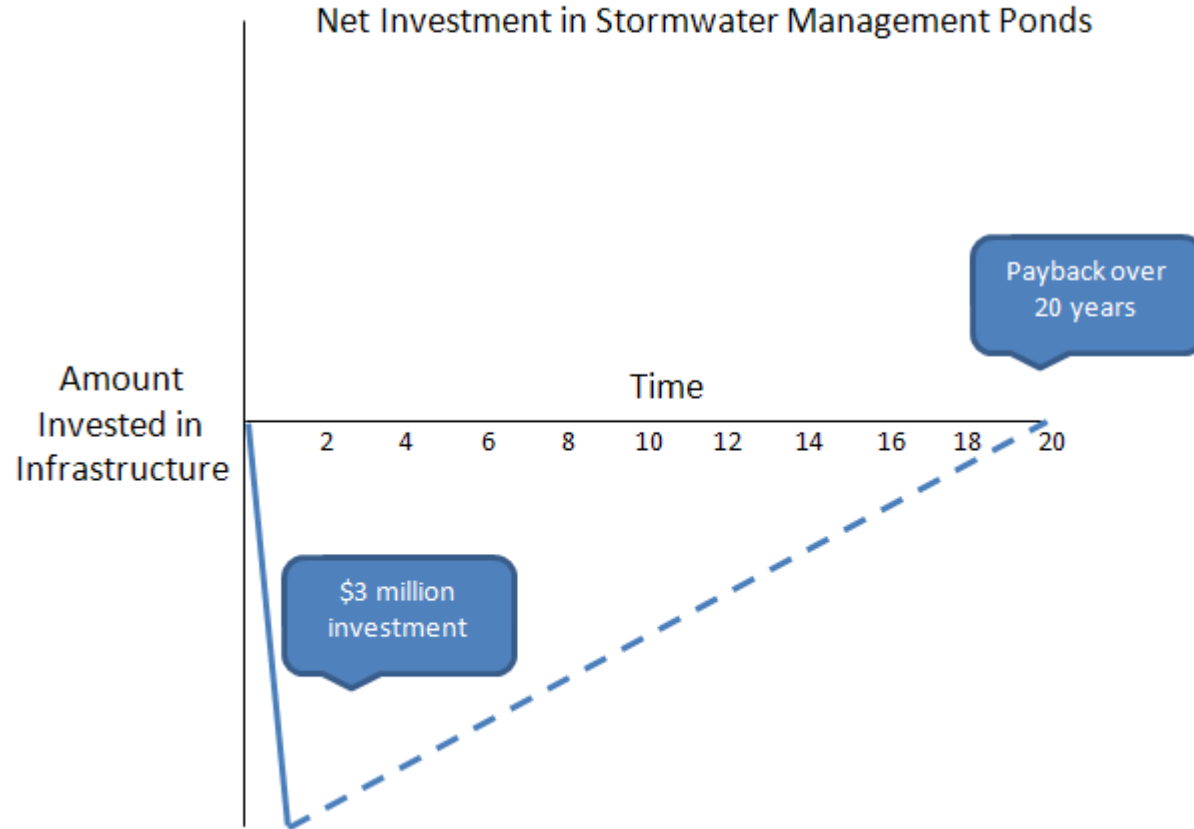


What caused this problem?

- Total DC Revenues (from residential and non-residential construction) are approximately 16% below expectations between 2010 and 2012.
- Investments in new infrastructure are slightly higher than the pace that was forecasted in the 2009 DC study.
- The need to construct Stormwater Servicing projects prior to development proceeding.

