



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Trena DeBruijn
Position: Director of Finance/Treasurer
Title / Subject: 2022 Annual Statement of Development Charge Activity
Date of Report: May 22, 2023
Date of Meeting: May 22, 2023
Report No: 2023-FI-011

1.0 Issue / Origin

The purpose of this report is to provide Council with a summary of the activity and year-end balance of the Development Charge Deferred Revenue account for the period from January 1, 2022 to December 31, 2022.

2.0 Background

Section 43 of the Development Charge Act, 1997 and O. Reg. 82/98, requires the Treasurer of a Municipality to give Council an annual financial statement relating to the development charge by-law and deferred revenue accounts. Once received by Council, the statement will be submitted to the Ministry of Municipal Affairs and Housing as required by the Development Charge Act, 1997.

Development Charges ("DC") are collected and allocated to service-specific development charge deferred revenue accounts in accordance with the distribution specified in the DC by-law. These funds are utilized to finance growth-related capital requirements within the Township as contained within the Township's budget or as directed by Council.

The statement shows the opening and closing balances and provides information on revenues received and expenditures made from the Development Charge Reserve Fund for 2022. The committed amounts, through the capital budget process, are also shown.

3.0 Analysis

Summary of 2022 Development Charge Activity:

Department	Opening Balance \$	Collected \$	Utilized \$	Interest Earned \$	Closing Balance \$
Engineering	\$2,131,375	\$334,545	\$262,008	\$53,742	\$2,257,654
Fire	\$59,833	\$99,078	\$6,741	\$3,140	\$155,310
General Government	\$108,518	\$15,019	\$37,608	\$2,099	\$88,028
Parks	\$3,990,775	\$368,305	\$25,033	\$78,940	\$4,412,987
Public Works	\$521,384	\$110,299	\$50,879	\$10,716	\$591,520
Total	\$6,811,885	927,246	\$382,269	\$148,637	\$7,505,499

It is important to note the outstanding appeal regarding development charges paid in protest in the amount of \$464,757. The Ontario Land Tribunal hearing for this appeal was held on May 1-2, 2023, and the decision is still pending. Should the Tribunal's decision be in the appellant's favour, these development charges would need to be refunded.

2022 Development Charge Funded Projects – As of December 31, 2022:

Project	Year First Budgeted	Project Budget \$	Total Spent \$ To-Date	DC Funds Budgeted \$	DC Funds Expended \$ To Date	Other Funding \$ To Date
Official Plan	2022	\$80,000	\$37,608	\$80,000	\$37,608	\$nil
MacLeod Park	2020	\$55,000	\$1,040 (all spent in 2022)	\$45,000	\$1,040 (all utilized in 2022)	\$nil
Beaverton Harbour - Pathway	2022	\$15,000	\$nil	\$15,000	\$nil	\$nil
Beaverton Harbour Master Plan	2022	\$100,000	\$6,340	\$70,000	\$6,340	\$nil
Playground Equipment	2022	\$50,000	\$3,653	\$50,000	\$3,653	\$nil
Library Materials	2022	\$14,000	\$14,000	\$14,000	\$14,000	\$nil
Hot Box	2022	\$60,000	\$50,879	\$60,000	\$50,879	\$nil

Project	Year First Budgeted	Project Budget \$	Total Spent \$ To-Date	DC Funds Budgeted \$	DC Funds Expended \$ To Date	Other Funding \$ To Date
EV Charging Stations	2022	\$15,000	\$nil	\$15,000	\$nil	\$nil
Fire Aerial	2021	\$1,481,000	\$1,482,063 (\$6,741 of total was spent in	\$824,000	\$820,000 (\$6,741 of DC's utilized in 2022)	\$662,063
Double Resurfacing	2022	\$200,000	\$179,096	\$200,000	\$179,096	\$nil
Sidewalks	2022	\$300,000	\$248,736	\$100,000	\$82,912	\$165,824

Total Development Charge Revenue of \$382,269 was recorded as utilized for 2022 year-end.

4.0 Related Policies / Procedures

An additional requirement of reporting is a statement of whether or not the municipality is in compliance with Section 59.1 (1) of the Development Charge Act that relates to the imposition of additional levies.

Section 59.1(1) of the Development Charge Act, states that *“a municipality shall not impose, directly or indirectly, a charged related to a development or a requirement to construct a service related to development, except as permitted by this Act or another Act”*.

It is staff’s opinion that additional levies were not imposed or collected for 2022, therefore, the Township is in compliance with Section 59.1 (1) of the Development Charge Act.

5.0 Financial / Budget Assessment

None

6.0 Climate Change Impacts

Climate impacts are considered during the tendering and completion of capital projects.

7.0 Communications

None

8.0 Conclusion

This is an information report provided to comply with legislative reporting requirements.

9.0 Recommendation

The Council receive for information, report 2023-FI-011, 2022 Annual Statement of Development Charge Activity.