

## **REPORT FIN-2022-016**

TO: Mayor and Members of Council

PREPARED BY: Mirela Oltean, Deputy Treasurer

PRESENTED BY: Mary Hasan, Director of Finance/Treasurer

MEETING DATE: May 4, 2022

SUBJECT: 2021 Development Charges

File No. F21 DEV

#### **RECOMMENDATIONS**

THAT Report FIN-2022-016 regarding the 2021 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, 2021.

#### **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. 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 2021 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-2022-016 and its related attachments will be posted on the Township's website.

#### FINANCIAL IMPLICATIONS

- The total balance of Development Charges as of December 31, 2021 is \$1,637,128
- Development Charges increased by \$208,639 from 2020.

Beginning Balance in 2021: \$1,428,489

DC Revenue in 2021: \$318,141
Interest earned: \$12,597
Transfers to capital: \$(122,099)

 Net 2021 Increase:
 \$208,639

 Ending Balance in 2021:
 \$1,637,128

The development charge contributions received in 2021 are lower than 2020 but in line with years prior to 2020. The Township received contributions of \$318K in 2021 compared to \$754K in 2020. Please note, the development charges collected in 2020 were higher than 2021 and previous years due to \$544K collected in 2020 from a developer that entered into a development charges credit agreement with the Township in 2012.

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 2021 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, 2021

Schedule B – Amounts Transferred to Capital, Operating or Other Funds for the 12 months ended December 31, 2021

Schedule C – Statement of Credit Holder Transactions for the 12 months ended December 31, 2021

Respectfully submitted: Reviewed by:

Mary Hasan
Director of Finance/Treasurer

Glenn Schwendinger Chief Administrative Officer

# Annual Treasurer's Statement of Development Charges As at December 31, 2021

	Fire Protection Services	Roads and Related	Parks and Recreation	Administration - Studies	Total
Opening Balance - January 1, 2021	569,210	734,451	53,098	71,730	1,428,489
Plus:					
Development Charge Collections	84,240	173,286	40,491	20,124	318,141
Accrued Interest	5,045	6,272	605	675	12,597
Repayment of Monies Borrowed from Fund and Associated Interest <sup>1</sup>	-	-	-	-	-
Sub-Total	89,285	179,558	41,096	20,799	330,738
Less:					
Amount Transferred to Capital (or Other) Funds <sup>2</sup>	-	122,099	-	-	122,099
Amount Transferred to Operating (or Other) Funds <sup>2</sup>	-	-	-	-	-
Amounts Refunded	-	-	-	-	-
Amounts Loaned to Other D.C. Service Category for Interim Financing	-	-	-	-	-
Credits <sup>3</sup>	-	-	-	-	-
Sub-Total	-	122,099	-	-	122,099
Closing Balance - December 31, 2021	658,495	791,910	94,193	92,529	1,637,128

<sup>&</sup>lt;sup>1</sup> Source of funds used to repay the D.C. Restricted Reserve

<sup>&</sup>lt;sup>2</sup> See Schedule B for details

<sup>&</sup>lt;sup>3</sup> See Schedule C for details

Amount Transferred to Capital (or Other) Funds - Capital Transactions

		D.C. Recoverable Cost Share				Non-D.C. Recoverable Cost Share					
		D.C. Forecast Period Post D.C. Fore				ecast Period					
					Post-Period		Other				
		D.C.		Grants,	Benefit/	Grants,	Discretionary	Tax Supported			
		Restricted		Subsidies	Capacity	Subsidies	Reserves/Restric	Operating	Rate Supported		
	<b>Gross Capital</b>	Reserve	D.C. Debt	Other	Interim	Other	ted Reserves	Fund	Operating Fund	Debt	Grants, Subsidies
Capital Fund Transactions	Cost	Draw	Financing	Contributions	Financing	Contributions	Draws	Contributions	Contributions	Financing	Other Contributions
Fire Protection Services				•			•				•
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Fire Protection Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Roads and Related Services											
Concession 4 - County Road 32 to Sideroad 10 North											
Asset No. 56	\$315,557	\$42,916	\$0	0	\$0	\$0	\$103,719	\$0	\$0	\$0	\$168,923
McLean Road West - County Road 46 (Brock Road) to	, ,	. ,			·	·	, ,	•		·	, ,
Concession 7 - Asset No. 40 Surface	\$388,238	\$52,800	\$0	\$0	\$0	\$0	\$223,184	\$0	\$0	\$0	\$112,254
McLean Road East - Brock Road South to Winer Road											
- Asset No. 158	\$179,085	\$24,356	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$154,729
Gilmour Culvert - Asset No. 2009	\$14,905	\$2,027	\$0	\$0	\$0	\$0	\$12,878	\$0	\$0	\$0	\$0
Subtotal Roads and Related Services	\$897,785	\$122,099	\$0	\$0	\$0	\$0	\$339,780	\$0	\$0	\$0	\$435,906
Parks and Recreation Services											
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Parks and Recreation Services	\$0	\$0	\$0		\$0	\$0	\$0	\$0		\$0	
Administration - Studies				-							
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Administration - Studies	\$0	\$0	\$0		\$0	\$0	\$0	\$0		\$0	
Total	\$897,785	\$122,099	\$0	\$0	\$0	\$0	\$339,780	\$0	\$0	\$0	\$435,906

Amount Transferred to Operating (or Other) Funds - Operating Transactions

		D.C. Restric	ted Reserve	Post D.C. Forecast Period			Non-D.C. Recoverable Cost Share			
	Annual Debt									
	Repayment									
Operating Fund Transactions	Amount	Principal	Interest	Principal	Interest	Source	Principal	Interest	Source	
Fire Protection Services										
None	0	\$0	\$0	\$0	) (	\$0 \$	0 \$0	\$0	\$0	
Subtotal Fire Protection Services	\$0	\$0	\$0	\$0	\$	50 \$0	\$0	\$0	\$0	
Roads and Related Services										
None	\$0	\$0	\$0	\$0	) 9	\$0 \$	0 \$0	\$0	\$0	
Subtotal Roads and Related Services	\$0	\$0	\$0	\$0	\$	50 \$0	\$0	\$0	\$0	
Parks and Recreation Services										
None	\$0	\$0	\$0	\$0	) 9	\$0 \$	0 \$0	\$0	\$0	
Subtotal Parks and Recreation Services	\$0	\$0	\$0	\$0	\$	50 \$0	\$0	\$0	\$0	
Administration - Studies										
None	\$0	\$0	\$0	\$0	) 5	\$0 \$	0 \$0	\$0	\$0	
Subtotal Administration - Studies	\$0	\$0	\$0	\$0	\$	50 \$0	\$0	\$0	\$0	
Total	\$0	\$0	\$0	\$0	) ;	\$0 \$	0 \$0	\$0	\$0	

# **Statement of Credit Holder Transactions** For the 12 Months Ended December 31, 2021

Credit Holder Applicable D.C. **Restricted Reserve**  **Credit Balance** 

January 1, 2021

**Additional Credits** Outstanding as of Granted During Year **Credits Used by Holder During Year** 

**Credit Balance** Outstanding as of December 31, 2021

N/A - the Township has not issued any Development Charge Credits during the period or in previous periods.