

COMMITTEE OF THE WHOLE
August 13th, 2024**Report #FIN-2024-11**
Ashley Liznick, Treasurer**2023 DEVELOPMENT CHARGES STATEMENT - AMENDED****STAFF RECOMMENDATION(S)**

It is recommended:

“**THAT**, Report #FIN-2024-11 - 2023 Development Charges Statement - Amended, be received as information.”

BACKGROUND

Development charges are used to generate revenue towards the increased cost of services within the municipality that occur as a result of growth and development. The intention is to allow the municipality to maintain the current level of service for residents of the municipality, while collecting funds from the new development to help offset the cost of additional services. Development charges that are collected by the municipality are put into a reserve until such time as a capital expenditure is made.

Throughout 2023 Tay Valley Township levied Development Charges to residential property owners when constructing a new residence. Because the Township levies such a charge, Section 43 of the *Development Charges Act* requires the Treasurer to provide Council with a financial statement regarding the Development Charges activity each year.

As of December 2, 2019, the Township Development Charges By-Law No. 2019-045 came into effect. An amendment/update to the By-Law (By-Law No. 2021-057) was presented and approved by Council on November 16, 2021.

The *Development Charges Act, 1997*, as amended, allows municipalities to increase all development charges in accordance with the most recent twelve-month change in the Statistics Canada Quarterly “Construction Price Statistics”. The Treasurer confirms this percentage with the Development Charge consultant (Watson’s) each year.

The following schedule indicates the rates that were in effect for the 2023 calendar year as per the by-law.

Allocation of Residential Development Charges Between Service Categories

Service Categories	Development Charge by Dwelling Unit Type (per dwelling unit)			
	Single & Semi Detached	Apartments 2+ bedrooms	Apartments 1 Bedroom & Bachelor	Other Multiples
Growth Related Studies (6.30%)	\$460	\$293	\$276	\$369
Fire Protection (7.05%)	\$515	\$328	\$309	\$413
Roads & Related (74.35%)	\$5,435	\$3,457	\$3,261	\$4,360
Parks & Recreation (10.45%)	\$764	\$486	\$458	\$613
Library (1.22%)	\$88	\$56	\$54	\$72
Waste Diversion (0.63%)	\$46	\$29	\$28	\$37
Total (100%)	\$7,308	\$4,649	\$4,386	\$5,864

Allocation of Non-Residential Development Charges Between Service Categories

Service Categories	Per sq. ft. of Gross Floor Area
Growth Related Studies (6.04%)	0.20
Fire Protection (7.56%)	0.25
Roads & Related (78.11%)	2.64
Parks & Recreation (6.79%)	0.23
Library (0.75%)	0.03
Waste Diversion (0.75%)	0.03
Total (100%)	3.38

Allocation of Green Energy Development Charges Between Service Categories

Service Categories	Per 500 kW generating capacity
Growth Related Studies (7.18%)	\$460
Fire Protection (8.04%)	\$515
Roads & Related (84.78%)	\$5,435
Total (100%)	\$6,410

Due changes in legislation in 2022 an amended report is being presented to ensure the Township is compliant.

DISCUSSION

The 2023 statement is attached. A copy must be put on the Township's website and a copy will be provided to the Minister of Municipal Affairs should they request it.

OPTIONS CONSIDERED

Not Applicable.

STRATEGIC PLAN LINK

Not Applicable.

FINANCIAL CONSIDERATIONS

Not Applicable.

CONCLUSIONS

The Treasurer's Statement must be provided to Council each year.

In 2023 the Township collected \$106,104.00 of development charges and earned \$17,092.33 of interest.

The 2023 expenses are for the following projects: Harper Road, Keays Road, and the Forest Trail Park.

ATTACHMENTS

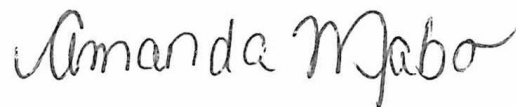
- i) Development Charges Reserve Fund, Treasurer's Statement – 2023.

