

DEVELOPMENT CHARGES BACKGROUND STUDY



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EXECUTIVE SUMMARY

The following summarizes the findings of the Municipality of Strathroy-Caradoc's 2015 Development Charges Background Study.

A. STUDY CONSISTENT WITH DEVELOPMENT CHARGES LEGISLATION

- This study calculates development charges for the Municipality of Strathroy-Caradoc in compliance with the provisions of the *Development Charges Act, 1997 (DCA)* and its associated regulation (*Ontario Regulation 82/98*).
- The Municipality of Strathroy-Caradoc's existing development charges by-law, By-law 14-10, will expire on March 2, 2015 and Council must pass new development charges by-law before the expiry date in order to continue to levy development charges.
- The Municipality needs to continue implementing development charges to fund capital projects related to development throughout Strathroy-Caradoc so that new development pays for its capital requirements to the extent allowed by the *DCA* and so that new services required by growth are provided in a fiscally responsible manner.
- The *DCA* and *O. Reg. 82/98* require that a development charges background study be prepared in which development charges are determined with reference to:
 - a forecast of the amount, type and location of housing units, population and non-residential development anticipated in the Municipality;
 - a review of future capital projects, including an analysis of gross expenditures, funding sources and net expenditures incurred or to be incurred by the Municipality to provide for the expected development, including the determination of the development and non-development-related components of the capital projects; and

- an examination of the long-term capital and operating costs for the capital infrastructure required for each service to which the development charges by-laws would relate.
- This report identifies the development-related net capital costs which are attributable to development that is forecast to occur in the Municipality. These costs are apportioned to types of development (residential, non-residential) in a manner that reflects the increase in the need for each service attributable to each type of development.

B. ALL SERVICES WITH DEVELOPMENT-RELATED COSTS INCLUDED IN THE ANALYSIS

The following Municipal services have been included in the development charge analysis:

Municipal-Wide Services

- Fire;
- Police;
- Indoor Recreation;
- Park Development and Facilities;
- Public Works: Buildings and Fleet;
- Cemeteries;
- Libraries;
- General Government; and
- Municipality-Wide Engineering (Roads and Related).

Area-Specific Services

- Strathroy Engineering (Roads and Stormwater);
- Strathroy Water;
- Strathroy Wastewater;
- Mount Brydges Water; and
- Mount Brydges Wastewater¹.

¹ The Mount Brydges service area also includes two new additional residential special area charges to fund sewer extension works. This charge would only be applicable to certain benefitting lands within the Mount Brydges service area. Additional details are provided in Appendix D.2 of this study.

C. APPROACH USED TO CALCULATE DEVELOPMENT CHARGES

- A Municipality-Wide average cost approach is used to calculate development charges for fire, police, indoor recreation, park development and facilities, public works, cemeteries, libraries, general government, and Municipality-Wide engineering. This approach results in uniform charges levied throughout the Municipality for each of these services.
- Area-specific development charges are calculated for the water and wastewater service areas in Strathroy and Mount Brydges. Additionally, area-specific development charges are calculated for Engineering Services (Roads and Stormwater) in the Strathroy service area. The area-specific approach more closely aligns costs and benefits for services where benefits are more localized and can be identified. This approach is combined with the average Municipality-Wide approach for all other services.

D. THE MUNICIPALITY OF STRATHROY-CARADOC IS ANTICIPATED TO GROW BY 1,469 PEOPLE AND 811 EMPLOYEES OVER 10 YEARS

- A development forecast for the 10 year study period, 2015–2024, estimates that the Municipality’s population will grow by 1,469 people and by 4,249 persons to 2031.
- Population growth in new housing units is expected to add 2,556 people over the 2015–2024 period and 6,344 to 2031.
- The Municipality’s employment is forecast to grow by approximately 811 employees over the next 10 years and by 1,379 to 2031.
- This employment growth is projected to generate about 44,900 square metres of new, non-residential building space between 2015 and 2024 and 76,300 square metres to 2031.
- The following is a summary of the projected growth for the Municipality:

RESIDENTIAL FORECAST	Existing	2014-2023		2015-2041	
	As At Mid-Year 2014	Forecast Change	As at Mid Year-2024	Forecast Change	As at Mid-Year 2031
Households	8,169	917	9,086	2,327	10,496
Population					
Census	21,271	1,469	22,740	4,249	25,520
With Undercoverage	21,935	1,515	23,450	4,381	26,316
In New Households		2,556		6,344	
% higher than "net" population		74%		49%	

NON-RESIDENTIAL FORECAST	Existing	2014-2023		2014-2041	
	As At Mid-Year 2013	Forecast Change	As at Mid Year-2023	Forecast Change	As at Mid-Year 2031
Employment	8,891	811	9,702	1,379	10,270
Non-Residential Building Spaces (sq.m.)		44,892		76,317	

E. FUNDING ENVELOPE BASED ON "NET" GROWTH

- In accordance with the *DCA*, development charges have been calculated at a level no higher than the average service level provided in the Municipality over the ten-year period immediately preceding the preparation of the background study, on a service by service basis.
- The maximum permissible funding envelopes in this study are based on "net" population, employment and household growth.

F. THE DEVELOPMENT CHARGES STUDY INCLUDES A \$12.97 MILLION DEVELOPMENT-RELATED CAPITAL PROGRAM FOR MUNICIPAL-WIDE SERVICES AND A \$54.59 MILLION PROGRAM FOR AREA-SPECIFIC SERVICES

Municipal-wide Services: 2015-2024

- Municipal staff, in collaboration with Hemson Consulting, has prepared a development-related capital program identifying projects that are required to service anticipated growth. The development-related capital programs for municipal-wide services are based on a ten-year planning period from 2015 to 2024.
- The 2015–2024 development-related capital programs for municipal-wide services amounts to \$12.97 million and includes for the recovery of a variety of municipal services.

- The DCA requires that development-related net capital costs for general and engineered services be reduced by grants, subsidies, and recoveries from other governments; capital replacements or other benefits provided to the existing community; existing reserve fund balances; amounts that exceed historic service levels and a statutory 10 per cent reduction for eligible soft (or general) services when calculating development charges.
- After these deductions, the costs eligible for recovery through development charges for the municipal-wide services capital program are reduced to \$5.73 million.
- The following is a summary of the municipal-wide development-related capital program:

Municipal-Wide Services	Gross Cost (\$000)	DC Eligible Cost for Recovery (\$000)
Fire Services	\$227.0	\$134.3
Police Services	\$440.0	\$119.4
Indoor Recreation	\$3,711.8	\$2,554.4
Park Development & Facilities	\$686.5	\$337.6
Public Works: Buildings and Fleet	\$846.8	\$648.8
Cemeteries	\$90.0	\$40.5
Libraries	\$949.1	\$123.2
General Government	\$295.0	\$90.8
Municipal-Wide Engineering	\$5,720.0	\$1,683.6
Total – Municipal Wide Services (10-year)	\$12,966.2	\$5,732.6

- Details regarding the capital programs for each individual service are provided in Appendix B of this report.

Area-Specific Services

- Similar to the Municipal-wide services, a development-related capital program identifying projects that are required to service anticipated growth for the Strathroy and Mount Brydges service areas has been prepared. The development charges for services related to water, wastewater, and Strathroy roads and stormwater works are calculated on an area specific basis.
- The development-related capital program for Strathroy Engineering (Roads and Stormwater) is based on a ten-year planning period (2015-2024). The

development-related capital program for water and wastewater services is based on a longer term planning period, differentiated for each service area.

- The development-related capital programs for area-specific services amounts to \$54.59 million and includes for the recovery of a variety of engineering related services. After the required deductions, the costs eligible for recovery through development charges is reduced to \$17.75 million.
- Full details regarding the area-specific Strathroy Engineering program (for roads and Stormwater) can be found in Appendix C. For the area-specific services of Water and Wastewater, see Appendix D.

Area-Specific Services	Gross Cost (\$000)	DC Eligible Cost for Recovery (\$000)
Strathroy Engineering	\$11,740.2	\$2,873.2
Strathroy Water Service	\$21,679.1	\$2,959.9
Strathroy Wastewater Service	\$11,498.4	\$6,161.6
Mount Brydges Water Service	\$3,750.0	\$440.8
Mount Brydges Wastewater Service	\$4,319.2	\$4,043.4
Mount Brydges Wastewater Service: Special Area 1	\$618.6	\$384.7
Mount Brydges Wastewater Service: Special Area 2	\$981.0	\$884.9
Total – Area-Specific Services	\$54,586.4	\$17,748.5

G. CALCULATED DEVELOPMENT CHARGES

- Development charges rates have been established under the parameters and limitations of the *DCA*. This study provides the rationale and basis for the calculated rates.
- The calculated charges are the maximum charges the Municipality may adopt. Lower charges can be approved; however, this will require a reduction in the capital plan and reduced service levels or financing from other sources, most likely property taxes or utility rates.
- The fully calculated charges are recommended to vary by unit type, reflecting the difference in occupancy patterns expected in various unit types and the associated differences in demand for services that would be placed on Municipal services.

Municipal-wide Services

- The following tables summarize the calculated residential and non-residential Municipal-wide development charges:

Calculated Residential Charges for Municipal-Wide Services

SERVICE	Charge Per Unit Type ⁽¹⁾		
	Single & Semi Detached	Multiples	Apartments
Fire Services	\$126	\$101	\$66
Police Services	\$119	\$96	\$62
Indoor Recreation	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$586	\$472	\$306
Cemeteries	\$56	\$45	\$29
Library Services	\$171	\$138	\$89
General Government	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$5,909	\$4,759	\$3,082
1: Person per unit:	3.03	2.44	1.58

Calculated Non-Residential Charges for Municipal-Wide Services

SERVICE	Adjusted Charge (\$/sq.m.)
Fire Services	\$0.75
Police Services	\$0.71
Indoor Recreation	\$0.00
Park Development & Facilities	\$0.00
Public Works: Buildings & Fleet	\$3.48
Cemeteries	\$0.00
Library Services	\$0.00
General Government	\$0.48
SUB-TOTAL PER SQ METRE	\$5.42
Municipality-Wide Engineering	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.42

- As illustrated in the next table, the calculated municipal-wide residential charge is 13.1 per cent (or \$893) lower than the present charge for single and

semi-detached units. The decrease is mainly attributed to the reallocation of certain projects from municipality-wide engineered services to the Strathroy area-specific engineering charge.

Comparison of Single/Semi Detached Unit Residential Charges

SERVICE	Current Charge per Single/Semi	Calculated Charge per Single/Semi	Difference in Calculated & Current Charge	
	\$/Unit		\$	%
Fire Services	\$141	\$126	(\$15)	(10.6%)
Police Services	\$257	\$119	(\$138)	(53.7%)
Indoor Recreation	\$3,053	\$2,821	(\$232)	(7.6%)
Park Development & Facilities	\$363	\$433	\$70	19.3%
Public Works: Buildings & Fleet	\$402	\$586	\$184	45.8%
Cemeteries	\$0	\$56	\$56	-
Library Services	\$0	\$171	\$171	-
General Government	\$81	\$80	(\$1)	(1.2%)
SUB-TOTAL GENERAL SERVICE CHARGE	\$4,297	\$4,392	\$95	2.2%
Municipality-Wide Engineering	\$2,505	\$1,517	(\$988)	(39.4%)
TOTAL MUNICIPAL-WIDE CHARGE	\$6,802	\$5,909	(\$893)	(13.1%)

- As illustrated in the next table, the calculated municipal-wide commercial and institutional charge is 29.5 per cent (or \$6.02 per square metre) lower than the present charge. Similarly, the decrease can mainly be attributed to the reallocation of certain projects from municipality-wide engineered services to the Strathroy area-specific engineering charge.

Comparison of Commercial and Institutional Non-Residential Charge

SERVICE	Current Commercial and Institutional Charge	Calculated Commercial and Institutional Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$0.84	\$0.75	(\$0.09)	(10.7%)
Police Services	\$1.53	\$0.71	(\$0.82)	(53.6%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$2.64	\$3.48	\$0.84	31.8%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.49	\$0.48	(\$0.01)	(2.0%)
SUB-TOTAL GENERAL SERVICE CHARGE	\$5.50	\$5.42	(\$0.08)	(1.5%)
Municipality-Wide Engineering	\$14.94	\$9.00	(\$5.94)	(39.8%)
TOTAL MUNICIPAL-WIDE CHARGE	\$20.44	\$14.42	(\$6.02)	(29.5%)

- The calculated non-residential industrial development charge is approximately 11.8 per cent (or \$1.52 per square metre) higher than the Municipality's current charge. It should be noted that the Municipality's current rates were reduced from the maximum allowable charges calculated in the 2010 DC Background Study.

Comparison of Industrial Non-Residential Charge

SERVICE	Current Industrial Charge	Calculated Industrial Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$0.53	\$0.75	\$0.22	41.5%
Police Services	\$0.97	\$0.71	(\$0.26)	(26.8%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$1.66	\$3.48	\$1.82	109.6%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.31	\$0.48	\$0.17	54.8%
SUB-TOTAL GENERAL SERVICE CHARGE	\$3.47	\$5.42	\$1.95	56.2%
Municipality-Wide Engineering	\$9.43	\$9.00	(\$0.43)	(4.6%)
TOTAL MUNICIPAL-WIDE CHARGE	\$12.90	\$14.42	\$1.52	11.8%

Area-Specific Services

- The following tables summarize the calculated residential and non-residential Area-Specific development charges for the Strathroy and Mount Brydges Service Areas.
- The area-specific charges vary significantly for each service and service area that is proposed.
- The Mount Brydges service area also includes two new additional residential special area charges to fund sewer extension works. This charge would only be applicable to certain lands within the Mount Brydges service area, and therefore, the DC rates are shown separately from the total Mount Brydges area-specific charge. The details of these charges are more fully described in Appendix D.2 of this report.

Calculated Residential Charges for the Strathroy Service Area

SERVICE	Charge Per Unit Type ⁽¹⁾		
	Single & Semi Detached	Multiples	Apartments
Fire Services	\$126	\$101	\$66
Police Services	\$119	\$96	\$62
Indoor Recreation	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$586	\$472	\$306
Cemeteries	\$56	\$45	\$29
Library Services	\$171	\$138	\$89
General Government	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$5,909	\$4,759	\$3,082
Strathroy Engineering (roads and storm)	\$2,948	\$2,374	\$1,537
Strathroy Water	\$1,086	\$875	\$567
Strathroy Wastewater	\$2,262	\$1,821	\$1,179
TOTAL DEVELOPMENT CHARGE	\$12,205	\$9,829	\$6,365
1: Person per unit:			
	3.03	2.44	1.58

Calculated Non-Residential Charges for the Strathroy Service Area

SERVICE	Calculated Charge (\$/sq.m.)
Fire Services	\$0.75
Police Services	\$0.71
Indoor Recreation	\$0.00
Park Development & Facilities	\$0.00
Public Works: Buildings & Fleet	\$3.48
Cemeteries	\$0.00
Library Services	\$0.00
General Government	\$0.48
SUB-TOTAL PER SQ METRE	\$5.42
Municipality-Wide Engineering	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.42
Strathroy Engineering (roads and storm)	\$17.07
Strathroy Water	\$14.01
Strathroy Wastewater	\$29.16
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$74.66

Calculated Residential Charges for the Mount Brydges Service Area

SERVICE	Charge Per Unit Type ⁽¹⁾		
	Single & Semi Detached	Multiples	Apartments
Fire Services	\$126	\$101	\$66
Police Services	\$119	\$96	\$62
Indoor Recreation	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$586	\$472	\$306
Cemeteries	\$56	\$45	\$29
Library Services	\$171	\$138	\$89
General Government	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$5,909	\$4,759	\$3,082
Mount Brydges Water	\$1,556	\$1,253	\$811
Mount Brydges Wastewater	\$10,176	\$8,195	\$5,306
TOTAL DEVELOPMENT CHARGE	\$17,641	\$14,207	\$9,199
Mount Brydges Wastewater - Special Area 1	\$1,145.00	\$922.00	\$597.00
Mount Brydges Wastewater - Special Area 2	\$2,240.00	\$1,804.00	\$1,168.00
1: Person per unit:	3.03	2.44	1.58

Calculated Non-Residential Charges for the Mount Brydges Service Area

SERVICE	Calculated Charge (\$/sq.m.)
Fire Services	\$0.75
Police Services	\$0.71
Indoor Recreation	\$0.00
Park Development & Facilities	\$0.00
Public Works: Buildings & Fleet	\$3.48
Cemeteries	\$0.00
Library Services	\$0.00
General Government	\$0.48
SUB-TOTAL PER SQ METRE	\$5.42
MUNICIPAL-WIDE ENGINEERING	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.42
Mount Brydges Water	\$5.78
Mount Brydges Wastewater	\$37.78
TOTAL DEVELOPMENT CHARGE	\$57.98

- As shown in the table on the following page, the residential and non-residential area-specific charges are increasing.

H. A PORTION OF DEVELOPMENT-RELATED COSTS REQUIRE FUNDING FROM NON-DEVELOPMENT CHARGE SOURCES

- The *Development Charges Act, 1997* requires that the development-related net capital costs for “soft” services be reduced by 10 per cent in calculating the applicable development charge for these services. The 10 per cent share of development-related net capital costs not included in the development charge calculation must be funded from non-development charge sources.
- In total, about \$468,000 is identified to provide for the required 10 per cent reduction.
- Non-development charge funding for replacement portions of the municipal-wide capital forecast and other benefits to the existing community will total \$4.23 million.
- In summary, tax-supported funding of \$4.70 million will be required over the 2015–2024 period to support the municipal-wide development-related capital program.
- It should be noted, an additional \$25.41 million for non-development charge funding for replacement portions of the area-specific capital forecast and other benefits to the existing community is identified. This share will likely need to be funded through utility rates, property taxes or other revenue sources.
- It is estimated that net operating costs will increase by about \$399,100 by the year 2023 as the facilities and infrastructure embodied in the capital forecast come on stream and are operated and maintained.

I INTRODUCTION

This Municipality of Strathroy-Caradoc Development Charges Background Study is presented as part of a process to lead to the approval of new development charge by-laws in compliance with the *Development Charges Act, 1997 (DCA)*.

The *DCA* and *Ontario Regulation 82/98 (O. Reg. 82/98)* require that a development charges background study be prepared in which development charges are determined with reference to:

- A forecast of the amount, type and location of housing units, population and non-residential development anticipated in the Municipality;
- The average capital service levels provided in the Municipality over the 10 year period immediately preceding the preparation of the background study;
- A review of capital works in progress and anticipated future capital projects, including an analysis of gross expenditures, funding sources, and net expenditures incurred or to be incurred by the Municipality or its local boards to provide for the expected development, including the determination of the growth and non-development-related components of the capital projects; and
- An examination of the long-term capital and operating costs for the capital infrastructure required for each service to which the development charges by-laws would relate.

This study presents the results of the review that determines the development-related net capital costs which are attributable to new development that is forecast to occur in the Municipality of Strathroy-Caradoc. These development-related net capital costs are then apportioned among various types of development (residential; non-residential) in a manner that reflects the increase in the need for each service attributable to each type of development. Therefore, the study arrives at proposed development charges for various types of development.

The *DCA* provides for a period of public review and comment regarding the proposed development charges. Following completion of this process, in accordance with the *DCA* and Council's review of this study and the comments it receives regarding this study or other information brought to its attention about the proposed charges, it is intended that Council will pass new development charges for the Municipality.

The remainder of this study sets out the information and analysis upon which the proposed development charges are based.

Section II designates the services for which the development charges are proposed and the areas within the Municipality to which the development charges will apply. It also briefly reviews the methodology that has been used in this background study.

Section III presents a summary of the forecast residential and non-residential development which is expected to occur within the Municipality over the 2015–2024 period and over the longer term to 2031.

Section IV summarizes the historic 10 year average capital service levels that have been attained in the Municipality that form the basis for the development charge calculations.

Section V summarizes the development-related capital forecast that has been developed by various Municipal departments and boards.

Section VI summarizes the calculation of applicable development charges and the resulting calculated development charges by class and type of development.

Section VII provides a comparison of existing development charge rates in the Municipality with the rates calculated in this study.

Section VIII provides an examination of the long-term capital and operating costs for each service included in the development charge calculation.

Section IX provides a review of development charges administrative matters such as collection method and timing of payments, exemptions, credits for services-in-lieu, front-end financing, etc.

II THE METHODOLOGY COMBINES A MUNICIPAL-WIDE AND AREA-SPECIFIC APPROACH TO ALIGN DEVELOPMENT-RELATED COSTS AND BENEFITS

Several key steps are required in calculating any development charge. However, specific circumstances arise in each municipality which must be reflected in the calculation. Therefore, this study has been tailored for the Municipality of Strathroy-Caradoc's unique circumstances. The approach to the proposed development charges is focussed on providing a reasonable alignment of development-related costs with the development that necessitates them.

A. BOTH MUNICIPAL-WIDE AND AREA-SPECIFIC DEVELOPMENT CHARGES ARE CALCULATED

The Municipality provides a wide range of services to the community it serves and has an extensive inventory of facilities, land, infrastructure, vehicles and equipment. The *DCA* provides municipalities with flexibility to define services that will be included in the development charge by-laws, provided that the other provisions of the *Act* and its associated regulations are met. The *DCA* also requires that the by-laws designate the areas within which the by-laws shall be imposed. The development charges may apply to all lands in the municipality or to other designated development areas as specified in the by-laws.

1. Services Based on a Municipality-Wide Approach

For the majority of services that the Municipality provides, a range of capital facilities, land, equipment and infrastructure is available throughout the Municipality; arenas, community centres, fire stations, arterial roads, parks and so on. As new development occurs, new facilities will need to be added so that service levels in newly developing areas are provided at levels enjoyed in existing communities. A widely accepted method for sharing the development-related capital costs for such Municipal services is to apportion them over all new development anticipated in the Municipality.

The following services are included in the Municipal-wide development charge calculation:

General Services

- Fire;
- Police;
- Indoor Recreation;
- Park Development and Facilities;
- Public Works: Buildings and Fleet;
- Cemeteries;
- Libraries; and
- General Government.

Engineering Services

- Municipality-Wide Engineering (Roads and Related)

These services form a reasonable basis on which to plan and administer the development charges. It is noted that the analysis of each of these services examines the individual capital facilities and equipment that make them up. For example, the Fire service includes various buildings and associated land, fire fighting vehicles and equipment.

The resulting development charge for these services would be imposed against all development anywhere in the Municipality.

2. Area-Specific Charges are Proposed

For some services the Municipality provides, the need for development-related capital additions to support anticipated development is more localized. For such services, where costs and benefits are more localized, an alternative technique - the area-specific approach - is proposed.

The area-specific charges relate to the provision of water and wastewater services in Strathroy and Mount Brydges as well as engineering (roads and stormwater) works in the Strathroy area. The servicing needs in these areas require differing, additional, identifiable and independent projects in order to provide for anticipated growth. The area-specific approach is applied to these services to more closely align the capital costs for these services with the particular areas that are serviced by the required infrastructure.

Area-Specific Development Charges are therefore calculated for:

- Strathroy Engineering (Roads and Stormwater)
- Strathroy Water
- Strathroy Wastewater

- Mount Brydges Water
- Mount Brydges Wastewater

The geographic areas that are included coincide with the specific service areas for the various projects.

B. KEY STEPS IN DETERMINING DEVELOPMENT CHARGES FOR FUTURE DEVELOPMENT-RELATED PROJECTS

Several key steps are required in calculating development charges for future development-related projects. These are summarized below.

1. Development Forecast

The first step in the methodology requires a development forecast to be prepared for the 10 year study period, 2015–2024, and over the long-term to 2031. The forecast of the future residential and non-residential development used in this study is based on development anticipated to occur within approved Official Plan Municipal boundaries. The residential forecast is based on based on the County of Middlesex Official Plan forecasts, 2011 Census data and recent development activity.

For the residential portion of the forecast, the net (or Census) population growth and population growth in new units is estimated. Net population growth equals the population in new housing units reduced by the decline in the population in the existing base anticipated over the 10 year period and to build-out (due to reducing household sizes as the community ages). Net population is used in the calculation of the development charges funding envelopes. In calculating the per capita development charge, however, the population growth in new units is used.

The non-residential portion of the forecast estimates the Gross Floor Area (GFA) of building space to be developed over the 10 year period, 2015–2024, and to 2031. The forecast provides estimates for five categories: employment-land development, rural, work at home, retail and institutional development. The forecast of GFA is based on the employment forecast for the Municipality. Factors for floor space per worker by category are used to convert the employment forecast into gross floor areas for the purposes of the development charges study.

2. Service Categories and Historic Service Levels

The *Development Charges Act* provides that the increase in the need for service attributable to anticipated development:

... must not include an increase that would result in the level of service exceeding the average level of that service provided in the municipality over the 10-year period immediately preceding the preparation of the background study...(s. 5. (1) 4.)

Historic 10 year average service levels thus form the basis for development charges. A review of Municipality's capital service levels for buildings, land, vehicles and so on, has therefore been prepared as a reference for the calculation, so that the portion of future capital projects that may be included in the development charge can be determined. The historic service levels used in this study have been calculated based on the period 2005–2014.

3. Development-Related Capital Forecast and Analysis of Net Capital Costs to be Included in the Development Charges

A development-related capital forecast has been prepared by the Municipality departments and boards as part of the present study. The forecast identifies development-related projects and their gross and net costs, after allowing for capital grants, subsidies or other contributions as required by the Act (*DCA*, s. 5. (2)). The capital forecast provides another cornerstone upon which development charges are based. The *DCA* requires that the increase in the need for service attributable to the anticipated development may include an increase:

... only if the council of the municipality has indicated that it intends to ensure that such an increase in need will be met. (s. 5. (1) 3.)

In conjunction with *DCA*, s. 5. (1) 4. referenced above, these sections have the effect of requiring that the development charge be calculated on the lesser of the historic 10 year average service levels or the service levels embodied in future plans of the Municipality. The development-related capital forecast prepared for this study ensures that development charges are only imposed to help pay for projects that have been or are intended to be purchased or built in order to accommodate future anticipated development. It is not sufficient in the calculation of development charges merely to have had the service in the past. There must also be a demonstrated commitment to continue to emplace facilities or infrastructure in the future. In this regard, *Ontario Regulation 82/98*, s. 3 states that:

For the purposes of paragraph 3 of subsection 5 (1) of the Act, the council of a municipality has indicated that it intends to ensure that an increase in the need for service will be met if the increase in service forms part of an Official Plan, capital forecast or similar expression of the intention of the council and the plan, forecast or similar expression of the intention of the council has been approved by the council.

For some projects in the development-related capital forecast, a portion of the project may confer benefits to existing residents. As required by the *DCA*, s. 5. (1) 6., these portions of projects and their associated net costs are the funding responsibility of the Municipality from non-development charges sources. The amount of municipal funding for such non-growth shares of projects is also identified as part of the preparation of the development-related capital forecast.

There is also a requirement in the *DCA* to reduce the applicable development charge by the amount of any “uncommitted excess capacity” that is available for a service. Such capacity is available to partially meet the future servicing requirements. Adjustments are made in the analysis to meet this requirement of the *Act*.

Finally, in calculating development charges, the development-related net capital costs must be reduced by 10 per cent for all services except services related to a highway and protection (*DCA*, s. 5. (1) 8.) and engineered services. The 10 per cent discount is applied to the other services, e.g. indoor recreation, cemeteries, libraries and general government, and the resulting municipal funding responsibility from non-development charge sources is identified.

4. Attribution to Types of Development

The next step in the determination of development charges is the allocation of the development-related net capital costs between the residential and the non-residential sectors. This is done by using different apportionments for different services in accordance with the demands which the two sectors would be expected to place on the various services and the different benefits derived from those services.

Where reasonable data exist, the apportionment is based on the expected demand for, and use of, the service by each sector (e.g. general services based on shares of population in new units and employment growth) and consideration of other factors affecting the demand for municipal services.

Finally, the residential component of the Municipal-wide and Area-Specific development charge is applied to different housing types on the basis of average occupancy factors. The non-residential component is applied on the basis of gross building space in square metres.

5. Final Adjustment

The final determination of the development charge results from adjustments made to development-related net capital costs for each service and sector resulting from the application of any unallocated reserve fund balances available to finance the development-related capital costs in the capital forecast. A cash flow analysis is also undertaken to account for the timing of projects and receipt of development charges.

Interest earnings or borrowing costs are therefore accounted for in the calculation as allowed under the *DCA*.

III DEVELOPMENT FORECAST

This section provides the basis for the development forecasts used in calculating the development charges and provides a summary of the forecast results. Appendix A contains additional material related to the development forecast and the Municipality's demographics.

Forecasts of population are based on the County of Middlesex Official Plan forecasts to 2026. The Official Plan forecast was updated as to incorporate the 2011 Census in the initial forecast years. In general, population and household growth is expected to follow recent trends in the 10-year period from 2015–2024. Between 2025 and 2031, residential growth is expected to accelerate as more units in Mount Brydges are developed.

A. RESIDENTIAL FORECAST

The residential forecast is based on a forecast of population and households in the Municipality. Table 1 provides a summary of the residential forecast for two planning periods: a ten year planning period, 2015 to 2024, and a seventeen-year planning horizon of 2015 to 2031. The ten-year planning period is used throughout this study for all general services, municipality-wide engineering, and the Strathroy (area-specific) Engineering service. The longer term planning horizon (to 2031) is used for water and wastewater services.

Over the ten year planning period from 2015-2024, the total number of occupied households is forecast to increase by approximately 920 units, which translates into a population in new units of approximately 2,560. The population in new housing units was estimated based on a Statistics Canada special run of data on occupancy patterns of household unit types by period of construction. The forecast has projected growth in the 2014 to 2031 period to accommodate 6,340 persons in 2,330 new households.

The Table also shows that the Municipality's net population (or Census population) is forecast to increase over the ten-year forecast period by 1,469 persons, from 21,271 in 2014 to 22,740 in 2024. The total forecast net population growth from 2015-2031 is 4,249, reaching a total census population of 25,520 people in 2031.

B. NON-RESIDENTIAL DEVELOPMENT FORECAST

The development charge employment forecast for the Municipality is based on the County of Middlesex, *Employment Land Needs Study*, April 30, 2012. The employment numbers referenced in the background study reflect how many employees work in Strathroy-Caradoc. This should not be confused with place of residence employment data which would be based on where residents of Strathroy-Caradoc work.

The non-residential portion of the forecast estimates the amount of building space to be developed in the Municipality over the ten and seventeen-year planning periods. The forecast is based on the projected increase in employment levels and the anticipated amount of new building space required to accommodate them.

The ten-year forecast projects an increase of approximately 810 employees which can be accommodated in 44,900 square metres of new non-residential floor space. For the seventeen-year planning period, the Municipality will see a growth of approximately 1,380 new employees and roughly 76,300 square metres of new non-residential floor space.

Table 1 provides a summary of the non-residential development forecasts used in this analysis. Additional forecast details are found in Appendix A.

TABLE 1

**MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF DEVELOPMENT FORECAST**

RESIDENTIAL FORECAST	Existing	2015-2024		2015-2031	
	As At Mid-Year 2014	Forecast Change	As at Mid Year-2024	Forecast Change	As at Mid-Year 2031
Households	8,169	917	9,086	2,327	10,496
Population					
Census	21,271	1,469	22,740	4,249	25,520
With Undercoverage	21,935	1,515	23,450	4,381	26,316
In New Households		2,556		6,344	
% higher than "net" population		74%		49%	

NON-RESIDENTIAL FORECAST	Existing	2015-2024		2015-2031	
	As At Mid-Year 2014	Forecast Change	As at Mid Year-2024	Forecast Change	As at Mid-Year 2031
Employment	8,891	811	9,702	1,379	10,270
Non-Residential Building Spaces (sq.m.)		44,892		76,317	

IV SUMMARY OF HISTORIC CAPITAL SERVICE LEVELS

The *DCA* and *Ontario Regulation 82/98* require that the development charges be set at a level no higher than the average service level provided in the municipality over the 10 year period immediately preceding the preparation of the background study, on a service by service basis.

For non-engineered services (libraries, fire, police, etc.) the legislative requirement is met by documenting historic service levels for the preceding 10 years, in this case, for the period 2005–2014. Typically, service levels for non-engineered services are measured as a ratio of inputs per capita, per household, or per population plus employment.

O. Reg. 82/98 requires that when determining historical service levels both quantity and quality of service be taken into consideration. In most cases, the service levels are initially established in quantitative terms. For example, service levels for buildings are presented in terms of square feet per capita. The qualitative aspect is introduced by the consideration of the monetary value of the facility or service. In the case of buildings, for example, the cost would be shown in terms of dollars per square foot to replace or construct a facility of the same quality. This approach helps to ensure that the development-related capital facilities that are to be charged to new development reflect not only the quantity (number and size) but also the quality (value or replacement cost) of service provided historically by the Municipality. Both the quantitative and qualitative aspects of service levels used in the present analysis are based on information provided by Municipal staff and boards, and is based on historical records and their experience with costs to acquire or construct similar facilities, equipment and infrastructure as of 2014.

Table 2 summarizes service levels for all applicable services included in the development charge calculation. Appendix B provide detailed historical inventory data upon which the calculation of service levels is based.

