



SUBJECT: 2023 Treasurer's statement for development charges reserve funds, park dedication reserve fund and the community benefit charge reserve fund

TO: Corporate Services, Strategy, Risk & Accountability Cttee.

FROM: Finance Department

Report Number: F-16-24

Wards Affected: All

Date to Committee: April 8, 2024

Date to Council: April 16, 2024

Recommendation:

Receive and file, finance department report F-16-24, 2023 providing the Treasurer's statement for Development Charges reserve funds, Park Dedication reserve fund and the Community Benefit Charge reserve fund.

PURPOSE:

In accordance with the Development Charges Act, 1997 (DCA), Planning Act, and the City's Development Charges By-law 29-2019, as amended by By-law 26-2022, the Treasurer is required to provide council with an annual treasurer's statements on the Development Charges, the City's Park Dedication and Community Benefit Charge reserve funds.

Background and Discussion:

Development Charges Reserve Fund Statement

Section 12 of O.Reg. 82/98 prescribes the information that must be included in the Treasurer's statement. The information is in addition to the opening and closing balance for the previous year and the transactions relating to that year. For each reserve fund, provide the following:

1. A description of the service for which the fund was established. If the fund was established for a service category, the service is the category.

2. For the credits in relation to the service or service category for which the fund was established,
 - i. the amount outstanding at the beginning of the previous year, given in the year, used in the year and outstanding at the end of the year,
 - ii. the amount outstanding at the beginning of the previous year and outstanding at the end of the year, broken down by individual credit holder.
3. The amount of any money borrowed from the fund by the municipality during the previous year and the purpose for which it was borrowed.
4. The amount of interest accrued during the previous year on money borrowed from the fund by the municipality.
5. The amount and source of any money used by the municipality to repay, in the previous year, money borrowed from the fund or interest on such money.
6. A schedule that identifies credits recognized under section 17 and, for each credit recognized, sets out the value of the credit, the service against which the credit is applied and the source of funds used to finance the credit.

The following is also prescribed as information to be included in the statement of the treasurer:

1. For each project that is financed, in whole or in part, by development charges,
 - i. the amount of money from each reserve fund established under section 33 of the Act that is spent on the project, and
 - ii. the amount and source of any other money that is spent on the project.
2. For each service for which a development charge is collected during the year,
 - i. whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-law, and
 - ii. if the answer to subparagraph i is no, the amount the municipality now expects to incur and a statement as to why this amount is expected.
3. For any service for which a development charge was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year.

As per item (2) the City expects to incur the amount of capital costs that were estimated in the development charge background study during the term of the development charge by-law. Further, spending occurred from each reserve fund in which development charges were collected as per item (3).

The treasurers' statement to be completed as part of the above requirements are included as Appendix A to this report.

Park Dedication Reserve Fund Statement

Section 42 of the Planning Act and Section 7 of O.Reg. 509/20 prescribes the information that must be provided to council with annual treasurer's statements on the city's Cash in Lieu of Park Land, known as the Park Dedication Reserve Fund. For this reserve fund:

1. All money received by the municipality and all money received on the sale of land less any amount spent by the municipality out of its general funds in respect of the land, shall be paid into a special account and spent only for the acquisition of land to be used for park or other public recreational purposes, including the erection, improvement or repair of buildings and the acquisition of machinery for park or other public recreational purposes.
2. The money in the special account may be invested in securities in which the municipality is permitted to invest, and the earnings derived from the investment of the money shall be paid into the special account.
3. The treasurer of the municipality shall each year, on or before the date specified by the council, give the council a financial statement relating to the special account.
4. The statement shall include, for the preceding year,
 - a. statements of the opening and closing balances of the special account and of the transactions relating to the account;
 - b. statements identifying,
 - i. any land or machinery acquired during the year with funds from the special account,
 - ii. any building erected, improved or repaired during the year with funds from the special account,
 - iii. details of the amounts spent, and
 - iv. for each asset mentioned in subclauses (i) and (ii), the manner in which any capital cost not funded from the special account was or will be funded.
5. The amount of money borrowed from the special account and the purpose for which it was borrowed.
6. The amount of interest accrued on any money borrowed from the special account.
7. The treasurer shall give a copy of the statement to the Minister on request.
8. The council shall ensure that the statement is made available to the public.

9. The report shall explain how land conveyed to the municipality and funds from the special account spent during the preceding year contributed to addressing the need for parkland in the municipality that was set out in the parks plan.

As per item (9) land conveyed to the city and funds collected under park dedication are pivotal to addressing the city's parkland needs to strengthen the community's wellbeing. The city annually uses these funds to address land acquisition, new park and park related infrastructure and manage existing park needs as per the City's parks plan.

The treasurer's statement is included as Appendix B to this report.

Community Benefit Charge Reserve Fund Statement

Section 37 of the Planning Act and Section 7 of O.Reg. 509/20 prescribes the information that must be provided to council with annual treasurer's statements on the city's Community Benefit Charge Reserve Fund. For this reserve fund:

1. All money received by the municipality under this section shall be paid into a special account and spent only for facilities, services and other matters specified in the by-law.
2. The money in the special account may be invested in securities in which the municipality is permitted to invest, and the earnings derived from the investment of the money shall be paid into the special account, and the auditor in the auditor's annual report shall report on the activities and status of the account.
3. The treasurer of the municipality shall each year, on or before the date specified by the council, give the council a financial statement relating to the special account.
4. The statement shall include, for the preceding year,
 - a. statements of the opening and closing balances of the special account and of the transactions relating to the account;
 - b. statements identifying,
 - i. facilities, services and matters acquired during the year with funds from the special account,
 - ii. details of the amounts spent, and
 - iii. for each facility, service or matter mentioned in subparagraph i, the manner in which any capital cost not funded from the special account was or will be funded
5. The amount of money borrowed from the special account and the purpose for which it was borrowed.
6. The amount of interest accrued on any money borrowed from the special account.
7. The treasurer shall give a copy of the statement to the Minister on request.

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

The treasurer's statement for the Community Benefit Charge Reserve Fund is included as Appendix C to this report.

Financial Matters:

The 2023 Development Charges Reserve Funds Statement is attached as Appendix A.

- Schedule 1 – Development Charges Reserve Funds statement
- Schedule 2 – Capital Fund Transfers

The 2023 Park Dedication reserve fund statement is attached as Appendix B.

- Schedule 1 – Park Dedication Reserve Fund statement
- Schedule 2 – Capital Fund Transfers

The 2023 Community Benefit Charge reserve fund statement is attached as Appendix C.

- Schedule 1 – Community Benefit Charge Reserve Fund Statement
 - Schedule 2 – Capital Fund Transfer
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Engagement Matters:

The 2023 Treasurer's statements included within this report are made available to the public on the city's website and upon request.

Conclusion:

The attached treasurer's statements are provided for information only.

Respectfully submitted,

Zi Zhang

Financial Analyst - Strategy and Business Consulting

905-335-7600 ext. 7921

Appendices:

A. The 2023 Development Charges reserve fund statements

- Schedule 1 – Development Charges Reserve Funds statement
- Schedule 2 – Capital Fund Transfers

B. The 2023 Park Dedication reserve fund statement

- Schedule 1 – Park Dedication Reserve Fund statement
- Schedule 2 – Capital Fund Transfers

C. The 2023 Community Benefit Charge reserve fund statement

- Schedule 1 – Community Benefit Charge Fund statement
- Schedule 2 – Capital Fund Transfers

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.