Prepared and Submitted By:



**Ashley Liznick,
Treasurer**

Approved for Submission By:



**Amanda Mabo,
Chief Administrative Officer/Clerk**

Tay Valley Township
Annual Treasurer's Statement of Development Charge Reserve Funds

Description	Services to which the Development Charge Relates						Total
	Services Related to a Highway	Fire Protection Services	Parks and Recreation Services	Library Services	Waste Diversion	Growth Studies	
Opening Balance, January 1, 2022	194,055.87	33,484.49	45,457.67	15,451.27	3,538.73	(15,789.40)	276,198.63
Plus:							
Development Charge Collections	78,888.32	7,480.34	11,087.87	1,294.47	668.45	6,684.55	106,104.00
Accrued Interest	12,708.15	1,205.01	1,786.15	208.53	107.67	1,076.82	17,092.33
Repayment of Monies Borrowed from Fund and Associated Interest ¹							-
Sub-Total	91,596.47	8,685.35	12,874.02	1,503.00	776.12	7,761.37	123,196.33
Less:							
Amount Transferred to Capital (or Other) Funds ²	262,012.85	-	11,037.28	-	-	-	273,050.13
Amounts Refunded							-
Amounts Loaned to Other D.C. Service Category for Interim Financing							-
Credits ³							-
Sub-Total	262,012.85	-	11,037.28	-	-	-	273,050.13
Closing Balance, December 31, 2022	23,639.49	42,169.84	47,294.41	16,954.27	4,314.85	(8,028.03)	126,344.83

¹ Source of funds used to repay the D.C. reserve fund

² See Attachment 1 for details

³ See Attachment 2 for details

The Municipality is compliant with s.s. 59.1 (1) of the *Development Charges Act*, whereby charges are not directly or indirectly imposed on development nor has a requirement to construct a service related to development been imposed, except as permitted by the *Development Charges Act* or another Act.

Attachment 1
Tay Valley Township
Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions

Capital Fund Transactions	Gross Capital Cost	D.C. Recoverable Cost Share					Non-D.C. Recoverable Cost Share				
		D.C. Forecast Period		Post D.C. Forecast Period			Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
		D.C. Reserve Fund Draw	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/ Capacity Interim Financing	Grants, Subsidies Other Contributions					
Services Related to a Highway											
Harper Road	965,351.45	175,401.45				8,318.00					781,832.00
Kings Road	338,211.40	86,811.40				251,600.00					
Sub-Total - Services Related to Highways	1,303,562.85	262,212.85	-	-	-	259,918.00	-	-	-	-	781,632.00
Fire Protection Services											
Sub-Total - Fire Protection Services	-	-	-	-	-	-	-	-	-	-	-
Parks and Recreation Services											
Forest Trail	101,498.55	11,037.28				18,470.25					71,991.04
Sub-Total - Parks and Recreation Services	101,498.55	11,037.28	-	-	-	18,470.25	-	-	-	-	71,991.04
Library Services											
Sub-Total - Library Services	-	-	-	-	-	-	-	-	-	-	-
Waste Diversion											
Sub-Total - Waste Diversion Services	-	-	-	-	-	-	-	-	-	-	-
Growth Studies											
Sub-Total - Growth Studies	-	-	-	-	-	-	-	-	-	-	-

Amount Transferred to Operating (or Other) Funds - Operating Fund Transactions

Operating Fund Transactions	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. Forecast Period		Non-D.C. Recoverable Cost Share			
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
Services Related to a Highway									
Sub-Total - Services Related to a Highway	-	-	-	-	-	-	-	-	-
Fire Protection Services									
Sub-Total - Fire Protection Services	-	-	-	-	-	-	-	-	-
Parks and Recreation Services									
Sub-Total - Parks and Recreation Services	-	-	-	-	-	-	-	-	-
Library Services									
Sub-Total - Library Services	-	-	-	-	-	-	-	-	-
Waste Diversion									
Sub-Total - Waste Diversion Services	-	-	-	-	-	-	-	-	-
Growth Studies									
Sub-Total - Growth Studies	-	-	-	-	-	-	-	-	-

