

Report

Report to:	Mayor and Council
Date:	August 15, 2023
Title:	2022 Development Charges Treasurer's Statement

Recommendation(s)

THAT Council receive this report and attachment for information.

Executive Summary

Per the Development Charges Act, 1997, S.O. 1997, c. 27, municipalities prepare an annual financial statement relating to development charge by-laws and reserve funds established under section 33.

During fiscal period 2022, the City collected \$4.58M in net development charges, \$536K in net interest income and funded \$3.79M in eligible growth related projects. The unaudited 2022 year end development charges deferred revenue balance is \$29.95M. Attachment 1 provides detail. These funds will be used in future fiscal periods to fund eligible growth related projects as budgeted.

The Treasurer's Statement for 2022 is attached as Attachments 1 to this report.

Background

The Development Charges Act, 1997, S.O. 1997, c. 27 requires that development charges be reviewed on a five-year cycle. The City of Niagara Falls' current Development Charges By-law 2019-69 was passed June 4, 2019. The Development Charges By-Law is scheduled to be updated in 2024.

Municipalities prepare an annual financial statement referred to as the Treasurer's Statement, relating to development charge by-laws and reserve funds established under section 33 of the DC Act. The Treasurer's statement includes opening and closing reserve balances, and listings of assets whose capital costs were funded under a DC by-law during that year.

Analysis

The purpose of development charges is to help offset the increase capital costs which are attributable to growth. The City's Development Charge Study, prepared by Hemson Consulting Ltd March 29, 2019, outlines the methodology to determine rates and identifies eligible development charge related projects. Development charges are

collected relative to the increased growth related capital costs involved in delivering the following municipal services:

General Government

1. Roads/Public Works/Fleet
2. Sidewalks
3. Parks and Recreation
4. Transit (*Service Transferred to Region Jan 1/23*)
5. Fire
6. Storm Sewer
7. Wastewater (Sanitary Sewer)
8. Water
9. Library

Development charges for the majority of development types are collected at building permit issuance and recorded as deferred revenue. Development Charge revenue is recognized as amounts are used to fund eligible growth related projects that are included in the annual budget and identified in the City's development charge study. Development charge rates are indexed each year and included in the annual Schedule of Fees Bylaw.

Operational Implications and Risk Analysis

None.

Financial Implications/Budget Impact

None.

Strategic/Departmental Alignment

This report is consistent with the following Council strategic commitments:

1. To be financially responsible to the residents of Niagara Falls by practicing prudent fiscal management of existing resources and by making sound long-term choices that allow core City programs and services to be sustainable now and into the future.
2. To be efficient and effective in our delivery of municipal services and use of resources and accountable to our citizens and stakeholders

List of Attachments

[F-2023-25 - Attachment 1 - 2022 Treasurer's Statement](#)

Written by:

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Submitted by:

Status:

Tiffany Clark, Director of Finance

Approved
- 08 Aug
2023

Shelley Darlington, General Manger of Corporate Services

Approved
- 09 Aug
2023

Jason Burgess, CAO

Approved
- 09 Aug
2023

City of Niagara Falls
Treasurer's Statement (Unaudited) - Development Charges
For the Year Ended December 31, 2022

	GEN. GOV'T 400108	ROADS/PW/ FLEET 400109	TRANSIT 400110	PARKS & REC 400111	LIBRARY 400112	SEWER 400113	FIRE 400114	SIDEWALK 400218	WATER 400219	STORM SEWER 400220	TOTAL DEVELOPMENT CHARGES
BEGINNING BALANCE, JANUARY 1, 2022	437,246	5,837,781	2,244,831	6,711,308	525,473	809,618	4,022,327	1,019,092	1,831,078	5,088,825	28,527,579
REVENUES											
Net Development Charges	45,809	1,488,607	251,976	1,099,999	228,334	555,164	235,008	32,462	160,084	481,872	4,579,315
Net Interest Income	4,107	113,619	20,988	99,559	7,897	57,459	10,144	15,750	44,859	161,904	536,286
Transfers from former DCs Accounts	3,938	87,409									91,347
EXPENDITURES											
Transfers (to)/from Operating:											
Debt Charges re: MacBain Community Centre				(989,637)							(989,637)
Debt Charges re: Garner Pumping Station						(820,338)					(820,338)
Debt Charges re: Fire Station 7							(485,789)				(485,789)
OPG Sewer Easement										(737)	(737)
Transfers (to)/from Capital:											
G49-22 Updated DC Background and CBC Strategy	(15,440)										(15,440)
L37 Community Centre Improvements					(17,498)						(17,498)
L40 Strategic Planning & Future Needs Study					(22,003)						(22,003)
L42-20 Book Mobile											-
L43-21 Materials (2021)											-
L46-22 Collection Materials					(37,877)						(37,877)
MS19 Fallsview - Ferry to Murray		(21,058)							(10,720)		(31,778)
MS39 Warren Woods Subdivision Phase 5 Stage 1 - Cost Sharing (Corrior Infrastructure Upsizing)						(13,111)			(1,363)		(14,474)
MS40 Garner Road (Warren Woods Ave - McLeod Rd)											-
MS42 Winzen Subdivision											-
MS44-20 Forestview Estates Subdivision - Cost Sharing						(53,209)			(227,344)		(280,553)
P13 Millennium Trail Section 2 Development											-
P63 Warren Woods Phase 1 Park & Trail				(135,562)							(135,562)
P112 Fern Park Improvements & Trail Development				(329,060)							(329,060)
P130-21 Warren Woods Trail Parkette Development				(1,324)							(1,324)
R94 Kalar Road Reconstruction (McLeod to N former Hydro Corridor)		1,104								(39)	1,065
R104 New Sidewalk Construction (2018)											-
R109 Pin Oak & Canadian Drive Reconstruction		(9,137)									(9,137)
R124-20 Drummond Rd Improvements		(1,042)									(1,042)
R126-20 Brown Rd - Kalar Rd		(579)									(579)
R131-21 2021 Asphalt Overlay (DC)		(281)									(281)
R133-21 Road Resurfacing (Mill & Pave) (DC)		(1,826)									(1,826)
R137-21 Dorchester & Oldfield Intersection		(61,844)									(61,844)
RF58-20 Recreation & Culture Strategic Plan											-
SS77 Garner Road Sanitary Extension Design (Black Forest Crescent - Forestview Boulevard)						(34,343)					(34,343)
STMS33 Beaverdams Rd (LL to Kalar) - Storm & WM Replacement & Beaverdams SWM Pond										(69,123)	(69,123)
STMS47 Beaver Valley SWM Pond Capacity											-
STMS49 Thompson's Creek Subwatershed Plan										(45,226)	(45,226)
TSP44-20 Traffic Signal - New Installation											-
TSP45-20 Biggar Road EA		(376)									(376)
TSP55-22 Transportation Master Plans - RFP and Scoping Project		(28,825)									(28,825)
W62-21 Reixinger Watermain Design - QEW									(86,224)		(86,224)
F53 Station #7 Design - Engineering											-
FR9 - 2019 Fleet Equipment Replacement		(265,500)									(265,500)
ENDING BALANCE, DECEMBER 31, 2022	475,660	7,138,052	2,517,795	6,455,283	684,326	501,240	3,781,690	1,067,304	1,710,370	5,617,476	29,949,196