

SCHEDULES: By-law Number 2021-046

Schedule Reference:	DC1 through DC10
Reserve Fund Category:	Growth & New Infrastructure
Reserve Fund Name:	Various DC component reserve funds
Financial Statement Location:	Deferred Revenue (Obligatory Reserve Fund)

The various statutory Reserve Funds (the “Funds”) required by the Development Charges Act (DCA) are hereby established to receive and hold the Township’s component separated development charges collected from developers and builders in accordance with the DCA and the Township’s local Development Charges by-law as updated from time to time. Funds are to be used to fund DC eligible portions of eligible growth related projects as required of the DCA and as anticipated in or substituted for a project in the most recent Development Charges Background Study.

Contributions are direct developer or builder contributions received, or unused funds previously allocated from this reserve to capital projects, but remaining unspent. Fund balances will earn and retain annual interest allocations as determined annually by the Treasurer.

There is no target balance for these reserve fund accounts. Allocations of balances in the Funds will be planned for specific projects and purposes as approved by Council during the annual budget process or other times throughout the year, for the cash payment or allowance of qualified development charge credits as they are due, or made as part of the year-end accounting processes as reported to Council for approval by the Treasurer. Annual activity reports for this reserve fund are due to Council as required of the DCA.

In accordance with the DCA, Council may not repurpose these dedicated funds. At any time, acting in the best interests of the Township, the Treasurer may loan funds from any DC reserve fund to another DC reserve fund, provided such loan is repaid, and is paid interest from the recipient fund while outstanding, all in accordance with the provisions and restrictions of the DCA. The combined total balance of all such DC reserve funds should not become overdrawn.

As required by statute and by Public Accounting Standards Board requirements, Development Charges collected but unspent are to be considered Deferred or Unearned Revenues, and must appear in the Liabilities section of the Township’s annual financial statements.

The Funds are hereby established arising from the renaming of the existing DC reserve fund accounts and balances.