

REPORT

Date Presented: August 13, 2019
To: Members of the Committee of the Whole
From: Brian Burns, Treasurer
Subject: **2018 Development Charges Financial Statement**

For Information Only Delegation Presentation Attachment

Recommendation:

FOR INFORMATION ONLY.

Executive Summary:

The Development Charges Act of Ontario requires the Treasurer of each Municipality to provide a financial statement of the Development Charge Reserve after the end of each fiscal year.

Strategic Plan Comments:

Sector 3 – Governance – Strategic Initiative (SI) #4: Living within our financial means, by adopting practices to ensure that Perth's Tax Rate is affordable today and in the future.

Greenhouse Gas Reduction Plan 2016 - 2030:

N/A

Background/Discussion:

Per section 43(1) of the Development Charges Act of Ontario (1997, c. 27), the Treasurer of a municipality shall each year give the council a financial statement relating to development charge by-laws and reserve funds.

The statement must include, for the preceding year, the opening and closing balances of the reserve funds and of the transactions relating to the funds, a description of all assets whose capital costs were funded under a development charge by-law during the year and for each asset identified, the manner in which any capital cost not funded under the by-law was or will be funded.

The Council shall ensure that the statement is made available to the public.

The financial statement is included as Appendix A to this report.

Options:

For Information Only.

Financial Considerations:

Update Council on financial status of Development Charges held or utilized by the Town during the 2018 fiscal year.

Applicable Policy/Legislation:

Development Charges Act of Ontario 1997, c. 27

Others Consulted:

Directors.

Respectfully submitted,

Approved by,

Brian Burns, Treasurer

Ronald Ladd, CAO

Appendix A

Statement of Development Charge
By-law and Reserve Funds
For the fiscal year ended December 31, 2018

Opening Balance January 1, 2018	\$872,852
Received from Developers	482,689
Interest earned	19,202
Transferred to fund Terrace on the Tay	(170,974)
Transferred to fund Infrastructure Master Plan Studies	(45,900)
Closing Balance December 31, 2018	\$1,157,869

The total cost of the Terrace on the Tay addition was \$293,886. The difference was funded from Gas Tax Revenue and Parkland Reserve funds. The cost of the studies was fully funded from Development Charges.

During preparation of the 2018 Budget, the construction of Terrace on the Tay and the Studies were considered to be an eligible projects under the Development Charges Act.

Appendix A (cont.)

Corporation of the Town of Perth Development Charge Reserve Funds as at December 31, 2018

	31-Dec 2017	Interest Allocation	Dev Chgs Received	Transferred Out 2018	31-Dec 2018
Fire	14,362.39	315.97	3,368		18,046.51
Police	5,361.43	117.95	-		5,479.38
Eastern Arterial	559,583.08	12,310.83	19,732		591,625.94
Tay Bridge	66,082.58	1,453.82	74,357		141,893.40
Sewage	-	-	208,802		208,801.68
Sewage West	70,188.24	1,544.14	78,977		150,709.86
Storm North of 7	11,064.89	243.43	29,245		40,552.87
Water Tower	38,427.25	845.40	22,241		61,513.42
Rec Facilities	198,092.31	4,358.03	33,353	(170,974.00)	64,829.61
Library	67,812.25	1,491.87	2,762		72,065.99
Studies	(158,122.20)	(3,478.69)	9,852	(45,900.00)	(197,648.96)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 872,852.22</u>	<u>\$ 19,202.75</u>	<u>\$ 482,688.75</u>	<u>\$ (216,874.00)</u>	<u>\$ 1,157,869.72</u>

Interest is calculated on opening balance at 2.20% which is the rate in effect for the majority of the year.

Split of Development Charges based on 2014 DC Study - see bylaw 4464

	General	North	West	East
Fire	0.70%	0.68%	0.60%	0.70%
Police	0.0%	0.00%	0.00%	0.00%
Eastern Arterial	2.5%	0.00%	0.00%	11.30%
Tay Bridge	17.7%	0.00%	26.70%	16.10%
Sewage	44.5%	40.93%	36.30%	40.50%
Sewage West	18.8%	0.00%	28.40%	17.10%
Storm North of 7	3.4%	28.03%	0.00%	3.10%
Water Tower	2.6%	21.34%	0.00%	2.30%
Rec Facilities	7.1%	6.53%	5.80%	6.50%
Library	0.6%	0.54%	0.50%	0.50%
Studies	2.1%	1.95%	1.70%	1.90%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Dev Charges per schedule	<u>\$ 327,083</u>	<u>\$ 53,349</u>	<u>\$ -</u>	<u>\$ 102,256</u>