



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

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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

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### **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:**

**Mary Hasan**  
**Director of Finance/Treasurer**

**Reviewed by:**

**Glenn Schwendinger**  
**Chief Administrative Officer**

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

**Schedule A**

	<b>Fire Protection Services</b>	<b>Roads and Related</b>	<b>Parks and Recreation</b>	<b>Administration - Studies</b>	<b>Total</b>
<b>Opening Balance - January 1, 2021</b>	<b>569,210</b>	<b>734,451</b>	<b>53,098</b>	<b>71,730</b>	<b>1,428,489</b>
<u>Plus:</u>					
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>	-	-	-	-	-
<b>Sub-Total</b>	<b>89,285</b>	<b>179,558</b>	<b>41,096</b>	<b>20,799</b>	<b>330,738</b>
<u>Less:</u>					
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>	-	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>122,099</b>	<b>-</b>	<b>-</b>	<b>122,099</b>
<b>Closing Balance - December 31, 2021</b>	<b>658,495</b>	<b>791,910</b>	<b>94,193</b>	<b>92,529</b>	<b>1,637,128</b>

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

<sup>2</sup> See Schedule B for details

<sup>3</sup> See Schedule C for details



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

**Schedule C**

<b>Credit Holder</b>	<b>Applicable D.C. Restricted Reserve</b>	<b>Credit Balance Outstanding as of January 1, 2021</b>	<b>Additional Credits Granted During Year</b>	<b>Credits Used by Holder During Year</b>	<b>Credit Balance Outstanding as of December 31, 2021</b>
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<b>N/A - the Township has not issued any Development Charge Credits during the period or in previous periods.</b>
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