TABLE 2

**MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF AVERAGE HISTORIC SERVICE LEVELS 2005 - 2014
FOR MUNICIPAL-WIDE SERVICES**

Service	2005 - 2014 Service Level Indicator
1.0 FIRE SERVICES Buildings Land Vehicles Furniture & Equipment (Excluding Computers)	\$338.40 per capita & employment \$132.07 per capita & employment \$3.42 per capita & employment \$140.63 per capita & employment \$62.28 per capita & employment
2.0 POLICE SERVICES Buildings Land Vehicles Furniture And Equipment	\$159.35 per capita & employment \$111.89 per capita & employment \$8.86 per capita & employment \$3.58 per capita & employment \$35.02 per capita & employment
3.0 INDOOR RECREATION Buildings Land Equipment	\$2,414.79 per capita \$2,272.36 per capita \$88.06 per capita \$54.36 per capita
4.0 PARK DEVELOPMENT & FACILITIES Park Development & Facilities Park Facilities Park Buildings Parks Equipment	\$588.12 per capita \$125.43 per capita \$341.07 per capita \$119.88 per capita \$1.75 per capita
5.0 PUBLIC WORKS: BUILDINGS & FLEET Buildings Land Furniture & Equipment Fleet	\$358.90 per capita & employment \$192.37 per capita & employment \$48.04 per capita & employment \$6.32 per capita & employment \$112.18 per capita & employment
6.0 CEMETERIES Buildings Land Other Infrastructure	\$97.59 per capita \$14.77 per capita \$62.90 per capita \$19.92 per capita
7.0 LIBRARY SERVICES Buildings Land	\$190.43 per capita \$187.34 per capita \$3.09 per capita
8.0 MUNICIPALITY-WIDE ENGINEERING Road Network Road-Related Infrastructure	\$6,621.66 per capita & employment \$6,519.59 per capita & employment \$102.07 per capita & employment

V THE DEVELOPMENT-RELATED CAPITAL FORECAST

A. A DEVELOPMENT-RELATED CAPITAL FORECAST IS PROVIDED FOR COUNCIL'S APPROVAL

The DCA requires the Council of a municipality to express its intent to provide future capital facilities at the level incorporated in the development charges calculation. As noted above in Section II, *Ontario Regulation 82/98*, s. 3 states that:

For the purposes of paragraph 3 of subsection 5 (1) of the Act, the council of a municipality has indicated that it intends to ensure that an increase in the need for service will be met if the increase in service forms part of an official plan, capital forecast or similar expression of the intention of the council and the plan, forecast or similar expression of the intention of the council has been approved by the council.

Based on the development forecasts summarized in Section III and detailed in Appendix A, staff of the Municipal departments, in collaboration with the consultants developed a development-related capital forecast setting out those projects that are required to service anticipated development. For all municipal-wide services and Strathroy (area-specific) engineering, the capital plan covers the 10 year period from 2015–2024. For water and wastewater services the capital plan covers the period from 2015–2031 or 2015–2034 for Mount Brydges Wastewater only.

One of the recommendations contained in this background study is for Council to adopt the development-related capital forecast developed for the purposes of the development charges calculation. It is assumed that future capital budgets and forecasts will continue to bring forward the development-related projects contained herein, that are consistent with the growth occurring in the Municipality. It is acknowledged that changes to the forecast presented here may occur through the Municipality's normal capital budget process.

B. THE DEVELOPMENT-RELATED CAPITAL FORECAST FOR MUNICIPAL-WIDE SERVICES

A summary of the development-related capital program for Municipal-Wide services is shown on Table 3A. Further details on the capital plans for each individual service category are available in Appendix B (general services and municipal-wide

TABLE 3A

MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF DEVELOPMENT-RELATED CAPITAL FORECAST
FOR MUNICIPAL-WIDE SERVICES 2015 - 2024
(in \$000)

Service	Gross Cost	Grants/ Subsidies	Municipal Cost	2015	2016	2017	2018	Total Net Capital Program		2021	2022	2023	2024
				2019	2020								
1.0 FIRE SERVICES	\$227.0	\$0.0	\$227.0	\$97.0	\$0.0	\$0.0	\$65.0	\$0.0	\$65.0	\$0.0	\$0.0	\$0.0	\$0.0
1.1 Equipment	\$157.0	\$0.0	\$157.0	\$27.0	\$0.0	\$0.0	\$65.0	\$0.0	\$65.0	\$0.0	\$0.0	\$0.0	\$0.0
1.2 Studies	\$70.0	\$0.0	\$70.0	\$70.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2.0 POLICE SERVICES	\$440.0	\$0.0	\$440.0	\$302.0	\$8.0	\$130.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2.1 Recently Completed Projects	\$207.0	\$0.0	\$207.0	\$207.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2.2 New Projects	\$233.0	\$0.0	\$233.0	\$95.0	\$8.0	\$130.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
3.0 INDOOR RECREATION	\$3,711.8	\$0.0	\$3,711.8	\$1,237.3	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9
3.1 Debt Recovery	\$3,711.8	\$0.0	\$3,711.8	\$1,237.3	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9	\$274.9
3.2 New Projects	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
4.0 PARK DEVELOPMENT & FACILITIES	\$686.5	\$60.0	\$626.5	\$446.5	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0
4.1 Recently Completed Projects	\$63.0	\$10.0	\$53.0	\$53.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
4.2 New Projects	\$623.5	\$50.0	\$573.5	\$393.5	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0
5.0 PUBLIC WORKS: BUILDINGS & FLEET	\$846.8	\$0.0	\$846.8	\$198.0	\$0.0	\$0.0	\$0.0	\$250.0	\$178.8	\$0.0	\$220.0	\$0.0	\$0.0
5.1 Recently Completed Projects	\$198.0	\$0.0	\$198.0	\$198.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
5.2 New Projects	\$648.8	\$0.0	\$648.8	\$0.0	\$0.0	\$0.0	\$0.0	\$250.0	\$178.8	\$0.0	\$220.0	\$0.0	\$0.0
6.0 CEMETERIES	\$90.0	\$0.0	\$90.0	\$70.0	\$0.0	\$20.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6.1 Strathroy Cemetery	\$90.0	\$0.0	\$90.0	\$70.0	\$0.0	\$20.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7.0 LIBRARIES	\$949.1	\$488.6	\$460.5	\$460.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7.1 Completed Projects	\$949.1	\$488.6	\$460.5	\$460.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
8.0 GENERAL GOVERNMENT	\$295.0	\$0.0	\$295.0	\$33.5	\$3.5	\$3.5	\$3.5	\$103.5	\$33.5	\$3.5	\$3.5	\$3.5	\$103.5
8.1 New Projects	\$295.0	\$0.0	\$295.0	\$33.5	\$3.5	\$3.5	\$3.5	\$103.5	\$33.5	\$3.5	\$3.5	\$3.5	\$103.5
9.0 MUNICIPAL-WIDE ENGINEERING	\$5,720.0	\$0.0	\$5,720.0	\$1,284.5	\$584.5	\$584.5	\$584.5	\$447.0	\$447.0	\$447.0	\$447.0	\$447.0	\$447.0
9.1 Roads	\$5,720.0	\$0.0	\$5,720.0	\$1,284.5	\$584.5	\$584.5	\$584.5	\$447.0	\$447.0	\$447.0	\$447.0	\$447.0	\$447.0
TOTAL TEN-YEAR MUNICIPAL-WIDE SERVICES	\$12,966.2	\$548.6	\$12,417.6	\$4,129.3	\$890.9	\$1,032.9	\$947.9	\$1,095.4	\$1,019.2	\$745.4	\$965.4	\$745.4	\$845.4

engineering). The capital programs for the area-specific programs are presented separately.

The development-related capital program for general services and Municipal-wide engineering services is estimated at a total gross cost of \$12.97 million. Approximately, \$548,600 in senior government grants, subsidies and recoveries are expected (or have been received) to offset the cost of the program. Therefore, the net municipal cost of the capital program is reduced to \$12.42 million.

This capital forecast incorporates those projects identified to be related to development anticipated in the next 10 years. It is not implied that all of these costs are to be recovered from new development by way of development charges (see the following Section VI for the method and determination of net capital costs attributable to growth). Portions of this capital forecast may relate to providing servicing for development which has occurred prior to 2014 (for which development charge reserve fund balances exist), for replacement of existing capital facilities or for growth anticipated to occur beyond the 2015–2024 planning period. In addition, the amounts shown on Table 3A have not been reduced by 10 per cent for various “soft” (or general) services as mandated by s. 5 (1) 8. of the *DCA*.

Of the \$12.42 million in ten-year net municipal capital costs, \$5.72 million (46 per cent) is related to the provision of Municipal-wide Engineering Services. The program includes for various improvements to gravel roads and the development of new sidewalks. This service category also includes for the remaining payments related to servicing the Molnar industrial park.

The development-related capital program for Indoor Recreation relates solely to the recovery of debenture payments associated with the construction of the West Middlesex Memorial Centre in 2011. The net municipal cost for this program totals to \$3.71 million and represents 30 per cent of the net municipal capital costs for municipal-wide services.

The next largest development-related capital component is for Public Works: buildings and fleet at \$846,800 (7 per cent). The capital program includes mainly for the construction of a new sand/salt storage shed, a new vacuum truck and a provision to expand the gravel pit.

Parks development and facilities represents \$626,500 (5 per cent). The capital program includes for the recovery of a large capacity mower purchased in 2014, a parks and recreation master plan, a new skate park in Strathroy, a trail groomer and the development of various park amenities throughout the ten-year planning period.

Libraries represent \$460,500 (4 per cent) of the capital program and relates solely to the recovery of costs associated with the Strathroy Library expansion in 2012.

The next largest development-related capital component is for Police at \$440,000 (4 per cent). The capital program provides for the recovery of several recently completed projects and the addition of new equipment throughout the planning period.

General Government represents \$295,000 (2 per cent) of the capital program and provides for development-related studies, including Official Plan and zoning by-law updates, an employment strategy and future development charges studies.

The next largest development-related capital component is for Fire Services at \$227,000 (2 per cent). The capital program includes for new extrication equipment at the Mt. Brydges and Melbourne stations, outfit for 3 new firefighters, and a fire master plan.

Lastly, the development-related capital forecast for Cemeteries totals about \$90,000 (1 per cent). The program includes for various additions to the Strathroy cemetery.

C. THE DEVELOPMENT-RELATED CAPITAL FORECAST FOR AREA-SPECIFIC SERVICES

In addition to the development-related capital forecast for municipal-wide services, Table 3B summarizes the capital programs for the area-specific services of Strathroy Engineering (roads and stormwater), Strathroy Water and Wastewater and Mount Brydges Water and Wastewater.

As shown in Table 3B, the development-related capital forecast for area-specific services has an estimated gross cost of \$54.59 million. Approximately, \$7.04 million in senior government grants, subsidies or other recoveries are expected to offset the cost of the program. Therefore, the net municipal cost of the program is \$47.54 million. The development charges eligible components of the capital programs are described in

Appendix C (for Strathroy Engineering) and Appendix D for area-specific water and wastewater services.

TABLE 3B

**MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF DEVELOPMENT-RELATED CAPITAL FORECAST
FOR AREA-SPECIFIC SERVICES (in \$000)**

	Planning Period	Gross Cost	Grants/ Subsidies	Municipal Cost
10.0 STRATHROY ENGINEERING	2015-2024	\$11,740.2	\$4,144.5	\$7,595.7
11.0 STRATHROY WATER SERVICE AREA	2015-2031	\$21,679.1	\$0.0	\$21,679.1
12.0 STRATHROY WASTEWATER SERVICE AREA	2015-2031	\$11,498.4	\$1,100.0	\$10,398.4
13.0 MOUNT BRYDGES WATER SERVICE AREA	2015-2031	\$3,750.0	\$1,799.8	\$1,950.2
14.0 MOUNT BRYDGES WASTEWATER SERVICE AREA	2015-2034	\$4,319.2	\$0.0	\$4,319.2
15.0 MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 1	Build-Out	\$618.6	\$0.0	\$618.6
16.0 MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 2	Build-Out	\$981.0	\$0.0	\$981.0
TOTAL AREA-SPECIFIC SERVICES		\$54,586.4	\$7,044.3	\$47,542.1

VI PROPOSED DEVELOPMENT CHARGES ARE CALCULATED IN ACCORDANCE WITH THE *DCA*

This section summarizes the calculation of development charges for each service category and the resulting total development charge by type of development. For Municipal-wide services, the calculation of the “unadjusted” per capita (residential) and per square metre (non-residential) charges is reviewed. Adjustments to these amounts resulting from a cash flow analysis that takes interest earnings and borrowing costs into account are also discussed.

For residential development, the adjusted total per capita amount is then converted to a variable charge by housing unit type using various unit occupancy factors. For non-residential development, the charges are based on gross floor area (GFA) of building space.

It is noted that the calculation of the Municipal-wide development charges does not include any provision for exemptions required under the *DCA*, such as the exemption for enlargements of up to 50 per cent on existing industrial buildings. Such legislated exemptions, or other exemptions that Council may choose to provide, will result in loss of development charge revenue for the affected types of development. However, any such revenue loss may not be made up by offsetting increases in other portions of the calculated charge.

Area-specific development charges are derived by identifying a project or group of projects in each service category that are required to service a particular service area in the municipality. The development-related net capital cost for the service area is then divided by the growth anticipated in that area of the Municipality.

A. UNADJUSTED DEVELOPMENT CHARGE CALCULATION FOR MUNICIPAL-WIDE SERVICES

A summary of the “unadjusted” residential and non-residential development charges for Municipal-wide services is presented in Table 4.

1. Municipal-wide Services

The capital forecast for municipal-wide services incorporates those projects identified to be related to development anticipated in the next ten years. Table 4 shows that the net municipal cost of the capital program totals \$12.42 million. However, not all of the capital costs are to be recovered from new development by way of development charges. Table 4 shows that \$4.23 million of the capital forecast relates to replacement of existing capital facilities or for shares of projects that provide benefit to the existing community. This amount mainly results from the benefit to existing component related to the municipal-wide engineering services, shares of development-related studies and the library renovations. These portions of capital costs will have to be funded from non-development charge revenue sources.

An additional share of \$1.98 million has been identified as available development charges reserves and represents the revenue collected from previous development charges. This portion has been netted out of the chargeable capital costs. No portion of the capital forecast is attributable to development beyond the 2024 period.

The DCA, s. 5 (1) 8 requires that development-related net capital costs for “soft” (general) services be reduced by 10 per cent in calculating the applicable development charge. The discount does not apply to the Protection Services or services related to a highway (Public Works). The 10 per cent share of development-related net capital costs not included in the development charge calculations must be funded from non-development charge sources. In total, about \$468,000 is identified as the required 10 per cent reduction.

The total costs eligible for recovery through development charges for municipal-wide services is \$5.73 million. This amount is allocated between the residential and non-residential sectors to derive the unadjusted development charges. Indoor Recreation, Park Development and Facilities, Libraries and Cemeteries are deemed to benefit residential development only, while the remaining services are allocated between both sectors based on shares of population in new units and employment growth. Approximately \$5.09 million of the municipal-wide services development charges eligible capital program is deemed to benefit residential development. When this amount is divided by the ten year growth in population in new units (2,556) an unadjusted charge of \$1,991.76 per capita is the result. The non-residential share of the municipal-wide services capital program totals \$642,400 and when this amount is divided by the ten year forecast of non-residential space growth (44,892 square metres) an unadjusted charge of \$14.32 per square metre is the result.

TABLE 4

MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
10-YEAR CAPITAL PROGRAM FOR MUNICIPAL-WDE SERVICES

10 Year Growth in Population in New Units	2,556
10 Year Growth in Square Meters	44,892

Service	Development-Related Capital Forecast (2015 - 2024)									
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Legislated Service Discount (\$000)	Available DC Reserves (\$000)	Post-2024 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)	Residential Share		Non-Residential Share	
							%	\$000	%	\$000
1.00 FIRE SERVICES	\$227.0	\$0.0	\$0.0	\$92.7	\$0.0	\$134.3	76%	\$102.1	24%	\$32.2
Unadjusted Development Charge Per Capita (\$)								\$39.93		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.72
2.00 POLICE SERVICES	\$440.0	\$243.1	\$0.0	\$77.5	\$0.0	\$119.4	76%	\$90.8	24%	\$28.7
Unadjusted Development Charge Per Capita (\$)								\$35.52		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.64
3.00 INDOOR RECREATION	\$3,711.8	\$0.0	\$371.2	\$786.2	\$0.0	\$2,554.4	100%	\$2,554.4	0%	\$0.0
Unadjusted Development Charge Per Capita (\$)								\$999.55		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.00
4.00 PARK DEVELOPMENT & FACILITIES	\$626.5	\$35.0	\$59.2	\$194.7	\$0.0	\$337.6	100%	\$337.6	0%	\$0.0
Unadjusted Development Charge Per Capita (\$)								\$132.11		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.00
5.00 PUBLIC WORKS: BUILDINGS & FLEET	\$846.8	\$0.0	\$0.0	\$198.0	\$0.0	\$648.8	76%	\$493.1	24%	\$155.7
Unadjusted Development Charge Per Capita (\$)								\$192.93		
Unadjusted Development Charge Per Sq. M. (\$)										\$3.47
6.00 CEMETERIES	\$90.0	\$45.0	\$4.5	\$0.0	\$0.0	\$40.5	100%	\$40.5	0%	\$0.0
Unadjusted Development Charge Per Capita (\$)								\$15.85		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.00
7.00 LIBRARIES	\$460.5	\$323.6	\$13.7	\$0.0	\$0.0	\$123.2	100%	\$123.2	0%	\$0.0
Unadjusted Development Charge Per Capita (\$)								\$48.20		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.00
8.00 GENERAL GOVERNMENT	\$295.0	\$100.0	\$19.5	\$84.7	\$0.0	\$90.8	76%	\$69.0	24%	\$21.8
Unadjusted Development Charge Per Capita (\$)								\$26.99		
Unadjusted Development Charge Per Sq. M. (\$)										\$0.49
9.00 MUNICIPAL-WIDE ENGINEERING	\$5,720.0	\$3,486.4	\$0.0	\$550.0	\$0.0	\$1,683.6	76%	\$1,279.5	24%	\$404.1
Unadjusted Development Charge Per Capita								\$500.68		
Unadjusted Development Charge Per Sq. M.										\$9.00
Total - 10 Year Municipal-Wide Services	\$12,417.6	\$4,233.1	\$468.0	\$1,983.9	\$0.0	\$5,732.6		\$5,090.1		\$642.4
Unadjusted Development Charge Per Capita (\$)								\$1,991.76		
Unadjusted Development Charge Per Sq. M. (\$)										\$14.32

2. Adjusted rates for Municipal-Wide Residential and Non-Residential Development Charges

Final adjustments to the “unadjusted” development charge rates summarized above are made through a cash flow analysis. The analysis, details of which are included in the Appendices, considers the borrowing cost and interest earnings associated with the timing of expenditures and development charge receipts for all general services. A cash flow analysis was not undertaken for engineering services under this study.

Tables 5 and 6 summarize the results of the adjustments for the residential and non-residential components of the Municipal-wide rates respectively. As shown on Table 5, the adjusted per capita rate decreases from \$1,992 to \$1,950 after the cash flow analysis – the decrease can mainly be attributed to indoor recreation services. Residential Municipal-Wide development charges are proposed to vary by dwelling unit type to reflect their different occupancy factors and resulting demand for services. As shown in Table 5, the calculated residential charge ranges from \$3,082 per unit for apartments, \$4,759 per unit for multiples (i.e. row houses/townhouses) to \$5,909 per unit for single and semi-detached units.

Table 6 shows that the adjusted rate for non-residential development increases slightly from \$14.32 to \$14.42 per square metre.

B. DEVELOPMENT CHARGES FOR AREA-SPECIFIC SERVICES

The development charges capital program for area-specific services is summarized in Table 7. The table shows that the net municipal cost of the area-specific capital programs totals \$47.54 million.

Not all of the net municipal costs are to be recovered from new development by way of development charges. Table 7 shows that over half of the capital program (53% or \$25.41 million) relate to replacement of existing capital works or for shares of projects that provide benefit to the existing community. This amount has been netted off the chargeable capital cost. Another deduction is made to account for development charges previously collected from prior growth (\$1.12 million) and have already been applied to offset the cost of completed projects. A further deduction (\$1.90 million) is made to account for monies available in DC reserves which can be used to fund the program. A post period share in the amount of \$1.36 million is also netted off of the development-related costs, as it is deemed to benefit future development. The ten per cent statutory discount is not required for engineered services.

The remaining \$17.75 million is related to development and has been included in the development charge calculation.

TABLE 5 MUNICIPALITY OF STRATHROY-CARADOC RESIDENTIAL DEVELOPMENT CHARGE MUNICIPAL-WIDE DEVELOPMENT CHARGE					
SERVICE	Unadjusted Charge Per Capita	Adjusted Charge Per Capita After Cashflow	Charge Per Unit Type ⁽¹⁾		
			Single & Semi Detached	Multiples	Apartments
Fire Services	\$40	\$42	\$126	\$101	\$66
Police Services	\$36	\$39	\$119	\$96	\$62
Indoor Recreation	\$1,000	\$931	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$132	\$143	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$193	\$193	\$586	\$472	\$306
Cemeteries	\$16	\$18	\$56	\$45	\$29
Library Services	\$48	\$57	\$171	\$138	\$89
General Government	\$27	\$26	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$1,491	\$1,449	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$501	\$501	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$1,992	\$1,950	\$5,909	\$4,759	\$3,082
1: Person per unit:			3.03	2.44	1.58

TABLE 6 MUNICIPALITY OF STRATHROY-CARADOC NON-RESIDENTIAL DEVELOPMENT CHARGE MUNICIPAL-WIDE DEVELOPMENT CHARGE		
SERVICE	Unadjusted Charge (\$/sq.m.)	Adjusted Charge (\$/sq.m.)
Fire Services	\$0.72	\$0.75
Police Services	\$0.64	\$0.71
Indoor Recreation	\$0.00	\$0.00
Park Development & Facilities	\$0.00	\$0.00
Public Works: Buildings & Fleet	\$3.47	\$3.48
Cemeteries	\$0.00	\$0.00
Library Services	\$0.00	\$0.00
General Government	\$0.49	\$0.48
SUB-TOTAL PER SQ METRE	\$5.32	\$5.42
Municipality-Wide Engineering	\$9.00	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.32	\$14.42

TABLE 7

MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
AREA SPECIFIC SERVICES

	Development-Related Capital Program																			
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Legislated Service Discount (\$000)	Prior Growth* (\$000)	Available DC Reserves (\$000)	Post Period Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)	Residential Share					Non-Residential Share							
								%	\$000	%	\$000									
<u>STRATHROY SERVICE AREA</u>																				
10.0 STRATHROY ENGINEERING	\$	7,595.7	\$	2,610.1	\$	-	\$	-	\$	1,394.9	\$	717.5	\$	2,873.2	76%	\$	2,183.6	24%	\$	689.6
Unadjusted Development Charge Per Capita															\$972.94					
Unadjusted Development Charge Per Sq. M															\$17.07					
11.0 STRATHROY WATER SERVICE AREA	\$	21,679.1	\$	18,343.0	\$	-	\$	241.5	\$	134.7	\$	-	\$	2,959.9	68%	\$	1,997.9	33%	\$	962.0
Unadjusted Development Charge Per Capita															\$358.58					
Unadjusted Development Charge Per Sq. M															\$14.01					
12.0 STRATHROY WASTEWATER SERVICE AREA	\$	10,398.4	\$	3,301.3	\$	-	\$	780.9	\$	154.6	\$	-	\$	6,161.6	68%	\$	4,159.1	33%	\$	2,002.5
Unadjusted Development Charge Per Capita															\$746.46					
Unadjusted Development Charge Per Sq. M															\$29.16					
<u>MOUNT BRYDGES SERVICE AREA</u>																				
13.0 MOUNT BRYDGES WATER SERVICE AREA	\$	1,950.2	\$	821.3	\$	-	\$	-	\$	46.4	\$	641.7	\$	440.8	90%	\$	396.7	10%	\$	44.1
Unadjusted Development Charge Per Capita															\$513.44					
Unadjusted Development Charge Per Sq. M															\$5.78					
14.0 MOUNT BRYDGES WASTEWATER SERVICE AREA	\$	4,319.2	\$	-	\$	-	\$	101.8	\$	174.0	\$	-	\$	4,043.4	90%	\$	3,639.0	10%	\$	404.3
Unadjusted Development Charge Per Capita															\$3,358.42					
Unadjusted Development Charge Per Sq. M															\$37.78					
15.0 MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 1	\$	618.6	\$	233.9	\$	-	\$	-	\$	-	\$	-	\$	384.7	100%	\$	384.7	0%	\$	-
Unadjusted Development Charge Per Capita															\$377.88					
Unadjusted Development Charge Per Sq. M															\$0.00					
16.0 MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 2	\$	981.0	\$	96.1	\$	-	\$	-	\$	-	\$	-	\$	884.9	100%	\$	884.9	0%	\$	-
Unadjusted Development Charge Per Capita															\$739.26					
Unadjusted Development Charge Per Sq. M															\$0.00					
Total - Area-Specific Services	\$47,542.1		\$25,405.7		\$0.0		\$1,124.1		\$1,904.6		\$1,359.2		\$17,748.5							

Note *: Represents Development Charges which have been previously collected and have already been applied towards the funding of a specific project/program

The residential and non-residential shares of the development charges eligible capital program are split based on variety of factors pending on the service area. The specific details regarding this allocation can be found in the appendix C (for Strathroy Engineering) and Appendix D for water and wastewater services. The calculated development charges for each of the services are presented in Tables 8-11.

TABLE 8
MUNICIPALITY OF STRATHROY-CARADOC
RESIDENTIAL DEVELOPMENT CHARGE
STRATHROY SERVICE AREA DEVELOPMENT CHARGE

SERVICE	Unadjusted Charge Per Capita	Adjusted Charge Per Capita After Cashflow	Charge Per Unit Type ⁽¹⁾		
			Single & Semi Detached	Multiples	Apartments
Fire Services	\$39.93	\$41.50	\$126	\$101	\$66
Police Services	\$35.52	\$39.20	\$119	\$96	\$62
Indoor Recreation	999.55	\$930.90	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$132.11	\$142.83	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$192.93	\$193.40	\$586	\$472	\$306
Cemeteries	\$15.85	\$18.35	\$56	\$45	\$29
Library Services	\$48.20	\$56.50	\$171	\$138	\$89
General Government	\$26.99	\$26.48	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$1,491.08	\$1,449.16	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$500.68	\$500.68	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$1,991.76	\$1,949.84	\$5,909	\$4,759	\$3,082
Strathroy Engineering (roads and storm)	\$972.94	\$972.94	\$2,948	\$2,374	\$1,537
Strathroy Water	\$358.58	\$358.58	\$1,086	\$875	\$567
Strathroy Wastewater	\$746.46	\$746.46	\$2,262	\$1,821	\$1,179
TOTAL DEVELOPMENT CHARGE	\$4,069.74	\$4,027.82	\$12,205	\$9,829	\$6,365
1: Person per unit:			3.03	2.44	1.58

TABLE 9 MUNICIPALITY OF STRATHROY-CARADOC NON-RESIDENTIAL DEVELOPMENT CHARGE STRATHROY SERVICE AREA DEVELOPMENT CHARGE		
SERVICE	Unadjusted Charge (\$/sq.m.)	Adjusted Charge (\$/sq.m.)
Fire Services	\$0.72	\$0.75
Police Services	\$0.64	\$0.71
Indoor Recreation	\$0.00	\$0.00
Park Development & Facilities	\$0.00	\$0.00
Public Works: Buildings & Fleet	\$3.47	\$3.48
Cemeteries	\$0.00	\$0.00
Library Services	\$0.00	\$0.00
General Government	\$0.49	\$0.48
SUB-TOTAL PER SQ METRE	\$5.32	\$5.42
Municipality-Wide Engineering	\$9.00	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.32	\$14.42
Strathroy Engineering (roads and storm)	\$17.07	\$17.07
Strathroy Water	\$14.01	\$14.01
Strathroy Wastewater	\$29.16	\$29.16
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$74.56	\$74.66

TABLE 10
MUNICIPALITY OF STRATHROY-CARADOC
RESIDENTIAL DEVELOPMENT CHARGE
MOUNT BRYDGES SERVICE AREA DEVELOPMENT CHARGE

SERVICE	Unadjusted Charge Per Capita	Adjusted Charge Per Capita After Cashflow	Charge Per Unit Type ⁽¹⁾		
			Single & Semi Detached	Multiples	Apartments
Fire Services	\$39.93	\$41.50	\$126	\$101	\$66
Police Services	\$35.52	\$39.20	\$119	\$96	\$62
Indoor Recreation	\$999.55	\$930.90	\$2,821	\$2,271	\$1,471
Park Development & Facilities	\$132.11	\$142.83	\$433	\$349	\$226
Public Works: Buildings & Fleet	\$192.93	\$193.40	\$586	\$472	\$306
Cemeteries	\$15.85	\$18.35	\$56	\$45	\$29
Library Services	\$48.20	\$56.50	\$171	\$138	\$89
General Government	\$26.99	\$26.48	\$80	\$65	\$42
SUB-TOTAL GENERAL SERVICE CHARGE	\$1,491.08	\$1,449.16	\$4,392	\$3,537	\$2,291
Municipality-Wide Engineering	\$500.68	\$500.68	\$1,517	\$1,222	\$791
TOTAL MUNICIPAL-WIDE CHARGE	\$1,991.76	\$1,949.84	\$5,909	\$4,759	\$3,082
Mount Brydges Water	\$513.44	\$513.44	\$1,556	\$1,253	\$811
Mount Brydges Wastewater	\$3,358.42	\$3,358.42	\$10,176	\$8,195	\$5,306
TOTAL DEVELOPMENT CHARGE	\$5,863.62	\$5,821.70	\$17,641	\$14,207	\$9,199
Mount Brydges Wastewater - Special Area 1	\$377.88	\$377.88	\$1,145	\$922	\$597
Mount Brydges Wastewater - Special Area 2	\$739.26	\$739.26	\$2,240	\$1,804	\$1,168
1: Person per unit:			3.03	2.44	1.58

TABLE 11 MUNICIPALITY OF STRATHROY-CARADOC NON-RESIDENTIAL DEVELOPMENT CHARGE MOUNT BRYDGES SERVICE AREA DEVELOPMENT CHARGE		
SERVICE	Unadjusted Charge (\$/sq.m.)	Adjusted Charge (\$/sq.m.)
Fire Services	\$0.72	\$0.75
Police Services	\$0.64	\$0.71
Indoor Recreation	\$0.00	\$0.00
Park Development & Facilities	\$0.00	\$0.00
Public Works: Buildings & Fleet	\$3.47	\$3.48
Cemeteries	\$0.00	\$0.00
Library Services	\$0.00	\$0.00
General Government	\$0.49	\$0.48
SUB-TOTAL PER SQ METRE	\$5.32	\$5.42
MUNICIPAL-WIDE ENGINEERING	\$9.00	\$9.00
TOTAL MUNICIPAL-WIDE CHARGE PER SQ METRE	\$14.32	\$14.42
Mount Brydges Water	\$5.78	\$5.78
Mount Brydges Wastewater	\$37.78	\$37.78
TOTAL DEVELOPMENT CHARGE	\$57.88	\$57.98

VII COMPARISON OF CALCULATED AND CURRENT DEVELOPMENT CHARGES

Tables 12—14 present a comparison of the newly calculated Strathroy residential and non-residential development charges with the Municipality's current charges.

Tables 15—17 present a comparison of the newly calculated Mount Brydges residential and non-residential development charges with the Municipality's current charges. It should be noted, the Mount Brydges Special Area charges (for area 1 and 2) are new charges calculated under this study; therefore no comparison chart is shown.

The calculated development charges, including the area-specific services, represent an increase over the Municipality's current charges. The reasons for the increase are mainly related to:

- Current charges do not reflect the maximum allowable development charges Council could have implemented following the 2010 Development Charges Background Study Process; and
- Current rates have not been adjusted to account for annual indexing to reflect the change in construction costs over time.

