

The Corporation of the Town of Deep River
REPORT
2025- FIN-17

Council Meeting Date: May 21, 2025
Council Meeting Time: 6:00 PM
Council Meeting Place: Council Chambers

Subject: Development Charges Treasurer's Annual Statement 2024

Author: Elaine Taylor, Director of Finance/Treasurer

RECOMMENDATION(S):

BE IT RESOLVED THAT report number 2025-FIN-17 "**Development Charges Treasurer's Annual Statement 2024**" be received,

THAT Council hereby adopts this report by Resolution as required under the *Development Charges Act, 1997, Ontario Regulation 82/98*, and

THAT Council directs staff to make the report publicly available on the Town's website as required under the *Development Charges Act, 1997, Ontario Regulation 82/98*.

Development Charges Treasurer's Annual Statement 2024

Report Number 2025-FIN-17

BACKGROUND:

Section 43 (1) of the Development Charges Act and Section 12 of Ontario Regulation 82/98 requires that the treasurer provide a financial statement to Council related to development charges and the associated reserve funds, including:

- A statement of the opening and closing balances of the reserve funds and of the transactions relating to the funds;
- A statement of any municipal borrowings against the development charge reserve funds;
- A statement identifying assets whose capital costs were funded under a development charge by-law during the year, and the manner in which any capital cost not funded under the by-law was or will be funded;
- A statement regarding future capital costs related to the services for which development charges are collected;
- A schedule of development charge credits recognized under section 17 of the Act; and
- A statement of compliance with Section 59.1(1) of the Act.

In 2022, Council approved By-Law 40-2022 *A By-Law for the Imposition of Development Charges for the Town of Deep River*. The By-Law imposed development charges for Wastewater Services.

ANALYSIS & RATIONALE:

Statements of Compliance with section 59.1

The Municipality is compliant with section 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.

Statement regarding spending during 2024

The opening balance of the Development Charges reserve fund was \$158,601.37. Development Charges received in 2024 were \$2,999.65. A total of \$161,601.02 was spent in 2024.

Capital expenses related to those projects for which development charges were collected in 2024 were planned for 2024, and include:

- Wastewater collection system rehabilitation and extensions

Several growth-related projects identified in the Development Charges Background Study have been completed and were funded through municipal operating funds, as no

Development Charges Treasurer's Annual Statement 2024

Report Number 2025-FIN-17

development charges had been collected at that time.

Financial Statements of Development Charges for fiscal year 2024

For the fiscal year 2024, a total of **\$2,999.65** in Development Charges were imposed and collected .

The following tables summarize the development charges collected, and provide further detail as required:

- Table 1 lists the individual development charges imposed and collected
- Table 2 lists the opening and closing balances of the Development Charges reserve fund
- Table 3 lists the assets and capital projects funded by Development Charges
- Table 4 lists Development Charges credits

Development Charges Treasurer's Annual Statement 2024

Report Number 2025-FIN-17

Table 1: Statement of Development Charges imposed and collected

Building Permit Number	Type of development	Development Charges imposed	Development Charges collected	Comment
B23-29	Residential	2,823.30	2,823.30	Paid Jun 22, 2023
B23-77	Residential	8,785.60	8,785.60	Paid Nov. 20, 2023
B23-56	Non-residential	22,725.85	22,725.85	Paid Feb. 15, 2024
LTC23-47	Institutional	124,266.62	124,266.62	Paid Nov. 11, 2024
B24-05	Residential	2,999.65	2,999.65	Paid Mar. 5 2024
Total		\$161,601.02	\$161,601.02	

Table 2: Opening and closing balances of Development Charges reserve fund

Description	Wastewater Services
Opening Balance, January 1, 2024	\$158,601.37
<u>Plus:</u>	
Development Charge Billed	2,999.65
Accrued Interest	0
Repayment of Monies Borrowed from Fund and Associated Interest (including source of funds)	0
Sub-Total	\$161,601.02
<u>Less:</u>	
Amount Transferred to Capital (or Other) Funds	(161,601.02)
Amounts Refunded	0
Amounts Loaned to Other D.C. Service Category for Interim Financing	0
Credits	0
Sub-Total	0
Closing Balance, December 31, 2024	\$zero

Development Charges Treasurer's Annual Statement 2024

Report Number 2025-FIN-17

Table 3: Capital projects funded by Development Charges

Project	Total project cost	Costs Incurred to December 31, 2024	Amount Funded from current DC reserves	Amount funded from future DCs	Amount Funded from Other Reserves	Debt	Funding from grants / subsidies / other sources
2024 Hammond Court - Wastewater	595,174	595,174	(3,000)	0	(107,174)	0	(485,000)
2024 Sewer Main Relining	734,942	734,942	(48,644)	0	(86,298)	(550,000)	(50,000)
2024 Manhole Repair Program	16,180	16,180	0.00	0	(16,180)	0	0
2024 General Capital Work – Wastewater (OCWA)	109,957	109,957	(109,957)	0	0	0	0
Total	1,456,253	1,456,253	(161,601)	0	(209,652)	(550,000)	(535,000)

Table 4: Development Charge Credits

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance Outstanding Beginning of 2024	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of 2024
No DC credits have been issued	Wastewater	0.00	0.00	0.00	0.00

In keeping with the requirements under Section 43 (2.1) of the *Development Charges Act*, staff will ensure that this report is publicly available by posting it on the municipal website and providing hard copies upon request at Town Hall.

OTHER ALTERNATIVES CONSIDERED:

This report is required by Ontario Regulation 82/98. No other alternatives are considered.

FINANCIAL IMPLICATIONS:

The balances of the reserve funds and collection of development charges are taken into account when preparing the annual budget. Note that recent changes to the Development Charges Act require that municipalities spend “*at least 60% of the monies that are in a reserve fund for ...*”

1. *Water supply services, including distribution and treatment services.*
2. *Wastewater services, including sewers and treatment services.”*

(Section 35 (2) of the Development Charges Act)

Staff will incorporate this requirement into the funding for wastewater capital projects related to growth proposed for the future including:

- Wastewater system rehabilitation and extensions
- Sanitary Sewer main relining

ALIGNMENT WITH STRATEGIC PLAN:

This report is related to “A Foundation of Excellence and Stability” pillar in the strategic plan as this is a compliance report in accordance with the Development Charges Act, 1997 (O. Reg 82/98).

A Foundation of Excellence and Stability - We are committed to accountability, transparency, and excellence in our work. We will grow and nurture our people.

- Develop and implement a performance measurement framework to support the implementation of the Strategic Plan and prioritizes accountability and transparency
- Improve our two-way communication and engagement with our residents and community
- Improve our resident-facing processes
- Develop and nurture our people, our capabilities, and our workplace culture

CONSULTATIONS:

None

ATTACHMENTS:

No attachments.