



REPORT FIN-2025-021

TO: Mayor and Members of Council

PREPARED BY: Mary Hasan, Director of Finance/Treasurer

PRESENTED BY: Mary Hasan, Director of Finance/Treasurer

MEETING DATE: October 8, 2025

SUBJECT: 2024 Development Charges and Cash in Lieu of Parkland
File No. F21 DEV

RECOMMENDATIONS

THAT Report FIN-2025-021 entitled 2024 Development Charges and Cash in Lieu of Parkland be received.

Purpose

The purpose of this report is to provide Council with information on the Township's Development Charges (DC's), Cash in Lieu of Parkland (CILP) and related transactions as of December 31, 2024.

Background

In accordance with the Development Charges Act (DCA) and the Planning Act, the Treasurer is required to provide Council with an annual financial statement on DC's and CILP.

DC's

The following extracted paragraphs of Section 12(2) of Ontario Regulation 82/98 prescribes the information that must be included in the Treasurer's statement. The information is in addition to the opening and closing balance for the previous year and the transactions relating to that year as required by subsection 43(2) of the DCA.

- 1.) A description of the service for which the fund was established. If the fund was established for a service category, the services in the category.*

- 2.) *For the credits in relation to the service or service category for which the fund was established,*
 - i. *The amount outstanding at the beginning of the previous year, given in the year, used in the year, and outstanding at the end of the year,*
 - ii. *The amount outstanding at the beginning of the previous year and outstanding at the end of the year, broken down by individual credit holder.*
- 3.) *The amount of any money borrowed from the fund by the municipality during the previous year and the purpose for which it was borrowed.*
- 4.) *The amount of interest accrued during the previous year on money borrowed from the fund by the municipality.*
- 5.) *The amount and source of any money used by the municipality to repay, in the previous year, money borrowed from the fund or interest on such money.*
- 6.) *A schedule that identifies credits recognized under section 17 and, for each credit recognized, sets out the value of the credit, the service against which the credit is applied and the source of funds used to finance the credit.*

The following under Section 12 (3) of Ontario Regulation 82/98 is also prescribed as information to be included in the Treasurer's Statement under section 43 of the DCA:

- 1.) *For each project that is financed, in whole or in part, by development charges,*
 - i. *The amount of money from each reserve fund established under section 33 of the Act that is spent on the project, and*
 - ii. *The amount and source of any other money that is spent on the project.*
- 2.) *For each service for which a development charge is collected during the year,*
 - i. *whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-law, and*
 - ii. *if the answer to subparagraph i is no, the amount the municipality now expects to incur and a statement as to why this amount is expected.*
- 3.) *For any service for which a development charge was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year.*

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. The importance that the province places on this section is reinforced by (a) requiring that the Treasurer's report include a statement confirming that the municipality is in compliance with Section 59.1 (1) and (b) granting extensive investigative powers to the Ministry of Municipal Affairs and Housing to investigate whether a municipality is in

compliance. The Township does not require any “voluntary” payments from developers and the Treasurer confirms that, for 2024 DC’s reporting, the Township is in compliance with Section 59.1 (1) of the DCA, 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 DCA or another Act.

Section 35 (2) of the DCA outlines that beginning in 2023 and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for services related to a highway as defined in subsection 1 (1) of the Municipal Act, 2001. For the Township, this requirement relates to the Services Related to a Highway DC.

- Schedule A provides a summary of the DC’s including the opening and closing balances as well as a summary of financial transactions that occurred during the year.
- Schedule B provides a list of current growth-related capital projects that have required funding from DC’s.
- Schedule C summarizes the statement of credit holder transactions in 2024 and notes that there were no credit holder transactions during the period or in previous periods. Section 38 of the DCA provides information regarding credits. If a municipality agrees to allow a person to perform work that relates to a service to which a DC by-law relates, the municipality shall give the person a credit towards the DC in accordance with the agreement. The amount of the credit is the reasonable cost of doing the work as agreed by the municipality and the person who is to be given the credit. Township staff are not aware of any such agreements that the Township has entered into in the past.
- Schedule D provides the estimated capital expenditures outlined in the 2024 DC Background Study (i.e. 2024 to 2033) as required under Section 12 (3) of Ontario Regulation 82/98 as noted above. The Township expects to incur a total of \$20.7 million in growth-related capital expenditures during this period. This is lower than the \$27.5 million anticipated in the 2024 DC Background Study, as the Township continues to closely monitor and adjust the capital cost estimates of capital projects based on new information available to staff as part of the annual budget process and as master plans are approved and formalized in the budget process.
- Schedule E summarizes the Statement of DC Restricted Reserve Balance Allocations for Services Related to a Highway.
- Schedule F summarizes the Description of the Township-Wide Services (or Class of Services) for which each DC Restricted Reserve was Established in accordance with the Township’s DC By-law No. 053-2024.

CILP

The following paragraphs of Section 7(1) of Ontario Regulation 509/20 prescribes the information that must be provided to the public through annual financial statements as required under Section 42 (17) of the Planning Act.