TABLE 12
MUNICIPALITY OF STRATHROY-CARADOC
RESIDENTIAL DEVELOPMENT CHARGE PER SINGLE/SEMI DETACHED UNIT
STRATHROY SERVICE AREA

SERVICE	Current Charge per Single/Semi	Calculated Charge per Single/Semi	Difference in Calculated & Current Charge	
	\$/Unit		\$	%
Fire Services	\$141	\$126	(\$15)	(10.6%)
Police Services	\$257	\$119	(\$138)	(53.7%)
Indoor Recreation	\$3,053	\$2,821	(\$232)	(7.6%)
Park Development & Facilities	\$363	\$433	\$70	19.3%
Public Works: Buildings & Fleet	\$402	\$586	\$184	45.8%
Cemeteries	\$0	\$56	\$56	-
Library Services	\$0	\$171	\$171	-
General Government	\$81	\$80	(\$1)	(1.2%)
SUB-TOTAL GENERAL SERVICE CHARGE	\$4,297	\$4,392	\$95	2.2%
Municipality-Wide Engineering	\$2,505	\$1,517	(\$988)	(39.4%)
TOTAL MUNICIPALITY-WIDE CHARGE	\$6,802	\$5,909	(\$893)	(13.1%)
Strathroy Engineering (roads and storm)	\$0	\$2,948	\$2,948	-
Strathroy Water	\$938	\$1,086	\$148	15.8%
Strathroy Wastewater	\$2,018	\$2,262	\$244	12.1%
TOTAL DEVELOPMENT CHARGE PER UNIT	\$9,758	\$12,205	\$2,447	25.1%

TABLE 13
MUNICIPALITY OF STRATHROY-CARADOC
NON-RESIDENTIAL DEVELOPMENT CHARGE PER SQUARE METRE
STRATHROY SERVICE AREA
COMMERCIAL & INSTITUTIONAL DEVELOPMENT

SERVICE	Current Commercial and Institutional Charge	Calculated Commercial and Institutional Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$0.84	\$0.75	(\$0.09)	(10.7%)
Police Services	\$1.53	\$0.71	(\$0.82)	(53.6%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$2.64	\$3.48	\$0.84	31.8%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.49	\$0.48	(\$0.01)	(2.0%)
SUB-TOTAL GENERAL SERVICE CHARGE	\$5.50	\$5.42	(\$0.08)	(1.5%)
Municipality-Wide Engineering	\$14.94	\$9.00	(\$5.94)	(39.8%)
TOTAL MUNICIPAL-WIDE CHARGE	\$20.44	\$14.42	(\$6.02)	(29.5%)
Strathroy Engineering (roads and storm)	\$0.00	\$17.07	\$17.07	-
Strathroy Water	\$9.96	\$14.01	\$4.05	40.7%
Strathroy Wastewater	\$21.44	\$29.16	\$7.72	36.0%
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$51.84	\$74.66	\$22.82	44.0%

TABLE 14
MUNICIPALITY OF STRATHROY-CARADOC
NON-RESIDENTIAL DEVELOPMENT CHARGE PER SQUARE METRE
STRATHROY SERVICE AREA
INDUSTRIAL DEVELOPMENT

SERVICE	Current Industrial Charge	Calculated Industrial Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$0.53	\$0.75	\$0.22	41.5%
Police Services	\$0.97	\$0.71	(\$0.26)	(26.8%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$1.66	\$3.48	\$1.82	109.6%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.31	\$0.48	\$0.17	54.8%
SUB-TOTAL GENERAL SERVICE CHARGE	\$3.47	\$5.42	\$1.95	56.2%
Municipality-Wide Engineering	\$9.43	\$9.00	(\$0.43)	(4.6%)
TOTAL MUNICIPAL-WIDE CHARGE	\$12.90	\$14.42	\$1.52	11.8%
Strathroy Engineering (roads and storm)	\$0.00	\$17.07	\$17.07	
Strathroy Water	\$6.28	\$14.01	\$7.73	123.1%
Strathroy Wastewater	\$13.53	\$29.16	\$15.63	115.5%
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$32.71	\$74.66	\$41.95	128.2%

TABLE 15
MUNICIPALITY OF STRATHROY-CARADOC
RESIDENTIAL DEVELOPMENT CHARGE PER SINGLE/SEMI DETACHED UNIT
MOUNT BRYDGES SERVICE AREA

SERVICE	Current Charge per Single/Semi	Calculated Charge per Single/Semi	Difference in Calculated & Current Charge	
	\$/Unit		\$	%
Fire Services	\$126	\$126	\$0	0.0%
Police Services	\$229	\$119	(\$110)	(48.0%)
Indoor Recreation	\$2,725	\$2,821	\$96	3.5%
Park Development & Facilities	\$324	\$433	\$109	33.6%
Public Works: Buildings & Fleet	\$359	\$586	\$227	63.2%
Cemeteries	\$0	\$56	\$56	-
Library Services	\$0	\$171	\$171	-
General Government	\$73	\$80	\$7	9.6%
SUB-TOTAL GENERAL SERVICE CHARGE	\$3,836	\$4,392	\$556	14.5%
Municipality-Wide Engineering	\$2,234	\$1,517	(\$717)	(32.1%)
TOTAL MUNICIPAL-WIDE CHARGE	\$6,070	\$5,909	(\$161)	(2.7%)
Mount Brydges Water	\$1,013	\$1,556	\$543	53.6%
Mount Brydges Wastewater	\$10,176	\$10,176	\$0	0.0%
TOTAL DEVELOPMENT CHARGE PER UNIT	\$17,259	\$17,641	\$382	2.2%

TABLE 16
MUNICIPALITY OF STRATHROY-CARADOC
NON-RESIDENTIAL DEVELOPMENT CHARGE PER SQUARE METRE
MOUNT BRYDGES SERVICE AREA
COMMERCIAL & INSTITUTIONAL DEVELOPMENT

SERVICE	Current Commercial and Institutional Charge	Calculated Commercial and Institutional Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$1.06	\$0.75	(\$0.31)	(29.2%)
Police Services	\$1.92	\$0.71	(\$1.21)	(63.0%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$3.31	\$3.48	\$0.17	5.1%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.61	\$0.48	(\$0.13)	(21.3%)
SUB-TOTAL GENERAL SERVICE CHARGE	\$6.90	\$5.42	(\$1.48)	(21.4%)
Municipality-Wide Engineering	\$18.78	\$9.00	(\$9.78)	(52.1%)
TOTAL MUNICIPAL-WIDE CHARGE	\$25.68	\$14.42	(\$11.26)	(43.8%)
Mount Brydges Water	\$4.82	\$5.78	\$0.96	19.9%
Mount Brydges Wastewater	\$21.34	\$37.78	\$16.44	77.0%
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$51.84	\$57.98	\$6.14	11.8%

TABLE 17
MUNICIPALITY OF STRATHROY-CARADOC
NON-RESIDENTIAL DEVELOPMENT CHARGE PER SQUARE METRE
MOUNT BRYDGES SERVICE AREA
INDUSTRIAL DEVELOPMENT

SERVICE	Current Industrial Charge	Calculated Industrial Charge	Difference in Calculated & Current Charge	
	\$/sq. m		\$	%
Fire Services	\$0.67	\$0.75	\$0.08	11.9%
Police Services	\$1.21	\$0.71	(\$0.50)	(41.3%)
Indoor Recreation	\$0.00	\$0.00	\$0.00	-
Park Development & Facilities	\$0.00	\$0.00	\$0.00	-
Public Works: Buildings & Fleet	\$2.09	\$3.48	\$1.39	66.5%
Cemeteries	\$0.00	\$0.00	\$0.00	-
Library Services	\$0.00	\$0.00	\$0.00	-
General Government	\$0.39	\$0.48	\$0.09	23.1%
SUB-TOTAL GENERAL SERVICE CHARGE	\$4.36	\$5.42	\$1.06	24.3%
Municipality-Wide Engineering	\$11.84	\$9.00	(\$2.84)	(24.0%)
TOTAL MUNICIPAL-WIDE CHARGE	\$16.20	\$14.42	(\$1.78)	(11.0%)
Mount Brydges Water	\$3.04	\$5.78	\$2.74	90.1%
Mount Brydges Wastewater	\$13.47	\$37.78	\$24.31	180.5%
TOTAL DEVELOPMENT CHARGE PER SQ.M	\$32.71	\$57.98	\$25.27	77.3%

VIII LONG-TERM CAPITAL AND OPERATING COSTS

This section provides a brief examination of the long-term capital and operating costs for the capital facilities and infrastructure to be included in the development charges by-law. This examination is required as one of the features of the *Development Charges Act, 1997*.

A. NET OPERATING COSTS FOR THE MUNICIPALITY'S SERVICES ESTIMATED TO INCREASE OVER THE FORECAST PERIOD

Table 18 summarizes the estimated increase in net operating costs that the Municipality will experience for additions associated with the planned capital program.

As shown in Table 18, by 2024, the Municipality's net operating costs are estimated to increase by \$399,100. Significant increases in net operating costs will be experienced as new facilities and equipment are added. Operating and maintenance costs will also increase as additions to the Municipality's road network are made.

B. LONG-TERM CAPITAL FINANCING FROM NON-DEVELOPMENT CHARGE SOURCES TOTALS \$4.70 MILLION

Table 18 also summarizes the components of the municipal-wide development-related capital program that will require funding from non-development charge sources as discussed in Section VI. In total \$4.70 million will need to be financed from non-development charge sources over the next ten years. This includes about \$468,000 in respect of the mandatory ten per cent discount required by the *DCA* for eligible "soft" services and about \$4.23 million for shares of projects related to capital replacement and for non-growth shares of projects that provide benefit to the existing community.

Appendix F provides a breakdown of the non-development charge financing requirements by service.

TABLE 18
MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF LONG TERM CAPITAL AND OPERATING COST IMPACTS
MUNICIPAL-WIDE SERVICES
(\$000)

NET OPERATING IMPACTS	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
Fire Services	\$30.0	\$30.0	\$30.0	\$39.8	\$39.8	\$49.5	\$49.5	\$49.5	\$49.5	\$49.5	n/a
Police Services	\$14.3	\$15.5	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	n/a
Indoor Recreation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Park Development and Facilities	\$39.4	\$41.4	\$43.4	\$45.4	\$47.4	\$49.4	\$51.4	\$53.4	\$55.4	\$57.4	n/a
Public Works	\$0.0	\$0.0	\$0.0	\$0.0	\$25.0	\$42.9	\$42.9	\$64.9	\$64.9	\$64.9	n/a
Cemeteries	\$7.0	\$7.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	n/a
Libraries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Municipal-wide Engineering	\$17.4	\$35.0	\$52.8	\$70.7	\$89.0	\$107.4	\$126.1	\$144.9	\$164.0	\$183.4	
TOTAL OPERATING IMPACTS	\$108.0	\$128.8	\$170.1	\$199.8	\$245.0	\$293.1	\$313.7	\$356.6	\$377.7	\$399.1	n.a.
LONG-TERM CAPITAL IMPACTS											
GENERAL SERVICES											
Total Net Cost	\$4,129.3	\$890.9	\$1,032.9	\$947.9	\$1,095.4	\$1,019.2	\$745.4	\$965.4	\$745.4	\$845.4	\$12,417.6
Net Cost From Development Charges	\$1,050.9	\$504.5	\$632.9	\$569.5	\$617.0	\$637.7	\$367.0	\$587.0	\$367.0	\$399.2	\$5,732.6
Net Cost From Non-DC Sources	\$3,078.3	\$386.5	\$400.1	\$378.5	\$478.5	\$381.5	\$378.5	\$378.5	\$378.5	\$446.2	\$6,685.0
- Discount Portion	\$185.4	\$29.8	\$30.8	\$29.8	\$34.8	\$32.8	\$29.8	\$29.8	\$29.8	\$34.8	\$468.0
- Replacement/BTE	\$985.4	\$348.6	\$358.6	\$348.6	\$398.6	\$348.6	\$348.6	\$348.6	\$348.6	\$398.6	\$4,233.1
- Available DC Reserves (1)	\$1,907.5	\$8.0	\$10.6	\$0.0	\$45.0	\$0.0	\$0.0	\$0.0	\$0.0	\$12.7	\$1,983.9
- For Post 2024 Development (2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL LONG-TERM CAPITAL IMPACTS	\$3,078.3	\$386.5	\$400.1	\$378.5	\$478.5	\$381.5	\$378.5	\$378.5	\$378.5	\$446.2	\$6,685.0
TOTAL NET OPERATING & CAPITAL IMPACTS	\$3,186.4	\$515.3	\$570.1	\$578.3	\$723.5	\$674.6	\$692.2	\$735.1	\$756.2	\$845.3	n.a.

Notes:

(1) To extent possible costs have been offset by existing DC Reserve Fund Balances.

(2) Costs for growth beyond 2024 may be recovered from future DC and therefore may only be an interim financing requirement.

IX DEVELOPMENT CHARGES ADMINISTRATION

No significant changes are recommended to the Municipality's current policies and practices regarding development charge administration. In this regard:

- It is recommended that practices regarding collection of development charges and by-law administration continue to the extent possible.
- As required under the *DCA*, the Municipality should codify any rules regarding application of the by-laws and exemptions within the development charges by-laws proposed for adoption.
- It is recommended that Council adopt the development-related capital forecast included in this background study, subject to annual review through the Municipality's normal capital budget process.
- Municipal staff has recommended that an agricultural fee be considered. This rate would be imposed for agricultural buildings over 557.4 m² (6,000 sq.ft), and would be charged a rate of \$2.54 per m² of gross floor area. Agricultural buildings constructed smaller than 557.4m² (6,000 sq.ft) would continue to be exempt from the payment of development charges.
- Municipal staff has also recommend reduced commercial and industrial charges be considered by Council, for some service areas, to remain competitive from an economic development perspective. The Development Charges by-law provides further information on the proposed rates.

APPENDIX A

DEVELOPMENT FORECAST

APPENDIX A

RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT FORECAST

A. BACKGROUND

This appendix provides details about the development forecasts that were used in the preparation of the Development Charges Background Study for the Municipality of Strathroy-Caradoc. The forecast described herein is consistent with governing legislation and represents the best estimate of the amount and type of development that is likely to occur in the Municipality from 2015 to 2031. The results of the forecasts are provided in a series of tables.

B. HISTORIC GROWTH

Strathroy-Caradoc has experienced modest growth over the last 10 years (see Table A.1). The Municipality has averaged 90 units per year of housing growth and the population has increased by approximately 1,600 people from 2005 to 2014. The Municipality's estimated 2014 population was just under 21,300. The population numbers referenced throughout the background study are based on Census population and do not include Census undercoverage (which is estimated at 3 per cent). The population growth rate has been slightly less than the growth in households as a result of the decline in the average number of persons residing in dwelling units, a trend that is expected to continue. As illustrated in Table A.2, nearly 85% of all households in the municipality are of a single/semi detached unit type.

Employment growth over the last 10 years has occurred at a slower rate than population growth largely due to the global economic slowdown which particularly affected the manufacturing sector. Approximately 460 employees were added over the historic 10-year period. In 2014, about 8,900 people were employed in the community. The employment numbers referenced in the background study reflect how many employees work in Strathroy-Caradoc. This should not be confused with place of residence employment data which would be based on where residents of Strathroy-Caradoc work.

Occupancy levels for single- and semi-detached, row and other multiple and apartment units in Strathroy-Caradoc are provided in Table A.4. The overall average

occupancy level in Strathroy-Caradoc was 2.57 persons per unit (PPU). For the purposes of calculating the population residing in new dwelling units over the 5-year by-law, the following PPU values were used:

- Singles/Semis 3.03
- Rows and Other Multiples 2.44
- Apartments 1.58

The chosen PPU values generally resemble the 2001–2011 average presented in Table 4. The rows and other multiples PPU in new units used in the development charges study is higher than the value in Table 4 since a value of 1.67 is likely artificially low due to a small sample size.

B. STRATHROY-CARADOC DEVELOPMENT FORECAST

Forecasts of population, housing units, employment and non-residential floor space were prepared as part of the background study.

Forecasts of population are based on the County of Middlesex Official Plan forecasts to 2026. The Official Plan forecast was updated as to incorporate the 2011 Census in the initial forecast years. In general, population and household growth is expected to follow recent trends in the 10-year period from 2015–2024. Between 2025 and 2031, residential growth is expected to accelerate as more units in Mount Brydges are developed.

The employment forecasts are based on the County of Middlesex, *Employment Land Needs Study*, April 30, 2012. The employment land needs study utilized a linear forecast methodology that projects Strathroy Caradoc adding just over 80 employees per year over the forecast period.

Area-specific development charges have been calculated for the Strathroy and Mount Brydges service areas. Details of the service area growth forecasts are included in Appendices C for roads and D for water and wastewater.

1. Residential Forecast

The residential forecast is based on a forecast of household and population in the Municipality. The allocation of development related capital costs between the residential and non-residential sector, for most services, is based on forecasts of

population in new housing units and employment growth. The population in new housing units was estimated based on Statistics Canada special run of data on occupancy patterns of household unit types by period of construction.

The population and household growth, in part, determines the need for additional facilities and provides the foundation for the development-related capital program. Tables A.5—A.8 summarize the population and household forecast. The tables show that the Municipality’s net population (or Census population) is forecast to increase over the ten-year forecast period by 1,469 persons, from 21,271 in 2014 to 22,740 in 2024. The total forecast net population growth from 2015-2031 is 4,249, reaching a total census population of 25,520 people in 2031. Further, the number of occupied households will increase by 917, from 8,169 in 2014 to 9,086 in 2024. Over the longer-term (to 2031), the Municipality will add 2,327 households.

In addition to the net population forecast, a forecast of “population in new units” that will result from the addition of new housing units has been made. As shown in tables A.9 and A.10, population growth in new units is estimated by applying persons per unit (PPUs) values to the housing unit forecast. PPU values for 2011 were 3.10 for single and semi-detached units; 2.50 for rows and other multiples; and 1.62 for apartments. These PPU values are forecasted to decline slightly over time. The forecasted persons in newly constructed units are based upon the historical time series of population growth in housing in the last ten year Census period (2001-2011) as released in the 2011 National Household Survey and historical trends. In total, 2,556 is the forecasted population in new dwelling units over the ten-year planning period and 6,344 people is forecasted to 2031.

1. Non-Residential Forecast

Non-residential development charges are calculated on a per square metre of gross floor area (GFA) basis. Therefore, as per the DCA, a forecast of non-residential building space has been developed. As with the residential forecast, a growth forecast from 2015 to 2024 has been developed as well as a forecast to 2031.

Employment densities have been used to convert the employment forecast into building space estimates. The following densities, by employment type, have been utilized in this Study:

Commercial/ Retail:	40 square metres per employee
Institutional:	60 square metres per employee
Employment Land:	90 square metres per employee

The employment forecast by type (i.e. employment land, rural, retail, etc.) is provided in Table A.11, while the GFA forecasts are provided in Table A.12. The total GFA

growth is forecast at 44,892 square metres over the ten-year period with an accompanying employment growth of 811. Over the longer planning period to 2031, it is forecasted that 1,379 new employees will be accommodated in 76,317 square metres of new non-residential GFA.

TABLE A.1
MUNICIPALITY OF STRATHROY-CARADOC
Historic Population, Households & Employment

Mid-Year	Census Population	Growth	Growth %	Total Population	Occupied Households	Growth	Growth %	Household Size	Place of Work Employment	Growth	Growth %	Activity Rate
2001	19,114	-	-	20,005	6,990	-	-	2.73	8,179	-	-	42.8%
2002	19,284	170	0.9%	20,173	7,082	92	1.3%	2.72	8,259	80	1.0%	42.8%
2003	19,455	171	0.9%	20,342	7,175	93	1.3%	2.71	8,343	84	1.0%	42.9%
2004	19,628	173	0.9%	20,513	7,269	94	1.3%	2.70	8,434	91	1.1%	43.0%
2005	19,802	174	0.9%	20,685	7,364	95	1.3%	2.69	8,530	96	1.1%	43.1%
2006	19,977	175	0.9%	20,858	7,460	96	1.3%	2.68	8,634	104	1.2%	43.2%
2007	20,173	196	1.0%	21,011	7,557	97	1.3%	2.67	8,626	(8)	-0.1%	42.8%
2008	20,371	198	1.0%	21,165	7,656	99	1.3%	2.66	8,623	(3)	0.0%	42.3%
2009	20,571	200	1.0%	21,320	7,757	101	1.3%	2.65	8,626	3	0.0%	41.9%
2010	20,773	202	1.0%	21,476	7,859	102	1.3%	2.64	8,634	8	0.1%	41.6%
2011	20,978	205	1.0%	21,633	7,965	106	1.3%	2.63	8,648	14	0.2%	41.2%
2012	21,072	94	0.4%	21,729	8,031	66	0.8%	2.62	8,729	81	0.9%	41.4%
2013	21,164	92	0.4%	21,824	8,097	66	0.8%	2.61	8,810	81	0.9%	41.6%
2014	21,271	107	0.5%	21,935	8,169	72	0.9%	2.60	8,891	81	0.9%	41.8%
2005-2014		1,643	8.4%	1,422		900	12.4%			457	5.4%	

Source: Statistics Canada, Census of Canada; Hemson Estimates

TABLE A.2
MUNICIPALITY OF STRATHROY-CARADOC
Historic Housing

Mid-Year	Occupied Housing Units				
	Singles	Semis	Rows	Apts.	Total
2001	5,235	545	190	1,020	6,990
2002	5,309	552	191	1,030	7,082
2003	5,384	559	192	1,040	7,175
2004	5,460	566	193	1,050	7,269
2005	5,537	573	194	1,060	7,364
2006	5,615	580	195	1,070	7,460
2007	5,694	587	196	1,080	7,557
2008	5,775	594	197	1,090	7,656
2009	5,857	601	199	1,100	7,757
2010	5,940	608	201	1,110	7,859
2011	6,025	615	205	1,120	7,965
2012	6,091	615	205	1,120	8,031
2013	6,157	615	205	1,120	8,097
2014	6,229	615	205	1,120	8,169

Source: Statistics Canada, Census of Canada and Building Permit Data

Historic Housing - Shares By Unit Type

Mid-Year	Occupied Housing Units				
	Singles	Semis	Rows	Apts.	Total
2001	75%	8%	3%	15%	100%
2002	75%	8%	3%	15%	100%
2003	75%	8%	3%	14%	100%
2004	75%	8%	3%	14%	100%
2005	75%	8%	3%	14%	100%
2006	75%	8%	3%	14%	100%
2007	75%	8%	3%	14%	100%
2008	75%	8%	3%	14%	100%
2009	76%	8%	3%	14%	100%
2010	76%	8%	3%	14%	100%
2011	76%	8%	3%	14%	100%
2012	76%	8%	3%	14%	100%
2013	76%	8%	3%	14%	100%
2014	76%	8%	3%	14%	100%

TABLE A.3
MUNICIPALITY OF STRATHROY-CARADOC
Historic Housing Growth

Mid-Year	Occupied Housing Units				Total
	Singles	Semis	Rows	Apts.	
2001					
2002	74	7	1	10	92
2003	75	7	1	10	93
2004	76	7	1	10	94
2005	77	7	1	10	95
2006	78	7	1	10	96
2007	79	7	1	10	97
2008	81	7	1	10	99
2009	82	7	2	10	101
2010	83	7	2	10	102
2011	85	7	4	10	106
2012	66	-	-	-	66
2013	66	-	-	-	66
2014	72	-	-	-	72
2005-2014	769	49	12	70	900

Source: Statistics Canada, Census of Canada and Building Permit Data (2001-2011)

Source: CMHC Housing Completions Data (2012-2014)

Historic Housing Growth - Shares By Unit Type

Mid-Year	Occupied Housing Units				Total
	Singles	Semis	Rows	Apts.	
2001					
2002	80%	8%	1%	11%	100%
2003	81%	8%	1%	11%	100%
2004	81%	7%	1%	11%	100%
2005	81%	7%	1%	11%	100%
2006	81%	7%	1%	10%	100%
2007	81%	7%	1%	10%	100%
2008	82%	7%	1%	10%	100%
2009	81%	7%	2%	10%	100%
2010	81%	7%	2%	10%	100%
2011	80%	7%	4%	9%	100%
2012	100%	0%	0%	0%	100%
2013	100%	0%	0%	0%	100%
2014	100%	0%	0%	0%	100%
2005-2014	85%	5%	1%	8%	100%

TABLE A.4
MUNICIPALITY OF STRATHROY-CARADOC
Household Size by Unit Type by Period of Construction

	Period of Construction												
	Pre 1945	1946-1960	1961-1970	1971-1980	1981-1985	1986-1990	1991-1995	1996-2000	2001-2005	2006-2011	Pre 2001	2001-2011	Total
Singles													
Household Population	2,815	1,535	1,715	2,280	810	1,600	1,270	1,620	1,550	1,215	13,645	2,765	16,410
Households	1,050	570	645	885	295	595	430	590	490	405	5,060	895	5,955
Household Size	2.68	2.69	2.66	2.58	2.75	2.69	2.95	2.75	3.16	3.00	2.70	3.09	2.76
Semis													
Household Population	240	0	225	455	95	265	155	100	0	70	1,535	70	1,605
Households	120	0	90	175	45	90	80	40	0	20	640	20	660
Household Size	2.00	n/a	2.50	2.60	2.11	2.94	1.94	2.50	n/a	3.50	2.40	3.50	2.43
Singles & Semis													
Household Population	3,055	1,535	1,940	2,735	905	1,865	1,425	1,720	1,550	1,285	15,180	2,835	18,015
Households	1,170	570	735	1,060	340	685	510	630	490	425	5,700	915	6,615
Household Size	2.61	2.69	2.64	2.58	2.66	2.72	2.79	2.73	3.16	3.02	2.66	3.10	2.72
Rows													
Household Population	0	0	0	105	0	0	45	50	0	25	200	25	225
Households	0	0	0	55	0	0	20	30	0	15	105	15	120
Household Size	n/a	n/a	n/a	1.91	n/a	n/a	2.25	1.67	n/a	1.67	1.90	1.67	1.88
Apartments (no duplex) - 1BR or Less													
Household Population	0	0	0	0	0	0	0	0	0	0	0	0	0
Households	0	0	0	0	0	0	0	0	0	0	0	0	0
Household Size	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Apartments (no duplex) - 2BR or More													
Household Population	185	30	265	175	35	145	0	35	0	80	870	80	950
Households	105	25	105	105	20	60	0	20	0	65	440	65	505
Household Size	1.76	1.20	2.52	1.67	1.75	2.42	n/a	1.75	n/a	1.23	1.98	1.23	1.88
All Apartments (no duplex)													
Household Population	340	40	420	250	125	155	40	100	0	115	1,470	115	1,585
Households	240	30	240	165	85	70	20	45	0	85	895	85	980
Household Size	1.42	1.33	1.75	1.52	1.47	2.21	2.00	2.22	n/a	1.35	1.64	1.35	1.62
Duplex Units													
Household Population	70	0	0	0	0	0	0	0	0	0	70	0	70
Households	40	0	0	0	0	0	0	0	0	0	40	0	40
Household Size	1.75	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.75	n/a	1.75
All Units													
Household Population	3,465	1,575	2,360	3,090	1,030	2,020	1,510	1,870	1,550	1,425	16,920	2,975	19,895
Households	1,450	600	975	1,280	425	755	550	705	490	525	6,740	1,015	7,755
Household Size	2.39	2.63	2.42	2.41	2.42	2.68	2.75	2.65	3.16	2.71	2.51	2.93	2.57

Source: Statistics Canada, 2011 National Household Survey Special Run

TABLE A.5
MUNICIPALITY OF STRATHROY-CARADOC
Population, Household & Employment Forecast Summary

Mid-Year	Census Population	Total Population	Households	Employment	PPU	Activity Rate
2011	20,978	21,633	7,965	8,648	2.63	41.2%
2012	21,072	21,729	8,031	8,729	2.62	41.4%
2013	21,164	21,824	8,097	8,810	2.61	41.6%
2014	21,271	21,935	8,169	8,891	2.60	41.8%
2015	21,414	22,082	8,256	8,972	2.59	41.9%
2016	21,557	22,230	8,344	9,054	2.58	42.0%
2017	21,702	22,379	8,433	9,135	2.57	42.1%
2018	21,847	22,529	8,523	9,216	2.56	42.2%
2019	21,994	22,680	8,614	9,297	2.55	42.3%
2020	22,141	22,832	8,706	9,378	2.54	42.4%
2021	22,290	22,985	8,799	9,459	2.53	42.4%
2022	22,439	23,139	8,894	9,540	2.52	42.5%
2023	22,589	23,294	8,989	9,621	2.51	42.6%
2024	22,740	23,450	9,086	9,702	2.50	42.7%
2025	22,893	23,607	9,184	9,784	2.49	42.7%
2026	23,045	23,764	9,283	9,865	2.48	42.8%
2027	23,520	24,254	9,514	9,946	2.47	42.3%
2028	24,005	24,754	9,750	10,027	2.46	41.8%
2029	24,500	25,264	9,992	10,108	2.45	41.3%
2030	25,005	25,785	10,241	10,189	2.44	40.7%
2031	25,520	26,316	10,496	10,270	2.43	40.2%

TABLE A.6
MUNICIPALITY OF STRATHROY-CARADOC
Forecast Population & Household Growth Summary

Mid-Year	Census Pop. Growth	Census Pop. Growth %	Household Growth	Household Growth %	Pop'n in New HHs	Employment Growth	Employment Growth %
2011							
2012	94	0.4%	66	0.8%		81	0.9%
2013	92	0.4%	66	0.8%		81	0.9%
2014	107	0.5%	72	0.9%		81	0.9%
2015	143	0.7%	87	1.1%	248	81	0.9%
2016	144	0.7%	88	1.1%	248	81	0.9%
2017	144	0.7%	89	1.1%	250	81	0.9%
2018	145	0.7%	90	1.1%	252	81	0.9%
2019	146	0.7%	91	1.1%	254	81	0.9%
2020	147	0.7%	92	1.1%	256	81	0.9%
2021	148	0.7%	93	1.1%	259	81	0.9%
2022	149	0.7%	94	1.1%	261	81	0.9%
2023	150	0.7%	96	1.1%	263	81	0.9%
2024	151	0.7%	97	1.1%	265	81	0.8%
2025	152	0.7%	98	1.1%	268	81	0.8%
2026	152	0.7%	99	1.1%	269	81	0.8%
2027	475	2.1%	230	2.5%	623	81	0.8%
2028	485	2.1%	236	2.5%	637	81	0.8%
2029	495	2.1%	242	2.5%	650	81	0.8%
2030	505	2.1%	249	2.5%	664	81	0.8%
2031	515	2.1%	255	2.5%	678	81	0.8%
2015-2024	1,469	6.9%	917	11.2%	2,556	811	9.1%
2025-2031	2,779	12.2%	1,410	15.5%	3,789	568	5.9%
2015-2031	4,249	20.0%	2,327	28.5%	6,344	1,379	15.5%

TABLE A.7
MUNICIPALITY OF STRATHROY-CARADOC
Households By Unit Type

	Singles	Semis	Rows	Apts	Total HHs
2011	6,025	615	205	1,120	7,965
2012	6,091	615	205	1,120	8,031
2013	6,157	615	205	1,120	8,097
2014	6,229	615	205	1,120	8,169
2015	6,296	622	207	1,132	8,256
2016	6,362	628	209	1,144	8,344
2017	6,430	635	212	1,156	8,433
2018	6,499	642	214	1,168	8,523
2019	6,568	648	216	1,181	8,614
2020	6,638	655	218	1,194	8,706
2021	6,710	662	221	1,206	8,799
2022	6,782	670	223	1,219	8,894
2023	6,854	677	226	1,232	8,989
2024	6,928	684	228	1,246	9,086
2025	7,003	691	230	1,259	9,184
2026	7,079	699	233	1,273	9,283
2027	7,254	716	239	1,304	9,514
2028	7,435	734	245	1,337	9,750
2029	7,619	752	251	1,370	9,992
2030	7,809	771	257	1,404	10,241
2031	8,003	790	263	1,439	10,496

TABLE A.8
MUNICIPALITY OF STRATHROY-CARADOC
Household Growth By Unit Type

	Singles	Semis	Rows	Apts	Total HHs
2011					
2012	66	-	-	-	66
2013	66	-	-	-	66
2014	72	-	-	-	72
2015	67	7	2	12	87
2016	67	7	2	12	88
2017	68	7	2	12	89
2018	69	7	2	12	90
2019	69	7	2	12	91
2020	70	7	2	13	92
2021	71	7	2	13	93
2022	72	7	2	13	94
2023	73	7	2	13	96
2024	74	7	2	13	97
2025	75	7	2	13	98
2026	76	7	2	14	99
2027	176	17	6	32	230
2028	180	18	6	32	236
2029	185	18	6	33	242
2030	190	19	6	34	249
2031	194	19	6	35	255
2015-2024	699	69	23	126	917
2025-2031	1,075	106	35	193	1,410
2015-2031	1,774	175	58	319	2,327

TABLE A.9
MUNICIPALITY OF STRATHROY-CARADOC
PPU in New Units

	Singles	Semis	Rows	Apts
2011	3.10	3.10	2.50	1.62
2012	3.09	3.09	2.49	1.61
2013	3.08	3.08	2.48	1.61
2014	3.06	3.06	2.47	1.60
2015	3.05	3.05	2.46	1.59
2016	3.04	3.04	2.45	1.59
2017	3.03	3.03	2.44	1.58
2018	3.02	3.02	2.43	1.57
2019	3.01	3.01	2.42	1.57
2020	2.99	2.99	2.41	1.56
2021	2.98	2.98	2.40	1.56
2022	2.97	2.97	2.39	1.55
2023	2.96	2.96	2.39	1.54
2024	2.95	2.95	2.38	1.54
2025	2.93	2.93	2.37	1.53
2026	2.92	2.92	2.36	1.52
2027	2.91	2.91	2.35	1.52
2028	2.90	2.90	2.34	1.51
2029	2.89	2.89	2.33	1.51
2030	2.87	2.87	2.32	1.50
2031	2.86	2.86	2.31	1.49

TABLE A.10
MUNICIPALITY OF STRATHROY-CARADOC
Population in New Units

	Singles	Semis	Rows	Apts	Total Pop In New Units
2011					
2012					
2013					
2014					
2015	203	20	5	19	248
2016	203	20	5	19	248
2017	205	20	5	19	250
2018	207	20	5	19	252
2019	209	21	6	20	254
2020	210	21	6	20	256
2021	212	21	6	20	259
2022	214	21	6	20	261
2023	216	21	6	20	263
2024	217	21	6	20	265
2025	220	22	6	21	268
2026	221	22	6	21	269
2027	511	50	14	48	623
2028	522	52	14	49	637
2029	533	53	14	50	650
2030	545	54	14	51	664
2031	556	55	15	52	678
2015-2024	2,096	207	56	197	2,556
2025-2031	3,108	307	82	292	3,789
2015-2031	5,204	514	138	488	6,344

TABLE A.11
MUNICIPALITY OF STRATHROY-CARADOC
Forecast Employment Growth

	Employment	Growth		Growth	Work At	Growth		Growth		Growth		Growth
Year	Land	%	Rural	%	Home	%	Retail	%	Institutional	%	Total	%
2011	3,424	-1.3%	1,034	-2.9%	720	-1.9%	2,095	2.0%	1,375	4.6%	8,648	0.2%
2012	3,451	0.8%	1,032	-0.2%	731	1.5%	2,127	1.5%	1,388	0.9%	8,729	0.9%
2013	3,478	0.8%	1,031	-0.2%	742	1.5%	2,158	1.5%	1,401	0.9%	8,810	0.9%
2014	3,505	0.8%	1,029	-0.2%	753	1.5%	2,190	1.5%	1,414	0.9%	8,891	0.9%
2015	3,533	0.8%	1,027	-0.2%	764	1.5%	2,222	1.4%	1,427	0.9%	8,972	0.9%
2016	3,560	0.8%	1,026	-0.2%	775	1.4%	2,253	1.4%	1,440	0.9%	9,054	0.9%
2017	3,587	0.8%	1,024	-0.2%	786	1.4%	2,285	1.4%	1,453	0.9%	9,135	0.9%
2018	3,614	0.8%	1,022	-0.2%	797	1.4%	2,317	1.4%	1,466	0.9%	9,216	0.9%
2019	3,641	0.8%	1,021	-0.2%	808	1.4%	2,348	1.4%	1,479	0.9%	9,297	0.9%
2020	3,668	0.7%	1,019	-0.2%	819	1.4%	2,380	1.3%	1,492	0.9%	9,378	0.9%
2021	3,695	0.7%	1,017	-0.2%	830	1.3%	2,412	1.3%	1,505	0.9%	9,459	0.9%
2022	3,723	0.7%	1,015	-0.2%	841	1.3%	2,443	1.3%	1,518	0.9%	9,540	0.9%
2023	3,750	0.7%	1,014	-0.2%	852	1.3%	2,475	1.3%	1,531	0.9%	9,621	0.9%
2024	3,777	0.7%	1,012	-0.2%	863	1.3%	2,507	1.3%	1,544	0.8%	9,702	0.8%
2025	3,804	0.7%	1,010	-0.2%	874	1.3%	2,538	1.3%	1,557	0.8%	9,784	0.8%
2026	3,831	0.7%	1,009	-0.2%	885	1.3%	2,570	1.2%	1,570	0.8%	9,865	0.8%
2027	3,858	0.7%	1,007	-0.2%	896	1.2%	2,602	1.2%	1,583	0.8%	9,946	0.8%
2028	3,885	0.7%	1,005	-0.2%	907	1.2%	2,633	1.2%	1,596	0.8%	10,027	0.8%
2029	3,913	0.7%	1,004	-0.2%	918	1.2%	2,665	1.2%	1,609	0.8%	10,108	0.8%
2030	3,940	0.7%	1,002	-0.2%	929	1.2%	2,697	1.2%	1,622	0.8%	10,189	0.8%
2031	3,967	0.7%	1,000	-0.2%	940	1.2%	2,728	1.2%	1,635	0.8%	10,270	0.8%
2005-2014	(48)	-1.3%	(219)	-17.5%	(82)	-9.8%	368	20.2%	438	44.9%	457	5.4%
2015-2024	271	7.7%	(17)	-1.6%	110	14.6%	317	14.5%	130	9.2%	811	9.1%
2025-2031	190	5.0%	(12)	-1.2%	77	8.9%	222	8.8%	91	5.9%	568	5.9%
2015-2031	461	13.2%	(29)	-2.8%	187	24.8%	538	24.6%	221	15.6%	1,379	15.5%

Source: County of Middlesex, Employment Land Needs Study, April 30, 2012; Statistics Canada and Hemson Estimates

TABLE A.12
MUNICIPALITY OF STRATHROY-CARADOC
Non-Residential Space Forecast

Year	Employment Land		Rural		Work At Home		Retail		Institutional		Total	
	Empl Growth	Space (m ²)	Empl Growth	Space (m ²)	Empl Growth	Space (m ²)	Empl Growth	Space (m ²)	Empl Growth	Space (m ²)	Empl Growth	Space (m ²)
2011												
2012	27		(2)		11		32		13		81	
2013	27		(2)		11		32		13		81	
2014	27		(2)		11		32		13		81	
2015	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2016	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2017	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2018	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2019	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2020	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2021	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2022	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2023	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2024	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2025	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2026	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2027	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2028	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2029	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2030	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2031	27	2,442	(2)	-	11	-	32	1,266	13	780	81	4,489
2005-2014	(4)		(188)		(68)		326		377		443	
2015-2024	271	24,425	(17)	-	110	-	317	12,665	130	7,802	811	44,892
2025-2031	190	17,097	(12)	-	77	-	222	8,865	91	5,462	568	31,425
2015-2031	461	41,522	(29)	-	187	-	538	21,530	221	13,264	1,379	76,317
Floor Space Per Worker (m ²):		90		-		-		40		60		

APPENDIX B

MUNICIPAL-WIDE SERVICES TECHNICAL APPENDIX

APPENDIX B

DEVELOPMENT CHARGES CALCULATIONS TECHNICAL APPENDIX INTRODUCTION AND OVERVIEW

The following appendix provides the detailed analysis undertaken to establish the development charge rates for each of the services in the Municipality of Strathroy-Caradoc.

