

**3. SINKING FUND LEVIES**

**TAXES AUX FINS DU FONDS D'AMORTISSEMENT**

**COMMITTEE RECOMMENDATION**

That Council receive this report for information.

**RECOMMANDATION DU COMITÉ**

Que le Conseil reçoive ce rapport pour information.

**DOCUMENTATION / DOCUMENTATION**

1. Marian Simulik, City Treasurer report dated 11 January 2013 (ACS2013-CMR-FIN-0002) / Rapport de la Trésorière municipale daté du 11 janvier 2013 (ACS2013-CMR-FIN-0002).

Report to/Rapport au :

Finance and Economic Development Committee  
Comité des finances et du développement économique

and Council / et au Conseil

January 11, 2013  
11 janvier 2013

Submitted by/Soumis par : Marian Simulik, City Treasurer / Trésorière municipale

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CITY WIDE / À L'ÉCHELLE DE LA VILLE

Ref N°: ACS2013-CMR-FIN-0002

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**SUBJECT: SINKING FUND LEVIES**

**OBJET : TAXES AUX FINS DU FONDS D'AMORTISSEMENT**

**REPORT RECOMMENDATIONS**

That Finance and Economic Development Committee and Council receive this report for information.

**RECOMMANDATIONS DU RAPPORT**

Que le Comité des finances et du développement économique et le Conseil reçoivent ce rapport pour information.

**BACKGROUND**

When the City issues sinking fund debentures, annual contributions are made to the Sinking Fund, which together with interest earnings derived from the investment of these funds, accumulate to an amount that will be sufficient to pay the debentures on maturity.

In accordance with subsection 424(4) of the *Municipal Act, 2001* the City Treasurer is required to prepare and submit to Council in each year, a statement showing the sums that Council will be required, by by-law, to raise for sinking funds in that year.

Once the financial results for the sinking fund have been finalized and audited, the results for 2012 will be reported to Council.

### DISCUSSION

The following is a statement of the sinking fund levies required in 2013:

| Debenture By-law | Sinking Fund<br>Amounts |
|------------------|-------------------------|
|                  | \$                      |
| 68-1998          | 1,036,501               |
| 72-1999          | 3,210,575               |
| 2011-254         | 2,755,860               |
| 2012-282         | 3,389,983               |
|                  | <u>10,392,919</u>       |

In accordance with the provisions of the various debenture By-laws, the sinking fund amounts will be levied as follows:

| Purposes             | Sinking Fund<br>Amounts |
|----------------------|-------------------------|
|                      | \$                      |
| Tax Supported        | 5,898,730               |
| Rate Supported       | 2,236,701               |
| D C Supported        | 2,112,203               |
| Transit              | 116,228                 |
| Gas Tax - Provincial | 5,811                   |
| Gas Tax - Federal    | 23,246                  |
|                      | <u>10,392,919</u>       |

During 2012 the sinking fund debentures authorized under By-law 81-1992 matured on April 15, 2012 and \$50 million was transferred from the Sinking Fund to the City to meet the debenture commitment on maturity. Accordingly the sinking fund levy in the amount of \$3,975,229 associated with By-law 81-1992 is no longer required.

On July 14, 2013 a sinking fund levy in the amount of \$3,389,983 will commence as authorized by By-law 2012-282. The debentures authorized by By-law 2012-282 were issued on September 4, 2012 in the amount of \$175 million and will mature on July 14, 2042.

This statement is submitted to Council for its information in accordance with existing legislation.

**RURAL IMPLICATIONS**

There are no rural implications.

**CONSULTATION**

This is an administrative matter which does not require public consultation.

**LEGAL IMPLICATIONS**

There are no legal impediments to receiving this report for information.

**RISK MANAGEMENT IMPLICATIONS**

There are no risk implications associated with this report.

**FINANCIAL IMPLICATIONS**

Debt charge budgets for the City provide for the payment of sinking fund levies. Since the payment of these levies has been approved by by-laws, future debt charge budgets will include budget provisions sufficient to cover these levies.

**ACCESSIBILITY IMPACTS**

Not applicable.

**TECHNOLOGY IMPLICATIONS**

There are no technological implications associated with this report.

**TERM OF COUNCIL PRIORITIES**

Not applicable.

**DISPOSITION**

Following consideration by Finance and Economic Development Committee, this report will be forwarded to Council for its information.