

**DATE:** December 15, 2025

**REPORT NO:** T-21-2025

**SUBJECT:** **Treasurer's Annual Statement for 2024 Development Charges**

**CONTACT:** Steve Emslie, CPA, CA Manager, Finance/Deputy Treasurer  
Katelyn Repovs, CPA, CA Director, Corporate Services/CFO

**OVERVIEW:**

- In accordance with the *Development Charges Act, 1997*, this report provides a year-end summary of development charge activity and reserve fund balances for the 2024 calendar year.

**RECOMMENDATION:**

1. That, Information Report T-21-2025, dated December 15, 2025, regarding "Treasurer's Annual Statement for 2024 Development Charges", be received; and,
2. That, this report and the accompanying schedules be made available to the public on the Township of West Lincoln's website.

**ALIGNMENT TO STRATEGIC PLAN:**

**Theme # 1, 2, 4**

- **Theme 1: Build a safe, connected, caring and active community:** Development Charges provide funding for projects that have a growth component.
- **Theme 2: Champion strategic and responsible growth:** Development Charges act as key funding component to meet infrastructure requirements brought on by growth.
- **Theme 4: Foundational: Advance organizational capacity and effectiveness:** Preparation and presentation of this report will ensure that the Township complies with legislated reporting obligations.

**BACKGROUND:**

Development charges (DCs) are one-time fees collected on new (or additions/expansions of) residential and non-residential properties, to finance a portion of the capital infrastructure requirements associated with growth. Amounts collected are held in the designated Development Charge (DC) Reserve Fund account and accumulate interest. The growth-related spending authority is approved annually as part of the Township's budget process, with capital projects included in the DC Background Study being eligible for development charge funding. The most recent DC Background Study was completed

and approved in 2024, with an effective date of October 29, 2024.

Annually, the Treasurer of a municipality is required to provide Council with a financial statement related to the development charge by-law and reserve funds.

Under the *Development Charges Act, 1997 (DCA)*, subsection 43(2) and O. Reg. 82/98 prescribe the information that must be included in the Treasurer's Statement, as follows:

- opening and closing balances of the reserve funds;
- description of each service for which the reserve fund was established;
- all transactions for the year;
- for projects financed by DCs, the amount spent on the project from the DC reserve fund, and show how the portions not funded through DCs were funded;
- amounts borrowed from the fund by the municipality, purpose of the borrowing, and interest accrued during year;
- amount and source of money used by the municipality to repay municipal obligations to the DC reserve fund;
- list of credits by service, by holder (opening balance, credits given in the year, and closing balance); and,
- statement as to whether compliance with subsection 59.1(1) of the DCA has been met.

The below chart presents a description of each service for which a reserve fund was established:

DC Reserve Fund Service	Description of Service
Growth Studies	Used to finance the cost of growth-related studies.
Services Related to a Highway	Used for growth-related projects for roads and road- related structures and infrastructure.
Fire Protection Services	Used for growth-related projects for fire facilities, rolling stock, and related equipment.
Parks and Recreation Services	Used for growth-related projects for park development, amenities, trails, facilities, rolling stock, and related equipment.
Library Services	Used for growth-related projects for library facilities, materials, and rolling stock.
Stormwater Services	Used for growth-related projects for stormwater-related infrastructure.
Wastewater Services	Used for growth-related projects for sewer-related infrastructure.
Water Services	Used for growth-related projects for water-related infrastructure.

During the 2024 year, there were no amounts borrowed from the funds by the Township for non-DC activities. In addition, there are no credits to disclose.

Section 59.1(1) of the DCA specifically prohibits municipalities from imposing additional payments on developers or requiring construction of a service unless specifically authorized under the DCA or another Act. This provision does not affect a municipality's right to include conditions for installation or payment for local services but is intended to restrict other "voluntary" payments that may have been sought by municipalities outside the legislative framework. The Township of West Lincoln complies with section 59.1(1) of the DCA.

In 2023, *Bill 23 (More Homes Built Faster, 2022)* introduced a requirement that all municipalities must commit or spend at least 60% of the monies in a reserve fund at the beginning of the year for its services related to a highway (roads), water, and wastewater. This requirement is fulfilled through Schedule "D" to this report.

Beginning in 2025, *Bill 60 (Fighting Delays, Building Faster Act, 2025)* amends the Development Charges Act to require municipalities to deliver the Annual Treasurer's Statement to their Council by June 30 each year, with a copy to the Minister of Finance by July 15. This accelerated deadline means that for the 2025 Annual Treasurer's Statement, the Township of West Lincoln may need to report using unaudited financial figures, in the event the 2025 audit is not completed by June 30, 2026. As a result, Council and stakeholders may need to rely on provisional data. Administration will clearly disclose that the figures are unaudited.

