



## STAFF REPORT

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<b><u>Department/Function:</u></b>	General Government & Finance
<b><u>Chair:</u></b>	Deputy Mayor Gerard LaChapelle
<b><u>Meeting Date:</u></b>	March 13, 2019
<b><u>Report No.:</u></b>	<b>GGF-2019-20</b>
<b><u>Report Title:</u></b>	<b>2018 Treasurer's Statement for Reserve Funds</b>

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### **RECOMMENDATION:**

**That Staff Report No. GGF-2019-20 regarding the 2018 Treasurer's Statement for Reserve Funds be received and posted on the Township's website.**

### **INTRODUCTION/BACKGROUND:**

The Development Charges Act, 1997 (DCA) requires development charge collections (and associated interest) to be placed in separate reserve funds.

Section 43 of the Development Charges Act requires the Treasurer of a municipality to provide each year a financial statement to Council relating to development charge by-laws and reserve funds established under section 33 of the Development Charges Act. These statements must be made available to the public and to the Minister of Municipal Affairs and Housing on request.

### **ANALYSIS:**

#### **Development Charges**

The Development Charges by-law 2014-01 in effect for 2018, is based on the background study which looked at anticipated development, estimated increase in the need for services, the existing infrastructure, level of service and the historical cost of completed projects. The background study and by-law must be updated every five years. The background study was updated and a new by-law

passed February 6, 2019. This allows for up to date information to be used to calculate the charge imposed on developers.

Section 33 of the DCA requires a municipality that has passed a development charge by-law to establish a separate reserve fund for each service to which the development charge relates. The categories of services for which development charges are imposed under By-law 2014-01 are described as follows:

Administration - General Gov't	Growth related studies
Public Works - Roads & Related	Provision for growth related road works Roads Master Plan Storage bay addition Sidewalk Plow, 1 Tonne Dump Truck
Fire Protection	Tanker/Pumper Old Fort Station Expansion (land acquisition) Jaws of Life Defibrillators
Recreation	Park and Trail Development Provision for Vehicles and Minor Capital Parking Expansion (Oakwood)
Library	Provision of additional collection materials
Wastewater	Plant expansion Victoria Harbour & Port McNicoll Debenture Financing – growth share only Recovery of past expansion Membrane replacement and Equalization Tank
Water	Tay Area Water Treatment Plant Victoria Harbour booster pumping station Water Storage (Standpipe) Debenture Financing – growth share only

Attached is the 2018 Treasurer's statement for the Development Charge Reserve Funds as well as Parkland reserve funds.

### **Development Charges funded by Debt**

Where development charge receipts are not sufficient to cover the development charge funded portion of the cost of capital works, debt has been secured. This assists in spreading the expenditure over a period of time allowing for development charge receipts to be collected. This has been the case for the upgrade of the Port McNicoll Waste plant in 2002, the Tay Area Water Treatment

Plant in 2016 and Victoria Harbour Waste plant upgrade in 2017. Debt payments are then funded annually from the development charge reserves.

**Parkland Reserve Fund**

This fund is a result of cash in lieu of park land during the subdivision process and is to be used for future park land purchases or park land development.

**FINANCIAL/BUDGET IMPACT:**

Development charges used to fund growth related expenditures have been included in the annual Operating and Capital Budgets.

**CONCLUSION:**

The attached 2018 Treasurer’s Statement of Reserve Funds is provided in accordance with section 43 of the Development Charges Act.

Prepared By:

Date Prepared:

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Treasurer

March 5, 2019

Reviewed By:

Date:

Robert J. Lamb, CECd, Ec.D.  
Chief Administrative Officer

March 5, 2019