



## Staff Report

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| <b>Report To:</b>       | <b>General Government Committee</b>                                    |                                  |
| <b>Date of Meeting:</b> | May 9, 2022  | <b>Report Number:</b> FSD-021-22 |
| <b>Submitted By:</b>    | Trevor Pinn, Director of Finance/Treasurer                             |                                  |
| <b>Reviewed By:</b>     | Mary-Anne Dempster, CAO  | <b>By-law Number:</b>            |
| <b>File Number:</b>     |  | <b>Resolution#:</b>              |
| <b>Report Subject:</b>  | <b>2021 Annual Statement for the Development Charges Reserve Funds</b> |                                  |

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### Recommendations:

1. That Report FSD-021-22 be received; and
2. That a copy of this report be posted on the Municipality's website.

## Report Overview

This report complies with the reporting requirements of Section 43 of the *Development Charges Act, 1997* to disclose the annual activity in the Development Charges Reserve Funds for 2021.

### 1. Background

- 1.1 In accordance with the *Development Charges Act, 1997*, Schedule “A” attached shows the activity in the Development Charges Reserve Funds for the year ended December 31, 2021, including opening and closing balances.
- 1.2 Schedule “B” attached shows capital projects which were funded during the year ended December 31, 2021 with development charges. The table shows the total expenses, development charge financing and non-development charge financing.
- 1.3 Schedule “C” attached shows operating expenses which were funded during the year ended December 31, 2021 with development charges. The table shows the total expenses, development charge financing and non-development charge financing.
- 1.4 Schedule “D” attached shows projects which have been previously approved by Council through resolution or prior years’ budgets. The amount committed relates solely to the development charges portion.
- 1.5 This statement is compliant with subsection 59.1(1) of the *Development Charges Act, 1997*.

### 2. Additional Information

- 2.1 For the year ended December 31, 2021, a total of 912 residential building permits were issued of various types. Approximately 1,135 units were anticipated for 2021 in the 2020/21 Development Charges Background Study. A total of 34 capital fund (2020 – 41) and 6 (2020 – 11) revenue fund projects have been financed by development charges.
- 2.2 The Municipality collected \$10,444,068 in municipal development charges in 2021, this compares to \$14,526,735 in 2020.
- 2.3 On January 18, 2021, Council passed by-law 2021-010, approving the Municipality’s Draft Development Charges Background Study, October 15, 2020 and the Addendum to the Development Charges Background Study, November 3, 2020 prepared by Watson & Associates Economists Ltd. The by-law came into force on January 19, 2021 and will expire five years after that date.

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- 2.4 As identified in Schedule "A", the General Government DC Reserve Fund has an available balance of \$2,020,998 at December 31, 2021, with commitments in the 2022 Budget of \$2,140,469, leaving a deficit of \$119,471. The commitments include various Planning studies and secondary plans, with the largest commitment being the required update to the Official Plan. The funds available in the DC General Government reserve fund plus expected incoming development charge proceeds in future periods will be sufficient to cover the commitments as they arise.

### **3. Concurrence**

Not Applicable

### **4. Conclusion**

It is respectfully recommended that the Annual Statement for the Development Charges Reserve Funds be received for information and made available to the public by posting on the Municipality's website.

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Staff Contact: Michelle Pick, Accounting Services Manager / Deputy Treasurer, 905-623-3379 ext.2605 or mpick@clarington.net.

Attachments:

Attachment 1 – Schedule "A" Development Charges Reserve Funds Activity 2021

Attachment 2 – Schedule "B" Development Charges Reserve Funds Capital Projects 2021

Attachment 3 – Schedule "C" Development Charges Reserve Funds Operating Expenses 2021

Attachment 4 – Schedule "D" Development Charges Reserve Funds Committed Projects

Interested Parties:

There are no interested parties to be notified of Council's decision.