- 1.) *Statements of the opening and closing balances of the special account and of the transactions relating to the account.*
- 2.) *In respect of the special account referred to in subsection 42 (15) of the Act, statements identifying,*
 - i. *land and machinery acquired during the year with funds from the special account,*
 - ii. *buildings erected, improved or repaired during the year with funds from the special account,*
 - iii. *details of the amounts spent, and*
 - iv. *for each asset mentioned in subparagraphs i and ii, the manner in which any capital cost not funded from the special account was or will be funded.*
- 3.) *The amount of money borrowed from the special account and the purpose for which it was borrowed.*
- 4.) *The amount of interest accrued on any money borrowed from the special account.*

Section 42 (16.1) of the Planning Act outlines that beginning in 2023 and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in the special account at the beginning of the year.

- Schedule G provides a summary of the CILP restricted reserve including the opening and closing balances as well as a summary of financial transactions that occurred during the year.
- Schedule H summarizes the Statement of CILP Restricted Reserve Balance Allocations.

Financial Implications

The DC and CILP contributions received in 2023 are higher than 2020 to 2022 and 2024 as further outlined below.

Year	CILP	DC's	Comments
2024	\$292K	\$134K	The number of single detached dwellings amounted to 20 units in 2024. \$90K of CILP and \$17K of DC's were also collected from a non-residential development.
2023	\$1.1M	\$1.6M	The increase relates to \$1M of CILP and \$1.6M of DC's collected from two non-residential developments. The number of single detached dwellings amounted to 6 units in 2023.
2022	\$256K	\$190K	The number of single detached dwellings amounted to 31 units in 2022.
2021	\$304K	\$318K	The number of single detached dwellings amounted to 56 units in 2021.
2020	\$203K	\$754K	The increase relates to \$544K collected from a developer that entered into a DC agreement with the Township in 2012.

Applicable Legislation and Requirements

Development Charges Act, 1997

Ontario Regulation 82/98

Planning Act R.S.O 1990

Ontario Regulation 509/20

Engagement Opportunities

In accordance with Section 43 of the DCA, the Treasurer's statement must be made available to the public and a copy of the statement must be given to the Ministry of Municipal Affairs and Housing upon request.

Therefore, Report FIN-2025-021 and its related attachments will be posted on the Township Financial Reporting Page at puslinch.ca/government/financial-reporting/

Attachments

Schedule A –Annual Treasurer's Statement of DC's as at December 31, 2024

Schedule B – Amounts Transferred to Capital, Operating or Other Funds for the 12 months ended December 31, 2024

Schedule C – Statement of Credit Holder Transactions for the 12 months ended December 31, 2024

Schedule D – Estimated Capital Expenditures as of December 31, 2024

Schedule E - Statement of DC Restricted Reserve Balance Allocations for Services Related to a Highway

Schedule F - Description of the Service (or Class of Service) for which each DC Restricted Reserve was Established

Schedule G - Annual Treasurer's Statement of CILP as at December 31, 2024

Schedule H - Statement of CILP Restricted Reserve Balance Allocations

Respectfully submitted:

Mary Hasan
Director of Finance/Treasurer

Annual Treasurer's Statement of DC's
As at December 31, 2024

Schedule A

	Fire Protection Services	Services Related to a Highway	Parks and Recreation Services	Provincial Offences Act including By-Law Enforcement	Growth-Related Studies	Total
Opening Balance- January 1, 2024	\$ 1,249,341	\$ 1,341,563	\$ 15,776	\$ -	\$ 159,952	\$ 2,766,633
<u>Plus:</u>						
DC Collections	\$ 33,385	\$ 65,613	\$ 24,942	\$ 30	\$ 10,282	\$ 134,253
Accrued Interest	\$ 76,332	\$ 77,779	\$ (3,537)	\$ 1	\$ 7,211	\$ 157,786
Transfer from Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment of Monies Borrowed from Fund and Associated Interest ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ 109,717	\$ 143,392	\$ 21,405	\$ 31	\$ 17,493	\$ 292,039
<u>Less:</u>						
Amount Transferred to Capital Funds ²	\$ 31,891	\$ 201,154	\$ 172,349	\$ -	\$ 94,009	\$ 499,403
Amount Transferred to Operating Funds ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts Refunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts Loaned to Other DC Service Category for Interim Financing Credits ³	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ 31,891	\$ 201,154	\$ 172,349	\$ -	\$ 94,009	\$ 499,403
Closing Balance - December 31, 2024	\$ 1,327,167	\$ 1,283,801	\$ (135,167)	\$ 31	\$ 83,435	\$ 2,559,270
Less: Commitments Outstanding Against the DC Restricted Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Closing Balance - December 31, 2024	\$ 1,327,167	\$ 1,283,801	\$ (135,167)	\$ 31	\$ 83,435	\$ 2,559,270

