

# City of Belleville

Report No: DF-2024-14

Meeting Date: August 26, 2024



**To:** Mayor and Members of Council

**Department:** Finance

**Staff Contact:** Brandon Ferguson, Director of Finance, Treasurer

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**Subject: Development Charge Reserve Fund Treasurer's Statement for the year ended December 31, 2023**

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## **Recommendation:**

THAT Report No. DF-2024-05 Development Charge Reserve Fund - Treasurer's Statement for the year ended December 31, 2023, be received for information.

## **Strategic Plan Alignment:**

Industrial and Commercial Development: Ensure suitable serviced employment lands are available to meet the needs of all potential industrial and commercial investments

Residential Development: Plan for residential growth to meet our needs for 20 years and designate sufficient land in our planning documents to accommodate residential growth for 10 years

## **Background:**

### **Development Charge Overview**

Development Charges are collected by municipalities in accordance with the *Development Charges Act, 1997* (the Act) to recover a portion of the growth-related costs associated with the infrastructure required to service new development. These charges are established by by-law, based on the completion of a Background study process. The Background Study is prepared pursuant to the requirements of the Act and is the basis for the Development Charge rates that are adopted.

In accordance with the legislation, the Development Charges background study and proposed Development Charges by-law are made available for public review and input prior to approval.

Recent background Studies

<i>Bylaw</i>	<i>Description</i>	<i>Passed</i>
2020-16	Approval of Stanley Park -Area Specific Development Charge Background Study and Rates	January 27, 2020
2021-201	Approval of City-wide Development Charge Background Study and Rates (previously bylaw 2021-18)	December 13, 2021

The City of Belleville Background studies determine the proposed development charge rates by establishing the anticipated development (residential and non-residential) which will occur and the need for service. The rates are obtained by dividing the net recoverable costs of development across the anticipated types of development.

Development Charge Legislation Updates

Over the course of the last few years a number of changes have been made to the legislation surrounding Development Charges. Many of these changes are reflected through Bill 108, 109, 23, and 185 and staff have outlined relevant changes and impacts in Staff report **SGS-2024-10**. Some items of particular relevance and impact the City's Development Charge collection and utilization include;

- **Accessory Dwelling Units** - Additional permissions to permit an accessory dwelling unit (ADU) in a house or in an accessory building or structure ancillary to a house is exempt from development charges.
- **Development Charge payment in Installments** - rental housing charges deferred in 6 equal installments. .
- **Not-for-profit housing, Affordable and Attainable Units** - Units under these types of development are exempt from development charges.
- **Rental Housing Discount** - Rental housing developments are reduced by a percentage based on the number of bedrooms.

**Financial/Analysis:**

**Development Charge Reserve Fund**

Development charge reserve funds are established by category to administer the collection and distribution of development charge funds. Each project under the current development charge bylaw is maintained and funds utilized as approved through the budgetary process.

**Annual Reporting**

Pursuant to Section 43(1) of the Act, the municipal treasurer is required to provide Council with a financial statement relating to the development charge bylaws and reserve funds established under section 33. The financial statement discloses the annual development charge continuity for each service category for which charges are collected.

In addition, the details for each capital project funded in whole or in part by development charges must be provided along with the source of any other project revenue. The attached Annual Treasurer's Statement of Reserve Funds for Development Charges and Amount

Transferred to Capital Funds - Transactions and Amount Transferred to Operating Funds – Transactions satisfy the reporting requirements as prescribed.

The City's Development Charge Reserve Fund continuity is also summarized below:

Description	City-wide	Stanley Park	Total
	By-law	By-law	
Opening Balance, January 1, 2023	\$ 37,549,190	\$ 220	\$ 37,549,410
<b>Plus:</b>			
Development Charge Collections	27,461,588	-	27,461,588
Accrued Interest	2,219,253	10	2,219,263
<b>Sub-Total</b>	<b>29,680,841</b>	<b>10</b>	<b>29,680,851</b>
<b>Less:</b>			
Amount Transferred to Capital Funds	(1,797,275)	-	(1,797,275)
Amount Transferred to Operating Funds	(1,162,418)	-	(1,162,418)
Amount Refunded	-	-	-
<b>Sub-Total</b>	<b>(2,959,693)</b>	<b>-</b>	<b>(2,959,693)</b>
<b>Closing Balance, December 31, 2023</b>	<b>\$ 64,270,338</b>	<b>\$ 230</b>	<b>\$ 64,270,568</b>