The appendix is divided into nine sub-sections, with one section for each of the services:

- B.1 Fire Services
- B.2 Police Services
- B.3 Indoor Recreation
- B.4 Park Development and Facilities
- B.5 Public Works: Buildings and Fleet
- B.6 Cemeteries
- B.7 Library
- B.8 General Government
- B.9 Municipal-Wide Engineering

Every sub-section, with the exception of General Government, contains a set of three tables. The tables provide the background data and analysis undertaken to arrive at the calculated development charge rates for that particular service. An overview of the content and purpose of each of the tables is given below.

TABLE 1 HISTORICAL SERVICE LEVELS

Table 1 presents the data used to determine the 10-year historical service level. The *Development Charges Act (DCA)* and *Ontario Regulation 82/98* require that development charges be set at a level no higher than the average service level provided in the municipality over the ten year period immediately preceding the preparation of the background study, on a service by service basis. For the purpose of this study, the historical inventory period is defined as 2005 to 2014.

O. Reg. 82/98 requires that, when defining and determining historical service levels, both the quantity and quality of service be taken into consideration. In most cases, the

service levels are initially established in quantitative terms. For example, service levels for buildings are presented in terms of square feet per unit. The qualitative aspect is introduced by considering the monetary value of the facility or service. In the case of buildings, for example, the cost would be shown in terms of cost per square foot to replace or construct a facility of the same quality. This approach helps to ensure that the development-related capital facilities that are to be funded by new development reflect not only the quantity (number and size), but also the quality (value or cost) of service provided by the Municipality in the past. Both the quantitative and qualitative aspects of service levels used in the current analysis are based on information provided by Municipal staff. This information is generally based on historical records and experience with costs to acquire or construct similar facilities, equipment and infrastructure.

The final page of Table 1 shows the calculation of the “maximum allowable funding envelope”, net of uncommitted excess capacity. The maximum allowable funding envelope is defined as the ten-year historical service level (expressed as either \$/capita, \$/household, or \$/capita and employment) multiplied by the forecast increase in net population, households, or net population and employment over the planning period. The resulting figure is the value of capital infrastructure that would have to be constructed for that particular service so that the 10-year historic service level is maintained.

There is also a requirement in the *DCA* to consider “excess capacity” within the Municipality’s existing infrastructure that may be available to partially meet the future servicing requirements. If Council has expressed its intent, before or at the time the capacity was created, to recoup the cost of providing the capacity from new development, it is considered “committed excess capacity” under the *DCA* and the associated capital cost is eligible for recovery. Should uncommitted excess capacity exist it will be determined whether or not this capacity will be available to service new development and, if so, appropriate adjustments will be made to the calculations.

**TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM AND
CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES**

The *DCA* requires that Council express its intent to provide future capital facilities to support future development. Based on the development forecasts presented in Appendix A, Municipal staff, in collaboration with consultants, has developed a

development-related capital forecast which sets out the projects required to service anticipated growth for the ten-year period from 2015 to 2024. The development-related capital program for each service is shown as Table 2 of each sub-section.

To determine the share of the program that is eligible for recovery through development charges, the gross project costs are reduced by any anticipated grants, subsidies or other recoveries, “benefit to existing” shares, and the mandatory 10% reduction for all capital costs except Fire, Police, Public Works: Buildings and Fleet and Municipal-Wide Engineering.

A benefit to existing share represents the portion of a capital project that will benefit the existing community. It could, for example, represent a portion of a new facility that will, at least in part, replace a facility that is demolished, redeployed or will otherwise not be available to serve its former function (a “replacement” share). The benefit to existing share of the capital program is not deemed to be development-related and is therefore removed from the development charge calculation. The capital cost for benefit to existing shares will require funding from non-development charge sources, typically property taxes or user fees.

When calculating development charges, the development-related net capital cost must be reduced by 10% for all services except protection services, services related to a highway, and engineered services (DCA s.5.(1)8.). The 10% discount is therefore applied to all services considered in this appendix with the exception of Fire, Police, Public Works: Buildings and Fleet and Municipal-Wide Engineering. As with benefit to existing shares, the 10% mandatory reduction must be funded from non-development charge sources.

The capital program, less any benefit to existing shares and 10% deduction, yields the development-related costs. Although deemed development-related, not all of the net development-related capital program may be recoverable from development charges in the period from 2015 to 2024. For some services, existing development charge reserve funds may be available to fund a share of the program.

Additionally, for some services, a portion of the capital program will service development that will not occur until after 2024. This portion of the capital program is either deemed “pre-built” service capacity to be considered as committed excess

capacity to be recovered from post-2024 development or represents a future service level increase that is ineligible for development charge recovery.

The remaining portion of the net capital program represents the development-related cost that may be included in the development charge calculation. In all cases this amount is equal to or less than the maximum allowable funding envelope that is calculated on the final page of Table 1. The result is the discounted development-related net capital costs eligible for recovery against growth over the forecast period from 2015 to 2024.

Calculation of the Unadjusted Development Charges Rates

The section below the capital program displays the calculation of the “unadjusted” development charge rates. The term “unadjusted” development charge is used to distinguish the charge that is calculated prior to cash flow financing considerations. The cash flow analysis is shown in Table 3.

The first step in determining the unadjusted development charge rate is to allocate the development-related net capital cost between the residential and non-residential sectors. For Fire, Police, Public Works: Buildings and Fleet, Municipal-Wide Engineering, and General Government, the development-related costs have been apportioned as 76% residential and 24% non-residential. This ratio is based on forecast changes in population in new housing units and employment in new non-residential for space over the planning period.

The development-related costs associated with the Indoor Recreation, Park Development and Facilities, Library and Cemeteries service have been allocated 100% to the residential sector, as the need for this service is entirely driven by residential development.

The residential share of the 2015 to 2024 DC eligible costs are then divided by the forecast population growth in new dwelling units. This gives the unadjusted residential development charge per capita. The non-residential development-related net capital costs are divided by the forecast increase in non-residential gross floor area (GFA). This yields a charge per square metre of new non-residential GFA.

TABLE 3 CASH FLOW ANALYSIS

A cash flow analysis is also undertaken to account for the timing of projects and receipt of development charges. Interest earnings or borrowing costs, therefore, are accounted for in the calculation as allowed under the *DCA*. Based on the development forecast, the analysis calculates the development charge rate required to finance the net development-related capital spending plan, including provisions for any borrowing costs or interest earnings on the reserve funds. The cash flow analysis is designed so that the closing cash balance at the end of the planning period is as close to nil as possible.

In order to determine appropriate development charge rates reflecting borrowing and earnings necessary to support the net development-related funding requirement, assumptions are used for the inflation rate and interest rate. An inflation rate of 2% is used for the funding requirements and interest rates of 5.5% (negative balance) and 3.5% (positive balance) are used for borrowing/earnings on the funds.

Table 3 displays the results of the cash flow analysis and provides the adjusted or final per capita residential and per square metre (of GFA) non-residential development charges.

APPENDIX B.1

FIRE SERVICE

APPENDIX B.1

FIRE SERVICE

The Strathroy-Caradoc Fire Department provides emergency and support services to the citizens of the community from three stations located in Strathroy, Mount Brydges and Melbourne. The *Fire Protection and Prevention Act* defines fire protection services as “...fire suppression, fire prevention, fire safety education, communication, training of persons involved in the provision of fire protection services, rescue and emergency services and the delivery of all those services”. The department currently draws on about 75 firefighters.

TABLE 1 HISTORIC SERVICE LEVELS

Table 1 displays the 10-year historic inventory for buildings, land, vehicles and furniture and equipment. Fire services in Strathroy-Caradoc are provided from 17,190 square feet of building space on 0.67 hectares of land valued at approximately \$3.87 million and \$100,200 respectively.

The Fire Department currently has a fleet of 11 vehicles with a replacement cost of approximately \$4.02 million. Furniture and equipment, including communications equipment, firefighter personal equipment, fire hoses, rescue equipment and other miscellaneous station equipment add another \$1.97 million to the value of the inventory.

The Fire Department’s 2014 inventory of capital assets totals about \$9.96 million and the ten-year average historic service level is calculated at \$338.40 per capita and employee (Page 3). The ten-year maximum allowable funding envelope, based on the historic service level and the projected growth in net population and employment, is calculated at \$771,800. No excess capacity is identified for this service.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The 2015–2024 development-related capital program contains the cost to outfit three new firefighters in 2015 (\$27,000), new extrication equipment for both the Mt. Brydges and Melbourne station for a combined cost of \$130,000, and a Fire Master Plan in 2015 for a cost of \$70,000. It should be noted, the prime intention of the Fire

Master Plan study is to identify the need for an additional station (or expansion of the existing station) to accommodate future growth. In total, the ten-year capital program for Fire Services amounts to \$227,000. Of this cost, about \$92,700 will be funded from existing Fire Services DC reserve funds. Given that protection services are exempt from the ten 10% reduction of capital costs imposed by the *DCA*, no deduction is made.

The remaining \$134,300 is related to development in the 2015-2024 planning period and is eligible for DC recovery. The development-related net capital cost is allocated 76% against residential development, or \$102,000, and 24% against non-residential development, or \$32,200. This ratio is based on each sector's share of population in new units and employment growth to 2024. The residential share of the net development-related capital cost is divided by the ten-year forecast growth in population in new units (2,556) to derive an unadjusted charge of \$39.93 per capita. The non-residential share of the net growth-related capital cost is divided by the ten-year forecast growth in floor space (44,892) to derive an unadjusted charge of \$0.72 per m².

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the residential calculated charge increases to \$41.50 per capita and the non-residential charge increases to \$0.75 per m².

The following table summarizes the Fire Services development charge.

10-year Hist. Service Level \$/pop & emp	FIRE SERVICES SUMMARY					
	2015-2024		Unadjusted		Adjusted	
	Development-Related Total	Capital Program (\$000's) Net DC Recoverable	Development Charge \$/capita	\$/sq.m	Development Charge \$/capita	\$/sq.m
\$338.40	\$227	\$134	\$39.93	\$0.72	\$41.50	\$0.75

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
FIRE SERVICES

BUILDINGS Station Name	# of Square Feet										UNIT COST (\$/sq.ft)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy-23 Zimmerman St	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	\$225
Mount Brydges-686/688 Bowen St	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	\$225
Melbourne-21912 Melbourne Rd	3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	\$225
Total (sq.ft.)	17,186	17,186	17,186	17,186	17,186	17,186	17,186	17,186	17,186	17,186	
Total (\$000)	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	

LAND Station Name	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy-23 Zimmerman St	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	\$150,000
Mount Brydges-686/688 Bowen St	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	\$150,000
Melbourne-21912 Melbourne Rd	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	\$150,000
Total (ha)	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	
Total (\$000)	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
FIRE SERVICES

VEHICLES Vehicle Type	# of Vehicles										2014 UNIT COST (\$/vehicle)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy Station											
1975 King Seagrave Pumper	1	-	-	-	-	-	-	-	-	-	\$383,000
1987 Ford LTC Pumper (E12)	1	1	1	1	1	-	-	-	-	-	\$492,000
1988 E-ONE Aerial Truck (A17)	1	1	1	1	1	1	1	1	1	1	\$1,000,000
1992 International Rescue Unit (R16)	1	1	1	1	1	1	1	1	1	1	\$219,000
2001 S&S Pumper (E11)	1	1	1	1	1	1	1	1	1	1	\$503,000
2001 Ford E350 (S15)	1	1	1	1	1	1	1	1	1	1	\$98,000
2002 Dodge Durango (C1)	1	1	1	1	1	-	-	-	-	-	\$44,000
2010 Chevrolet Silverado Cheyenne (C1)	-	-	-	-	-	-	1	1	1	1	\$50,000
2013 Spartan Pumper/Rescue (E11)	-	-	-	-	-	-	-	-	1	1	\$420,000
International Reserve Unit	1	-	-	-	-	-	-	-	-	-	\$170,000
Mt. Brydges Station											
2009 Pumper/Tanker (T24)	-	-	-	-	-	1	1	1	1	1	\$383,000
2003 Rosenbauer Pumper (E21)	1	1	1	1	1	1	1	1	1	1	\$492,000
1982 Ford Tanker (E24)	1	1	1	1	1	-	-	-	-	-	\$465,000
2000 Ford MFT (S25)	1	1	1	1	1	-	-	-	-	-	\$98,000
Melbourne Station											
1987 Ford Tanker (E34)	1	1	1	1	1	1	1	1	-	-	\$383,000
1999 Ford CTV (S35)	1	1	1	1	1	1	1	1	1	1	\$98,000
2006 Rosenbauer Pumper (E31)	-	1	1	1	1	1	1	1	1	1	\$492,000
2013 Dependable Tanker (T34)	-	-	-	-	-	-	-	-	1	1	\$268,000
Total (#)	13	12	12	12	12	9	10	10	11	11	
Total (\$000)	\$4,445.0	\$4,384.0	\$4,384.0	\$4,384.0	\$4,384.0	\$3,668.0	\$3,718.0	\$3,718.0	\$4,023.0	\$4,023.0	

FURNITURE & EQUIPMENT (excluding computers) Description	Total Value of Furniture & Equipment (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Communications Equipment	\$75,000	\$75,000	\$75,000	\$75,000	\$377,000	\$377,000	\$377,000	\$377,000	\$377,000	\$377,000
Firefighting Equipment (bunker gear - \$9,000 per FF)	\$738,000	\$747,000	\$757,000	\$767,000	\$776,000	\$776,000	\$776,000	\$776,000	\$776,000	\$776,000
Fire Hose	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000
Rescue Equipment	\$146,000	\$146,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000
Alternator (Strathroy Station)	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Office Equipment	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000
Miscellaneous Station Equipment	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000	\$324,000
Total (\$000)	\$1,561.0	\$1,570.0	\$1,650.0	\$1,660.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0

MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
FIRE SERVICES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271
Historic Employment	<u>8,530</u>	<u>8,634</u>	<u>8,626</u>	<u>8,623</u>	<u>8,626</u>	<u>8,634</u>	<u>8,648</u>	<u>8,729</u>	<u>8,810</u>	<u>8,891</u>
Total Historic Population & Employment	28,332	28,611	28,799	28,994	29,197	29,407	29,626	29,801	29,974	30,162

INVENTORY SUMMARY (\$000)

Buildings	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9	\$3,866.9
Land	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2	\$100.2
Vehicles	\$4,445.0	\$4,384.0	\$4,384.0	\$4,384.0	\$4,384.0	\$3,668.0	\$3,718.0	\$3,718.0	\$4,023.0	\$4,023.0
Furniture & Equipment (Excluding Computers)	\$1,561.0	\$1,570.0	\$1,650.0	\$1,660.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0	\$1,971.0
Total (\$000)	\$9,973.0	\$9,921.0	\$10,001.0	\$10,011.0	\$10,322.0	\$9,606.0	\$9,656.0	\$9,656.0	\$9,961.0	\$9,961.0

SERVICE LEVEL (\$/population & employment)

Average
Service
Level

Buildings	\$136.48	\$135.15	\$134.27	\$133.37	\$132.44	\$131.49	\$130.52	\$129.75	\$129.01	\$128.20	\$132.07
Land	\$3.54	\$3.50	\$3.48	\$3.45	\$3.43	\$3.41	\$3.38	\$3.36	\$3.34	\$3.32	\$3.42
Vehicles	\$156.89	\$153.23	\$152.23	\$151.20	\$150.15	\$124.73	\$125.50	\$124.76	\$134.22	\$133.38	\$140.63
Furniture & Equipment (Excluding Computers)	\$55.10	\$54.87	\$57.29	\$57.25	\$67.51	\$67.02	\$66.53	\$66.14	\$65.76	\$65.35	\$62.28
Total (\$/pop & empl)	\$352.01	\$346.76	\$347.27	\$345.28	\$353.53	\$326.66	\$325.93	\$324.01	\$332.32	\$330.25	\$338.40

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC

10-Year Funding Envelope Calculation	
10-Year Average Service Level 2005 - 2014	\$338.40
Net Population & Employment Growth 2015 - 2024	2,281
Maximum Allowable Funding Envelope	\$771,752
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction (if applicable)	\$0
Discounted Maximum Allowable Funding Envelope	\$771,752

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$9,961,012
Inventory Using Average Service Level	\$10,206,984
Excess Capacity	\$0
Excess Capacity:	Uncommitted

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APPENDIX B-1
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	DC Eligible Costs		
						Replacement and BTE Share	0% Reduction		Available DC Reserves	2015-2024	Post 2024
1.0 FIRE SERVICES											
1.1 Equipment											
1.1.1	Outfit for 3 new firefighters	2015	\$ 27,000	\$ -	\$ 27,000	\$ -	\$ -	\$ 27,000	\$ 27,000	\$ -	\$ -
1.1.2	Extrication Equipment (Mt.Brydges)	2018	\$ 65,000	\$ -	\$ 65,000	\$ -	\$ -	\$ 65,000	\$ -	\$ 65,000	\$ -
1.1.3	Extrication Equipment (Melbourne)	2020	\$ 65,000	\$ -	\$ 65,000	\$ -	\$ -	\$ 65,000	\$ -	\$ 65,000	\$ -
1.1.4			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Equipment		\$ 157,000	\$ -	\$ 157,000	\$ -	\$ -	\$ 157,000	\$ 27,000	\$ 130,000	\$ -
1.2 Studies											
1.2.1	Fire Master Plan	2015	\$ 70,000	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000	\$ 65,715	\$ 4,285	\$ -
1.2.2			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Studies		\$ 70,000	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000	\$ 65,715	\$ 4,285	\$ -
TOTAL FIRE SERVICES			\$ 227,000	\$ -	\$ 227,000	\$ -	\$ -	\$ 227,000	\$ 92,715	\$ 134,285	\$ -

Residential Development Charge Calculation		
Residential Share of 2015-2024 DC Eligible Costs	76%	\$102,057
10 Year Growth in Population in New Units		2,556
Unadjusted Development Charge Per Capita (\$)		\$39.93
Non-Residential Development Charge Calculation		
Non-Residential Share of 2015-2024 DC Eligible Costs	24%	\$ 32,228
10 Year Growth in Square Meters		44,892
Unadjusted Development Charge Per Sq.M (\$)		\$0.72

2015 - 2024 Net Funding Envelope	\$771,752
Reserve Fund Balance	\$92,715

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
FIRE SERVICES
RESIDENTIAL DEVELOPMENT CHARGE

1.00 FIRE SERVICES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	7.2	18.1	29.7	(11.7)	(0.7)	(44.7)	(34.8)	(24.1)	(12.4)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
1.00 Fire Services : Non Inflated	\$3.26	\$0.00	\$0.00	\$49.40	\$0.00	\$49.40	\$0.00	\$0.00	\$0.00	\$0.00	\$102.06
1.00 Fire Services: Inflated	\$3.26	\$0.00	\$0.00	\$52.42	\$0.00	\$54.54	\$0.00	\$0.00	\$0.00	\$0.00	\$110.22
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	10.3	10.5	10.8	11.1	11.4	11.8	12.1	12.4	12.8	13.1	\$116.30
- Interest on Opening Balance	0.0	0.3	0.6	1.0	(0.6)	(0.0)	(2.5)	(1.9)	(1.3)	(0.7)	(\$5.15)
- Interest on In-year Transactions (excl.int.)	0.1	0.2	0.2	(1.1)	0.2	(1.2)	0.2	0.2	0.2	0.2	(\$0.73)
TOTAL REVENUE	10.4	10.9	11.6	11.0	11.0	10.6	9.9	10.7	11.7	12.6	\$110.42
CLOSING CASH BALANCE	7.2	18.1	29.7	(11.7)	(0.7)	(44.7)	(34.8)	(24.1)	(12.4)	0.2	

2015 Adjusted Charge Per Capita \$41.50

Allocation of Capital Program	
Residential Sector	76.0%
Non-Residential Sector	24.0%
Rates for 2015	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
FIRE SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE

1.00 FIRE SERVICES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	\$0.00	\$2.41	\$5.96	\$9.73	(\$3.24)	\$0.24	(\$13.65)	(\$10.53)	(\$7.14)	(\$3.57)	
2015-2024 NON-RESIDENTIAL FUNDING REQUIREMENTS											
3.00 Fire Services : Non Inflated	\$1.03	\$0.00	\$0.00	\$15.60	\$0.00	\$15.60	\$0.00	\$0.00	\$0.00	\$0.00	\$32.23
3.00 Fire Services: Inflated	\$1.03	\$0.00	\$0.00	\$16.55	\$0.00	\$17.22	\$0.00	\$0.00	\$0.00	\$0.00	\$34.81
NON-RESIDENTIAL GROWTH											
- Sq. Metres in New Buildings	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	44,892
REVENUE - current (\$000)											
- Dev. Charge Receipts	3.4	3.4	3.5	3.6	3.6	3.7	3.8	3.9	3.9	4.0	\$36.80
- Interest on Opening Balance	0.0	0.1	0.2	0.3	(0.2)	0.0	(0.8)	(0.6)	(0.4)	(0.2)	(\$1.46)
- Interest on In-year Transactions (excl.int.)	0.0	0.1	0.1	(0.4)	0.1	(0.4)	0.1	0.1	0.1	0.1	(\$0.23)
TOTAL REVENUE	3.4	3.5	3.8	3.6	3.5	3.3	3.1	3.4	3.6	3.9	\$35.11
CLOSING CASH BALANCE	2.4	6.0	9.7	(3.2)	0.2	(13.6)	(10.5)	(7.1)	(3.6)	0.3	

2015 Adjusted Charge Per Square Metre \$0.75

Allocation of Capital Program	
Residential Sector	76.0%
Non-Residential Sector	24.0%
Rates for 2015	
Inflation Rate:	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.2

POLICE SERVICES

APPENDIX B.2

POLICE SERVICE

The Strathroy-Caradoc Police Service provides the community with the education, crime prevention advice, enforcement and other appropriate activities required to promote the safety of its citizens.

TABLE 1 HISTORIC SERVICE LEVELS

The police service inventory of capital assets is organized into four components: buildings, land, furniture and equipment, and vehicles. The police headquarters building is located at 299 Frances Street, and comprises 10,472 square feet of space. Also at the department's disposal is one outbuilding; which provides another 384 square feet of space. Together, the structures are valued at approximately \$3.21 million. The associated 1.73 hectares of land is currently valued at about \$259,500. Furniture and equipment, including communications equipment, personal police equipment and miscellaneous station equipment are valued at about \$1.33 million. Police Vehicles are valued at \$67,000 and is also included in the inventory. Police cruisers are not in the inventory as the *DCA* only permits the inclusion of vehicles with useful lives over seven years.

The current value of the Police Service's capital infrastructure including buildings, land, vehicles, furniture and equipment is \$4.87 million and has provided Strathroy-Caradoc with a ten-year average historic service level of \$159.35 per population and employment (Page 3). The calculated maximum allowable amount recoverable through development charges is approximately \$363,400. Uncommitted excess capacity in the amount of \$63,800 is identified for this service and discounted from the funding envelope. Therefore, the remaining \$299,600 is brought forward to the development charges calculation.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE "UNADJUSTED" DEVELOPMENT CHARGES

The 2015-2024 capital program is separated between two components; firstly, completed projects for which the Municipality has already undertaken the work, secondly; for new capital infrastructure which the Municipality intends to construct over the planning horizon. The recovery of the recently completed projects

component of the capital program includes for the recovery of six projects completed between 2010 and 2014 for a cost of \$207,000. Recognizing that a large portion of many of these projects resulted in a benefit to the existing community, these shares have been removed from the calculation. The benefit to existing component is based on shares of existing and future net population and employment growth to 2024 – therefore, only about 8% of the costs of these projects are related to development. The remaining DC eligible costs are to be funded entirely from the existing Police Services DC reserve balance.

The new projects component of the capital program includes for new equipment and an expansion report in 2015. No grants, subsidies or other recoveries are anticipated to fund any component of the development-related capital program. Replacement and Benefit to Existing (BTE) shares in the amount of \$60,100 have been netted off the program. The BTE shares were calculated based on shares of existing and future net population and employment growth to 2024. Therefore, only about 8% of the costs of the two noted projects are related to development. About \$53,500 of existing DC reserve funds have been used to towards funding the projects and have been netted off of the development charges calculation. The remaining \$119,400 will be funded through development charges in this period and has been included in the DC rate calculations.

Altogether, the ten-year capital program for Police Services amounts to \$440,000. Non-growth shares, relating to replacement and benefit to existing shares of the several equipment projects amount to \$243,100. A portion of this program will be funded through the Police Services DC reserve balance of \$77,500. Given that protection services are exempt from the ten per cent reduction of capital costs imposed by the *DCA*, no deduction is made.

The remaining \$119,400 is related to development in the 2015-2024 planning period and is eligible for DC recovery. The development-related net capital cost is allocated 76 per cent (\$90,800) to residential development and 24 per cent (\$28,700) to non-residential development. The residential share of the net development-related capital cost is divided by the 10-year growth in population in new dwelling units to derive an unadjusted charge of \$35.52 per capita. The non-residential share of the net development related capital cost is divided by the 10-year forecast growth in floor space, resulting in an unadjusted charge of \$0.64 m².

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the calculated residential charge increases to \$39.20 per capita (Page 1) and the non-residential charge also increases to \$0.71 per m² (Page 2).

The following table summarizes the calculation of the Police Service development charge.

10-year Hist. Service Level \$/pop & emp	POLICE SERVICES SUMMARY					
	2015-2024		Unadjusted		Adjusted	
	Development-Related Total	Capital Program (\$000's) Net DC Recoverable	Development Charge \$/capita	\$/sq.m	Development Charge \$/capita	\$/sq.m
\$159.35	\$440	\$119	\$35.52	\$0.64	\$39.20	\$0.71

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
POLICE SERVICES

BUILDINGS Location	# of Square Feet										UNIT COST
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	(\$/sq.ft)
Police Headquarters, 299 Frances St.	10,472	10,472	10,472	10,472	10,472	10,472	10,472	10,472	10,472	10,472	\$300
Garage Outbuilding, 299 Frances St.	384	384	384	384	384	384	384	384	384	384	\$180
22501 Adelaide Rd. Mt. Brydges	450	450	450	450	450	450	450	450	0	0	\$180
Total (sq.ft.)	11,306	11,306	11,306	11,306	11,306	11,306	11,306	11,306	10,856	10,856	
Total (\$000)	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,210.7	\$3,210.7	

LAND Location	# of Hectares										UNIT COST
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	(\$/ha)
Police Headquarters, 299 Frances St.	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	\$150,000
Total (ha)	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	
Total (\$000)	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
POLICE SERVICES

VEHICLES Vehicle Type	Total # of Vehicles										UNIT COST (\$/vehicle)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Emergency Response Vehicle	1	1	1	1	1	1	1	0	0	0	\$68,000
CID Vehicles	2	2	2	2	2	2	2	2	2	2	\$25,000
Trailer							1	1	1	1	\$17,000
Total (#)	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00	3.00	
Total (\$000)	\$118.0	\$118.0	\$118.0	\$118.0	\$118.0	\$118.0	\$135.0	\$67.0	\$67.0	\$67.0	

FURNITURE AND EQUIPMENT Description	Total Value of Equipment (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Communications Equipment	\$437,000	\$437,000	\$437,000	\$437,000	\$437,000	\$437,000	\$437,000	\$437,000	\$482,000	\$602,000
Personal Police Equipment	\$240,000	\$240,000	\$240,000	\$240,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000
Furniture & Other Station Equipment	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$216,000	\$216,000
Emergency Response Unit Equipment	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000
Other Technology Equipment	\$81,000	\$81,000	\$81,000	\$81,000	\$81,000	\$81,000	\$81,000	\$89,000	\$89,000	\$142,000
Mobile Data Devices	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000	\$49,000
Total (\$000)	\$958.0	\$958.0	\$958.0	\$958.0	\$988.0	\$988.0	\$988.0	\$996.0	\$1,146.0	\$1,333.0

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APPENDIX B.2
TABLE 1 - PAGE 3

**MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
POLICE SERVICES**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271
Historic Employment	8,530	8,634	8,626	8,623	8,626	8,634	8,648	8,729	8,810	8,891
Total Historic Population & Employment	28,332	28,611	28,799	28,994	29,197	29,407	29,626	29,801	29,974	30,162

INVENTORY SUMMARY (\$000)

Buildings	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,291.7	\$3,210.7	\$3,210.7
Land	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5	\$259.5
Vehicles	\$118.0	\$118.0	\$118.0	\$118.0	\$118.0	\$118.0	\$135.0	\$67.0	\$67.0	\$67.0
Furniture And Equipment	\$958.0	\$958.0	\$958.0	\$958.0	\$988.0	\$988.0	\$988.0	\$996.0	\$1,146.0	\$1,333.0
Total (\$000)	\$4,627.2	\$4,627.2	\$4,627.2	\$4,627.2	\$4,657.2	\$4,657.2	\$4,674.2	\$4,614.2	\$4,683.2	\$4,870.2

SERVICE LEVEL (\$/population & employment)

Average
Service
Level

Buildings	\$116.18	\$115.05	\$114.30	\$113.53	\$112.74	\$111.94	\$111.11	\$110.46	\$107.12	\$106.45	\$111.89
Land	\$9.16	\$9.07	\$9.01	\$8.95	\$8.89	\$8.82	\$8.76	\$8.71	\$8.66	\$8.60	\$8.86
Vehicles	\$4.16	\$4.12	\$4.10	\$4.07	\$4.04	\$4.01	\$4.56	\$2.25	\$2.24	\$2.22	\$3.58
Furniture And Equipment	\$33.81	\$33.48	\$33.27	\$33.04	\$33.84	\$33.60	\$33.35	\$33.42	\$38.23	\$44.19	\$35.02
Total (\$/pop & empl)	\$163.32	\$161.73	\$160.67	\$159.59	\$159.51	\$158.37	\$157.77	\$154.83	\$156.24	\$161.47	\$159.35

**CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC**

10-Year Funding Envelope Calculation	
10-Year Average Service Level 2005 - 2014	\$159.35
Net Population & Employment Growth 2015 - 2024	2,281
Maximum Allowable Funding Envelope	\$363,414
Less: Uncommitted Excess Capacity	\$63,799
Less: 10% Legislated Reduction (if applicable)	\$0
Discounted Maximum Allowable Funding Envelope	\$299,615

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$4,870,220
Inventory Using Average Service Level	\$4,806,421
Excess Capacity	\$63,799
Excess Capacity:	Uncommitted

