



Staff Report

Department: Finance
To: Mayor and Members of Council
Meeting Date: August 14, 2019
Report No.: FIN-2019-14
Report Title: 2018 Development Charge Activity

Recommendation:

That Report FIN-2019-14, 2018 Development Charge Activity, dated August 14, 2019, be received; and

That the 2018 Annual Report on Development Charge Reserves, as required under the *Development Charges Act*, be forwarded to the Ministry of Municipal Affairs and Housing.

Background:

In 2018, development charge fees were collected under the authority of by-law 2014-79, in accordance with the *Development Charges Act* (“Act”). Development charge fees are imposed on newly developed land, to pay for the increased capital costs required because of the increased need for services arising from development. The premise is that growth should pay for growth; specifically, 1) buying into existing infrastructure, where excess capacity already exists, and 2) paying for the portion of future capital required to accommodate development.

Analysis:

Details of actual additions (receipts received at building permit issuance along with interest earned) and withdrawals to each service area category of the Development Charge Reserve Fund are provided in Attachment #1.

Note the Committed Column totaling an additional \$295,240 in withdrawals as follows:

- \$141,750 for work in process on eligible studies, the funding for which will be withdrawn on project completion in 2019; and
- \$153,490 for additional DC funding per Report FIN-2019-13 included in this agenda.

Conclusions:

In accordance with the *Act*, an annual report on the activity in the Development Charge Reserve Fund must be submitted to Council and the Ministry of Municipal Affairs and Housing.

Council's Strategic Priorities:

This recommendation is consistent with the following Council Strategic Priority:

Pillar One - Accountable, Responsive and Innovative Governance

Financial Impact:

There is no financial impact to the Town associated with approval of the recommendation in this report.

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Director of Finance/Treasurer

Approved by: J. Skorobohacz
Chief Administrative Officer

Attachment:

1. 2018 Development Charge Activity

**DEVELOPMENT CHARGES OBILATORY RESERVE FUND BY SERVICE AREA
AS AT DECEMBER 31, 2018**

SERVICE AREA	OPENING BALANCE	RECEIPTS & INTEREST EARNED	WITHDRAWALS				ENDING BALANCE POST COMMITMENT
			Approved Useage	Ending Balance per G/L	Committed	Note	
Fire Service	64,226	10,807	-50,000	25,033	-14,000	1	11,033
Police Service	65,548	7,775	0	73,323			73,323
Roads and Related	672,083	160,176	0	832,259	-75,000	2	757,259
Sanitary Sewerage	325,150	101,142	0	426,292	-30,750	3	395,542
Water Services	530,190	122,946	-225,000	428,136			428,136
Tiffin by the Bay ASDC	62,537	6,507	0	69,044			69,044
General Government	126,311	26,696	0	153,007			153,007
Library	337,121	102,917	-75,000	365,038			365,038
Indoor Recreation	874,639	251,149	-300,000	825,788			825,788
Parks	349,440	88,548	0	437,988	-175,490	4	262,498
Parking	208,814	3,969	0	212,783			212,783
Public Works	643,852	713,439	-662,648	694,643			694,643
Transit Services	45,294	6,221	0	51,515			51,515
TOTAL	\$ 4,305,205	\$ 1,602,292	-\$ 1,312,648	\$ 4,594,849	-\$ 295,240		\$ 4,299,609

1 Outfitting of 4 additional uniformed officers with OPP

2 Transportation Master Plan

3 Wastewater Master Plan

4 \$36,000 for Parks & Recreation Master Plan plus \$139,490 funding for new Operations Centre