## **CURRENT SITUATION:**

The attached Schedules comprise the Treasurer's Statement:

- **Schedule "A"** – provides a summary of the financial activity of the various DC reserve funds for the year ending December 31, 2024. Inflows into the reserve consist of contributions collected at the time of building permit issuance, plus interest earned in the fiscal year. Outflows from the reserve represent monies being spent towards capital and operating costs attributable to growth. The closing balance as at December 31, 2024 represents the cash balance in the DC reserve funds. Finally, the commitments represent reserve monies that are committed towards active/ approved projects as of December 31, 2024, with expected future completion dates.
- **Schedules "B" and "C"** – detail how the Township's DC reserve fund monies are being spent towards capital and operating costs attributable to growth. Outflows from the reserve funds prior to October 29, 2024 were made in accordance with the Township's 2019 Background Study and 2022 Background Study Update, in support of Township By-laws 2019-51 and 2022-77, respectively. Outflows from the reserve funds after October 29, 2024 were made in accordance with the Township's 2024 Background Study, supported by Township By-Law 2024-70. These schedules also show any other funding sources for projects not fully funded through DCs.
- **Schedule "D"** – this schedule shows the Township's compliance in meeting the *Bill 23* requirement, in that at least 60% of the monies in reserve funds (as of January 1, 2024) for services related to a highway (roads), water, and wastewater have been committed or spent.

Of note, the Fire Protection Services, Library Services and Stormwater Services DC reserve funds are currently in negative positions as of December 31, 2024. This is largely due to timing of project completion, before enough DCs were collected related to these service areas. In addition, DC collections have historically been less than forecasted, slowing the recovery timing. These overdrawn funds will be recovered through future DC collections. If a reserve is in an overdrawn position, it is essentially borrowing from other DC reserves. For simplicity, the individual internal borrowing between DC reserves is not shown.

In 2024, DCs were collected on 15 building permits as follows:

- Eight permits for Residential units
- Seven permits Non-Residential unit

Three of the above permits was issued for a property within the Urban Boundary, which includes a charge for Water, Wastewater and Storm Services. Applications in the rural area of the municipality do not pay DCs for those services. In 2023, DCs were collected on five building permits.

This report, along with the accompanying schedules, will be posted on the Township's website, as per Section 43(2.1) of the DCA.

#### **FINANCIAL IMPLICATIONS:**

There is no financial impact in receiving this report. DCs are important in financing a portion of growth-related capital requirements and are legislated through the Development Charges Act. The DC By-law sets the fees for collection at the building permit stage. Fees are deposited into separate DC Reserve Funds, in accordance with legislative requirements, and recorded as deferred revenue. Interest accrues on these funds. DC revenue is recognized as amounts are used to fund eligible growth-related projects that are included in the Township's Capital Plan and DC Background Study.

#### **INTER-DEPARTMENTAL COMMENTS:**

This report was discussed with the Senior Leadership Team.

#### **CONCLUSION:**

It is recommended that the Treasurer's Statement of Development Charges report and accompanying schedules, for the year ended December 31, 2024, be received for information, and posted on the Township's website.

#### **SCHEDULE(S):**

Schedule "A" – Annual Treasurer's Statement of DC Reserve Funds

Schedule "B" – Amounts Transferred to Capital/Operating– Capital Fund Transactions

Schedule "C" – Amounts Transferred to Capital/Operating– Operating Fund Transactions

Schedule "D" – Statement of Reserve Fund Balance Allocations

**Prepared & Submitted by:**

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Deputy Treasurer/Manager of Finance**

**Approved by:**

**Truper McBride  
CAO**

**Reviewed by:**

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Director, Corporate Services/CFO**

**Township of West Lincoln  
Annual Treasurer's Statement of Development Charge Reserve Funds  
As at December 31, 2024**