Development charges collected during 2023 increased by \$6.6M, totaling \$27,461,588. A breakdown of source of the charges collected is outlined below;

Development Charges Collected	2023	2022
Collected from Users	6,232,418	5,146,943
Waiver / Phase-in (City Cost)	21,229,169	15,743,421
<b>Total</b>	<b>27,461,588</b>	<b>20,890,364</b>

Waiver / phase-in costs occur when the City chooses to provide a discretionary exemption or a discounted cost in the development charge fees, as well as when non-discretionary exemptions are implemented and approved through legislation.

Utilization in 2023 increased by approximately \$1.7M from 2022, and totaled \$2,959,693. The increase is largely attributable to increased transfer to capital to fund expenditures associated with the Avonlough Pumpstation and sanitary sewer extension.

### Reporting

As stated in the Act, a copy of this statement shall be provided to the Minister of Municipal Affairs and Housing (MMAH) on request and the City ensure that the Treasurer's Annual Statement is available to the public and staff. To satisfy these requirements a copy of this report and the attachments will be posted on the City's website.

### **Conclusion:**

It is recommended that the Development Charge Reserve Fund - Treasurer's Statement for the year ended December 31, 2023 be received for information.

### **Attachments:**

[2023 Development Charges - Annual Treasurer's Statement](#)

**Approved by:**

Matt MacDonald, Chief Administrative Officer  
Rod Bovay, Chief Administrative Officer  
Perry DeCola, General Manager - Environmental  
Services

**Status:**

None  
None  
None

**City of Belleville**  
**Annual Treasurer's Statement of Reserve Funds For Development Charges - Bylaw 2021-201**  
**for the year ended December 31, 2023**

Description	Services to which the Development Charge Relates									
	Roads & Related	Water	Wastewater	Fire & Police	Growth-Related Studies	Ambulance	Social Housing	Parks and Recreation	Library	
Opening Balance, January 1, 2023	\$ 15,953,369	\$ 5,723,710	\$ 10,924,476	\$ 841,236	\$ 566,340	\$ 121,091	\$ 10,849	\$ 3,298,992	\$ 109,127	\$ 37,549,190
<b>Plus:</b>										
Development Charge Collections	9,583,893	3,330,343	10,758,556	795,056	771,901	121,143	1,664	2,099,032	-	27,461,588
Accrued Interest	897,799	319,770	705,580	53,610	41,212	7,862	506	188,191	4,723	2,219,253
Repayment of Monies Borrowed from Fund and Associated Interest										
<b>Sub-Total</b>	<b>26,435,061</b>	<b>9,373,823</b>	<b>22,388,612</b>	<b>1,689,902</b>	<b>1,379,453</b>	<b>250,096</b>	<b>13,019</b>	<b>5,586,215</b>	<b>113,850</b>	<b>67,230,031</b>
<b>Less:</b>										
Amount Transferred to Capital Funds	(243,496)	-	(1,490,099)	-	-	-	-	(33,680)	(30,000)	(1,797,275)
Amount Transferred to Operating Funds	-	(116,347)	(113,256)	(192,266)	(279,557)	-	-	(460,992)	-	(1,162,418)
Amounts Refunded	-	-	-	-	-	-	-	-	-	-
Amounts Loaned to Other D.C. Service Category for Interim Financing	-	-	-	-	-	-	-	-	-	-
Credits	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>(243,496)</b>	<b>(116,347)</b>	<b>(1,603,355)</b>	<b>(192,266)</b>	<b>(279,557)</b>	<b>-</b>	<b>-</b>	<b>(494,672)</b>	<b>(30,000)</b>	<b>(2,959,693)</b>
<b>Closing Balance, December 31, 2023</b>	<b>\$ 26,191,565</b>	<b>\$ 9,257,476</b>	<b>\$ 20,785,257</b>	<b>\$ 1,497,636</b>	<b>\$ 1,099,896</b>	<b>\$ 250,096</b>	<b>\$ 13,019</b>	<b>\$ 5,091,543</b>	<b>\$ 83,850</b>	<b>\$ 64,270,338</b>

General Statements:

(1) The City 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.

(2) Pursuant to Section 12(2) of Ontario Regulation 82/98 (the Regulation), the City does not have any outstanding Development Charge credits or credit activity to disclose.

