



## City of North Bay Report to Council

Report No: CORP-2024-067

Date: July 31, 2024

Originator: Shannon Saucier

Business Unit:

Department:

Corporate Services

Financial Services Department

Subject: 2023 Treasurer's Statement on Development Charges

Closed Session: yes  no

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### Recommendation

That Council receive the 2023 Treasurer's Statement on Development Charges, for information purposes, as attached to Report to Council CORP 2024-067 dated July 31, 2024 from Shannon Saucier and that a copy be submitted to the Minister of Municipal Affairs and Housing upon request.

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### Background

Section 43 (1) of the Development Charges Act, 1997, S.O. 1997, c. 27, (the Act), states that the treasurer of a municipality shall each year on or before such date as the council of the municipality may direct, give the council a financial statement relating to development charge by-laws and reserve funds established under section 33.

Section 43 (2) of the Act requires the statement to include the opening and closing balances of the reserve funds and the transactions relating to the funds; all 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; and a statement as to the compliance with subsection 59.1 (1) of the Act. The Treasurer's Statement is to be made available to the public.

Section 43 (3) of the Act stipulates that the Treasurer shall provide a copy of the statement to the Minister of Municipal Affairs and Housing on request.

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## Financial/Legal Implications

This information is being presented to Council to comply with the reporting requirements stipulated in Section 43(1) of the Development Charges Act.

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### Corporate Strategic Plan

- Natural North and Near
- Affordable Balanced Growth
- Responsible and Responsive Government
- Economic Prosperity
- Spirited Safe Community

### Specific Objectives

Consider all aspects of decisions to fund new infrastructure

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### Options Analysis

Development Charges (DCs) are fees collected by municipalities to assist in financing the growth-related capital costs of providing services such as roads, water and wastewater services, police, fire and transit. Development Charges are determined in accordance with the City's Development Charges By-Law No. 2019-72 as amended (formerly By-law 2014-128) and fees collected are deposited into the appropriate reserve funds based on service category.

The following summarizes the combined activity that occurred in the Development Charges reserve funds during the 2023 fiscal year:

<b>Balance Beginning of the Year</b>	<b>\$4,018,349.50</b>
Add: Development Charges Collected/ Receivable in 2023	133,275.65
Add: Interest Earned in 2023	200,911.73
Less: Development Charges Transferred to Fund Growth Related Capital Projects in 2023	(186,757.52)
<b>Closing Balance End of Year</b>	<b>\$4,165,779.36*</b>
<i>*A total of \$3,098,588.19 has been committed for capital projects and \$31,687.52 has been committed for future DC Background Studies</i>	

Development Charges collected are allocated to growth related capital projects as part of the City's capital budgeting process. A total of \$1,435,000 of the Development Charges reserve balance has been earmarked to finance growth related capital projects in the 2024 Capital Budget and Capital Forecast for 2025 to 2033. These projects were identified based on the July 25, 2019 Background Study completed by Hemson Consulting Ltd. There is also an additional \$1,663,588.19 in Development Charges earmarked for pre-2024 capital projects and \$31,687.52 for future DC Background Studies.

Development Charges remain in the reserve funds until eligible expenditures have been incurred, at which time the funds are transferred from the reserve funds to the growth related capital projects.

Section 59.1 (1) of the Act stipulates that “a Municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by this Act or another Act.” The City was compliant with this requirement during the reporting period.

In accordance with Section 43 of the Act, Schedule A provides a summary of the financial activity in the Development Charge reserve funds by service category for the year ended December 31, 2023. Schedule B provides a detailed breakdown of the sources of funding for each capital project that was funded in part by Development Charges in 2023.

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### **Recommended Option**

That Council receive the 2023 Treasurer’s Statement on Development Charges, for information purposes, as attached to Report to Council CORP 2024-067 dated July 31, 2024 from Shannon Saucier and that a copy be submitted to the Minister of Municipal Affairs and Housing upon request.

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Respectfully submitted,

Name: Shannon Saucier, CPA, CA  
Title: Director, Strategic Initiatives

### **I concur with this report and recommendation**

Name Margaret Karpenko, CPA, CMA  
Title: Chief Financial Officer /Treasurer

Name John Severino, P.Eng., MBA  
Title: Chief Administrative Officer

Personnel designated for continuance:  
Shannon Saucier, CPA, CA  
Director, Strategic Initiatives

Attachments:

Schedule A - Financial Activity in the Development Charges Reserve Funds for the Year Ended December 31, 2023

Schedule B - Capital Projects Funded by Development Charges for the Year Ended December 31, 2023