



REPORT FIN-2020-022

TO: Mayor and Members of Council

FROM: Mary Hasan, Director of Finance/Treasurer

MEETING DATE: June 3, 2020

SUBJECT: 2019 Development Charges
File No. F20 DEV

RECOMMENDATIONS

THAT Report FIN-2020-022 regarding the 2019 Development Charges be received; and

THAT Council accepts the Treasurer's declaration that the Township is in compliance with section 59.1(1) of the Development Charges Act, 1997.

DISCUSSION

Purpose

The purpose of this report is to provide Council with information on the Township's Development Charges and related transactions as of December 31, 2019.

Background

Pursuant to Section 43(2) of the Development Charges Act (DCA), the Treasurer for the Township shall present a financial statement to Council regarding the development charge restricted reserves. The Treasurer's statement is to outline the following:

- Statements of the opening and closing balances of the reserve funds and of transactions relating to the funds;
- Statements identifying,
 - i. All assets whose capital costs were funded under a development charge by-law during the year,
 - ii. For each asset mentioned in (i) above, the manner in which any capital cost not funded under the by-law was or will be funded;

- A statement as to compliance with subsection 59.1 (1); and
- Any other information that is prescribed

Section 59.1 (1) of the DCA specifically prohibits municipalities from imposing additional payments on developers or requiring construction of a service unless specifically authorized under the DCA or another Act. This provision does not affect a municipality's right to include conditions for installation or payment for local services but is intended to close the door on other "voluntary" payments that may have been sought by municipalities outside the legislative framework. The importance that the province places on this section is reinforced by (a) requiring that the Treasurer's report include a statement confirming that the municipality is in compliance with Section 59.1(1) and (b) granting extensive investigative powers to the Ministry of Municipal Affairs and Housing to investigate whether a municipality is in compliance.

The Township does not require any "voluntary" payments from developers and the Treasurer confirms that, for 2019 development charges reporting, the Township is in compliance with Section 59.1 (1) of the DCA.

In the past, a municipality was required to file the Treasurer's report with the Minister within 60 days of the presentation of the report to Council. In accordance with Section 43 of the DCA, this requirement has been removed and replaced by a requirement that Council shall ensure that the statement is available to the public and that the Treasurer shall give a copy of the statement to the Ministry of Municipal Affairs and Housing upon request. Therefore, Report FIN-2020-022 and its related attachments will be posted on the Township's website.

FINANCIAL IMPLICATIONS

- The total balance of Development Charges as of December 31, 2019 is \$737,829
- Development Charges increased by \$162,563 from 2018.

Beginning Balance in 2019:		\$575,266
DC Revenue in 2019:	\$256,387	
Interest earned:	\$17,168	
Transfers to capital:	-(\$110,992)	
Net 2019 Increase:		\$162,563
Ending Balance in 2019:		\$737,829

The Annual Treasurer's Statement of Development Charges is listed in Schedule A. Details of Development Charge amounts transferred to Capital, Operating, or Other Funds are listed in Schedule B. Schedule C summarizes the statement of credit holder transactions in 2019 and notes that there were no credit holder transactions during the period or in previous periods.

APPLICABLE LEGISLATION AND REQUIREMENTS

Development Charges Act, 1997

Ontario Regulation 82/98

ATTACHMENTS

Schedule A –Annual Treasurer's Statement of Development Charges as at December 31, 2019

Schedule B – Amounts Transferred to Capital, Operating or Other Funds for the 12 months ended December 31, 2019

Schedule C – Statement of Credit Holder Transactions for the 12 months ended December 31, 2019

**Annual Treasurer's Statement of Development Charges
As at December 31, 2019**

Schedule A

	Fire Protection Services	Roads and Related	Parks and Recreation	Administration - Studies	Total
Opening Balance- January 1, 2019	342,918	143,617	63,157	25,574	575,266
<u>Plus:</u>					
Development Charge Collections	69,208	154,441	17,958	14,780	256,387
Accrued Interest	10,003	5,195	1,305	666	17,168
Repayment of Monies Borrowed from Fund and Associated Interest ¹	-	-	-	-	-
Sub-Total	79,211	159,636	19,263	15,445	273,555
<u>Less:</u>					
Amount Transferred to Capital (or Other) Funds ²	-	49,547	45,753	15,692	110,992
Amount Transferred to Operating (or Other) Funds ²					
Amounts Refunded	-	-	-	-	-
Amounts Loaned to Other D.C. Service Category for Interim Financing Credits ³	-	-	-	-	-
Sub-Total	-	49,547	45,753	15,692	110,992
Closing Balance - December 31, 2019	422,129	253,706	36,668	25,327	737,829

¹ Source of funds used to repay the D.C. Restricted Reserve

² See Schedule B for details

³ See Schedule C for details

**Statement of Credit Holder Transactions
For the 12 Months Ended December 31, 2019**

Schedule C

Credit Holder	Applicable D.C. Restricted Reserve	Credit Balance Outstanding as of January 1, 2019	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding as of December 31, 2019
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N/A - the Township has not issued any Development Charge Credits during the period or in previous periods.