(3) Pursuant to Section 12(3) of the Regulation, spending did not occur in the period within the following service areas:

Roads & Related: Minor adjustments to timing of projects and adjustments to existing DC funded projects in accordance with D.C. Background Study.

Ambulance: There are no projects scheduled within reporting period.

Social Housing: There are no projects scheduled within reporting period.

Schedule 1 - Bylaw 2021-201

City of Belleville

Amount Transferred to Capital Funds - Transactions

Capital Fund Transactions	Gross Capital Cost	DC Recoverable Cost Share		Non-D.C. Recoverable Cost Share						
		D.C. Reserve Fund Draw (current year)	D.C. Reserve Fund Draw (prior years)	Other Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Gas Tax	Debt Financing	Grants, Subsidies Other Contributions	
<b>Roads &amp; Related</b>										
Avondale Road, Harder Drive to Dundas West	2,822,894	-	435,371	(51,776)			2,439,299			
Tracey-Sidney Intersection Improvements										
Bell/Sidney Intersection Improvements	6,419,067	-	990,004	1,170,152			4,107,987	150,924		
Sidney Street Widening, Tracey Street to Bell Boulevard										
Farnham Road, Maitland to Scott Drive	140,861	-	26,316			114,545				
Bell Boulevard Widening (Sidney Street to Wallbridge Loyalist)	8,385,931	-	1,250,000	845,817	305,000					5,985,114
Maitland Drive Paved Shoulder - Sidney Street to Hwy 62	496,115	-	175,432	100,683			220,000			
Sidney Street / College Street West Intersection Improvements	615,617	(8,141)	103,087	190,671	330,000					
Bridge Street West / Sidney Street Intersection	1,335,796	96,374	109,644	1,005,578	124,200					
Bike Lanes - Bridge Street West to Loyalist College	1,694,903	13,953	393,021	1,007,948						279,981
Additional Plow Truck	7,034	3,848		3,186						
Additional Sidewalk Plow	199,241	108,996		90,245						
Additional Vehicles and Equipment	52,035	28,466		23,569						
<b>Sub-Total - Roads &amp; Related</b>	<b>22,169,494</b>	<b>243,496</b>	<b>3,482,875</b>	<b>4,386,073</b>	<b>873,745</b>	<b>-</b>	<b>6,767,286</b>	<b>150,924</b>	<b>6,265,095</b>	
<b>Water</b>										
Farnham Road, Maitland to Scott Drive	40,000		22,500				17,500			
<b>Sub-Total - Water</b>	<b>40,000</b>	<b>-</b>	<b>22,500</b>	<b>-</b>	<b>-</b>	<b>17,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Wastewater</b>										
Farnham Road, Maitland to Scott Drive	30,000		30,000				-			
Avonlough Road Sanitary Sewer Extension, Dundas to north of CN Tracks	1,101,927	936,638		165,289						
Avonlough Sewage Pump Station	1,013,802	553,461		460,341						
<b>Sub-Total - Wastewater</b>	<b>2,145,729</b>	<b>1,490,099</b>	<b>30,000</b>	<b>625,630</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fire &amp; Police</b>										
<b>Sub-Total - Fire &amp; Police</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Parks and Recreation</b>										
Outdoor Recreational Facility Design	1,605	777		828						
Off Road Cycling/Multi Purpose Trails - Shirley Langer Trail Extension	1,544,098	32,903	215,000	639,244	656,951					
Jackson Woods Playground	121,920	-	121,920							
<b>Sub-Total - Parks and Recreation</b>	<b>1,667,623</b>	<b>33,680</b>	<b>336,920</b>	<b>640,072</b>	<b>656,951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Library</b>										
Additional Library Materials	30,000	30,000								
<b>Sub-Total - Library</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>\$ 26,052,846</b>	<b>\$ 1,797,275</b>	<b>\$ 3,872,295</b>	<b>\$ 5,651,775</b>	<b>\$ 1,530,696</b>	<b>\$ 17,500</b>	<b>\$ 6,767,286</b>	<b>\$ 150,924</b>	<b>\$ 6,265,095</b>	