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APPENDIX B-2
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	0% Reduction	DC Eligible Costs	Available DC Reserves	2015-2024	Post 2024
2.0 POLICE SERVICES											
2.1 Recently Completed Projects											
2.1.1	Internal Needs Assessment Study	2010	\$ 25,000	\$ -	\$ 25,000	\$ 23,110	\$ -	\$ 1,890	\$ 1,890	\$ -	\$ -
2.1.2	Equipment for one new officer	2010	\$ 9,000	\$ -	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ 9,000	\$ -	\$ -
2.1.3	Equipment Upgrades	2013	\$ 70,000	\$ -	\$ 70,000	\$ 64,707	\$ -	\$ 5,293	\$ 5,293	\$ -	\$ -
2.1.4	Mobile Data Devices for Vehicles	2013	\$ 35,000	\$ -	\$ 35,000	\$ 32,354	\$ -	\$ 2,646	\$ 2,646	\$ -	\$ -
2.1.5	299 Frances Minor Renewal	2014	\$ 15,000	\$ -	\$ 15,000	\$ 13,866	\$ -	\$ 1,134	\$ 1,134	\$ -	\$ -
2.1.6	Live Scan Fingerprint System	2014	\$ 53,000	\$ -	\$ 53,000	\$ 48,993	\$ -	\$ 4,007	\$ 4,007	\$ -	\$ -
2.1.7			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Recently Completed Projects			\$ 207,000	\$ -	\$ 207,000	\$ 183,029	\$ -	\$ 23,971	\$ 23,971	\$ -	\$ -
2.2 New Projects											
2.2.1	Development study expansion report	2015	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -
2.2.2	County Fire Dispatch Upgrades	2015	\$ 35,000	\$ -	\$ 35,000	\$ 32,354	\$ -	\$ 2,646	\$ 2,646	\$ -	\$ -
2.2.3	ICAD Dispatch System Shared Cost with County	2015	\$ 30,000	\$ -	\$ 30,000	\$ 27,732	\$ -	\$ 2,268	\$ 2,268	\$ -	\$ -
2.2.4	Crime Scene Light	2015	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -
2.2.5	Cyanoacrylate Fuming Chamber	2016	\$ 8,000	\$ -	\$ 8,000	\$ -	\$ -	\$ 8,000	\$ 8,000	\$ -	\$ -
2.2.6	Additional Nikon Camera	2017	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -
2.2.7	Ident lab, property and equipment building	2017	\$ 125,000	\$ -	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ 5,575	\$ 119,425	\$ -
2.2.8			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal New Projects			\$ 233,000	\$ -	\$ 233,000	\$ 60,085	\$ -	\$ 172,915	\$ 53,490	\$ 119,425	\$ -
TOTAL POLICE SERVICES			\$ 440,000	\$ -	\$ 440,000	\$ 243,115	\$ -	\$ 196,885	\$ 77,461	\$ 119,425	\$ -

Residential Development Charge Calculation

Residential Share of 2015-2024 DC Eligible Costs	76%	\$90,763
10 Year Growth in Population in New Units		2,556
Unadjusted Development Charge Per Capita (\$)		\$35.52

Non-Residential Development Charge Calculation

Non-Residential Share of 2015-2024 DC Eligible Costs	24%	\$ 28,662
10 Year Growth in Square Meters		44,892
Unadjusted Development Charge Per Sq.M (\$)		\$0.64

2015 - 2024 Net Funding Envelope	\$299,615
Reserve Fund Balance	\$77,461

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
POLICE SERVICES
RESIDENTIAL DEVELOPMENT CHARGE

2.00 POLICE SERVICES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	9.9	20.3	(65.5)	(58.5)	(50.7)	(42.2)	(32.9)	(22.8)	(11.8)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
2.00 Police Services : Non Inflated	\$0.00	\$0.00	\$90.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$90.8
2.00 Police Services: Inflated	\$0.00	\$0.00	\$94.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$94.4
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	9.7	9.9	10.2	10.5	10.8	11.1	11.4	11.7	12.1	12.4	\$109.8
- Interest on Opening Balance	0.0	0.3	0.7	(3.6)	(3.2)	(2.8)	(2.3)	(1.8)	(1.3)	(0.6)	(\$14.6)
- Interest on In-year Transactions (excl.int.)	0.2	0.2	(2.3)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	(\$0.6)
TOTAL REVENUE	9.9	10.4	8.6	7.1	7.8	8.5	9.3	10.1	11.1	12.0	\$94.6
CLOSING CASH BALANCE	9.9	20.3	(65.5)	(58.5)	(50.7)	(42.2)	(32.9)	(22.8)	(11.8)	0.2	

2015 Adjusted Charge Per Capita

\$39.20

Allocation of Capital Program

Residential Sector	76.0%
Non-Residential Sector	24.0%

Rates for 2015

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
POLICE SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE

2.00 POLICE SERVICES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	\$0.00	\$3.26	\$6.73	(\$20.29)	(\$17.94)	(\$15.37)	(\$12.65)	(\$9.68)	(\$6.45)	(\$3.04)	
2015-2024 NON-RESIDENTIAL FUNDING REQUIREMENTS											
3.00 Police Services : Non Inflated	\$0.00	\$0.00	\$28.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28.66
3.00 Police Services: Inflated	\$0.00	\$0.00	\$29.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$29.82
NON-RESIDENTIAL GROWTH											
- Sq. Metres in New Buildings	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	44,892
REVENUE - current (\$000)											
- Dev. Charge Receipts	3.2	3.3	3.3	3.4	3.5	3.5	3.6	3.7	3.7	3.8	\$35.00
- Interest on Opening Balance	0.0	0.1	0.2	(1.1)	(1.0)	(0.8)	(0.7)	(0.5)	(0.4)	(0.2)	(\$4.35)
- Interest on In-year Transactions (excl.int.)	0.1	0.1	(0.7)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	(\$0.17)
TOTAL REVENUE	3.3	3.5	2.8	2.3	2.6	2.7	3.0	3.2	3.4	3.7	\$30.48
CLOSING CASH BALANCE	3.3	6.7	(20.3)	(17.9)	(15.4)	(12.7)	(9.7)	(6.5)	(3.0)	0.7	

2015 Adjusted Charge Per Square Metre \$0.71

Allocation of Capital Program	
Residential Sector	76.0%
Non-Residential Sector	24.0%
Rates for 2015	
Inflation Rate:	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.3

INDOOR RECREATION

APPENDIX B.3

INDOOR RECREATION

The Parks and Recreation Department provides recreational services for the community of Strathroy-Caradoc through a variety of programs and services. The department is responsible for the maintenance and operation of the Municipality's indoor recreation facilities which include nearly 160,000 square feet of indoor recreation space.

TABLE 1 HISTORIC SERVICE LEVELS

The Parks and Recreation Department operates and maintains a number of indoor recreation facilities, including three major centres: the West Middlesex Memorial Centre (36,000 square feet), the Gemini Sportsplex (75,000 square feet) and an 85% share in the Tri-Township Arena in Mount Brydges. The combined replacement cost of indoor recreation facilities is estimated at \$47.92 million. The 12.10 hectares of land associated with these buildings has market value of about \$1.81 million. The department also has various equipment in its facilities that is valued at approximately \$1.12 million.

The combined value of capital assets for the provision of indoor recreation services is \$50.85 million (Page 3). The 10-year historic average service level is calculated at \$2,414.79 per capita, and this, multiplied by the 10-year forecast growth in net population, results in a maximum allowable of \$3.55 million.

Finally, Indoor Recreation services must be reduced by ten per cent as required under the DCA. The resulting net maximum allowable funding envelope brought forward to the development charges calculation is reduced to \$3.19 million. No excess capacity has been identified for this service.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The 2015–2024 development-related capital program is related solely to the recovery of debenture payments related to the construction of the West Middlesex Memorial Centre in 2011. The total debenture payments (principal and interest) totaling \$3.71 million have been identified in the program. The legislated 10 per cent discount totals

\$371,200 and has been netted off the total cost. A portion of this program will be funded through the Indoor Recreation DC reserve balance of \$786,200.

The remaining \$2.55 million is related to development in the 2015-2024 planning period and is eligible for DC recovery. As shown in Table 2, this amount is allocated entirely against future residential development in the Municipality. This yields an unadjusted development charge of \$999.55 per capita.

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the calculated residential charge decreases to \$930.90 per capita.

The following table summarizes the calculation of the Indoor Recreation development charge.

INDOOR RECREATION SUMMARY						
10-year Hist. Service Level \$/capita	2015-2024 Development-Related Capital Program (\$000's)		Unadjusted Development Charge		Adjusted Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$2,414.79	\$3,712	\$2,554	\$999.55	\$0.00	\$930.90	\$0.00

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APPENDIX B.3
TABLE 1 - PAGE 1

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
INDOOR RECREATION

BUILDINGS Facility Name	# of Square Feet										UNIT COST (\$/sq.ft)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
West Middlesex Memorial Centre	30,000	30,000	30,000	30,000	30,000	30,000	36,000	36,000	36,000	36,000	\$300
Gemini Sportsplex	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	\$300
Tri-Township Arena, Mount Brydges (85% S-C)	24,055	24,055	24,055	24,055	24,055	24,055	24,055	24,055	24,055	24,055	\$300
Caradoc Community Centre	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	\$300
Seniors Centre	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	\$300
Scout House	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165	\$300
Caradoc Housing Corporation (Parkview Manor?)											\$300
Total (sq.ft.)	153,720	153,720	153,720	153,720	153,720	153,720	159,720	159,720	159,720	159,720	
Total (\$000)	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$47,916.0	\$47,916.0	\$47,916.0	\$47,916.0	

LAND Facility Name	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
West Middlesex Memorial Centre	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	\$150,000
Gemini Sportsplex	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	\$150,000
Tri-Township Arena, Mount Brydges (85% S-C)	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	\$150,000
Caradoc Community Centre	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	\$150,000
Seniors Centre	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	\$150,000
Scout House	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	\$150,000
Caradoc Housing Corporation (Parkview Manor?)											
Total (ha)	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	
Total (\$000)	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
INDOOR RECREATION

EQUIPMENT Description	Total Value of Equipment (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
West Middlesex Memorial Centre	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Gemini Sportsplex	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Tri-Township Arena, Mount Brydges (85% S-C)	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Caradoc Community Centre	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Seniors Centre	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Scout House	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Caradoc Housing Corporation (Parkview Manor?)										
Total (\$000)	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0

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APPENDIX B.3
TABLE 1 - PAGE 3

MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
INDOOR RECREATION

SUMMARY OF SERVICE LEVEL ANALYSIS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271

INVENTORY SUMMARY (\$000)

Buildings	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$46,116.0	\$47,916.0	\$47,916.0	\$47,916.0	\$47,916.0
Land	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4	\$1,814.4
Equipment	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0	\$1,120.0
Total (\$000)	\$49,050.4	\$49,050.4	\$49,050.4	\$49,050.4	\$49,050.4	\$49,050.4	\$50,850.4	\$50,850.4	\$50,850.4	\$50,850.4

SERVICE LEVEL (\$/capita)											Average Service Level
Buildings	\$2,328.86	\$2,308.45	\$2,286.03	\$2,263.81	\$2,241.80	\$2,220.00	\$2,284.11	\$2,273.92	\$2,264.03	\$2,252.64	\$2,272.36
Land	\$91.63	\$90.82	\$89.94	\$89.07	\$88.20	\$87.34	\$86.49	\$86.10	\$85.73	\$85.30	\$88.06
Equipment	\$56.56	\$56.06	\$55.52	\$54.98	\$54.45	\$53.92	\$53.39	\$53.15	\$52.92	\$52.65	\$54.36
Total (\$/capita)	\$2,477.04	\$2,455.34	\$2,431.49	\$2,407.85	\$2,384.44	\$2,361.26	\$2,423.99	\$2,413.17	\$2,402.68	\$2,390.60	\$2,414.79

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC

10-Year Funding Envelope Calculation	
10 Year Average Service Level 2005 - 2014	\$2,414.79
Net Population Growth 2015 - 2024	1,469
Maximum Allowable Funding Envelope	\$3,548,521
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction	\$354,852
Discounted Maximum Allowable Funding Envelope	\$3,193,669

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$50,850,400
Inventory Using Average Service Level	\$51,364,939
Excess Capacity	\$0
Excess Capacity:	Uncommitted

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APPENDIX B-3
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	10% Reduction	DC Eligible Costs	Available DC Reserves	2015- 2024	Post 2024
3.0 INDOOR RECREATION											
3.1 Debt Recovery											
3.1.1	West Middlesex Memorial Centre	2011	\$ 137,474	\$ -	\$ 137,474	\$ -	\$ 13,747	\$ 123,727	\$ 123,727	\$ -	\$ -
3.1.2	West Middlesex Memorial Centre	2012	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ 247,454	\$ -	\$ -
3.1.3	West Middlesex Memorial Centre	2013	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ 247,454	\$ -	\$ -
3.1.4	West Middlesex Memorial Centre	2014	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ 167,565	\$ 79,889	\$ -
3.1.5	West Middlesex Memorial Centre	2015	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.6	West Middlesex Memorial Centre	2016	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.7	West Middlesex Memorial Centre	2017	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.8	West Middlesex Memorial Centre	2018	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.9	West Middlesex Memorial Centre	2019	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.10	West Middlesex Memorial Centre	2020	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.11	West Middlesex Memorial Centre	2021	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.12	West Middlesex Memorial Centre	2022	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.13	West Middlesex Memorial Centre	2023	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
3.1.14	West Middlesex Memorial Centre	2024	\$ 274,949	\$ -	\$ 274,949	\$ -	\$ 27,495	\$ 247,454	\$ -	\$ 247,454	\$ -
Subtotal Debt Recovery			\$ 3,711,811	\$ -	\$ 3,711,811	\$ -	\$ 371,181	\$ 3,340,630	\$ 786,200	\$ 2,554,430	\$ -
TOTAL INDOOR RECREATION			\$ 3,711,811	\$ -	\$ 3,711,811	\$ -	\$ 371,181	\$ 3,340,630	\$ 786,200	\$ 2,554,430	\$ -

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	100%	\$2,554,430	
10 Year Growth in Population in New Units		2,556	
Unadjusted Development Charge Per Capita (\$)		\$999.55	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	0%	\$ -	
10 Year Growth in Square Meters		44,892	
Unadjusted Development Charge Per Sq.M (\$)		\$0.00	

2015 - 2024 Net Funding Envelope	\$3,193,669
Reserve Fund Balance	\$786,200

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
INDOOR RECREATION
RESIDENTIAL DEVELOPMENT CHARGE

3.00 INDOOR RECREATION

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE FROM APPLICABLE RESERVES											
OPENING CASH BALANCE (\$000)	0.0	(99.6)	(117.6)	(129.2)	(134.5)	(132.9)	(123.7)	(106.6)	(80.7)	(45.3)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
3.00 Indoor Recreation Additional Indoor Space (non inflated)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
3.00 West Middlesex Memorial Centre (Principal Only)	\$327.3	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$2,554.4
3.00 Indoor Recreation : Inflated	\$327.3	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$247.5	\$2,554.4
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	230.4	235.3	242.4	249.3	256.3	263.6	271.0	278.7	286.6	294.7	\$2,608.30
- Interest on Opening Balance	0.0	(5.5)	(6.5)	(7.1)	(7.4)	(7.3)	(6.8)	(5.9)	(4.4)	(2.5)	(\$53.35)
- Interest on In-year Transactions (excl.int.)	(2.7)	(0.3)	(0.1)	0.0	0.2	0.3	0.4	0.5	0.7	0.8	(\$0.20)
TOTAL REVENUE	227.7	229.5	235.8	242.2	249.1	256.6	264.6	273.4	282.8	293.0	\$2,554.75
CLOSING CASH BALANCE	(99.6)	(117.6)	(129.2)	(134.5)	(132.9)	(123.7)	(106.6)	(80.7)	(45.3)	0.3	

2015 Adjusted Charge Per Capita \$930.90

Allocation of Capital Program	
Residential Sector	100.0%
Non-Residential Sector	0.0%
Rates for 2015	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.4

PARK DEVELOPMENT & FACILITIES

APPENDIX B.4

PARK DEVELOPMENT & FACILITIES

The Parks and Recreation Department is also responsible for the provision of outdoor recreation services in the Municipality of Strathroy-Caradoc. The Municipality has an extensive array of parks, sports fields, and special facilities throughout the community.

TABLE 1 HISTORIC SERVICE LEVELS

The Department operates and maintains about 47.93 hectares of parkland with a total development value of approximately \$2.59 million (Page 1). The park facilities associated with the parkland include baseball diamonds, basketball courts, tennis courts, soccer fields, water facilities, lawn bowling, and playgrounds. These facilities have a replacement cost of \$9.97 million (Pages 2-4). Other special facilities such as picnic pavilions, storage sheds, washroom facilities and other various park buildings have an added value of about \$2.44 million (Page 5). The combined value of capital assets for outdoor recreation services is estimated at about \$14.99 million (Page 7). The ten-year historical average service level is \$588.12 per capita, and this multiplied by the ten-year growth in net population, a ten-year maximum allowable amount of \$864,200 is derived.

Finally, Park Development and Facilities is a service that must be reduced by ten per cent as required under the *DCA*. The resulting net maximum allowable funding envelope brought forward to the development charges calculation is reduced to \$777,800. No excess capacity has been identified for this service.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The 2015–2024 development-related capital program for Park Development and Facilities amounts to \$686,500. It includes the recovery of a large capacity mower purchased in 2014, a parks and recreation master plan, a new skate park in Strathroy, a trail groomer and the development of various park amenities throughout the ten-year planning period.

The recovery of recently completed projects component of the capital program includes for the recovery of the large capacity mower purchased in 2014 for a cost of

\$63,000. The Municipality received a \$10,000 subsidy to help offset the cost of this project. No replacement or benefit to existing shares has been identified for this project. An amount of \$5,300 has also been removed from the gross cost in accordance with the 10 per cent capital cost deduction under the *DCA*. The remaining DC eligible costs (\$47,700) are to be funded entirely from the existing Park Development and Facilities Services DC reserve balance.

The new projects component of the capital program includes for a Parks and Recreation Master Plan in 2015 for a cost of \$70,000, a new skate park in Strathroy (\$350,000), a trail groomer (\$3,500) and a provision of \$200,000 for the development of various park amenities throughout the ten-year planning period. The Municipality anticipates receiving a grant of \$50,000 to help offset the cost of the new skate park in Strathroy. Recognizing that the master plan study is not being undertaken entirely as a result of new growth in the Municipality a benefit to existing share equal to 50% of the cost (or \$35,000) has been identified and netted off the total net cost. The legislated ten per cent discount totals \$53,850 and is also removed from the calculation. Approximately \$147,000 in available Park Development and Facilities Services DC reserves are used to fund a portion of these projects. The remaining \$337,600 is related to growth between 2015 and 2024 and has been included in the DC rate calculations.

Altogether, the Parks and Recreation DC capital program amounts to \$686,500. Approximately \$60,000 in grants, subsidies and other recoveries are anticipated to offset the cost of the program. Replacement and benefit to existing shares of \$35,000 are identified and netted off the eligible project costs. The legislated ten per cent discount totals \$59,150 and is also removed from the calculation. Approximately, \$194,700 is available in the Park Development and Facilities DC reserve fund and will be used to offset the cost of the program.

The 2015—2024 costs eligible for recovery amount to \$337,600, which is allocated entirely against future residential development in the Municipality. This results in an unadjusted development charge of \$132.11 per capita.

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the residential charge is increased to \$142.83 per capita.

10-year Hist. Service Level \$/capita	PARK DEVELOPMENT AND FACILITIES SUMMARY				Adjusted	
	2015-2024		Unadjusted		Development Charge	
	Development-Related Capital Program (\$000's)		Development Charge		\$/capita	\$/sq.m
	Total	Net DC Recoverable	\$/capita	\$/sq.m		
\$588.12	\$687	\$338	\$132.11	\$0.00	\$142.83	\$0.00

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APPENDIX B.4
TABLE 1 - PAGE 1

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

NEIGHBOURHOOD PARKS	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy											
Alexandra Park	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	\$54,000
Victoria Street Park and Memorial Forest	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	\$54,000
Centennial Park	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	\$54,000
Cuddy Sports Complex	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	\$54,000
Brennan Drive	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	\$54,000
Saulsbury	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$54,000
WMMC and Fairgrounds	5.23	5.23	5.23	5.23	5.23	5.23	5.23	5.23	5.23	5.23	\$54,000
Southfield Drive	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	\$54,000
Park Street	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	\$54,000
High Street	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	\$54,000
Francis Street	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	\$54,000
Yorkview Park	12.25	12.25	12.25	12.25	12.25	12.25	12.25	12.25	12.25	12.25	\$54,000
DeRuiter Drive					0.10	0.10	0.10	0.10	0.10	0.10	\$54,000
Mount Brydges											
Uptown Park & Cenotaph	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	\$54,000
King Street (Royal Canadian Legion Park)	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	\$54,000
Bentim Street (Optimist Park)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	\$54,000
Church Street (Lioness Park)	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	\$54,000
Glover Circle	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	\$54,000
Churchill Street	0.15	0.15	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	\$54,000
Lions Park	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	\$54,000
Total (ha)	47.68	47.68	47.83	47.83	47.93	47.93	47.93	47.93	47.93	47.93	
Total (\$000)	\$2,574.7	\$2,574.7	\$2,582.8	\$2,582.8	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

BALL DIAMONDS Park Name	# of Fields										UNIT COST (\$/Field)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Alexandra Park - Royals Field - Lit	1	1	1	1	1	1	1	1	1	1	\$250,000
York Street Diamonds - Unlit	2	2	2	2	2	2	2	2	2	2	\$135,000
York Street Ball Diamonds - Lit	1	1	1	1	1	1	1	1	1	1	\$250,000
WMMC Diamonds - Lit	1	1	1	1	1	1	1	1	1	1	\$250,000
WMMC Diamonds - Unlit	2	2	2	2	2	2	2	2	2	-	\$135,000
Tri-Township Arena Ball Diamond - Lit	1	1	1	1	1	1	1	1	1	1	\$250,000
Mount Brydges Legion Ball Diamond - Unlit	1	1	1	1	1	1	1	1	1	1	\$135,000
	1	1	1	1	1	1	1	1	1	1	
Total (#)	10	10	10	10	10	10	10	10	10	8	
Total (\$000)	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,675.0	\$1,405.0	

SOCCER FIELDS Park Name	# of Fields										UNIT COST (\$/Field)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Yorkview Park											
- Full Field Lit	2	2	2	2	2	2	2	2	2	2	\$250,000
- Smaller fields unlit combined (4 Timbit, 2 2/4 fields)	1	1	1	1	1	1	1	1	1	1	\$150,000
Cuddy Sports Complex											
- Full Field Lit	1	1	1	1	1	1	1	1	1	1	\$250,000
- Full Field - Unlit	1	1	1	1	1	1	1	1	1	1	\$135,000
- 3/4 Fields	2	2	2	2	2	2	2	2	2	2	\$125,000
Caradoc Community Centre											
- Full Field - Unlit	1	1	1	1	1	1	1	1	1	1	\$135,000
- 3/4 Fields - Unlit	2	2	2	2	2	2	2	2	2	2	\$125,000
- Small field	1	1	1	1	1	1	1	1	1	1	\$50,000
Gemini Sportsplex - Lit	2	2	2	2	2	2	2	2	2	2	\$250,000
Saulsbury Park	1	1	1	1	1	1	1	1	1	1	\$50,000
Centennial Park	1	1	1	1	1	1	1	1	1	1	\$13,500
MB Lions Club Field	1	1	1	1	1	1	1	1	1	1	\$100,000
Total (#)	16	16	16	16	16	16	16	16	16	16	
Total (\$000)	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	\$2,383.5	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

BASKETBALL COURTS Park Name	# of Courts										UNIT COST (\$/Court)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Yorkview Park	1	1	1	1	1	1	1	1	1	1	\$87,750
Total (#)	1	1	1	1	1	1	1	1	1	1	
Total (\$000)	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	\$87.8	

TENNIS COURTS Park Name	# of Courts										UNIT COST (\$/Court)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
West Middlesex Memorial Centre (4 Lit Courts)	4	4	4	4	4	4	4	4	4	4	\$55,000
Total (#)	4	4	4	4	4	4	4	4	4	4	
Total (\$000)	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	\$220.0	

SWIMMING POOL Park Name	# of Pools										UNIT COST (\$/Pool)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Alexandra Park - Lions Club Swimming Pool	1	1	1	1	1	1	1	1	1	-	\$662,850
Fair Grounds Aquatic Park (Pool, waterslide, pavilion, playground)										1	\$4,000,000
Total (#)	1	1	1	1	1	1	1	1	1	1	
Total (\$000)	\$662.9	\$662.9	\$662.9	\$662.9	\$662.9	\$662.9	\$662.9	\$662.9	\$662.9	\$4,000.0	

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

LAWN BOWLING Park Name	# of Fields										UNIT COST (\$/Field)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Alexandra Park - Strathroy Lawn Bowling Club	1	1	1	1	1	-	-	-	-	-	\$101,250
Total (#)	1	1	1	1	1	0	0	0	0	-	
Total (\$000)	\$101.3	\$101.3	\$101.3	\$101.3	\$101.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	

SKATE PARKS Park Name	# of Facilities										UNIT COST (\$/Skate park)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Centennial Park Strathroy	1	1	1	1	1	1	1	1	1	1	\$150,000
Legion Park Mount Brydges	1	1	1	1	1	1	1	1	1	1	\$150,000
Total (#)	2	2	2	2	2	2	2	2	2	2	
Total (\$000)	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	

PLAYGROUNDS	Total Value of Playground Equipment (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Strathroy:										
Alexandra Park	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Brennan	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Centennial Park	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Francis	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
High Street	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Saulsbury	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Southfield Drive	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Yorkview	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Fair Grounds Recreation Complex										\$250,000
Mount Brydges:										
Bentim (Optimist Park)	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Church Street (Lioness Park)	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Churchill Street	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Glover Circle	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
King Street (Royal Canadian Legion)	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Uptown Park & Cenotaph	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Total (\$000)	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,325.0	\$1,575.0
Total All Facilities (#)	35	35	35	35	35	34	34	34	34	32
Total All Facilities (\$)	\$6,755.4	\$6,755.4	\$6,755.4	\$6,755.4	\$6,755.4	\$6,654.1	\$6,654.1	\$6,654.1	\$6,654.1	\$9,971.3

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

PARK BUILDINGS Description	Total Value of Buildings (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Alexandra Park										
Equipment Depot/Clubhouse Ball	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570	\$175,570
Picnic Pavilion (2)	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Baseball Storage Shed	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000
Bleachers	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Garage	\$13,830	\$13,830	\$13,830	\$13,830	\$13,830	\$0	\$0	\$0	\$0	
Washrooms/Maintenance	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Ball Dugouts	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792	\$11,792
Former Train Storage	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
York Street										
Maintenance Building	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Soccer Building	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Concession/Washroom	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Dugouts	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Bleachers	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Storage Shed	\$10,000	\$10,001	\$10,002	\$10,003	\$10,004	\$10,005	\$10,006	\$10,007	\$10,008	\$10,009
WMMC & Fairgrounds										
Washroom	\$200,000	\$168,874	\$168,874	\$168,874	\$168,874	\$168,874	\$168,874	\$168,874	\$168,874	\$168,874
Quonset	\$56,777	\$56,777	\$56,777	\$56,777						
Bleachers	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Dugouts	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Two Storage Buildings	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Cuddy Sports Complex										
Soccer Building	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Storage	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Bleachers	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Tri-Township Arena										
Concession/Washroom	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Storage Building	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Bleachers	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Gazebos and Pavilions										
Picnic Pavilion, Southfield Dr.	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Gazebo, Uptown Park	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Total (\$000)	\$2,538.0	\$2,506.8	\$2,506.8	\$2,506.8	\$2,450.1	\$2,436.2	\$2,436.2	\$2,436.2	\$2,436.2	\$2,436.2

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PARK DEVELOPMENT & FACILITIES

PARKS EQUIPMENT Description	# of Units										UNIT COST (\$/unit)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Kubota F2560E Diesel Tractor	1	1	1	1	1	-	-	-	-	-	\$19,200
John Deere Model 1435	1	1	1	1	1	-	-	-	-	-	\$18,000
John Deere Model 5425	-	-	-	1	1	-	-	-	-	-	\$61,300
John Deere 4-W Drive	-	-	-	1	1	-	-	-	-	-	\$12,700
John Deere 72" Side Discharge Mower	-	-	-	1	1	-	-	-	-	-	\$2,900
Kubota F3080 Tractor	-	-	-	-	1	-	-	-	-	-	\$14,800
Total (#)	2	2	2	5	6	-	-	-	-	-	
Total (\$000)	\$37.2	\$37.2	\$37.2	\$114.1	\$128.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
PARK DEVELOPMENT & FACILITIES

SUMMARY OF SERVICE LEVEL ANALYSIS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271

INVENTORY SUMMARY (\$000)

Park Development & Facilities	\$2,574.7	\$2,574.7	\$2,582.8	\$2,582.8	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2	\$2,588.2
Park Facilities	\$6,755.4	\$6,755.4	\$6,755.4	\$6,755.4	\$6,755.4	\$6,654.1	\$6,654.1	\$6,654.1	\$6,654.1	\$9,971.3
Park Buildings	\$2,538.0	\$2,506.8	\$2,506.8	\$2,506.8	\$2,450.1	\$2,436.2	\$2,436.2	\$2,436.2	\$2,436.2	\$2,436.2
Parks Equipment	\$37.2	\$37.2	\$37.2	\$114.1	\$128.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total (\$000)	\$11,905.2	\$11,874.1	\$11,882.2	\$11,959.1	\$11,922.5	\$11,678.6	\$11,678.6	\$11,678.6	\$11,678.6	\$14,995.7

Average
Service
Level

SERVICE LEVEL (\$/capita)

Park Development & Facilities	\$130.02	\$128.88	\$128.03	\$126.79	\$125.82	\$124.60	\$123.38	\$122.83	\$122.29	\$121.68	\$125.43
Park Facilities	\$341.14	\$338.16	\$334.87	\$331.62	\$328.39	\$320.32	\$317.19	\$315.78	\$314.41	\$468.77	\$341.07
Park Buildings	\$128.17	\$125.49	\$124.27	\$123.06	\$119.10	\$117.28	\$116.13	\$115.62	\$115.11	\$114.53	\$119.88
Parks Equipment	\$1.88	\$1.86	\$1.84	\$5.60	\$6.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.75
Total (\$/capita)	\$601.21	\$594.39	\$589.02	\$587.07	\$579.58	\$562.20	\$556.71	\$554.22	\$551.81	\$704.98	\$588.12

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC

10-Year Funding Envelope Calculation	
10 Year Average Service Level 2005 - 2014	\$588.12
Net Population Growth 2015 - 2024	1,469
Maximum Allowable Funding Envelope	864,238
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction	\$86,424
Discounted Maximum Allowable Funding Envelope	\$777,815

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$14,995,715
Inventory Using Average Service Level	\$12,509,874
Excess Capacity	\$2,485,841
Excess Capacity:	Committed

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APPENDIX B-4
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	10% Reduction	DC Eligible Costs	Available DC Reserves	2015- 2024	Post 2024
4.0 PARK DEVELOPMENT & FACILITIES											
4.1 Recently Completed Projects											
4.1.1	Large Capacity Mower	2014	\$ 63,000	\$ 10,000	\$ 53,000	\$ -	\$ 5,300	\$ 47,700	\$ 47,700	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Recently Completed Projects		\$ 63,000	\$ 10,000	\$ 53,000	\$ -	\$ 5,300	\$ 47,700	\$ 47,700	\$ -	\$ -
4.2 New Projects											
4.1.1	Parks & Rec Master Plan (Survey, Facilities, Strategic Dire	2015	\$ 70,000		\$ 70,000	\$ 35,000	\$ 3,500	\$ 31,500	\$ 31,500	\$ -	\$ -
4.2.2	Strathroy Skate Park Project	2015	\$ 350,000	\$ 50,000	\$ 300,000	\$ -	\$ 30,000	\$ 270,000	\$ 115,538	\$ 154,462	\$ -
4.2.3	Trail Groomer	2015	\$ 3,500	\$ -	\$ 3,500	\$ -	\$ 350	\$ 3,150	\$ -	\$ 3,150	\$ -
4.2.4	Provision for Park amenity development (flowing from Mast	Various	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 20,000	\$ 180,000	\$ -	\$ 180,000	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal New Projects		\$ 623,500	\$ 50,000	\$ 573,500	\$ 35,000	\$ 53,850	\$ 484,650	\$ 147,038	\$ 337,612	\$ -
TOTAL PARK DEVELOPMENT & FACILITIES			\$ 686,500	\$ 60,000	\$ 626,500	\$ 35,000	\$ 59,150	\$ 532,350	\$ 194,738	\$ 337,612	\$ -

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	100%	\$337,612	
10 Year Growth in Population in New Units		2,556	
Unadjusted Development Charge Per Capita (\$)		\$132.11	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	0%	\$ -	
10 Year Growth in Square Meters		44,892	
Unadjusted Development Charge Per Sq.M (\$)		\$0.00	

2015 - 2024 Net Funding Envelope	\$777,815
Reserve Fund Balance	\$194,738

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
PARK DEVELOPMENT & FACILITIES
RESIDENTIAL DEVELOPMENT CHARGE

4.00 PARK DEVELOPMENT & FACILITIES

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE FROM APPLICABLE RESERVES											
OPENING CASH BALANCE (\$000)	0.0	(144.1)	(133.9)	(122.5)	(109.8)	(95.7)	(80.1)	(62.8)	(43.7)	(22.8)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
4.00 Park Development & Facilities : Non Inflated	\$175.61	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$337.61
4.00 Park Development & Facilities: Inflated	\$175.61	\$18.36	\$18.73	\$19.10	\$19.48	\$19.87	\$20.27	\$20.68	\$21.09	\$21.51	\$354.71
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	35.4	36.1	37.2	38.2	39.3	40.4	41.6	42.8	44.0	45.2	\$400.20
- Interest on Opening Balance	0.0	(7.9)	(7.4)	(6.7)	(6.0)	(5.3)	(4.4)	(3.5)	(2.4)	(1.3)	(\$44.85)
- Interest on In-year Transactions (excl.int.)	(3.9)	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	(\$0.61)
TOTAL REVENUE	31.5	28.5	30.2	31.8	33.6	35.5	37.6	39.7	42.0	44.4	\$354.75
CLOSING CASH BALANCE	(144.1)	(133.9)	(122.5)	(109.8)	(95.7)	(80.1)	(62.8)	(43.7)	(22.8)	0.0	

2015 Adjusted Charge Per Capita \$142.83

Allocation of Capital Program
Residential Sector 100.0%
Non-Residential Sector 0.0%

Rates for 2015
Inflation Rate 2.0%
Interest Rate on Positive Balances 3.5%
Interest Rate on Negative Balances 5.5%

APPENDIX B.5

PUBLIC WORKS: BUILDINGS & FLEET

APPENDIX B.5

PUBLIC WORKS: BUILDINGS & FLEET

The Public Works Department is responsible for the maintenance and operation of the Municipality's 630 km of roads and its related infrastructure. The following section addresses the need for Public Works buildings, land, equipment and fleet. The municipal-wide engineered component of public works and the Strathroy area road infrastructure is described in Appendix B.9 and Appendix C respectively.

