
REPORT

Date Presented: May 26, 2020
To: Members of the Committee of the Whole
From: Brian Burns, Treasurer
Subject: **Financial Statement - 2019 Development Charges**

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, 1997, SO 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 2019 fiscal year.

Applicable Policy/Legislation:

Development Charges Act, 1997, SO 1997, c. 27

Others Consulted:

Directors

Respectfully submitted,

Approved by,

Brian Burns, Treasurer

Michael Touw, CAO

Appendix A

Statement of Development Charge By-law and Reserve Funds For the fiscal year ended December 31, 2019

Opening Balance January 1, 2019	\$1,157,869
Received from Developers	377,800
Interest earned	28,368
Transferred to fund Terrace on the Tay	(12,939)
Transferred to fund Development Charge Study	(21,847)
Transferred to fund Warren Cres Street Lights	(2,306)
Closing Balance December 31, 2019	\$1,526,944

Capital Project Funding

The total cost of the Terrace on the Tay addition in 2019 was \$199,101. The difference was funded from Gas Tax Grant Revenue. The total cost of Warren Cres Street Lights was \$2,306.

During preparation of the 2019 Budget, the construction of Terrace on the Tay and the Warren Cres Street Lights were considered to be eligible projects under the *Development Charges Act*.

Appendix A (cont.)

**Corporation of the Town of Perth
Development Charge Reserve
as at December 31, 2019**

	31-Dec 2018	Interest Allocation	Dev Chgs Received	Transferred Out 2019	Closing
Fire	18,047	442	2,608		21,097
Police	5,479	134	-		5,614
Eastern Arterial	591,626	14,495	17,809	(2,306)	621,623
Tay Bridge	141,893	3,476	32,157		177,527
Sewage	208,802	5,116	155,714		369,632
Sewage West	150,710	3,692	34,154		188,557
Storm North of 7	40,553	994	57,437		98,983
Water Tower	61,513	1,507	43,645		106,666
Rec Facilities	64,830	1,588	24,900	(12,939)	78,379
Library	72,066	1,766	2,010		75,842
Studies	(197,649)	(4,842)	7,366	(21,847)	(216,973)
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Total	<u><u>1,157,870</u></u>	<u><u>28,368</u></u>	<u><u>377,800</u></u>	<u><u>(37,093)</u></u>	<u><u>1,526,944</u></u>

Interest is calculated on opening balance at 2.45% 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%
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Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>
Total Dev Charges	<u><u>\$ 47,976</u></u>	<u><u>\$ 182,836</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 146,988</u></u>