	Services to which the Development Charge Relates									
	Growth Studies	Services Related to a Highway	Fire Protection Services	Parks and Recreation Services	Library Services	Stormwater Services	Wastewater Services	Water Services	Total	
Opening Balance, January 1, 2024	\$ 248,829	\$ 1,715,700	\$ (582,436)	\$ 100,556	\$ (199,682)	\$ (61,510)	\$ 622,628	\$ 583,193	\$ 2,427,278	
<b>PLUS:</b>										
Development Charge Collections	11,338	194,442	19,237	61,450	10,303	647	5,673	14,571	317,661	
Accrued Interest	10,858	86,843	-	5,967	-	-	29,785	29,078	162,531	
Sub-total	\$ 271,025	\$ 1,996,985	\$ (563,199)	\$ 167,973	\$ (189,379)	\$ (60,863)	\$ 658,086	\$ 626,842	\$ 2,907,470	
<b>LESS:</b>										
Amount Transferred to Capital Fund (Schedule "B")	-	76,791	636	-	31,200	-	-	-	108,627	
Amount Transferred to Operating Fund (Schedule "C")	47,705	-	-	34,835	2,756	-	46,742	-	132,038	
Sub-total	47,705	76,791	636	34,835	33,956	-	46,742	-	240,665	
<b>Closing Balance, December 31, 2024</b>	<b>\$ 223,320</b>	<b>\$ 1,920,194</b>	<b>\$ (563,835)</b>	<b>\$ 133,138</b>	<b>\$ (223,335)</b>	<b>\$ (60,863)</b>	<b>\$ 611,344</b>	<b>\$ 626,842</b>	<b>\$ 2,666,805</b>	
<b>COMMITMENTS:</b>										
DC Reserve Funds Committed towards Active Projects	96,754	105,000	-	-	-	-	1,203,258	1,000,000	2,405,012	
<b>Available/ Uncommitted Balance, December 31, 2024</b>	<b>\$ 126,566</b>	<b>\$ 1,815,194</b>	<b>\$ (563,835)</b>	<b>\$ 133,138</b>	<b>\$ (223,335)</b>	<b>\$ (60,863)</b>	<b>\$ (591,914)</b>	<b>\$ (373,158)</b>	<b>\$ 261,793</b>	

**Township of West Lincoln**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Amount Transferred to Capital/Operating Fund - Capital Fund Transactions**  
**As at December 31, 2024**

CAPITAL FUND TRANSACTIONS	CAPITAL FUNDING SOURCE													
	Gross Capital Cost	DC Reserve Fund	Capital Reserve	Bridge Reserve	Fire Reserve	Community Fund Reserve	Wastewater Reserve	Library Reserve	Road Settlement Reserve	In Lieu of Parkland Reserve	Donations	Canada Community Building Fund	OCIF Grant	ICIP Grant
<b><u>Services Related to a Highway</u></b>														
General Road Rehabilitation	229,519	22,953	206,566	-	-	-	-	-	-	-	-	-	-	-
General Bridge Rehabilitation	9,080	908	-	8,172	-	-	-	-	-	-	-	-	-	-
St. Ann's Road - Road Reconstruction	79,910	5,615	8,858	-	-	-	-	-	-	-	-	-	-	65,437
St. Ann's Road - Bridge Reconstruction	14,567	1,011	-	1,627	-	-	-	-	-	-	-	-	-	11,929
Road Rehabilitation - Killins Road	385,666	6,237	-	-	-	-	-	-	-	-	-	379,429	-	-
Campbell Bridge Rehabilitation and Replacement	405,655	40,067	-	-	-	-	-	-	-	-	-	-	365,588	-
<b>Sub-total - Services Related to Highways</b>	<b>\$ 1,124,397</b>	<b>\$ 76,791</b>	<b>\$ 215,424</b>	<b>\$ 9,799</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 379,429</b>	<b>\$ 365,588</b>	<b>\$ 77,366</b>
<b><u>Fire Protection Services</u></b>														
Equipment for Volunteer Firefighters	636	636	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-total - Fire Protection Services</b>	<b>\$ 636</b>	<b>\$ 636</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Library Services</u></b>														
Smithville Branch - Addition to Collection	17,502	14,400	-	-	-	-	-	2,602	-	-	500	-	-	-
Caistorville Branch - Addition to Collection	8,947	7,650	-	-	-	-	-	-	-	-	1,297	-	-	-
Wellandport Branch - Addition to Collection	11,303	9,150	-	-	-	-	-	2,153	-	-	-	-	-	-
<b>Sub-total - Library Services</b>	<b>\$ 37,752</b>	<b>\$ 31,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,755</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,797</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Township of West Lincoln**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Amount Transferred to Capital/Operating Fund - Operating Fund Transactions**  
**As at December 31, 2024**