Attachment 2
Tay Valley Township
Statement of Credit Holder Transactions

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance		Credits Used by Holder During Year	Credit Balance Outstanding End of Year
		Outstanding Beginning of Year	Additional Credits Granted During Year		
Credit Holder A					
Credit Holder B					
Credit Holder C					
Credit Holder D					
Credit Holder E					
Credit Holder F					

Attachment 3
 Tay Valley Township
 Statement of Reserve Fund Balance Allocations

Service:	Services Related to a Highway
Balance in Reserve Fund at Beginning of Year:	194,055.87
60% of Balance to be Allocated (at a minimum):	116,433.52

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
Bathurst 7th Concession	10	370,700	37,070	
McVeigh Road	11	56,600	5,660	
Zealand Road	12	640,000	64,000	
Ashby Road	13	79,400	7,940	
Crow Lake Road	14	503,100	50,310	
Stanley Road	15	322,300	32,230	
Total		\$1,972,100	\$197,210	\$0

Attachment 4
 Tay Valley Township
 Description of the Service (or Class of Service) for which each Development Charge Reserve Fund was Established

Service/Class of Service	Description
Services Related to a Highway	The fund is used for growth-related projects for roads, bridges, structures, active transportation, streetlights, and other related road infrastructure.
Fire Protection Services	The fund is used for growth-related projects supporting fire protection services, including facilities, vehicles, equipment, and gear.
Parks and Recreation Services	The fund is used for growth-related projects related to parkland development, parkland amenities, recreational trails, parkland buildings, recreation facilities, and parks & recreation equipment.
Library Services	The fund is used for growth-related projects including library facilities, furniture, shelving, collection materials, and other related library infrastructure.
Waste Diversion	The fund is used for growth-related projects including facilities, equipment, and other waste diversion infrastructure.
Growth Studies	The fund is used for growth-related studies for eligible D.C. services being recovered through the D.C. by-law and Development Charge Studies.

Supporting Notes
Tay Valley Township
Statements Related to Development Charge Reserve Funds

Compliance with s.s. 59(1) of the D.C.A.:

Provide a statement that confirms that the municipality did not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A., except as permitted by the D.C.A.

Statements related to the Amount Anticipated to be spent during the life of the D.C. By-law

For each service where D.C.s were collected during the year, whether the municipality expects to incur the amount of capital costs that were estimated, in the relevant D.C. background study, to be incurred during the term of the applicable development charge by-law. If the answer is no, the amount the municipality now expects to incur and a statement as to why this amount is expected.

Service/Class of Service	Amount of Capital Costs Estimated In D.C. Study Are Anticipated to be Incurred During Life of By-law (Y/N)	Required if answer in Column C is N	
		Amount of Capital Costs Estimated In D.C. Study Now Expected to be Incurred During Life of By-law	Why Revised Amount Is Expected to be Incurred During Life of By-law
Services Related to a Highway	N	-	gravel to surface treatment projects will not be moving forward during this life of DC by-law
Fire Protection Services	Y		
Parks and Recreation Services	Y		
Library Services	Y		
Waste Diversion	N	-	future of Glen Tay waste on hold until further discussions occur
Growth Studies	Y		

Statements related to the Amount Collected During the Year Where No Money was Spent

For each service where D.C.s were collected during the year and no money was spent during the year, a statement as to why there was no spending.

Service/Class of Service	Reason for No Spending of D.C. Funds Collected During the Year
Services Related to a Highway	N/A
Fire Protection Services	fire project projected for fiscal year will carry forward into next fiscal year, due to timing of delivery
Parks and Recreation Services	N/A
Library Services	no projects within the budget for fiscal year, future projects slotted
Waste Diversion	no projects within the budget for fiscal year, future projects slotted
Growth Studies	no projects within the budget for fiscal year, future projects slotted