TABLE 1 HISTORIC SERVICE LEVELS

The Public Works Department operates out of a number of buildings in the Municipality of Strathroy-Caradoc, including an office/equipment depot, storage buildings and sand/salt sheds. In 2014, 39,740 square feet of space was available for these purposes, valued at approximately \$5.63 million. The 18.91 hectares of land associated with these buildings is valued at \$1.41 million. In all locations, the total replacement cost of furniture and equipment is \$190,000. The 2014 inventory of fleet and large equipment has a replacement value of about \$3.45 million.

The total value of the Public Works capital inventory is \$10.67 million (Page 3). Over the 2005–2014 period, the average service level is \$358.90 per population and employment, and this, multiplied by the ten-year growth in net population plus employment, results in a maximum allowable funding envelope of about \$818,500. Under the *Development Charges Act*, 1997, services related to a highway as defined under subsection 1(1) of the *Municipal Act*, 2001, need not to be reduced by the legislated 10 per cent (as with other general services). The services and capital assets of Public Works are considered to be related to a highway, and as such, the maximum allowable of \$818,500 is not required to be reduced by ten per cent. No excess capacity has been identified for this service, and therefore, the maximum allowable funding envelope of \$818,500 is brought forward to the development charges calculation.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The 2015–2024 development-related capital program for Public Works amounts to \$846,800. It includes the for the recovery of the tandem/plough/sander purchased in 2010 for a cost of \$198,000, a new salt/sand storage shed will be required in 2019 for a cost of \$250,000, an expansion to the existing gravel pit in 2020 for a cost of about \$179,000 and a new vacuum truck in 2022 (\$220,000).

No grants, subsidies or replacement shares are anticipated to offset the cost of the program. The Municipality has \$198,000 in available reserve funds to help offset the cost of the program. The remaining \$648,800 is related to development in the 2015 to 2024 planning period and is eligible for DC recovery in this period. This development related cost is allocated 76 per cent, or \$493,100, against new residential development, and 24 per cent, or \$155,700 against new non-residential development. This yields an unadjusted residential development charge of \$192.93 per capita and \$3.47 per m² respectively.

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the calculated residential development charge increases slightly to \$193.40 per capita and the non-residential charge increases to \$3.48 per m².

10-year Hist. Service Level \$/pop & emp	PUBLIC WORKS: BUILDINGS AND FLEET SUMMARY					
	2015-2024		Unadjusted		Adjusted	
	Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$358.90	\$847	\$649	\$192.93	\$3.47	\$193.40	\$3.48

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PUBLIC WORKS: BUILDINGS & FLEET

BUILDINGS Facility Name	# of Square Feet										UNIT COST (\$/sq.ft)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Equipment Shed	5,180	5,180	5,180	5,180	5,180	5,180	5,180	5,180	5,180	5,180	\$60
Salt Shed & Storage	7,460	7,460	7,460	7,460	7,460	7,460	7,460	7,460	7,460	7,460	\$60
Equipment Depot, 475 Metcalfe St W, Stry	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	\$100
Storage Building #1, Metcalfe St, Stry	800	800	800	800	800	800	800	800	800	800	\$60
Storage Building #2, Metcalfe St, Stry	600	600	600	600	600	600	600	600	600	600	\$60
Equipment Depot/Office-Caradoc	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	\$200
12 Bay Garage, 8605 Falconbridge	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	\$200
Total (sq.ft)	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	
Total (\$000)	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	

LAND Facility Name	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
475 Metcalfe St. W., Strathroy	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	\$150,000
8605 Falconbridge Drive, Mt. Brydges	2.91	2.91	2.91	2.91	2.91	2.91	2.91	2.91	2.91	2.91	\$150,000
Gravel Pit Land	14.30	14.30	14.30	14.30	14.30	14.30	14.30	14.30	14.30	14.30	\$50,000
Total (ha)	18.91	18.91	18.91	18.91	18.91	18.91	18.91	18.91	18.91	18.91	
Total (\$000)	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	

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APPENDIX B.5
TABLE 1 - PAGE 2

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
PUBLIC WORKS: BUILDINGS & FLEET

FURNITURE AND EQUIPMENT Facility Name	Total Value of Furniture and Equipment (\$)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Miscellaneous Unlicensed Equipment	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Communications Equipment	\$30,000	\$31,100	\$32,200	\$33,300	\$34,400	\$35,500	\$36,600	\$37,700	\$38,800	\$40,000
Total (\$000)	\$180.0	\$181.1	\$182.2	\$183.3	\$184.4	\$185.5	\$186.6	\$187.7	\$188.8	\$190.0

MUNICIPAL FLEET Facility Name	# of Vehicles										UNIT COST (\$/vehicle)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
graders	2	2	2	2	2	2	2	2	2	2	\$360,000
single axle dump sander & plow	2	2	2	2	2	2	2	2	2	2	\$170,000
tandem axle dump sander & plow	5	5	6	6	6	6	6	6	6	6	\$210,000
pick up	3	3	3	3	3	3	3	3	3	3	\$35,000
1-ton	1	1	1	1	1	1	1	1	1	1	\$45,000
sweeper	1	1	1	1	1	1	1	1	1	1	\$260,000
tractor, mower & snow blower	1	1	1	1	1	1	1	1	1	1	\$130,000
backhoe	1	1	1	1	1	1	1	1	1	1	\$120,000
loader	1	1	1	1	1	1	1	1	1	1	\$195,000
570 loader	-	-	-	-	-	1	1	1	1	1	\$70,000
trackless	-	-	-	-	2	2	2	2	2	2	\$100,000
Total (#)	17	17	18	18	20	21	21	21	21	21	
Total (\$000)	\$2,965.0	\$2,965.0	\$3,175.0	\$3,175.0	\$3,375.0	\$3,445.0	\$3,445.0	\$3,445.0	\$3,445.0	\$3,445.0	

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APPENDIX B.5
TABLE 1 - PAGE 3

**MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
PUBLIC WORKS: BUILDINGS & FLEET**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271
Historic Employment	<u>8,530</u>	<u>8,634</u>	<u>8,626</u>	<u>8,623</u>	<u>8,626</u>	<u>8,634</u>	<u>8,648</u>	<u>8,729</u>	<u>8,810</u>	<u>8,891</u>
Total Historic Population & Employment	28,332	28,611	28,799	28,994	29,197	29,407	29,626	29,801	29,974	30,162

INVENTORY SUMMARY (\$000)

Buildings	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4	\$5,632.4
Land	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5	\$1,406.5
Furniture & Equipment	\$180.0	\$181.1	\$182.2	\$183.3	\$184.4	\$185.5	\$186.6	\$187.7	\$188.8	\$190.0
Fleet	\$2,965.0	\$2,965.0	\$3,175.0	\$3,175.0	\$3,375.0	\$3,445.0	\$3,445.0	\$3,445.0	\$3,445.0	\$3,445.0
Total (\$000)	\$10,183.9	\$10,185.0	\$10,396.1	\$10,397.2	\$10,598.3	\$10,669.4	\$10,670.5	\$10,671.6	\$10,672.7	\$10,673.9

SERVICE LEVEL (\$/population & employment)											Average Service Level
Buildings	\$198.80	\$196.86	\$195.58	\$194.26	\$192.91	\$191.53	\$190.12	\$189.00	\$187.91	\$186.74	\$192.37
Land	\$49.64	\$49.16	\$48.84	\$48.51	\$48.17	\$47.83	\$47.48	\$47.20	\$46.92	\$46.63	\$48.04
Furniture & Equipment	\$6.35	\$6.33	\$6.33	\$6.32	\$6.32	\$6.31	\$6.30	\$6.30	\$6.30	\$6.30	\$6.32
Fleet	\$104.65	\$103.63	\$110.25	\$109.51	\$115.59	\$117.15	\$116.28	\$115.60	\$114.93	\$114.22	\$112.18
Total (\$/pop & empl)	\$359.45	\$355.99	\$360.99	\$358.60	\$362.99	\$362.82	\$360.17	\$358.09	\$356.06	\$353.88	\$358.90

**CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC**

10-Year Funding Envelope Calculation	
10-Year Average Service Level 2005 - 2014	\$358.90
Net Population & Employment Growth 2015 - 2024	2,281
Maximum Allowable Funding Envelope	\$818,511
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction (if applicable)	\$0
Discounted Maximum Allowable Funding Envelope	\$818,511

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$10,673,900
Inventory Using Average Service Level	\$10,825,412
Excess Capacity	\$0
Excess Capacity:	Uncommitted

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APPENDIX B-5
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	0% Reduction	DC Eligible Costs	Available DC Reserves	2015-2024	Post 2024
5.0 PUBLIC WORKS: BUILDINGS & FLEET											
5.1 Recently Completed Projects											
5.1.1	New tandem/plough/sander	2010	\$ 198,000	\$ -	\$ 198,000	\$ -	\$ -	\$ 198,000	\$ 198,000	\$ -	\$ -
5.1.2			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Recently Completed Projects			\$ 198,000	\$ -	\$ 198,000	\$ -	\$ -	\$ 198,000	\$ 198,000	\$ -	\$ -
5.2 New Projects											
5.2.1	New salt/sand storage shed	2019	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ -
5.2.2	Gravel Pit Expansion	2020	\$ 178,750	\$ -	\$ 178,750	\$ -	\$ -	\$ 178,750	\$ -	\$ 178,750	\$ -
5.2.3	Vacuum Truck	2022	\$ 220,000	\$ -	\$ 220,000	\$ -	\$ -	\$ 220,000	\$ -	\$ 220,000	\$ -
5.2.4			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal New Projects			\$ 648,750	\$ -	\$ 648,750	\$ -	\$ -	\$ 648,750	\$ -	\$ 648,750	\$ -
TOTAL PUBLIC WORKS: BUILDINGS & FLEET			\$ 846,750	\$ -	\$ 846,750	\$ -	\$ -	\$ 846,750	\$ 198,000	\$ 648,750	\$ -

Residential Development Charge Calculation

Residential Share of 2015-2024 DC Eligible Costs	76%	\$493,050
10 Year Growth in Population in New Units		2,556
Unadjusted Development Charge Per Capita (\$)		\$192.93

Non-Residential Development Charge Calculation

Non-Residential Share of 2015-2024 DC Eligible Costs	24%	\$ 155,700
10 Year Growth in Square Meters		44,892
Unadjusted Development Charge Per Sq.M (\$)		\$3.47

2015 - 2024 Net Funding Envelope \$818,511

Reserve Fund Balance

Total PW/Eng Reserves \$2,142,890
Remaining \$1,944,890

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
PUBLIC WORKS: BUILDINGS AND FLEET
RESIDENTIAL DEVELOPMENT CHARGE

5.00 PUBLIC WORKS: BUILDINGS & FLEET

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	48.7	100.2	155.0	213.1	64.0	(31.5)	24.0	(113.0)	(58.7)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
5.00 Public Works: Buildings & Fleet : Non Inflated	\$0.00	\$0.00	\$0.00	\$0.00	\$190.00	\$135.85	\$0.00	\$167.20	\$0.00	\$0.00	\$493.05
5.00 Public Works: Buildings & Fleet: Inflated	\$0.00	\$0.00	\$0.00	\$0.00	\$205.66	\$149.99	\$0.00	\$192.06	\$0.00	\$0.00	\$547.71
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	47.9	48.9	50.4	51.8	53.3	54.8	56.3	57.9	59.5	61.2	\$542.00
- Interest on Opening Balance	0.0	1.7	3.5	5.4	7.5	2.2	(1.7)	0.8	(6.2)	(3.2)	\$10.00
- Interest on In-year Transactions (excl.int.)	0.8	0.9	0.9	0.9	(4.2)	(2.6)	1.0	(3.7)	1.0	1.1	(\$3.92)
TOTAL REVENUE	48.7	51.5	54.8	58.1	56.6	54.4	55.6	55.1	54.3	59.0	\$548.08
CLOSING CASH BALANCE	48.7	100.2	155.0	213.1	64.0	(31.5)	24.0	(113.0)	(58.7)	0.4	

2015 Adjusted Charge Per Capita \$193.40

Allocation of Capital Program
Residential Sector 76.0%
Non-Residential Sector 24.0%

Rates for 2015
Inflation Rate 2.0%
Interest Rate on Positive Balances 3.5%
Interest Rate on Negative Balances 5.5%

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
PUBLIC WORKS: BUILDINGS & FLEET
NON-RESIDENTIAL DEVELOPMENT CHARGE

5.00 PUBLIC WORKS: BUILDINGS & FLEET

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	\$0.00	\$15.87	\$32.61	\$50.33	\$68.99	\$22.03	(\$8.19)	\$9.27	(\$34.34)	(\$17.60)	
2015-2024 NON-RESIDENTIAL FUNDING REQUIREMENTS											
5.00 Public Works: Buildings & Fleet : Non Inflated	\$0.00	\$0.00	\$0.00	\$0.00	\$60.00	\$42.90	\$0.00	\$52.80	\$0.00	\$0.00	\$155.70
5.00 Public Works: Buildings & Fleet: Inflated	\$0.00	\$0.00	\$0.00	\$0.00	\$64.95	\$47.37	\$0.00	\$60.65	\$0.00	\$0.00	\$172.96
NON-RESIDENTIAL GROWTH											
- Sq. Metres in New Buildings	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	44,892
REVENUE - current (\$000)											
- Dev. Charge Receipts	15.6	15.9	16.3	16.6	16.9	17.2	17.6	17.9	18.3	18.7	\$171.00
- Interest on Opening Balance	0.0	0.6	1.1	1.8	2.4	0.8	(0.5)	0.3	(1.9)	(1.0)	\$3.66
- Interest on In-year Transactions (excl.int.)	0.3	0.3	0.3	0.3	(1.3)	(0.8)	0.3	(1.2)	0.3	0.3	(\$1.24)
TOTAL REVENUE	15.9	16.7	17.7	18.7	18.0	17.1	17.5	17.0	16.7	18.1	\$173.42
CLOSING CASH BALANCE	15.9	32.6	50.3	69.0	22.0	(8.2)	9.3	(34.3)	(17.6)	0.5	

2015 Adjusted Charge Per Square Metre \$3.48

Allocation of Capital Program	
Residential Sector	76.0%
Non-Residential Sector	24.0%
Rates for 2015	
Inflation Rate:	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.6

CEMETERIES

APPENDIX B.6

CEMETERIES

The Municipality of Strathroy-Caradoc provides the community with cemetery services primarily through the Strathroy Cemetery at 585 Metcalfe Street West.

TABLE 1 HISTORIC SERVICE LEVELS

The ten-year historic inventory of capital assets for Cemetery services includes about 3,300 square feet of building space with a replacement value of \$304,400. The 24.00 hectares of land associated with the Cemeteries are valued at \$1.30 million. The other infrastructure, facilities and equipment add another \$453,700 to the value of the inventory.

The total value of the inventory of capital assets for Cemeteries is estimated to be \$2.05 million (Page 2). The ten-year historic average service level is \$97.59 per capita. The historic service level multiplied by the ten-year forecast of net population growth results in a ten-year maximum allowable funding envelope of \$143,400 (1,469 net population growth X historic service level of \$97.59/capita).

Finally, Cemeteries is a service that must be reduced by ten per cent as required under the DCA. The resulting net maximum allowable funding envelope brought forward to the development charges calculation is reduced to \$129,100. No excess capacity has been identified for this service.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The ten-year development-related capital plan for Cemetery service totals \$90,000 and relates to two new columbarium's (\$50,000), road work to accommodate the cemetery expansion areas (\$20,000), and a study to survey the Strathroy cemetery for future expansion in 2017 (\$20,000).

The \$90,000 gross cost is entirely related to increasing the capacity of the current cemetery at the Strathroy site. However, a portion of that capacity will be required to accommodate deaths in the existing base population of the Municipality rather than population growth. A “benefit to existing” share totaling \$45,000, equal to 50% of the

gross cost, has therefore been excluded from the development charges calculation. The legislated 10 per cent discount on new projects amounts to \$4,500, and is netted off the development charges calculation. No grants, subsidies or replacement shares are anticipated to offset the cost of the program. As Cemeteries is a new service being considered under this study, there is no money in a DC reserve fund to help offset the cost of the program. The remaining \$40,500 is related to development in the 2015 to 2024 planning period and is eligible for DC recovery in this period. This development related cost is allocated entirely against future residential development in the Municipality. This results in an unadjusted development charge of \$15.85 per capita.

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the calculated residential development charge increases slightly to \$18.35 per capita.

CEMETERIES SUMMARY						
10-year Hist. Service Level \$/capita	2015-2024		Unadjusted		Adjusted	
	Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$97.59	\$90	\$41	\$15.85	\$0.00	\$18.35	\$0.00

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TABLE 1 - PAGE 1

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
CEMETERIES

BUILDINGS Cemetery Name	# of Square Feet										UNIT COST (\$/sq.ft.)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy Cemetery Office/Depot	2,632	2,632	2,632	2,632	2,632	2,632	2,632	2,632	2,632	2,632	\$100
Strathroy Cemetery Storage Shed	686	686	686	686	686	686	686	686	686	686	\$60
Total (sq.ft)	3,318	3,318	3,318	3,318	3,318	3,318	3,318	3,318	3,318	3,318	
Total (\$000)	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	

LAND Cemetery Name	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Strathroy Cemetery-585 Metcalfe St W	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	\$54,000
Burwell Cemetery-21044 Burwell Road	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	\$54,000
Cade Cemetery-22352 Mill Road	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	\$54,000
Campbell Cemetery-23711 Amiens Road	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	\$54,000
Campbell Cemetery-7972 Century Drive	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	\$54,000
Hess Cemetery-24089 Sutherland Road	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	\$54,000
Kellestine Cemetery-7770 Parkhouse Drive	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	\$54,000
Troops Cemetery-behind 22635 Troops road	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	\$54,000
Total (ha)	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	
Total (\$000)	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	

OTHER INFRASTRUCTURE Description	Total Value of Other Infrastructure									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Strathroy Cemetery Office Depot	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863	\$242,863
Strathroy Cemetery Storage Shed	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148	\$36,148
2 Columbariums	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147	\$30,147
Vehicles (1993 Ford Ranger)	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Equipment										
- Tractor Loader Backhoe	\$0	\$0	\$0	\$0	\$51,245	\$51,245	\$51,245	\$51,245	\$51,245	\$51,245
- Tractor lawn mower	\$0	\$0	\$0	\$0	\$41,941	\$41,941	\$41,941	\$41,941	\$41,941	\$41,941
- Mower deck	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,377	\$6,377
Other-general contents and equipment	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487	\$40,487
Total (\$000)	\$354.1	\$354.1	\$354.1	\$354.1	\$447.3	\$447.3	\$447.3	\$447.3	\$453.7	\$453.7

MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
CEMETERIES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271

INVENTORY SUMMARY (\$000)

Buildings	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4	\$304.4
Land	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0	\$1,296.0
Other Infrastructure	\$354.1	\$354.1	\$354.1	\$354.1	\$447.3	\$447.3	\$447.3	\$447.3	\$453.7	\$453.7
Total (\$000)	\$1,954.5	\$1,954.5	\$1,954.5	\$1,954.5	\$2,047.7	\$2,047.7	\$2,047.7	\$2,047.7	\$2,054.1	\$2,054.1

SERVICE LEVEL (\$/capita)

Buildings	\$15.37	\$15.24	\$15.09	\$14.94	\$14.80	\$14.65	\$14.51	\$14.44	\$14.38	\$14.31	Average Service Level \$14.77
Land	\$65.45	\$64.87	\$64.24	\$63.62	\$63.00	\$62.39	\$61.78	\$61.50	\$61.24	\$60.93	\$62.90
Other Infrastructure	\$17.88	\$17.73	\$17.56	\$17.38	\$21.75	\$21.53	\$21.32	\$21.23	\$21.44	\$21.33	\$19.92
Total (\$/capita)	\$98.70	\$97.84	\$96.89	\$95.95	\$99.54	\$98.57	\$97.61	\$97.18	\$97.05	\$96.57	\$97.59

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
CALCULATION OF SERVICE LEVELS

10-Year Funding Envelope Calculation	
10 Year Average Service Level 2005 - 2014	\$97.59
Net Population & Employment Growth 2015 - 2024	1,469
Maximum Allowable Funding Envelope	\$143,408
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction (if applicable)	\$14,341
Discounted Maximum Allowable Funding Envelope	\$129,067

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$2,054,068
Inventory Using Average Service Level	\$2,075,834
Excess Capacity	\$0
Excess Capacity:	Committed

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APPENDIX B-6
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	10% Reduction	DC Eligible Costs	Available DC Reserves	2015- 2024	Post 2024
6.0 CEMETERIES											
6.1 Strathroy Cemetery											
6.1.1	2 New Columbarium at Strathroy Cemetery	2015	\$ 50,000	\$ -	\$ 50,000	\$ 25,000	\$ 2,500	\$ 22,500	\$ -	\$ 22,500	\$ -
6.1.2	New road to new columbarium (300 ft)	2015	\$ 10,000	\$ -	\$ 10,000	\$ 5,000	\$ 500	\$ 4,500	\$ -	\$ 4,500	\$ -
6.1.3	Resurface 2 existing roads (for new areas)	2015	\$ 10,000	\$ -	\$ 10,000	\$ 5,000	\$ 500	\$ 4,500	\$ -	\$ 4,500	\$ -
6.1.4	Survey Strathroy Cemetery for future expansion	2017	\$ 20,000	\$ -	\$ 20,000	\$ 10,000	\$ 1,000	\$ 9,000	\$ -	\$ 9,000	\$ -
6.1.5			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Strathroy Cemetery			\$ 90,000	\$ -	\$ 90,000	\$45,000	\$ 4,500	\$ 40,500	\$ -	\$ 40,500	\$ -
TOTAL CEMETERIES			\$ 90,000	\$ -	\$ 90,000	\$ 45,000	\$ 4,500	\$ 40,500	\$ -	\$ 40,500	\$ -

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	100%	\$40,500	
10 Year Growth in Population in New Units		2,556	
Unadjusted Development Charge Per Capita (\$)		\$15.85	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	0%	\$ -	
10 Year Growth in Square Meters		44,892	
Unadjusted Development Charge Per Sq.M (\$)		\$0.00	

2015 - 2024 Net Funding Envelope	\$129,067
Reserve Fund Balance	\$0

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
CEMETERIES
RESIDENTIAL DEVELOPMENT CHARGE

6.00 CEMETERIES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	(27.7)	(24.6)	(30.6)	(27.3)	(23.6)	(19.7)	(15.3)	(10.6)	(5.5)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
6.00 CEMETERIES - constant (\$000)	\$31.50	\$0.00	\$9.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.50
6.00 CEMETERIES - current (\$000)	\$31.50	\$0.00	\$9.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.86
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	4.5	4.6	4.8	4.9	5.1	5.2	5.3	5.5	5.6	5.8	\$51.30
- Interest on Opening Balance	0.0	(1.5)	(1.4)	(1.7)	(1.5)	(1.3)	(1.1)	(0.8)	(0.6)	(0.3)	(\$10.17)
- Interest on In-year Transactions (excl.int.)	(0.7)	0.1	(0.1)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	(\$0.13)
TOTAL REVENUE	3.8	3.2	3.3	3.3	3.7	4.0	4.3	4.8	5.1	5.6	\$40.99
CLOSING CASH BALANCE	(27.7)	(24.6)	(30.6)	(27.3)	(23.6)	(19.7)	(15.3)	(10.6)	(5.5)	0.1	

2015 Adjusted Charge Per Capita \$18.35

Allocation of Capital Program

Residential Sector	100.0%
Non-Residential Sector	0.0%

Rates for 2015

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.7

LIBRARIES

APPENDIX B.7

LIBRARIES

The Municipality of Strathroy-Caradoc provides shared Library services, through the County of Middlesex, to its residents primarily from its main branch on Frank Street. Only the municipal portion of the Library services is accounted for in this study.

TABLE 1 HISTORIC SERVICE LEVELS

The library service inventory of capital assets is organized into two components: buildings and land. The main branch is located at 34 Frank Street, and comprises 11,052 square feet of space. It should be noted; a deduction of about 20% to the total building space has been made to account for cultural related space (i.e. the Museum) which occupies a portion of the library. Cultural and Entertainment facilities are ineligible for inclusion under the *DCA*. Also at the department's disposal are three additional library buildings; which provide another 3,650 square feet. The combined replacement cost of library facilities is estimated at \$4.41 million. The 0.42 hectares of land associated with these buildings has market value of about \$63,000.

The full replacement value of the 2014 inventory of capital assets for Libraries is \$4.47 million, and the ten-year historical average service level is \$190.43 per capita. The historic service level multiplied by the forecasted ten-year growth in net population results in a ten-year maximum allowable funding envelope of \$279,800. Excess capacity in the amount of about \$423,000 is identified for this service. The calculated excess capacity is deemed to be committed, and as such, no reduction has been made to the funding envelope.

Finally, Library Services must be reduced by ten per cent as required under the *DCA*. The resulting net discounted maximum allowable funding envelope brought forward to the development charges calculation is reduced to \$251,846.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES

The 2015–2024 development-related capital program for Libraries relates solely to the recovery of costs associated with the Strathroy Library expansion in 2012. The gross

cost of the expansion amounted to about \$949,100, although, the Municipality received about \$488,600 in grants, subsidies and other recoveries to offset the cost of the construction. Recognizing that a significant portion of this project relates to the refurbishment of existing space and to the museum, approximately 70% (or \$323,600) of the remaining net municipal cost is considered to be a “replacement” share. This portion of the cost will not be recovered through development charges. An amount of \$13,700 has also been removed from the gross cost in accordance with the 10 per cent capital cost deduction under the *DCA*. As Libraries is a new service being considered under this study, there is no money in a DC reserve fund to help offset the cost of the program.

The remaining \$123,200 is related to development in the 2015 to 2024 planning period and is eligible for DC recovery in this period. This development related cost is allocated entirely against future residential development in the Municipality. This results in an unadjusted development charge of \$48.20 per capita.

TABLE 3 CASH FLOW ANALYSIS

After cash flow consideration, the residential charge is increased to \$56.50 per capita.

10-year Hist. Service Level \$/capita	LIBRARIES SUMMARY					
	2015-2024		Unadjusted		Adjusted	
	Development-Related Total	Capital Program (\$000's) Net DC Recoverable	Development Charge \$/capita	\$/sq.m	Development Charge \$/capita	\$/sq.m
\$190.43	\$949	\$123	\$48.20	\$0.00	\$56.50	\$0.00

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
LIBRARY SERVICES

BUILDINGS Lot Name	# of Square Feet										UNIT COST (\$/sq.ft)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
34 Frank Street, Strathroy (Library Share)	9,059	9,059	9,059	9,059	9,059	9,059	9,059	11,052	11,052	11,052	\$300
Library Admin (3,599 sq.ft x 1/8th S-C Share)	450	450	450	450	450	450	450	450	450	450	\$300
22501 Adelaide. Mt Brydges	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,800	2,800	2,800	\$300
6570 Longwoods, Melbourne (800 sq. ft. x 1/2 S-C Share)	400	400	400	400	400	400	400	400	400	400	\$300
Total (sq.ft)	12,109	12,109	12,109	12,109	12,109	12,109	12,109	14,702	14,702	14,702	
Total (\$000)	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$4,410.6	\$4,410.6	\$4,410.6	

LAND Lot Name	# of Hectares										UNIT COST (\$/ha)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
34 Frank Street, Strathroy (Library Share of 0.27 ha)	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	\$150,000
Library Admin (0.17 ha x 1/8th S-C Share)	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	\$150,000
22501 Adelaide. Mt Brydges	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	\$150,000
6570 Longwoods, Melbourne (1/2 S-C Share)	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	\$150,000
Total (ha)	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.42	0.42	0.42	
Total (\$000)	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.0	\$63.0	\$63.0	

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TABLE 1 - PAGE 2

MUNICIPALITY OF STRATHROY-CARADOC
CALCULATION OF SERVICE LEVELS
LIBRARY SERVICES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271

INVENTORY SUMMARY (\$000)

Buildings	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$3,632.6	\$4,410.6	\$4,410.6	\$4,410.6
Land	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.9	\$63.0	\$63.0	\$63.0
Total (\$000)	\$3,696.5	\$3,696.5	\$3,696.5	\$3,696.5	\$3,696.5	\$3,696.5	\$3,696.5	\$4,473.5	\$4,473.5	\$4,473.5

SERVICE LEVEL (\$/capita)

											Average Service Level
Buildings	\$183.45	\$181.84	\$180.07	\$178.32	\$176.59	\$174.87	\$173.16	\$209.31	\$208.40	\$207.35	\$187.34
Land	\$3.23	\$3.20	\$3.17	\$3.14	\$3.11	\$3.08	\$3.05	\$2.99	\$2.97	\$2.96	\$3.09
Total (\$/capita)	\$186.67	\$185.04	\$183.24	\$181.46	\$179.70	\$177.95	\$176.21	\$212.30	\$211.37	\$210.31	\$190.43

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY OF STRATHROY-CARADOC

10-Year Funding Envelope Calculation	
10 Year Average Service Level 2005 - 2014	\$190.43
Net Population Growth 2015 - 2024	1,469
Maximum Allowable Funding Envelope	\$279,829
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction (if applicable)	\$27,983
Discounted Maximum Allowable Funding Envelope	\$251,846

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$4,473,519
Inventory Using Average Service Level	\$4,050,537
Excess Capacity	\$422,982
Excess Capacity:	Committed

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	10% Reduction	DC Eligible Costs	Available DC Reserves	2015-2024	Post 2024
7.0 LIBRARIES											
7.1 Completed Projects											
	7.1.1 Strathroy Library Expansion	2012	\$ 949,112	\$ 488,612	\$ 460,500	\$ 323,626	\$ 13,687	\$ 123,187	\$ -	\$ 123,187	\$ -
	7.1.2		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7.1.3		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Completed Projects		\$ 949,112	\$ 488,612	\$ 460,500	\$ 323,625.57	\$ 13,687	\$ 123,187	\$ -	\$ 123,187	\$ -
TOTAL LIBRARIES			\$ 949,112	\$ 488,612	\$ 460,500	\$ 323,626	\$ 13,687	\$ 123,187	\$ -	\$ 123,187	\$ -

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	100%	\$123,187	
10 Year Growth in Population in New Units		2,556	
Unadjusted Development Charge Per Capita (\$)		\$48.20	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	0%	\$ -	
10 Year Growth in Square Meters		44,892	
Unadjusted Development Charge Per Sq.M (\$)		\$0.00	

2015 - 2024 Net Funding Envelope	\$251,846
Reserve Fund Balance	\$0

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APPENDIX B.7
TABLE 3

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
LIBRARY SERVICES
RESIDENTIAL DEVELOPMENT CHARGE

7.00 LIBRARIES

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	(112.2)	(103.8)	(94.6)	(84.4)	(73.2)	(60.9)	(47.5)	(32.9)	(17.0)	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
7.00 LIBRARIES - constant (\$000)	\$123.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$123.19
7.00 LIBRARIES - current (\$000)	\$123.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$123.19
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	14.0	14.3	14.7	15.1	15.6	16.0	16.5	16.9	17.4	17.9	\$158.40
- Interest on Opening Balance	0.0	(6.2)	(5.7)	(5.2)	(4.6)	(4.0)	(3.4)	(2.6)	(1.8)	(0.9)	(\$34.45)
- Interest on In-year Transactions (excl.int.)	(3.0)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	(\$0.48)
TOTAL REVENUE	11.0	8.4	9.2	10.2	11.2	12.3	13.4	14.6	15.9	17.3	\$123.47
CLOSING CASH BALANCE	(112.2)	(103.8)	(94.6)	(84.4)	(73.2)	(60.9)	(47.5)	(32.9)	(17.0)	0.3	

2015 Adjusted Charge Per Capita \$56.50

Allocation of Capital Program

Residential Sector	100.0%
Non-Residential Sector	0.0%

Rates for 2015

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.8

GENERAL GOVERNMENT

APPENDIX B.8

GENERAL GOVERNMENT

The *DCA* allows the cost of development-related studies and other general government functions to be included in the calculation of the development charges as long as they are permitted under the legislation. Consistent with s.5(1)7 of the *DCA*, the eligible development-related net capital cost for the provision of studies and permitted general government expenditures is reduced by 10% in calculating the development charges.

**TABLE 1 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM &
CALCULATION OF THE “UNADJUSTED” DEVELOPMENT CHARGES**

Table 1 provides a list of development-related studies the Municipality of Strathroy-Caradoc anticipates undertaking during the 2015–2024 period. As required by the *DCA*, development charges studies must be updated at least every five years, thus two are included in the capital program. The program also includes a Land-Use and Employment Strategy to be undertaken for the Molnar industrial park, as well as two Official Plan and Zoning review studies. The total estimated cost of the studies is \$295,000.

Recognizing that the Official Plan and Zoning review studies are not entirely a result of new growth in the Municipality, “benefit to existing” share have been netted off the total cost. These shares amount to \$100,000, which will not be recovered through development charges. The legislated ten per cent discount totals \$19,500. The funds that are available in the DC reserves amount to about \$84,700, and are used to help offset the cost of the program.

The remaining \$90,800 is eligible for development charges funding in the 10-year forecast planning period. This amount is included in the development charge calculation and is allocated 76 per cent, or \$69,000 to the residential sector and 24 per cent, or \$21,800 to the non-residential sector based on shares of 10-year growth in population in new units and employment. The resulting unadjusted per capita residential charge is \$26.99 per capita before cash flow adjustments. The non-residential unadjusted charge is \$0.49 per square metre.