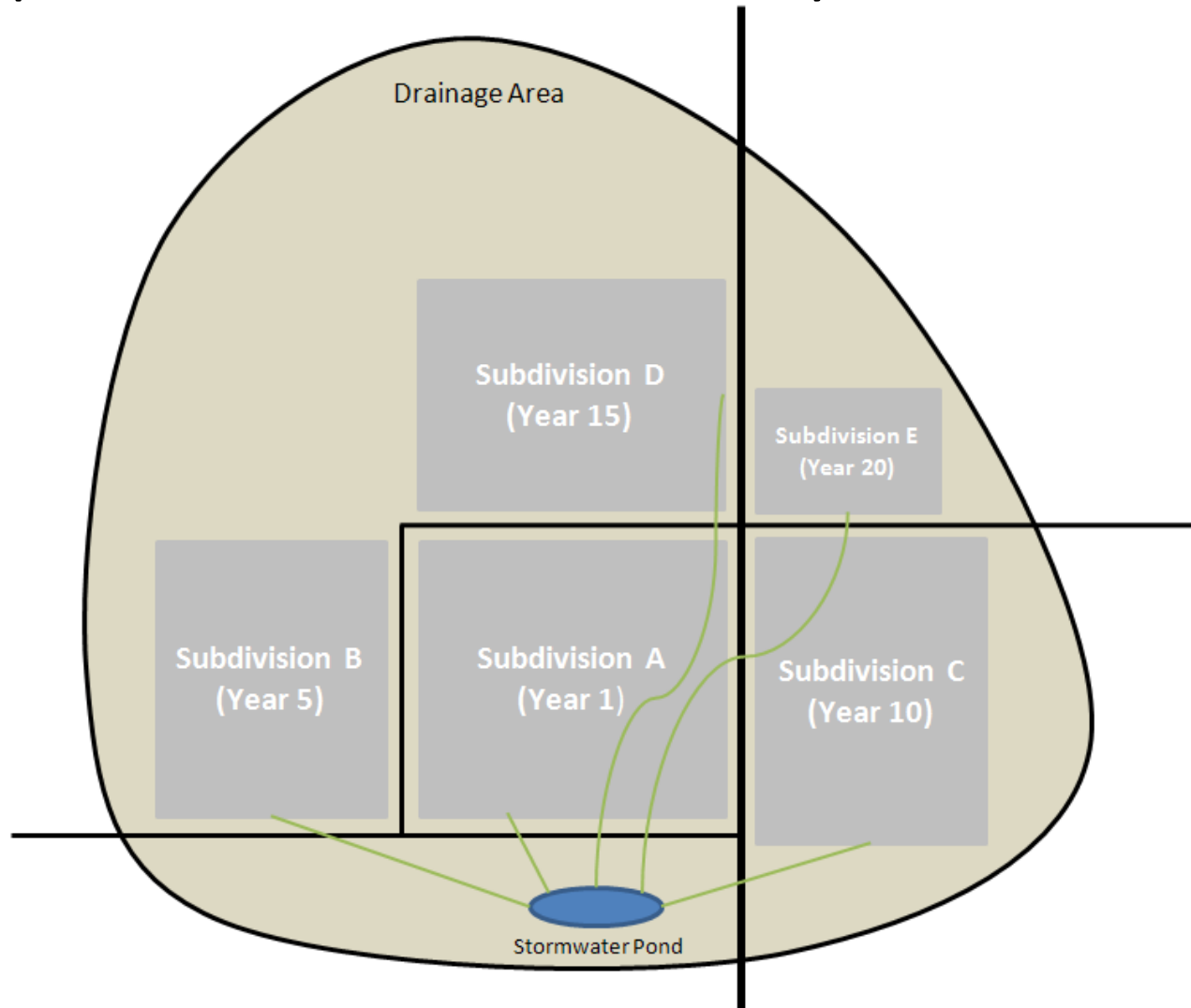
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- Recognize cash flow pattern for some DC funded infrastructure



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- Example : Pond construction and years of recovery



Administrative Recommendations

- In the future carefully consider accelerating future SWM ponds;
- To manage the existing SWM debt problem, staff recommends:
 - Deferral of SWM projects in the near term; and/or
 - Change the Stormwater Management Funding approach, and/or
 - Increase the 2014 DC SWM rate.
- These recommendations to be discussed with the DC stakeholder Committee.