

**TOWN OF MINTO****DATE:** October 9, 2018**REPORT TO:** Mayor and Council**FROM:** Gordon Duff, Treasurer**SUBJECT:** 2017 Development Charges Reserve Funds

STRATEGIC PLAN:

5.3 Ensure financial plans to include a blend of capital financing methods including long-term debt, user fees, grants, internal reserves and taxation, and maintain reserves to the point where Minto reduces reliance on borrowing or tax increases to finance major capital expenditures.

BACKGROUND:

Development charges are imposed by the Town to recover certain growth-related capital costs from residential and non-residential developments that create the need for these capital projects.

The nature and amount of these charges are determined by a Development Charges Study following the regulations set out in the Development Charges Act, 1997. The current development charges schedule was developed as part of the Development Charges Study was approved June 2, 2015 which expires March 1, 2020. The Act requires the Treasurer annually provide a financial statement; the format of this report has changed and expanded.

COMMENTS:

Section 43(2) of the Development Charges Act (DCA) requires the Treasurer present a financial statement to Council including the following:

- Statements of the opening and closing balances of the reserve funds and of transactions relating to the funds;
- Statements identifying,
 - i. All assets whose capital costs were funded under a development charge by-law during the year,
 - ii. For each asset mentioned in (i) above, the manner in which any capital cost not funded under the by-law was or will be funded;
- A statement as to compliance with subsection 59.1 (1) of the DCA; and
- Any other information that is prescribed.

Section 59.1 (1) of the DCA specifically prohibits municipalities from imposing additional payments on developers or requiring construction of a service unless specifically authorized under the DCA or another Act. This provision does not affect a municipality's right to include conditions for installation or payment for local services but is intended to close the door on

other “voluntary” payments that may have been sought by municipalities outside the legislative framework. The importance the province places on this section is reinforced by (a) requiring that the Treasurer’s report include a statement confirming that the municipality complies with Section 59.1 (1) and (b) granting extensive investigative powers to the minister of Municipal Affairs and Housing to investigate municipal compliance.

The Town of Minto does not require any “voluntary” payments from developers and the Treasurer’s statement below will confirm compliance with Section 59.1 (1).

In the past, municipalities were required to file the Treasurer’s report with the Minister within 60 days of the presentation of the report to Council. In accordance with Section 43 of the DCA this requirement has been removed and replaced by a requirement that Council shall ensure that the statement is available to the public and that the Treasurer shall give a copy of the statement to the minister of Municipal Affairs and Housing upon request.

In order to comply with these reporting requirements:

- a) The Treasurer confirms that, for 2017 development charges reporting, the Town of Minto complies with section 59.1 (1) of the Development Charges Act, 1997; and,
- b) Recommendations in this report include Council’s acceptance of the Treasurer’s statement and direction to post the report and attachments on the Town’s website.

FINANCIAL CONSIDERATIONS:

The changes in the Development Charges noted in the attached schedules have been presented in the annual Financial Statements and on Schedule 61 of the annual Financial Information Return.

RECOMMENDATION:

The Council of the Town of Minto receives the Treasurer’s Report dated October 9, 2018 and accepts the Treasurer’s declaration that the Town is in compliance with Section 59.1 (1) of the Development Charges Act, 1997, and that the report and related attachments be posted on the Town’s website.

Gordon Duff, Treasurer