TABLE 2 CASH FLOW ANALYSIS

After cash flow consideration, the residential charge decreases slightly to \$26.48 per capita and the non-residential charge decreases slightly to \$0.48 per m² as shown in the table below.

10-year Hist. Service Level \$/pop & emp	GENERAL GOVERNMENT SUMMARY					
	2015-2024 Development-Related Capital Program (\$000's)		Unadjusted Development Charge		Adjusted Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
n.a	\$295	\$91	\$26.99	\$0.49	\$26.48	\$0.48

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	10% Reduction	DC Eligible Costs	Available DC Reserves	2015- 2024	Post 2024
8.0 GENERAL GOVERNMENT											
8.1 New Projects											
8.1.1	Development Charges Study	2015	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 3,000	\$ 27,000	\$ 27,000	\$ -	\$ -
8.1.2	Official Plan and Zoning Review	2019	\$ 100,000	\$ -	\$ 100,000	\$ 50,000	\$ 5,000	\$ 45,000	\$ 45,000	\$ -	\$ -
8.1.3	Official Plan and Zoning Review	2024	\$ 100,000	\$ -	\$ 100,000	\$ 50,000	\$ 5,000	\$ 45,000	\$ 12,742	\$ 32,258	\$ -
8.1.4	Development Charges Study	2020	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 3,000	\$ 27,000	\$ -	\$ 27,000	\$ -
8.1.5	Molnar Land-use and Employment Strategy	various	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 3,500	\$ 31,500	\$ -	\$ 31,500	\$ -
Subtotal New Projects			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 295,000	\$ -	\$ 295,000	\$ 100,000	\$ 19,500	\$ 175,500	\$ 84,742	\$ 90,758	\$ -
TOTAL GENERAL GOVERNMENT			\$ 295,000	\$ -	\$ 295,000	\$ 100,000	\$ 19,500	\$ 175,500	\$ 84,742	\$ 90,758	\$ -

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	76.0%	\$68,976	
10 Year Growth in Population in New Units		2,556	
Unadjusted Development Charge Per Capita (\$)		\$26.99	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	24.0%	\$ 21,782	
10 Year Growth in Square Meters		44,892	
Unadjusted Development Charge Per Sq.M (\$)		\$0.49	

2015 - 2024 Net Funding Envelope	-
Reserve Fund Balance	\$84,742

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
GENERAL GOVERNMENT
RESIDENTIAL DEVELOPMENT CHARGE

8.00 GENERAL GOVERNMENT

OPENING CASH BALANCE FROM APPLICABLE RESERVES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE (\$000)	0.0	4.3	8.8	13.6	18.7	24.1	6.7	12.0	17.7	23.8	
2015-2024 RESIDENTIAL FUNDING REQUIREMENTS											
8.00 General Government : Non Inflated	\$2.39	\$2.39	\$2.39	\$2.39	\$2.39	\$22.91	\$2.39	\$2.39	\$2.39	\$26.91	\$68.98
8.00 General Government: Inflated	\$2.39	\$2.44	\$2.49	\$2.54	\$2.59	\$25.30	\$2.70	\$2.75	\$2.80	\$32.16	\$78.17
POPULATION GROWTH											
- Population in New Units	248	248	250	252	254	256	259	261	263	265	2,556
REVENUE - current (\$000)											
- Dev. Charge Receipts	6.6	6.7	6.9	7.1	7.3	7.5	7.7	7.9	8.2	8.4	\$74.30
- Interest on Opening Balance	0.0	0.1	0.3	0.5	0.7	0.8	0.2	0.4	0.6	0.8	\$4.53
- Interest on In-year Transactions (excl.int.)	0.1	0.1	0.1	0.1	0.1	(0.5)	0.1	0.1	0.1	(0.7)	(\$0.48)
TOTAL REVENUE	6.7	6.9	7.3	7.7	8.0	7.9	8.0	8.4	8.9	8.6	\$78.35
CLOSING CASH BALANCE	4.3	8.8	13.6	18.7	24.1	6.7	12.0	17.7	23.8	0.2	

2015 Adjusted Charge Per Capita \$26.48

Allocation of Capital Program

Residential Sector	76.0%
Non-Residential Sector	24.0%

Rates for 2015

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

MUNICIPALITY OF STRATHROY-CARADOC
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
GENERAL GOVERNMENT
NON-RESIDENTIAL DEVELOPMENT CHARGE

8.00 GENERAL GOVERNMENT

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
OPENING CASH BALANCE FROM APPLICABLE RESERVES											
OPENING CASH BALANCE (\$000)	\$0.00	\$1.47	\$2.97	\$4.52	\$6.20	\$7.92	\$2.46	\$4.12	\$5.92	\$7.77	
2015-2024 NON-RESIDENTIAL FUNDING REQUIREMENTS											
8.00 General Government : Non Inflated	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$7.24	\$0.76	\$0.76	\$0.76	\$8.50	\$21.78
8.00 General Government: Inflated	\$0.76	\$0.77	\$0.79	\$0.80	\$0.82	\$7.99	\$0.85	\$0.87	\$0.89	\$10.16	\$24.68
NON-RESIDENTIAL GROWTH											
- Sq. Metres in New Buildings	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	44,892
REVENUE - current (\$000)											
- Dev. Charge Receipts	2.2	2.2	2.2	2.3	2.3	2.4	2.4	2.5	2.5	2.6	\$23.60
- Interest on Opening Balance	0.0	0.1	0.1	0.2	0.2	0.3	0.1	0.1	0.2	0.3	\$1.52
- Interest on In-year Transactions (excl.int.)	0.0	0.0	0.0	0.0	0.0	(0.2)	0.0	0.0	0.0	(0.2)	(\$0.15)
TOTAL REVENUE	2.2	2.3	2.3	2.5	2.5	2.5	2.5	2.7	2.7	2.7	\$24.97
CLOSING CASH BALANCE	1.5	3.0	4.5	6.2	7.9	2.5	4.1	5.9	7.8	0.3	

2015 Adjusted Charge Per Square Metre \$0.48

Allocation of Capital Program	
Residential Sector	76.0%
Non-Residential Sector	24.0%
Rates for 2015	
Inflation Rate:	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.9

MUNICIPALITY-WIDE ENGINEERING

APPENDIX B.9

MUNICIPALITY-WIDE ENGINEERING

This appendix provides a review of the analysis undertaken to establish the development charge rates for the Municipality-Wide Engineering service. The service includes various gravel road improvements, sidewalk development, additional bike lanes on the existing network, the recovery of debenture payments related to servicing the Molnar industrial park and a roads and bridges master plan. The development-related infrastructure projects identified are required to service the demands of new development over the 2015–2024 period, subject to annual budget reviews. This development forecast is discussed in more detail in Appendix A.

The following table sets out the 2015 to 2024 development-related capital program and the calculation of the development charge for Municipality-Wide Engineering. The cost, quantum and description of the projects included in the forecast have been provided by Municipal Staff. This report identifies the necessary engineering infrastructure to allow the municipality to meet the servicing needs of the forecast 2024 population in new units and non-residential floor space. It should be noted, this program is developed for projects that benefit the entire municipality, a new service category (Strathroy Engineering) has been created to service the demands of new development in the Strathroy area over the 2015–2024 period. The details of the area-specific capital program are more fully described in Appendix C of this study.

Tables 1 and 2 provide details of the projects included in the Municipality-wide Engineering infrastructure development charges calculation. The content of the tables is as follows:

Table 1	Municipality-Wide Engineering Historic Service Level, 2005-2014
Table 2	Municipality-Wide Engineering Development-Related Capital Program: 2015-2024

TABLE 1 2005 – 2014 HISTORICAL SERVICE LEVELS

The roads and related inventory of capital assets includes various facilities and infrastructure, including the roads themselves, traffic signals, sidewalks, and streetlights.

The Municipality's current infrastructure inventory totals 222 rural kilometers of roads and 408 kilometers of urban roadway. Together, these roads have a replacement value of about \$186.78 million. Other roads and related infrastructure adds an additional of \$3.62 million to the inventory.

Altogether, the total inventory of capital assets for Municipality-wide engineering totals \$190.40 million. The resulting ten-year average service level of the provision of engineering service is calculated at \$6,621.66 per population and employment. Based on this average service level, the maximum allowable funding envelope is \$15.10 million (\$6,621.66 per population and employment x 2,281 net population and employment growth from 2015 to 2024).

No uncommitted excess capacity has been identified for this service, nor is this service required to be reduced by ten per cent. As such, the fully calculated maximum allowable funding envelope brought forward to the development charges calculation remains at \$15.10 million.

TABLE 2 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM & CALCULATION OF THE DEVELOPMENT CHARGES

The gross cost of the Municipality-wide engineering capital program is \$5.72 million and provides for the undertaking of various gravel road projects, sidewalk development, the creation of additional bike lanes on the existing network, the recovery of debenture payments related to servicing the Molnar industrial park and a roads and bridges master plan. No grants, subsidies or other recoveries are anticipated to offset the cost of the program.

Benefit to existing (BTE) shares has been identified for the gravel improvements being undertaken throughout the planning period. In this instance, a benefit to existing share has been applied based on current versus projected population and employment. In total, this BTE share amounts to \$3.49 million, and this amount will not be recovered from development charges.

A share of the program, \$550,000, can be funded through existing development charge funds previously collected for this service.

The total development-related capital program for the 2015–2024 period is \$1.68 million. The development-related cost has been allocated 76 per cent (\$1.28 million)

to residential development and 24 per cent (\$404,100) to non-residential development. The allocation of costs is based on shares of population in new units and employment growth over the 10-year planning period.

The residential costs are recovered against the population growth in new units of 2,556 people yielding an unadjusted charge of \$500.68 per capita. The non-residential costs are recovered against the growth in non-residential floor area over the period of 44,892 m² yielding an unadjusted charge of \$9.00 per m².

The following table summarizes the development charges calculation.

MUNICIPAL WIDE ENGINEERING SUMMARY						
10-year Hist. Service Level \$/pop & emp	2015-2024 Development-Related Capital Program (\$000's)		Unadjusted Development Charge		Adjusted Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$6,621.66	\$5,720	\$1,684	\$500.68	\$9.00	\$500.68	\$9.00

APPENDIX B.9
TABLE 1 - PAGE 1

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
MUNICIPALITY-WIDE ENGINEERING

ROAD NETWORK Asset Type	# of Km of Roads										UNIT COST (\$/km)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Collectors - Rural kilometers											
- 2 Lane	222	222	222	222	222	222	222	222	222	222	\$290,000
Collectors - Urban kilometers											
- 2 Lane	425	425	425	425	425	425	425	425	408	408	\$300,000
Total # (km)	647	647	647	647	647	647	647	647	630	630	
Total (\$000)	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$186,780.0	\$186,780.0	

ROAD-RELATED INFRASTRUCTURE Asset Type	# of Units										UNIT COST (\$/unit)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Traffic Signals (#)	3	3	3	3	3	3	3	3	2	2	\$100,000
Sidewalks (metres) - Excluding Local Roads	18,600	19,800	20,400	21,600	22,200	22,200	22,200	22,200	22,950	22,980	\$60
Other Items:											
Street Lights (#) - Excluding Local Roads	379	379	395	402	402	438	473	550	650	681	\$3,000
Total (#)	18,982	20,182	20,798	22,005	22,605	22,641	22,676	22,753	23,602	23,663	
Total (\$000)	\$2,553.0	\$2,625.0	\$2,707.5	\$2,802.0	\$2,838.0	\$2,944.5	\$3,049.5	\$3,282.0	\$3,527.0	\$3,621.8	

APPENDIX B.9
TABLE 1 - PAGE 2

MUNICIPALITY OF STRATHROY-CARADOC
INVENTORY OF CAPITAL ASSETS
MUNICIPALITY-WIDE ENGINEERING

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Historic Population	19,802	19,977	20,173	20,371	20,571	20,773	20,978	21,072	21,164	21,271
Historic Employment	8,530	8,634	8,626	8,623	8,626	8,634	8,648	8,729	8,810	8,891
Total Historic Population & Employment	28,332	28,611	28,799	28,994	29,197	29,407	29,626	29,801	29,974	30,162

INVENTORY SUMMARY (\$000)

Road Network	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$191,880.0	\$186,780.0	\$186,780.0
Road-Related Infrastructure	\$2,553.0	\$2,625.0	\$2,707.5	\$2,802.0	\$2,838.0	\$2,944.5	\$3,049.5	\$3,282.0	\$3,527.0	\$3,621.8
Total (\$000)	\$194,433.0	\$194,505.0	\$194,587.5	\$194,682.0	\$194,718.0	\$194,824.5	\$194,929.5	\$195,162.0	\$190,307.0	\$190,401.8

SERVICE LEVEL (\$/population & employment)

**Average
Service
Level**

Road Network	\$6,772.55	\$6,706.62	\$6,662.73	\$6,617.92	\$6,571.91	\$6,524.98	\$6,476.73	\$6,438.67	\$6,231.34	\$6,192.48	\$6,519.59
Road-Related Infrastructure	\$90.11	\$91.75	\$94.01	\$96.64	\$97.20	\$100.13	\$102.93	\$110.13	\$117.67	\$120.08	\$102.07
Total (\$/pop & empl)	\$6,862.66	\$6,798.37	\$6,756.75	\$6,714.56	\$6,669.11	\$6,625.11	\$6,579.66	\$6,548.80	\$6,349.01	\$6,312.56	\$6,621.66

CALCULATION OF MAXIMUM ALLOWABLE FUNDING ENVELOPE
MUNICIPALITY-WIDE ENGINEERING

10-Year Funding Envelope Calculation	
10-Year Average Service Level 2005 - 2014	\$6,621.66
Net Population & Employment Growth 2015 - 2024	2,281
Maximum Allowable Funding Envelope	\$15,101,249
Less: Uncommitted Excess Capacity	\$0
Less: 10% Legislated Reduction (if applicable)	\$0
Discounted Maximum Allowable Funding Envelope	\$15,101,249

Excess Capacity Calculation	
Total Value of Inventory in 2014	\$190,401,800
Inventory Using Average Service Level	\$199,725,058
Excess Capacity	\$0
Excess Capacity:	Uncommitted

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APPENDIX B.9
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
						Replacement and BTE Share	0% Reduction	DC Eligible Costs	Available DC Reserves	2015- 2024	Post 2024
9.0 MUNICIPAL-WIDE ENGINEERING											
9.1 Roads											
9.1.1	Various New Sidewalks	Various	\$ 700,000	\$ -	\$ 700,000	\$ -	\$ -	\$ 700,000	\$ -	\$ 700,000	\$ -
9.1.2	Various Gravel Road Improvements	Various	\$ 3,750,000	\$ -	\$ 3,750,000	\$ 3,486,393	\$ -	\$ 263,607	\$ -	\$ 263,607	\$ -
9.1.3	Bike Lanes on Roads	Various	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -
9.1.4	Roads and Bridges Master Plan	2015	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ -
9.1.5	Molnar Industrial Park Servicing	2011	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ 137,500	\$ -	\$ -
9.1.6	Molnar Industrial Park Servicing	2012	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ 137,500	\$ -	\$ -
9.1.7	Molnar Industrial Park Servicing	2013	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ 137,500	\$ -	\$ -
9.1.8	Molnar Industrial Park Servicing	2014	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ 137,500	\$ -	\$ -
9.1.9	Molnar Industrial Park Servicing	2015	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ -	\$ 137,500	\$ -
9.1.10	Molnar Industrial Park Servicing	2016	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ -	\$ 137,500	\$ -
9.1.11	Molnar Industrial Park Servicing	2017	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ -	\$ 137,500	\$ -
9.1.12	Molnar Industrial Park Servicing	2018	\$ 137,500	\$ -	\$ 137,500	\$ -	\$ -	\$ 137,500	\$ -	\$ 137,500	\$ -
Subtotal Roads			\$ 5,720,000	\$ -	\$ 5,720,000	\$ 3,486,393	\$ -	\$ 2,233,607	\$ 550,000	\$ 1,683,607	\$ -
TOTAL MUNICIPAL-WIDE ENGINEERING			\$ 5,720,000	\$ -	\$ 5,720,000	\$ 3,486,393	\$ -	\$ 2,233,607	\$ 550,000	\$ 1,683,607	\$ -

Residential Development Charge Calculation		
Residential Share of 2015-2024 DC Eligible Costs	76%	\$1,279,541
10 Year Growth in Population in New Units		2,556
Unadjusted Development Charge Per Capita (\$)		\$500.68
Non-Residential Development Charge Calculation		
Non-Residential Share of 2015-2024 DC Eligible Costs	24%	\$ 404,066
10 Year Growth in Square Meters		44,892
Unadjusted Development Charge Per Sq.M (\$)		\$9.00

2015 - 2024 Net Funding Envelope	\$15,101,249
Reserve Fund Balance	\$550,000

APPENDIX C

AREA-SPECIFIC STRATHROY ENGINEERING

APPENDIX C

STRATHROY ENGINEERING

This appendix provides a review of the analysis undertaken to establish the area-specific engineering development charge rates for the Strathroy service area. The service includes the road network as well as intersection improvements, sidewalks, curbs, stormwater facilities and other related expenditures. This is a new service category which will require the creation of a dedicated reserve fund account. This Strathroy-specific service has been created to maintain consistency with the approach used to fund Mount Brydges development-related road and storm projects. In Mount Brydges, the road and storm improvements are included within the area-specific water and wastewater capital programs that only applies to the Mount Brydges service area.

The development-related infrastructure projects are required to service the demands of new development in the Strathroy area over the 2015–2024 period.

The DCA requires a specific forecast of growth be prepared for the area to which the charge would apply. It is estimated that 88% of the residential growth and 90% of the non-residential growth will occur in the Strathroy Service Area over the 2015–2024 period.

2015-2024 Growth	Municipal-Wide	Strathroy Service Area	Percentage of Growth in Strathroy
Census Population	1,469	1,291	88%
Population in New Housing Units	2,556	2,224	88%
Non-Residential Space	44,892	40,403	90%

This growth forecast is discussed in more detail in Appendix A.

The inventory and funding envelope calculations for engineered services have been prepared at the municipal-wide level and are shown in Appendix B.9. The development charges eligible capital programs for road and related infrastructure across all areas of the community is below the maximum permissible funding envelope.

**TABLE 1 2015 – 2024 DEVELOPMENT-RELATED CAPITAL PROGRAM &
CALCULATION OF THE DEVELOPMENT CHARGES**

The following table sets out the 2015–2024 development-related capital programs and the calculation of the development charge for Strathroy engineering. The cost, quantum and description of the projects included in the forecast have been provided by Municipal Staff. This report identifies the necessary engineering infrastructure to allow the municipality to meet the servicing needs of the forecast 2024 population in new units and non-residential floor space.

The gross cost of the capital program is \$11.74 million and provides for the undertaking of various road upgrades, expansions, widening's, and stormwater projects. Gas tax funding of \$1.74 million has been applied to the Mckeller Street and Head Street Reconstruction projects. Additionally, 2/3 grant funding has been assumed for the Storm Trunk Sewer project.

Benefit to existing shares have been identified for several projects. For the Mckeller Street, Head Street, and Queen Street projects the benefit to existing shares are based on the resurfacing component of the total project cost (estimated at \$330,000 per kilometre). A larger benefit to existing share has been applied to the High Street project based on current versus projected population and employment. In total, \$2.61 million in benefit to exiting share are identified.

A share of the program, approximately \$1.39 million, can be funded though existing development charge funds previously collected for roads and related services. Through consultation with staff members it was decided that the benefiting period of the Storm Trunk Sewer should be extended to 2031 which shifts \$717,500 of development-related costs to the post-2024 period.

The total development-related capital program for the 2015–2024 period is \$2.87 million. The development-related cost has been allocated 76 per cent (\$2.18 million) to residential development and 24 per cent (\$689,600) to non-residential development. The allocation of costs is based on shares of population in new units and employment growth over the 10-year planning period.

The residential costs are recovered against the population growth in new units of 2,244 people yielding an unadjusted charge of \$972.94 per capita. The non-residential

costs are recovered against the growth in non-residential floor area over the period of 40,403 m² yielding an unadjusted charge of \$17.07 per m².

The following table summarizes the development charges calculation.

STRATHROY ENGINEERING (ROADS AND STORMWATER)					
2015-2024		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$11,740	\$2,873	\$972.94	\$17.07	\$972.94	\$17.07

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APPENDIX C
TABLE 1

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	DC Eligible Costs		
						Replacement and BTE Share	0% Reduction		Available DC Reserves	2015- 2024	Post 2024
10.0 STRATHROY ENGINEERING											
10.1 Roads											
10.1.1	Road Servicing Related to North End Secondary Schools	2015	\$ 66,030	\$ -	\$ 66,030	\$ -	\$ -	\$ 66,030	\$ 66,030	\$ -	\$ -
10.1.2	Road Servicing Related to North End Secondary Schools	2016	\$ 66,030	\$ -	\$ 66,030	\$ -	\$ -	\$ 66,030	\$ 66,030	\$ -	\$ -
10.1.3	Road Servicing Related to North End Secondary Schools	2017	\$ 66,030	\$ -	\$ 66,030	\$ -	\$ -	\$ 66,030	\$ 66,030	\$ -	\$ -
10.1.4	Road Servicing Related to North End Secondary Schools	2018	\$ 66,030	\$ -	\$ 66,030	\$ -	\$ -	\$ 66,030	\$ -	\$ 66,030	\$ -
10.1.5	Road Servicing Related to North End Secondary Schools	2019	\$ 66,030	\$ -	\$ 66,030	\$ -	\$ -	\$ 66,030	\$ -	\$ 66,030	\$ -
10.1.6	Mckeller Street Reconstruction (Metcalfe to Campbell)	2016	\$ 936,000	\$ 623,376	\$ 312,624	\$ 108,900	\$ -	\$ 203,724	\$ 203,724	\$ -	\$ -
10.1.7	Mckeller Street Reconstruction (past Campbell)	2016	\$ 774,000	\$ 515,484	\$ 258,516	\$ 105,600	\$ -	\$ 152,916	\$ 152,916	\$ -	\$ -
10.1.8	Head Street Reconstruction (Pannel to Second Street)	2017	\$ 1,700,000	\$ 600,000	\$ 1,100,000	\$ 429,000	\$ -	\$ 671,000	\$ 251,266	\$ 419,734	\$ -
10.1.9	Queen Street Widening, Storm, Curbs (Carrol to English)	2019	\$ 2,157,000	\$ -	\$ 2,157,000	\$ 248,490	\$ -	\$ 1,908,510	\$ -	\$ 1,908,510	\$ -
10.1.10	Queen Street Widening, Storm, Curbs (Metcalf to High)	2019	\$ 431,000	\$ -	\$ 431,000	\$ 137,610	\$ -	\$ 293,390	\$ -	\$ 293,390	\$ -
10.1.11	High Street (Widening, Storm, Curbs (Queen to York)	2019	\$ 1,700,000	\$ -	\$ 1,700,000	\$ 1,580,498	\$ -	\$ 119,502	\$ -	\$ 119,502	\$ -
	Subtotal Roads		\$ 8,028,150	\$ 1,738,860	\$ 6,289,290	\$ 2,610,098	\$ -	\$ 3,679,192	\$ 805,996	\$ 2,873,196	\$ -
10.2 Stormwater											
10.2.1	Storm Water Management Master Plan	2014	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -
10.2.2	Storm Trunk Sewer (Victoria to Caradoc)	2017	\$ 3,612,000	\$ 2,405,592	\$ 1,206,408	\$ -	\$ -	\$ 1,206,408	\$ 488,894	\$ -	\$ 717,514
10.2.3			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Stormwater		\$ 3,712,000	\$ 2,405,592	\$ 1,306,408	\$ -	\$ -	\$ 1,306,408	\$ 588,894	\$ -	\$ 717,514
TOTAL STRATHROY ENGINEERING			\$ 11,740,150	\$ 4,144,452	\$ 7,595,698	\$ 2,610,098	\$ -	\$ 4,985,600	\$ 1,394,890	\$ 2,873,196	\$ 717,514

BTE Based on
Resurfacing
\$330,000
Every 10 Years

Residential Development Charge Calculation			
Residential Share of 2015-2024 DC Eligible Costs	76%	\$2,183,629	
10 Year Growth in Population in New Units		2,244	
Unadjusted Development Charge Per Capita (\$)		\$972.94	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2024 DC Eligible Costs	24%	\$ 689,567	
10 Year Growth in Square Meters		40,403	
Unadjusted Development Charge Per Sq.M (\$)		\$17.07	

2015 - 2024 Net Funding Envelope	\$15,101,249
Reserve Fund Balance (remaining)	\$1,394,890

APPENDIX D

AREA-SPECIFIC WATER AND WASTEWATER SERVICES STRATHROY AND MOUNT BRYDGES SERVICE AREAS

APPENDIX D.1

STRATHROY WATER AND WASTEWATER

APPENDIX D.1

STRATHROY WATER AND WASTEWATER SERVICES

This appendix provides the analysis undertaken to establish the area-specific development charge rates for Strathroy water and wastewater services. The development-related infrastructure projects are required to service the demands of new development in the Strathroy area over the 2015–2031 period.

The DCA requires a specific forecast of growth be prepared for the area to which the charge would apply. It is estimated that about 88% of the residential growth and 90% of the non-residential growth will occur in the Strathroy Service Area over the 2015–2031 period.

2015-2031 Growth	Municipal-Wide	Strathroy Service Area	Percentage of Growth in Strathroy
Census Population	4,249	3,731	88%
Population in New Housing Units	6,344	5,572	88%
Non-Residential Space	76,317	68,685	90%

This growth forecast is discussed in more detail in Appendix A.

**TABLE 1 WATER 2015 – 2031 DEVELOPMENT-RELATED CAPITAL PROGRAM
AND CALCULATION OF THE DEVELOPMENT CHARGES**

Table 1 provides a summary of the development-related capital program for water infrastructure for the Strathroy water service area. The capital program is separated between two components; firstly, completed projects for which the Municipality has already undertaken the work, secondonly; for new capital infrastructure which the Municipality intends to construct over the planning horizon. The largest component of the capital program relates to the recovery of costs associated with the work already completed.

The gross cost of the entire development-related capital program is approximately \$21.68 million, of which, \$18.34 million has been identified as a benefit to existing share, and is therefore netted off the development charge calculation. The benefit to existing share relating to the construction of the Lake Huron Reservoir in 2006 alone

amounts to \$17.16 million (or 94%) of the entire \$18.34 million share. In addition, the Municipality has previously allocated \$241,508 of DC funds to support the Caroll St to Park St Watermain Loop – this share is netted off the development charges calculation. Furthermore, the Municipality has approximately \$134,700 in available DC reserves to offset the cost of this program; these funds have been applied to the program to reduce the development related share. No post-2031 shares have been identified, therefore, approximately \$2.96 million is eligible for funding through development charges in this period.

Table 1 provides the calculation of the residential and non-residential development charges for the Strathroy water service area. The development-related capital cost of \$2.96 million is allocated 67.5% (\$2.00 million) to residential development and 32.5% (\$962,000) to non-residential development. This apportionment is based on an average of each sectors' anticipated water flow *plus* shares of population in new units and employment growth. When the \$2.00 million residential share of the development-related capital program is divided by the population in new units anticipated in Strathroy to 2031 (5,572) a charge of \$358.58 per capita is derived. When the \$962,000 non-residential share of the development-related capital program is divided by the non-residential space anticipated in Strathroy to 2031 (68,685) a charge of \$14.01 per m² is derived.

The following table summarizes the calculation of the Strathroy water service area development charge.

STRATHROY WATER SERVICE AREA SUMMARY					
2015-2031		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$21,679	\$2,960	\$358.58	\$14.01	\$358.58	\$14.01

**TABLE 2 WASTEWATER 2015 – 2031 DEVELOPMENT-RELATED CAPITAL
PROGRAM AND CALCULATION OF THE DEVELOPMENT CHARGES**

Table 2 provides a summary of the development-related capital program for wastewater infrastructure for the Strathroy service area. Similarly to the water capital

APPENDIX D.1
TABLE 1

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Length (m)	Size (mm)	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	Prior Growth ¹	DC Eligible Costs		
								Replacement and BTE Share	0% Reduction			Available DC Reserves	2015- 2031	Post 2031
11.0 STRATHROY WATER SERVICE AREA														
11.1 Completed Projects														
11.1.1	Lake Huron Connection/Ground Level Reservoir			2006	\$ 18,933,155	\$ -	\$ 18,933,155	\$ 17,160,733	\$ -	\$ 1,772,422	\$ -	\$ 76,198	\$ 1,696,224	\$ -
11.1.2	Victoria Watermain Replacement	600	400	2009	\$ 500,000	\$ -	\$ 500,000	\$ 316,490	\$ -	\$ 183,510	\$ -	\$ -	\$ 183,510	\$ -
11.1.3	Metcalfe St W watermain (Saxonville to P.S)	700	300	2009	\$ 219,770	\$ -	\$ 219,770	\$ 54,943	\$ -	\$ 164,828	\$ -	\$ -	\$ 164,828	\$ -
11.1.4	Metcalfe St W watermain (McNab to Bear Creek Golf)	867	300	2011	\$ 387,000	\$ -	\$ 387,000	\$ -	\$ -	\$ 387,000	\$ -	\$ -	\$ 387,000	\$ -
11.1.5	Carroll St-Park St Watermain Loop	995	250	2013	\$ 400,000	\$ -	\$ 400,000	\$ 100,000	\$ -	\$ 300,000	\$ 241,508	\$ 58,492	\$ -	\$ -
11.1.6	Water Servicing Related to North End Secondary Schools			2015	\$ 37,042	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -
11.1.7	Water Servicing Related to North End Secondary Schools			2016	\$ 37,042	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -
11.1.8	Water Servicing Related to North End Secondary Schools			2017	\$ 37,042	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -
11.1.9	Water Servicing Related to North End Secondary Schools			2018	\$ 37,042	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -
11.1.10	Water Servicing Related to North End Secondary Schools			2019	\$ 37,042	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -	\$ -	\$ 37,042	\$ -
	Subtotal Completed Projects				\$ 20,625,133	\$ -	\$ 20,625,133	\$ 17,632,166	\$ -	\$ 2,992,967	\$ 241,508	\$ 134,690	\$ 2,616,768	\$ -
11.2 New Water Capital Projects														
11.2.1	Oxford St Watermain replacement	518	250	2015	\$ 260,000	\$ -	\$ 260,000	\$ 218,596	\$ -	\$ 41,404	\$ -	\$ -	\$ 41,404	\$ -
11.2.2	Queen Street Watermain (Metcalfe to Tanton St.)	326	350	2015	\$ 163,978	\$ -	\$ 163,978	\$ 81,989	\$ -	\$ 81,989	\$ -	\$ -	\$ 81,989	\$ -
11.2.3	Caradoc St N watermain replacement (Hull to bridge to North St)	1,025	300	2016	\$ 600,000	\$ -	\$ 600,000	\$ 410,250	\$ -	\$ 189,750	\$ -	\$ -	\$ 189,750	\$ -
11.2.4	Darcy Drive to Centre Road Loop (new construction)	200	300	2016	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
	Subtotal New Capital Projects				\$ 1,053,978	\$ -	\$ 1,053,978	\$ 710,835	\$ -	\$ 343,143	\$ -	\$ -	\$ 343,143	\$ -
TOTAL STRATHROY WATER SERVICE AREA					\$ 21,679,111	\$ -	\$ 21,679,111	\$ 18,343,001	\$ -	\$ 3,336,110	\$ 241,508	\$ 134,690	\$ 2,959,911	\$ -

Note 1: DC which have been previously collected and have been applied towards that project

Residential Development Charge Calculation		
Residential Share of 2015-2031 DC Eligible Costs	67.5%	\$1,997,940
Growth in Population in New Units Horizon Year 2031		5,572
Unadjusted Development Charge Per Capita (\$)		\$358.58
Non-Residential Development Charge Calculation		
Non-Residential Share of 2015-2031 DC Eligible Costs	32.5%	\$ 961,971
Growth in Square Meters Horizon Year 2031		68,685
Unadjusted Development Charge Per Sq.M (\$)		\$14.01

Reserve Fund Balance	\$134,690
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program, the wastewater capital program is separated between; completed projects for which the Municipality has already undertaken the work and for new capital infrastructure which the Municipality intends to construct over the planning horizon.

The total capital forecast for the Strathroy wastewater services amounts to \$11.50 million, of which, the Municipality of Strathroy-Caradoc has recovered \$1.10 million from Addeilaide-Metcalf to help fund the expansion of the sewage treatment plant. In addition, approximately \$3.30 million represents the replacement and benefit to exisinting component – this share is netted off the development charge calculation.

The Municipality has previously allocated \$780,860 of DC funds to support the Metcalfe Street Pump Station, this share has also been netted off the development charges calculation. In addition, the Municipality has approximately \$154,600 in available DC reserve to offset the cost of this program; these funds have been applied towards the program. No post-2031 shares have been identified, therefore, approximately \$6.16 million is eligible for funding through development charges in this period.

Table 2 provides the calculation of the residential and non-residential development charges for the Strathroy wastewater service area. The development-related capital cost of \$6.16 million is allocated 67.5% (\$4.16 million) to residential development and 32.5% (\$2.00 million) to non-residential development. This apportionment is based on an average of each sectors' anticipated water flow *plus* shares of populatin in new units and employment growth. When the \$6.16 million residential share of the net development-related capital program is divided by the population in new units anticipated in Strathroy to 2031 (5,572) a charge of \$746.46 per capita is derived. When the \$2.00 million non-residential share of the net development-related capital program is divided by the non-residential space anticipated in Strathroy to 2031 (68,685) a charge of \$29.16 per m² is derived.

The following table summarizes the calculation of the Strathroy wastewater service area development charge.