**Schedule 1 - Bulaw 2021-201**  
**City of Belleville**

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

Operating Fund Transactions	D.C. Reserve Fund Draw for Studies	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Non-D.C. Recoverable Cost Share				Total Transferred to Operating
			Principal	Interest	Principal	Interest	Source	Source	
<b><u>Roads &amp; Related</u></b>									-
Sub-Total - Roads & Related	-	-	-	-	-	-	-	-	-
<b><u>Water</u></b>									
NE Feedermain		465,390	76,270	40,077	228,811	120,232			116,347
Sub-Total - Water	-	465,390	76,270	40,077	228,811	120,232	-	-	116,347
<b><u>Wastewater</u></b>									
Dundas St W Extension		208,322	76,672	36,584	64,355	30,711			113,256
Sub-Total - Wastewater	-	208,322	76,672	36,584	64,355	30,711	-	-	113,256
<b><u>Storm Water</u></b>									
Sub-Total - Storm Water	-	-	-	-	-	-	-	-	-
<b><u>Fire &amp; Police</u></b>									
Fire Hall #1 -Bettes		359,177	107,983	51,523	135,167	64,504			159,506
Fire Hall #5 - Plainfield		32,760	22,412	10,348					32,760
Sub-Total - Fire & Police	-	391,937	130,395	61,871	135,167	64,504	-	-	192,266
<b><u>Growth-Related Studies</u></b>									
Bell Boulevard Corridor Study	40,896							4,544	40,896
Loyalist Secondary Plan Update	163,305							26,585	163,305
Transit Master Plan	75,356							36,283	75,356
Sub-Total - Growth-Related Studies	279,557	-	-	-	-	-	-	67,411	279,557
<b><u>Parks and Recreation</u></b>									
Debt repayment - Multiplex		1,251,158	312,534	148,458	535,701	254,465			460,992
Sub-Total - Parks and Recreation	-	1,251,158	312,534	148,458	535,701	254,465	-	-	460,992
<b><u>Library</u></b>									
Sub-Total - Library	-	-	-	-	-	-	-	-	-
<b>Total</b>	\$ 279,557	\$ 2,316,807	\$ 595,871	\$ 286,990	\$ 964,034	\$ 469,912	\$ -	\$ 67,411	\$ 1,162,418

**City of Belleville**  
**Annual Treasurer's Statement of Reserve Funds for Stanley Park - Bylaw 2020-16**  
**for the year ended December 31, 2023**

Description	Services to which the Development Charge Relates									Total
	Roads & Related	Water	Wastewater	Fire & Police	Growth-Related Studies	Ambulance	Social Housing	Parks and Recreation	Library	
Opening Balance, January 1, 2023	\$ 220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220
Plus:										
Development Charge Collections	-	-	-	-	-	-	-	-	-	-
Accrued Interest	10	-	-	-	-	-	-	-	-	10
Repayment of Monies Borrowed from Fund and Associated Interest <sup>1</sup>	-	-	-	-	-	-	-	-	-	-
Sub-Total	230	-	-	-	-	-	-	-	-	230
Less:										
Amount Transferred to Capital Funds	-	-	-	-	-	-	-	-	-	-
Amount Transferred to Operating Funds	-	-	-	-	-	-	-	-	-	-
Amounts Refunded	-	-	-	-	-	-	-	-	-	-
Amounts Loaned to Other D.C. Service Category for Interim Financing	-	-	-	-	-	-	-	-	-	-
Credits	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-
Closing Balance, December 31, 2023	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230

General Statements:

- (1) The City 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.
- (2) Pursuant to Section 12(2) of Ontario Regulation 82/98 (the Regulation), the City does not have any outstanding Development Charge credits or credit activity to disclose.
- (3) Pursuant to Section 12(3) of the Regulation, spending did not occur in the period as there are no projects scheduled within the reporting period.

Schedule 1 - Stanley Park Bylaw 2020-16

City of Belleville

Amount Transferred to Capital Funds - 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. Reserve Fund Draw (prior years)	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
Roads & Related												
Sub-Total - Roads & Related	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total for Bylaw</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

Operating Fund Transactions	D.C. Reserve Fund Draw for Studies	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. By-Law Period			Non-D.C. Recoverable Cost Share			Total Transferred to Operating
			Principal	Interest	Principal	Interest	Source	Principal	Interest	Source	
Roads & Related											-
Sub-Total - Roads & Related	-	-	-	-	-	-	-	-	-	-	-
<b>Total for Bylaw</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -