

THE MUNICIPALITY OF LAMBTON SHORES

Report TR-5-2024

Council Meeting Date: April 9, 2024

TO: Mayor Cook and Members of Council
FROM: Janet Ferguson, Director of Financial Services
RE: 2023 Development Charges Statement

RECOMMENDATION:

THAT Report TR-5-2023 regarding the 2023 Development Charges Statement is received; and

THAT the 2023 Development Charges Statement for submission to the Ministry of Municipal Affairs and Housing as per the Development Charges Act be approved.

SUMMARY

The report presents the Development Charges (DC) Act legislated reporting; the Development Charges Statement, for 2023.

BACKGROUND

Lambton Shores approved a new DC Background Study and by-law in 2023. The timing of the study and by-law allowed the Bill 23 legislation that came in to affect in late 2022 to be incorporated. Changes to the DC regulations such as: By-laws can be in place for up to 10 years from 5years, costs for administrative studies were removed, reductions for affordable housing, exemptions for non-profit housing and additional residential units, and a phase in of applicable charges.

As per section 43 of the *Development Charges Act (DCA)*, the Treasurer shall provide Council with a financial statement relating to the development charge by-law (4-2023) and reserve fund established under sec 33 of the DCA. Subsequent to providing Council with the statement, the Treasurer shall provide a copy of the statement to the Minister of Municipal Affairs and Housing within 60 days.

The statement (figure 1) reflects contributions of \$144,177.93, interest revenue of \$363,941.33 and an allocation of \$293,779.46 in conjunction with the 2023 budget.

Attachment 2 provides a list of the credits for the former Wondergrove Cottages property in Grand Bend. These credits are to recognize the pre-existing use. As properties are developed, the credits will be applied. There were 2 properties developed in 2023.

ALTERNATIVES TO CONSIDER

None

RECOMMENDED ACTIONS

That this report is received and the Development Charges Statement is approved.

FINANCIAL IMPACT

Acceptance of this report has no financial impact for Lambton Shores. The information shown in the statement is as per collections in 2023 and the approved Budget.

In conjunction with the Municipal Finance Officers of Ontario (MFOA), staff have tracked the impact of Bill 23 on the collection of DC's. For 2023 and the development we have had, Lambton Shores had a loss in revenue of \$34,402.00 due to the phase in of rates.

CONSULTATION

None

Attachment 1 – Figure 1 Treasurers Statement

Attachment 2 – Capital Fund Transactions

Attachment 3 – Statement of Credit Holder

Figure 1
Municipality of Lambton Shores
Annual Treasurer's Statement of Reserve Funds for By-Law 04-2023

Description	Services to which the Development Charge Relates									Total
	Non-Discounted Services						Discounted Services			
	Roads & Related	Water	Wastewater	Protection ⁴	Storm	Administratoin	Parking	Parks and Recreation ⁵	Library	
Opening Balance, January 1, 2023	\$ 1,740,028.72	\$ 2,817,903.71	\$ 608,103.97	\$ (6,501.19)	\$ -	\$ 66,322.67	\$ 63,659.83	\$ 1,260,662.65	\$ 57,325.66	\$ 6,607,506.02
Plus:										
Development Charge Collections	\$ 89,076.81	\$ (15,671.51)	\$ 43,038.14	\$ 7,245.62	\$ 1,371.08	\$ (268.76)	\$ -	\$ 19,386.55		\$ 144,177.93
Accrued Interest	\$ 133,690.71	\$ 154,481.93	\$ 33,740.08	\$ 10,874.57	\$ 2,057.78	\$ -	\$ -	\$ 29,096.26		\$ 363,941.33
Repayment of Monies Borrowed from Fund and Associated Interest ¹										
Sub-Total	\$ 222,767.52	\$ 138,810.42	\$ 76,778.22	\$ 18,120.19	\$ 3,428.86	\$ (268.76)	\$ -	\$ 48,482.81	\$ -	\$ 508,119.26
Less:										
Amount Transferred to Capital (or Other) Funds ²	\$ 50,531.36		\$ 50,000.00					\$ 173,248.10	\$ 20,000.00	\$ 293,779.46
Amounts Loaned to Other D.C. Service Category for Interim Financing										
Credits ³			\$ -							\$ -
Sub-Total	\$ 50,531.36	\$ -	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 173,248.10	\$ 20,000.00	\$ 293,779.46
Closing Balance, December 31, 2021	\$ 1,912,264.88	\$ 2,956,714.13	\$ 634,882.19	\$ 11,619.00	\$ 3,428.86	\$ 66,053.91	\$ 63,659.83	\$ 1,135,897.36	\$ 37,325.66	\$ 6,821,845.82

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

² See Attachment 1 for details

³ See Attachment 2 for details

⁴ Service category includes: Fire Services

⁵ Service category includes: Indoor Recreation Services and Outdoor Recreation Services

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
Municipality of Lambton Shores
Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions

Capital Fund Transactions	Gross Capital Cost	DC Recoverable Cost Share					Non-D.C. Recoverable Cost Share					
		D.C. By-Law Period		Post D.C. By-Law 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						
<u>Transportation</u>												
Pickup Truck	\$ 50,531.36	\$ 50,531.36										
Sub-Total Transportation	\$ 50,531.36	\$ 50,531.36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Recreation</u>												
Ipperwash Trail	\$ 72,604.54	\$ 21,781.36					\$ 50,823.18					
Forest Walkway	\$ 133,066.74	\$ 63,266.74					\$ 35,000.00					34,800.00
Grand Bend Washrooms	450,000.00	70,200.00					379,800.00					
Sub-Total Recreation	\$ 655,671.28	\$ 155,248.10	\$ -	\$ -	\$ -	\$ -	\$ 465,623.18	\$ -	\$ -	\$ -	\$ -	\$ 34,800.00
Total Capital Fund Transactions	\$ 706,202.64	\$ 205,779.46	\$ -	\$ -	\$ -	\$ -	\$ 465,623.18	\$ -	\$ -	\$ -	\$ -	\$ 34,800.00

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

Operating Fund Transactions	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. By-Law Period			Non-D.C. Recoverable Cost Share		
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
<u>Parks and Recreation</u>									
The Shores Recreation Centre	\$ 214,165.22	\$ 10,345.00	\$ 7,655.00				\$ 112,740.43	\$ 83,424.79	User Fees/Taxation
The Legacy Recreation Centre	\$ 245,505.22	\$ 12,209.90	\$ 7,790.10				\$ 137,669.83	\$ 87,835.39	User Fees/Taxation
Sub-Total -Parks and Recreation	\$ 459,670.44	\$ 22,554.90	\$ 15,445.10	\$ -	\$ -	\$ -	\$ 250,410.26	\$ 171,260.18	
Total Operating Fund Transactions	\$ 459,670.44	\$ 22,554.90	\$ 15,445.10	\$ -	\$ -	\$ -	\$ 250,410.26	\$ 171,260.18	

Attachment 2
Municipality of Lambton Shores
Statement of Credit Holder Transactions

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance Outstanding Beginning of Year 2023	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of Year 2023
520 010 46799 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$0.00	\$1,886.79
520 010 46798 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$0.00	\$1,886.79
520 010 46795 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$1,886.79	\$0.00
520 010 46794 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$1,886.79	\$0.00
520 010 46793 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$0.00	\$1,886.79
520 010 46792 0000	Water, Wastewater, Municipal Wide	\$1,886.79	\$0.00	\$0.00	\$1,886.79
				Total	\$7,547.16