STRATHROY WASTEWATER SERVICE AREA SUMMARY					
2015-2031		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$11,498	\$6,162	\$746.46	\$29.16	\$746.46	\$29.16

APPENDIX D.1
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Length	Size (mm)	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	DC Eligible Costs			
								Replacement and BTE Share	0% Reduction		Prior Growth ¹	Available DC Reserves	2015-2031	Post 2031
12.0 STRATHROY WASTEWATER SERVICE AREA														
12.1 Completed Projects														
12.1.1	Sewage Treatment Plant Expansion (3400 m ³ of growth capacity)			2000	\$ 3,400,000	\$ 1,100,000	\$ 2,300,000	\$ -	\$ -	\$ 2,300,000	\$ -	\$ 154,592	\$ 2,145,408	\$ -
12.1.2	Hwy 81 Sewer (Twin Ekims to Trout Sewer Trunk to Trout Creek Crossing)	780	250	2008	\$ 345,464	\$ -	\$ 345,464	\$ 215,915	\$ -	\$ 129,549	\$ -	\$ -	\$ 129,549	\$ -
12.1.3	Metcalfe Street Pump Station			2010	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 1,250,000	\$ -	\$ 1,250,000	\$ 780,863	\$ -	\$ 469,137	\$ -
12.1.4	Forecmain Metcalfe St. To PS Lagoon	1,594	350	2010	\$ 510,000	\$ -	\$ 510,000	\$ -	\$ -	\$ 510,000	\$ -	\$ -	\$ 510,000	\$ -
12.1.5	Tourt Creek Trunk Sewer (SPS to Park St)	1,495	600	2011	\$ 1,453,584	\$ -	\$ 1,453,584	\$ 726,792	\$ -	\$ 726,792	\$ -	\$ -	\$ 726,792	\$ -
12.1.6	McNab Pump Replacement			2012	\$ 17,703	\$ -	\$ 17,703	\$ -	\$ -	\$ 17,703	\$ -	\$ -	\$ 17,703	\$ -
12.1.7	Metcalfe St Sewer (Richmond to PS)	1,700	525	2013	\$ 1,358,021	\$ -	\$ 1,358,021	\$ 679,011	\$ -	\$ 679,011	\$ -	\$ -	\$ 679,011	\$ -
12.1.8	Carroll St Sanitary Sewer (Park St to Adelaide St)	1,097	600/250	2013	\$ 771,000	\$ -	\$ 771,000	\$ 192,750	\$ -	\$ 578,250	\$ -	\$ -	\$ 578,250	\$ -
12.1.9	Wastewater Servicing Related to North End Secondary Schools			2015	\$ 57,978	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -
12.1.10	Wastewater Servicing Related to North End Secondary Schools			2016	\$ 57,978	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -
12.1.11	Wastewater Servicing Related to North End Secondary Schools			2017	\$ 57,978	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -
12.1.12	Wastewater Servicing Related to North End Secondary Schools			2018	\$ 57,978	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -
12.1.13	Wastewater Servicing Related to North End Secondary Schools			2019	\$ 57,978	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -	\$ -	\$ 57,978	\$ -
Subtotal Completed Projects					\$ 10,645,662	\$ 1,100,000	\$ 9,545,662	\$ 3,064,468	\$ -	\$ 6,481,195	\$ 780,863	\$ 154,592	\$ 5,545,739	\$ -
12.2 New Wastewater Capital Projects														
12.2.1	Albert Street Forecmain Extension	77	400	2018	\$ 29,029	\$ -	\$ 29,029	\$ -	\$ -	\$ 29,029	\$ -	\$ -	\$ 29,029	\$ -
12.2.2	Albert Street Sewer Replacement - Carrie St. to Municipal Boundary	866	450	2018	\$ 473,702	\$ -	\$ 473,702	\$ 236,851	\$ -	\$ 236,851	\$ -	\$ -	\$ 236,851	\$ -
12.2.3	Queen Street Sewer			2019	\$ 290,000	\$ -	\$ 290,000	\$ -	\$ -	\$ 290,000	\$ -	\$ -	\$ 290,000	\$ -
12.2.4	English St Surcharge Outlet from Queen St Sewer	100	250	2020	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -
Subtotal New Wastewater Capital Projects					\$ 852,731	\$ -	\$ 852,731	\$ 236,851	\$ -	\$ 615,880	\$ -	\$ -	\$ 615,880	\$ -
TOTAL STRATHROY WASTEWATER SERVICE AREA					\$ 11,498,393	\$ 1,100,000	\$ 10,398,393	\$ 3,301,319	\$ -	\$ 7,097,075	\$ 780,863	\$ 154,592	\$ 6,161,619	\$ -

Note 1: DC which have been previously collected and have been applied towards that project.

Residential Development Charge Calculation		
Residential Share of 2015-2031 DC Eligible Costs	67.5%	\$4,159,093
Growth in Population in New Units Horizon Year 2031		5,572
Unadjusted Development Charge Per Capita (\$)		\$746.46
Non-Residential Development Charge Calculation		
Non-Residential Share of 2015-2031 DC Eligible Costs	32.5%	\$ 2,002,526
Growth in Square Meters Horizon Year 2031		68,685
Unadjusted Development Charge Per Sq.M (\$)		\$29.16

Reserve Fund Balance	\$154,592
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APPENDIX D.2

MOUNT BRYDGES WATER AND WASTEWATER

APPENDIX D.2

MOUNT BRYDGES WATER AND WASTEWATER SERVICES

This appendix provides the analysis undertaken to establish the development charge rates for Mount Brydges water and wastewater services. The development-related infrastructure projects are required to service the demands of new development in the Mount Brydges area over the 2015–2031 period (for water) and the 2015–2034 period for wastewater.

The DCA requires a specific forecast of growth be prepared for the area to which the charge would apply. It is estimated that about 12% of the residential growth and 10% of the non-residential growth will occur in the Mount Brydges Service Area over the 2015–2031 period.

2015-2031 Growth	Municipal-Wide	Mount Brydges Service Area*	Percentage of Growth in Mount Brydges
Census Population	4,249	517	12%
Population in New Housing Units	6,344	773	12%
Non-Residential Space	76,317	7,632	10%

Note: Growth to 2034: Population in New Housing Units amounts to 1,084; non-residential space to 10,703 square metres.*

**TABLE 1 WATER 2015 – 2031 DEVELOPMENT-RELATED CAPITAL PROGRAM
AND CALCULATION OF THE DEVELOPMENT CHARGES**

Table 1 provides a summary of the development-related capital program for water infrastructure for the Mount Brydges water service area. The gross cost of the Mount Brydges capital program amount to \$3.75 million and is primarily related to the infrastructure associated with the connection to Lake Huron water supply at a cost of \$3.70 million.

Of this cost, approximately \$1.79 million in grants and subsidies has been received to offset the cost of the project. Furthermore, a benefit to existing share of about \$821,300 has been identified, and is netted off the development charge calculation. There is an amount in the Mount Brydges water DC reserve fund of \$46,434 that has been collected specifically for the connection to Lake Huron water Supply, therefore,

these funds have been applied to offset to cost of this project. Lastly, in consultation with Municipal Staff, it was decided that the benefiting period of the Lake Huron Connection should be extended beyond 2031, which shifts \$641,700 of development-related costs to the post-2031 period – this amount can be recovered in subsequent development charge studies. The allocation for this project is based on current versus projected population and employment. Therefore, the remaining \$390,800 associated with this project is eligible for funding through development charges in this period.

The capital program also includes for oversizing works of the woods edge piping in 2025 for a gross cost of \$50,000. This amount is considered to be entirely related to development in this period.

As shown in Table 1, the 2015 – 2031 DC costs eligible for recovery amounts to \$440,800. The net development-related capital cost of \$440,800 is allocated 90% (\$396,700) to residential development and 10% (\$44,100) to non-residential development. This apportionment is based on shares of water flow. When the \$440,800 residential share of the net development-related capital program is divided by the population in new units anticipated in Mount Brydges to 2031 (773) a charge of \$513.44 per capita is derived. When the \$44,100 non-residential share of the net development-related capital program is divided by the non-residential space anticipated in Mount Brydges to 2031 (7,632) a charge of \$5.78 per m² is derived.

The following table summarizes the Mount Brydges Water Service area development charges calculation.

MOUNT BRYDGES WATER SERVICE AREA SUMMARY					
2015-2031		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$3,750	\$441	\$513.44	\$5.78	\$513.44	\$5.78

**TABLE 2 WASTEWATER 2015 – 2034 DEVELOPMENT-RELATED CAPITAL
PROGRAM AND CALCULATION OF THE DEVELOPMENT CHARGES**

Table 2 provides a summary of the development-related capital program for the Mount Brydges wastewater service area. The development-related capital program

APPENDIX D.2
TABLE 1

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Size (mm)	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	Prior Growth ¹	DC Eligible Costs				
							Replacement and BTE Share	0% Reduction			Available DC Reserves	2015- 2031	Post 2031		
13.0 MOUNT BRYDGES WATER SERVICE AREA		250	2025												
13.1 Completed Projects															
13.1.1	Connection to Lake Huron Water Supply (max day demand 3,540 m3/day - 40 year)			\$ 3,700,000	\$ 1,799,820	\$ 1,900,180	\$ 821,280	\$ -	\$ 1,078,900	\$ -	\$ 46,434	\$ 390,787	\$ 641,678		
13.1.2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Subtotal Completed Projects				\$ 3,700,000	\$ 1,799,820	\$ 1,900,180	\$ 821,280	\$ -	\$ 1,078,900	\$ -	\$ 46,434	\$ 390,787	\$ 641,678		
13.2 New Water Capital Projects															
13.2.1	Wood's Edge Pipe Oversizing			\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -		
13.2.2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Subtotal New Water Capital Projects				\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -		
TOTAL MOUNT BRYDGES WATER SERVICE AREA				\$ 3,750,000	\$ 1,799,820	\$ 1,950,180	\$ 821,280	\$ -	\$ 1,128,900	\$ -	\$ 46,434	\$ 440,787	\$ 641,678		

Note 1: DC which have been previously collected and have been applied towards that project

Residential Development Charge Calculation			
Residential Share of 2015-2031 DC Eligible Costs	90%	\$396,709	
Growth in Population in New Units to Horizon Year 2031		773	
Unadjusted Development Charge Per Capita (\$)		\$513.44	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2031 DC Eligible Costs	10%	\$ 44,079	
Growth in Square Meters to Horizon Year 2031		7,632	
Unadjusted Development Charge Per Sq.M (\$)		\$5.78	

Reserve Fund Balance	\$46,434
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totals \$4.32 million, and is primarily related to the recovery of outstanding debenture payments related to sewage treatment and related works recently constructed in Mount Brydges.

The Municipality has previously allocated \$101,760 of DC monies collected to support the debenture payments associated with this work – this share is netted off the development charges calculation. In addition, the Municipality currently has approximately \$174,025 in available DC reserve collected specifically for this project, therefore, these funds have been applied to offset the cost of this project. No post-2034 shares have been identified, therefore, the remaining \$3.99 million is eligible for funding through development charges in this period.

The capital program also includes for oversizing works of the woods edge piping in 2025 for a gross cost of \$50,000. This amount is considered to be entirely related to development in this period.

As shown in Table 2, the total 2015 – 2034 DC costs eligible for recovery amounts to \$4.04 million. The net development-related capital cost of 4.04 million is allocated 90% (\$3.64 million) to residential development and 10% (\$404,400) to non-residential development. When the \$3.64 million residential share of net development-related capital program is divided by the population in new units anticipated to 2034 (1,084) a charge of \$3,358.42 is derived. When the \$404,400 non-residential share of the net development-related capital program is divided by the non-residential space anticipated to 2034 (10,703) a charge of \$37.78 per m² is derived.

The following table summarizes the Mount Brydges Wastewater Service area development charges calculation.

MT.BRYDGES WASTEWATER SUMMARY					
2015-2034		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$4,319	\$4,043	\$3,358.42	\$37.78	\$3,358.42	\$37.78

APPENDIX D.2
TABLE 2

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Size (mm)	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	DC Eligible Costs				
							Replacement and BTE Share	0% Reduction		Prior Growth ¹	Available DC Reserves	2015- 2034	Post 2034	
14.0	MOUNT BRYDGES WASTEWATER SERVICE AREA	250	2025											
14.1	Completed Projects													
14.1.1	Sewage Project CMHC Loan (2012-2026)			2012	\$ 3,622,268	\$ -	\$ 3,622,268	\$ -	\$ -	\$ 3,622,268	\$ 101,760	\$ 174,025	\$ 3,346,483	\$ -
14.1.2	Sewage Project CMHC Loan (2012-2026)			2012	\$ 646,890	\$ -	\$ 646,890	\$ -	\$ -	\$ 646,890	\$ -	\$ -	\$ 646,890	\$ -
	Subtotal Completed Projects				\$ 4,269,158	\$ -	\$ 4,269,158	\$ -	\$ -	\$ 4,269,158	\$ 101,760	\$ 174,025	\$ 3,993,373	\$ -
14.2	New Wastewater Capital Projects													
14.2.1	Wood's Edge Pipe Oversizing				\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -
	Subtotal New Wastewater Capital Projects				\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -
TOTAL MOUNT BRYDGES WASTEWATER SERVICE AREA				\$ 4,319,158	\$ -	\$ 4,319,158	\$ -	\$ -	\$ 4,319,158	\$ 101,760	\$ 174,025	\$ 4,043,373	\$ -	

Note 1: DC which have been previously collected and have been applied towards that project

Residential Development Charge Calculation			
Residential Share of 2015-2034 DC Eligible Costs	90%	\$3,639,036	
Growth in Population in New Units Horizon Year 2034		1,084	
Unadjusted Development Charge Per Capita (\$)		\$3,358.42	
Non-Residential Development Charge Calculation			
Non-Residential Share of 2015-2034 DC Eligible Costs	10%	\$ 404,337	
Growth in Square Meters Horizon Year 2034		10,703	
Unadjusted Development Charge Per Sq.M (\$)		\$37.78	

Reserve Fund Balance

\$174,025

**TABLE 3 & 4 SPECIAL AREA WASTEWATER DEVELOPMENT-RELATED CAPITAL
PROGRAM AND CALCULATION OF THE DEVELOPMENT CHARGES**

Two additional special charges have been calculated to fund sewer extension works within the Mount Brydges service area to different benefiting areas. This charge would only be applicable to certain lands within the Mount Brydges service area, and therefore, the DC rates are shown separately from the total Mount Brydges area-specific charge.

Special Area 1

Table 3 provides a summary of the capital program and resulting calculation to fund the sewer extension on Parkhouse drive. The gross capital cost of undertaking the work is estimated at \$618,600. Recognizing that a portion of this extension will benefit some existing residents in the area, a benefit to existing share equal to 38%, or about \$233,900, is identified, and this amount will not be recovered through development charges. The remaining \$384,686 is eligible for DC recovery. As this extension project is being undertaken solely to service new residential development, the cost is allocated entirely to future residential development. This results in an unadjusted development charge of \$377.88 per capita. A map identifying the benefiting area to which the charge would be applicable is identified in Exhibit 1 of this Appendix.

Benefing Population – Sewer Exetension Parkhouse Drive		
	Population	Share of Population
Existing Population	619	38%
Future (Benefiting) Population	1,018	62%
Total	1,637	100%

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Size (mm)	Timing ¹	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total	DC Eligible Costs		
							Replacement and BTE Share	0% Reduction	DC Eligible Costs	Prior Growth ²	Available DC Reserves	2015- Build-Out
15.0	MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 1											
	15.1 New Wastewater Capital Projects											
	15.1.1 Sewer Extension (Parkhouse Drive)		-	\$ 618,596	\$ -	\$ 618,596	\$ 233,910	\$ -	\$ 384,686	\$ -	\$ -	\$ 384,686
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal New Wastewater Capital Projects			\$ 618,596	\$ -	\$ 618,596	\$ 233,910	\$ -	\$ 384,686	\$ -	\$ -	\$ 384,686
	TOTAL MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 1			\$ 618,596	\$ -	\$ 618,596	\$ 233,910	\$ -	\$ 384,686	\$ -	\$ -	\$ 384,686

Note 1: Capital works subject to development timing

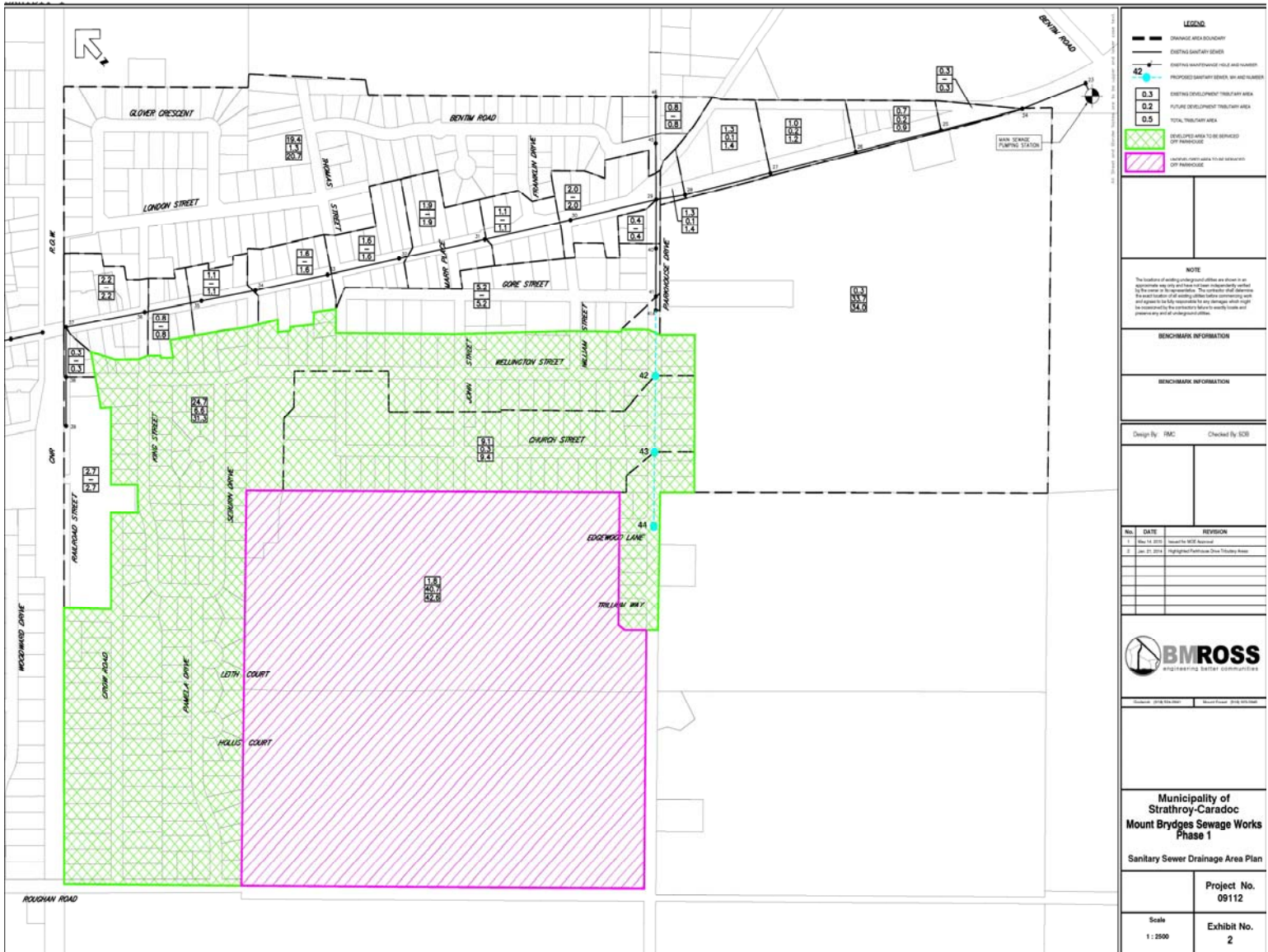
Note 2: DC which have been previously collected and have been applied towards that project

Residential Development Charge Calculation		
Residential Share of DC Eligible Costs	100%	\$384,686
Growth in Population in New Units Horizon (Build-Out)		1,018
Unadjusted Development Charge Per Capita (\$)		\$377.88

Reserve Fund Balance	\$ -
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EXHIBIT 1

MAP OF MOUNT BRYDGES SPECIAL AREA 1 (Parkhouse Drive)



The following table summarizes the Mount Brydges Wastewater Service Special Area 1 development charges calculation.

MT.BRYDGES WASTEWATER - SPECIAL AREA 1 - SUMMARY					
2015- build-out		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$619	\$385	\$377.88	\$0.00	\$377.88	\$0.00

Special Area 2

Table 4 provides a summary of the capital program and resulting calculation to fund the sewer extension on Adelaide Road. The gross capital cost of undertaking the work is estimated at \$981,000. Recognizing that a portion of this extension will service some existing residents in the area, a benefit to existing share equal to 10%, or about \$96,100, is identified, and this amount will not be recovered through development charges. The remaining \$884,896 is eligible for DC recovery. As this extension project is being undertaken solely to service new residential development, the cost is allocated entirely to future residential development. This results in an unadjusted development charge of \$739.26 per capita. A map identifying the benefiting area to which the charge would be applicable is identified in Exhibit 2 of this Appendix.

Benefiting Population – Sewer Extension Adelaide Road		
	Population	Share of Population
Existing Population	130	10%
Future (Benefiting) Population	1,197	90%
Total	1,327	100%

The following table summarizes the Mount Brydges Wastewater Service Special Area 2 development charges calculation.

MT.BRYDGES WASTEWATER - SPECIAL AREA 2 - SUMMARY					
2015- build-out		Unadjusted		Adjusted	
Development-Related Capital Program (\$000's)		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$981	\$885	\$739.26	\$0.00	\$739.26	\$0.00

A sample charge for each special area is shown in the table below.

Mount Brydges Calculated Charge per SDU			
DC Charge Breakdown	Special Area 1	Special Area 2	Other Lands
Mount Brydges Development Charge (Municipal <i>plus</i> water and wastewater services)	\$17,641	\$17,641	\$17,641
Special Area Wastewater Rate	\$1,145	\$2,240	\$0
Total Mount Brydges Development Charge per Unit	\$18,786	\$19,881	\$17,641

APPENDIX D.2
TABLE 4

MUNICIPALITY OF STRATHROY-CARADOC
2015 DEVELOPMENT CHARGES BACKGROUND STUDY
DEVELOPMENT-RELATED CAPITAL PROGRAM

Service	Project Description	Size (mm)	Timing ¹	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Cost		Total DC Eligible Costs	DC Eligible Costs		
							Replacement and BTE Share	0% Reduction		Prior Growth ²	Available DC Reserves	2015- Build-Out
16.0 MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 2												
16.1 New Wastewater Capital Projects												
16.1.1	Sewer Extension (Adelaide Road)		-	\$ 981,000	\$ -	\$ 981,000	\$ 96,104	\$ -	\$ 884,896	\$ -	\$ -	\$ 884,896
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal New Wastewater Capital Projects			\$ 981,000	\$ -	\$ 981,000	\$ 96,104	\$ -	\$ 884,896	\$ -	\$ -	\$ 884,896
TOTAL MOUNT BRYDGES WASTEWATER SERVICE AREA - SPECIAL AREA 2				\$ 981,000	\$ -	\$ 981,000	\$ 96,104	\$ -	\$ 884,896	\$ -	\$ -	\$ 884,896

Note 1: Capital works subject to development timing

Note 2: DC which have been previously collected and have been applied towards that project

Residential Development Charge Calculation		
Residential Share of DC Eligible Costs	100%	\$884,896
Growth in Population in New Units (Build-out)		1,197
Unadjusted Development Charge Per Capita (\$)		\$739.26

Reserve Fund Balance	\$ -
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APPENDIX E

RESERVE FUNDS

APPENDIX E

DEVELOPMENT CHARGES RESERVE FUNDS

The *DCA* requires that a reserve fund be established for each category or service for which development charges are collected. The table below presents the uncommitted reserve fund balances, as at December 31, 2014, that are available to help fund the development-related net capital costs identified in this study.

As shown in Table 1, the December 31, 2014, total reserve fund balance was \$3.89 million. The application of the available uncommitted balance in each of the reserve funds is discussed in the appendix section related to each service. Positive reserve fund balances are generally assigned to projects in the initial years of the capital program for each service. This has the effect of reducing and deferring capital costs brought forward to the development charge calculation and the cash flow analysis.

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APPENDIX E
TABLE 1

**MUNICIPALITY OF STRATHROY-CARADOC
DEVELOPMENT CHARGE RESERVE FUND BALANCE BY ACCOUNT
YEAR ENDING DECEMBER 31, 2014
(\$000's)**

CATEGORY	Reserve Fund Balance At Dec 31, 2014	2014 Capital Budget Draws	Available Reserve Fund Balance
General Services			
Fire Services	\$92,715		\$92,715
Police Services	\$77,461		\$77,461
Indoor Recreation	\$786,200		\$786,200
Park Development & Facilities	\$194,738		\$194,738
Cemeteries	\$0		\$0
Library	\$0		\$0
General Government	\$84,742		\$84,742
Subtotal General Services	\$1,235,855	\$0	\$1,235,855
Municipal Wide Engineering			
Public Works: Buildings and Fleet	\$1,159,305		\$1,159,305
Roads	\$804,788		\$804,788
Storm Drainage	\$178,797		\$178,797
Subtotal Municipal Wide Engineering	\$2,142,890	\$0	\$2,142,890
Environmental Services			
Strathroy Water	\$134,690		\$134,690
Strathroy Wastewater	\$154,592		\$154,592
Mt.Brydges Water	\$46,434		\$46,434
Mt.Brydges Wastewater	\$174,025		\$174,025
Subtotal Environmental Services	\$509,741	\$0	\$509,741
Total Development Charge Reserves	\$3,888,486	\$0	\$3,888,486

APPENDIX F

LONG-TERM CAPITAL AND OPERATING IMPACTS

APPENDIX F

TABLE 1

**MUNICIPALITY OF STRATHROY-CARADOC
ESTIMATED NET OPERATING COST OF THE PROPOSED
DEVELOPMENT-RELATED CAPITAL PROGRAM**

	Net Cost (in 2015\$)	Estimated Annual Additional Operating Costs (\$000)									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire Services											
Various Equipment	\$0.15 per \$1 of new infrastructure	\$0.0	\$0.0	\$0.0	\$9.8	\$9.8	\$19.5	\$19.5	\$19.5	\$19.5	\$19.5
3 New Firefighters	\$10,000 per new FF ¹	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0
Police Services											
Various Equipment Project	\$0.15 per \$ of new infrastructure	\$14.3	\$15.5	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0
Indoor Recreation											
No additional operating costs		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Park Development and Facilities											
Various Projects	\$0.10 per \$1 of new infrastructure	\$39.4	\$41.4	\$43.4	\$45.4	\$47.4	\$49.4	\$51.4	\$53.4	\$55.4	\$57.4
Public Works											
Buildings, Land and Fleet	\$0.1 per \$1 of new infrastructure	\$0.0	\$0.0	\$0.0	\$0.0	\$25.0	\$42.9	\$42.9	\$64.9	\$64.9	\$64.9
Cemeteries											
Various Projects	\$0.1 per \$1 of new infrastructure	\$7.0	\$7.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0	\$9.0
Libraries											
No additional operating costs		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Municipal-wide Engineering											
Various Projects	\$200 per household	\$17.4	\$35.0	\$52.8	\$70.7	\$89.0	\$107.4	\$126.1	\$144.9	\$164.0	\$183.4
TOTAL ESTIMATED OPERATING COSTS (\$000)		\$108.0	\$128.8	\$170.1	\$199.8	\$245.0	\$293.1	\$313.7	\$356.6	\$377.7	\$399.1

Note 1: Cost per FF based on total Fire Services Salaries (as identified in 2013 FIR statements) over approximately 75 firefighters

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APPENDIX F
TABLE 2 - PAGE 1

**MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF TAX SUPPORTED FUNDING REQUIREMENTS**

Net Capital Cost of Development Related Projects	2015 (\$000)	2016 (\$000)	2017 (\$000)	2018 (\$000)	2019 (\$000)	2020 (\$000)	2021 (\$000)	2022 (\$000)	2023 (\$000)	2024 (\$000)	TOTAL (\$000)
Fire Services											
Total Net Cost (1)	97.0	0.0	0.0	65.0	0.0	65.0	0.0	0.0	0.0	0.0	227.0
Net Cost From Development Charges (2)	4.3	0.0	0.0	65.0	0.0	65.0	0.0	0.0	0.0	0.0	134.3
Net Cost From Non-DC Sources	92.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.7
- Discount Portion (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Replacement/BTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Available DC Reserves (4)	92.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.7
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Police Services											
Total Net Cost (1)	302.0	8.0	130.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	440.0
Net Cost From Development Charges (2)	0.0	0.0	119.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	119.4
Net Cost From Non-DC Sources	302.0	8.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	320.6
- Discount Portion (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Replacement/BTE	243.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	243.1
- Available DC Reserves (4)	58.9	8.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	77.5
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indoor Recreation											
Total Net Cost (1)	1,237.3	274.9	274.9	274.9	274.9	274.9	274.9	274.9	274.9	274.9	3,711.8
Net Cost From Development Charges (2)	327.3	247.5	247.5	247.5	247.5	247.5	247.5	247.5	247.5	247.5	2,554.4
Net Cost From Non-DC Sources	909.9	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	1,157.4
- Discount Portion (3)	123.7	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	371.2
- Replacement/BTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Available DC Reserves (4)	786.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	786.2
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Park Development and Facilities											
Total Net Cost (1)	446.5	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	626.5
Net Cost From Development Charges (2)	175.6	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	337.6
Net Cost From Non-DC Sources	270.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	288.9
- Discount Portion (3)	41.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	59.2
- Replacement/BTE	35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.0
- Available DC Reserves (4)	194.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	194.7
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Works: Building and Fleet											
Total Net Cost (1)	198.0	0.0	0.0	0.0	250.0	178.8	0.0	220.0	0.0	0.0	846.8
Net Cost From Development Charges (2)	0.0	0.0	0.0	0.0	250.0	178.8	0.0	220.0	0.0	0.0	648.8
Net Cost From Non-DC Sources	198.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	198.0
- Discount Portion (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Replacement/BTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Available DC Reserves (4)	198.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	198.0
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Notes: (1) For total growth related capital forecast see Appendix B

(2) Share of Capital program to be funded from development charges if calculated rates are fully implemented

(3) Mandatory 10% reduction for applicable services

(4) Portion of growth-related capital forecast identified as prior growth (to be funded from present Development Charge reserve fund balances).

(5) Post 2024 development related net capital costs may be eligible for development charges in future DC by-laws, but interim financing of this share may be required

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APPENDIX F
TABLE 2 - PAGE 2

**MUNICIPALITY OF STRATHROY-CARADOC
SUMMARY OF TAX SUPPORTED FUNDING REQUIREMENTS**

Net Capital Cost of Development Related Projects	2015 (\$000)	2016 (\$000)	2017 (\$000)	2018 (\$000)	2019 (\$000)	2020 (\$000)	2021 (\$000)	2022 (\$000)	2023 (\$000)	2024 (\$000)	TOTAL (\$000)
Cemeteries											
Total Net Cost (1)	70.0	0.0	20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	90.0
Net Cost From Development Charges (2)	31.5	0.0	9.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40.5
Net Cost From Non-DC Sources	38.5	0.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	49.5
- Discount Portion (3)	3.5	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5
- Replacement/BTE	35.0	0.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	45.0
- Available DC Reserves (4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Libraries											
Total Net Cost (1)	460.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	460.5
Net Cost From Development Charges (2)	123.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	123.2
Net Cost From Non-DC Sources	337.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	337.3
- Discount Portion (3)	13.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.7
- Replacement/BTE	323.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	323.6
- Available DC Reserves (4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Government											
Total Net Cost (1)	33.5	3.5	3.5	3.5	103.5	33.5	3.5	3.5	3.5	103.5	295.0
Net Cost From Development Charges (2)	3.2	3.2	3.2	3.2	3.2	30.2	3.2	3.2	3.2	35.4	90.8
Net Cost From Non-DC Sources	30.4	0.4	0.4	0.4	100.4	3.4	0.4	0.4	0.4	68.1	204.2
- Discount Portion (3)	3.4	0.4	0.4	0.4	5.4	3.4	0.4	0.4	0.4	5.4	19.5
- Replacement/BTE	0.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	50.0	100.0
- Available DC Reserves (4)	27.0	0.0	0.0	0.0	45.0	0.0	0.0	0.0	0.0	12.7	84.7
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Municipal-Wide Engineering											
Total Net Cost (1)	1,284.5	584.5	584.5	584.5	447.0	447.0	447.0	447.0	447.0	447.0	5,720.0
Net Cost From Development Charges (2)	385.9	235.9	235.9	235.9	98.4	98.4	98.4	98.4	98.4	98.4	1,683.6
Net Cost From Non-DC Sources	898.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	4,036.4
- Discount Portion (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Replacement/BTE	348.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	348.6	3,486.4
- Available DC Reserves (4)	550.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	550.0
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Municipal-Wide Services											
Total Net Cost (1)	4,129.3	890.9	1,032.9	947.9	1,095.4	1,019.2	745.4	965.4	745.4	845.4	12,417.6
Net Cost From Development Charges (2)	1,050.9	504.5	632.9	569.5	617.0	637.7	367.0	587.0	367.0	399.2	5,732.6
Net Cost From Non-DC Sources	3,078.3	386.5	400.1	378.5	478.5	381.5	378.5	378.5	378.5	446.2	6,685.0
- Discount Portion (3)	185.4	29.8	30.8	29.8	34.8	32.8	29.8	29.8	29.8	34.8	468.0
- Replacement/BTE	985.4	348.6	358.6	348.6	398.6	348.6	348.6	348.6	348.6	398.6	4,233.1
- Available DC Reserves (4)	1,907.5	8.0	10.6	0.0	45.0	0.0	0.0	0.0	0.0	12.7	1,983.9
- For Post 2024 Development (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Notes: (1) For total Development related capital forecast see Appendix B

(2) Share of Capital program to be funded from development charges if calculated rates are fully implemented

(3) Mandatory 10% reduction for applicable services

(4) Portion of growth-related capital forecast identified as prior growth (to be funded from present Development Charge reserve fund balances).

(5) Post 2024 growth related net capital costs may be eligible for development charges in future DC by-laws, but interim financing of this share may be required