OPERATING FUND TRANSACTIONS	OPERATING FUNDING SOURCE							
	Gross Operating Cost	DC Reserve Fund	Operating Fund	Planning Reserve	Capital Reserve	Wastewater Reserve	Donations	Grant Contribution
<b><u>Growth Studies</u></b>								
Development Charge Background Study	43,935	43,935	-	-	-	-	-	-
Urban Boundary Expansion	3,770	3,770	-	-	-	-	-	-
<b>Sub-total - Growth Studies</b>	<b>\$ 47,705</b>	<b>\$ 47,705</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Parks and Recreation Services</u></b>								
Multi-Use Recreation Facility Debt Repayment	780,553	14,471	386,814	-	-	-	379,268	-
Parks and Recreation Master Plan	27,152	20,364	-	6,788	-	-	-	-
<b>Sub-total - Parks and Recreation Services</b>	<b>\$ 807,705</b>	<b>\$ 34,835</b>	<b>\$ 386,814</b>	<b>\$ 6,788</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 379,268</b>	<b>\$ -</b>
<b><u>Library Services</u></b>								
Multi-Use Recreation Facility Debt Repayment	148,656	2,756	73,668	-	-	-	72,232	-
<b>Sub-total - Library Services</b>	<b>\$ 148,656</b>	<b>\$ 2,756</b>	<b>\$ 73,668</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 72,232</b>	<b>\$ -</b>
<b><u>Wastewater Services</u></b>								
Sanitary Sewer Master Plan	46,742	46,742	-	-	-	-	-	-
<b>Sub-total - Wastewater Services</b>	<b>\$ 46,742</b>	<b>\$ 46,742</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Township of West Lincoln**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Statement of Reserve Fund Balance Allocations**  
**As at December 31, 2024**

<b>Reserve Fund:</b>	Water Services
<b>Balance in Reserve, January 1, 2024</b>	\$ 583,193
<b>60% of Balance to be Allocated (at a minimum)</b>	\$ 349,916

**Projects to Which Funds Will be Allocated**

Project Description	Future Funding	Current Year Funding	Allocated to Date
Watermain Upsize and Replacement Projects (Future Funding per 2025 Ten-Year Capital Plan)	\$ 1,550,800		\$ 1,550,800
<b>Total</b>	<b>\$ 1,550,800</b>	<b>\$ -</b>	<b>\$ 1,550,800</b>

<b>Reserve Fund:</b>	Wastewater Services
<b>Balance in Reserve, January 1, 2024</b>	\$ 622,628
<b>60% of Balance to be Allocated (at a minimum)</b>	\$ 373,577

**Projects to Which Funds Will be Allocated**

Project Description	Future Funding	Current Year Funding	Allocated to Date
Inflow & Infiltration Reduction - Remedial Works (Future Funding per 2025 Ten-Year Capital Plan)	\$ 310,000	\$ -	\$ 310,000
Sewer Main Upsize and Replacement Projects (per 2025 Ten-Year Capital Plan)	\$ 4,153,800		\$ 4,153,800
Extraneous Flow Reduction Program (per 2025 Ten-Year Capital Plan)	\$ 100,000	\$ -	\$ 100,000
Sanitary Sewer Master Plan	\$ -	\$ 46,742	\$ 46,742
<b>Total</b>	<b>\$ 4,563,800</b>	<b>\$ 46,742</b>	<b>\$ 4,610,542</b>

<b>Reserve Fund:</b>	Services Related to a Highway
<b>Balance in Reserve, January 1, 2024</b>	\$ 1,715,700
<b>60% of Balance to be Allocated (at a minimum)</b>	\$ 1,029,420

**Projects to Which Funds Will be Allocated**

Project Description	Future Funding	Current Year Funding	Allocated to Date
General Road Rehabilitation and Replacement (Future Funding per 2025 Ten-Year Capital Plan)	\$ 6,665,600	\$ 34,805	\$ 6,700,405
New Construction of Road Infrastructure (Future Funding per 2025 Ten-Year Capital Plan)	\$ 39,750,000		\$ 39,750,000
Bridge Rehabilitation and Replacement (Future Funding per 2025 Ten-Year Capital Plan)	\$ -	\$ 41,986	\$ 41,986
New Equipment (Future Funding per 2025 Ten-Year Capital Plan)	\$ 230,000	\$ -	\$ 230,000
New Public Works Operations Facility (Future Funding per 2025 Ten-Year Capital Plan)	\$ 5,650,000		\$ 5,650,000
<b>Total</b>	<b>\$ 52,295,600</b>	<b>\$ 76,791</b>	<b>\$ 52,372,391</b>