¹ Source of funds used to repay the DC Restricted Reserve

² See Schedule B for details

³ See Schedule C for details

Amounts Transferred to Capital, Operating or Other Funds
For the 12 Months Ended December 31, 2024

Schedule B

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

Capital Fund Transactions	Gross Capital Cost	DC Recoverable Cost Share					Non-DC Recoverable Cost Share				
		DC Forecast Period			Post DC Forecast Period						
		DC Restricted Reserve Draw	DC Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/ Capacity Interim Financing	Grants, Subsidies Other Contributions	Other Discretionary Reserves/Restricted Reserves Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
<u>Fire Protection Services</u>											
Security Improvements	\$1,649	\$1,649	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pump 31 Truck	\$96,811	\$22,003	\$0	\$0	\$0	\$0	\$74,809	\$0	\$0	\$0	\$0
Wildland Firefighting Equipment	\$8,240	\$8,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Fire Protection Services	\$106,699	\$31,891	\$0	\$0	\$0	\$0	\$74,809	\$0	\$0	\$0	\$0
<u>Services Related to a Highway</u>											
Watson Road South - County Road 37 (Arkell Road) to Maltby Road East	\$759,055	\$103,231	\$0	\$0	\$0	\$0	\$217,729	\$0	\$0	\$0	\$438,094
Maple Leaf Lane - County Road 46 to End	\$117,810	\$16,022	\$0	\$0	\$0	\$0	\$101,788	\$0	\$0	\$0	\$0
Gore Road - Sideroad 20 South to Valens Road	\$602,212	\$81,901	\$0	\$0	\$0	\$0	\$41,505	\$0	\$0	\$0	\$478,806
Subtotal Services Related to a Highway	\$1,479,077	\$201,154	\$0	\$0	\$0	\$0	\$361,022	\$0	\$0	\$0	\$916,900
<u>Parks and Recreation Services</u>											
Puslinch Community Centre Park Renovation and Upgrade	\$82,475	\$7,372	\$0	\$0	\$0	\$0	\$75,103	\$0	\$0	\$0	\$0
Parking Lot & Associated Enhancements (curbing, entrance, and additional lighting) at the front of the Puslinch Community Centre	\$350,093	\$145,326	\$0	\$0	\$0	\$0	\$145,251	\$0	\$0	\$0	\$59,516
Puslinch Lake Pedestrian Access and Signage	\$10,533	\$10,533	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Puslinch Minor Baseball Club Fencing at Old Morriston & Morriston Meadows	\$9,118	\$9,118	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Parks and Recreation Services	\$452,218	\$172,349	\$0	\$0	\$0	\$0	\$220,354	\$0	\$0	\$0	\$59,516
<u>Provincial Offences Act including By-Law Enforcement</u>											
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Provincial Offences Act including By-Law Enforcement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>Growth-Related Studies</u>											
2024 Conservation and Demand Management Plan	\$7,632	\$720	\$0	\$0	\$0	\$0	\$6,912	\$0	\$0	\$0	\$0
2024 Development Charges Background Study	\$29,432	\$29,186	\$0	\$0	\$0	\$0	\$246	\$0	\$0	\$0	\$0
Comprehensive Speed Limit Review for Township Roads with a Posted Speed Above 60 km/hr2	\$29,486	\$4,010	\$0	\$0	\$0	\$0	\$25,476	\$0	\$0	\$0	\$0
Regionally Significant Economic Development Study Area Phase 1 (Employment)	\$68,242	\$44,357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,885
Community Risk Assessment - Ontario Regulation 378/19	\$20,949	\$12,569	\$0	\$0	\$0	\$0	\$8,380	\$0	\$0	\$0	\$0
Asset Management Plan and Policy Updates	\$33,544	\$3,166	\$0	\$0	\$0	\$0	\$30,378	\$0	\$0	\$0	\$0
Subtotal Growth-Related Studies	\$189,285	\$94,009	\$0	\$0	\$0	\$0	\$71,392	\$0	\$0	\$0	\$23,885
Total	\$2,227,279	\$499,402	\$0	\$0	\$0	\$0	\$727,576	\$0	\$0	\$0	\$1,000,301

Schedule B

[illegible]

Statement of Credit Holder Transactions
For the 12 Months Ended December 31, 2024

Schedule C

Credit Holder	Applicable DC Restricted Reserve	Credit Balance Outstanding Beginning of Year January 1, 2024	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of Year December 31, 2024
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N/A - the Township has not issued any DC Credits during the period or in previous periods.
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Estimated Capital Expenditures as of December 31, 2024

Schedule D

Service:	Estimated Capital Expenditures Outlined in the 2024 DC Background Study (2024 to 2033)	Estimated Capital Expenditures as of December 31, 2024 (2024 to 2033)	Comments
Fire Protection Services	\$5,387,500	\$1,063,548	The growth related capital costs anticipated to expand fire protection services include provisions for additional facility space and vehicles which will be allocated over the ten year forecast upon approval of the Master Fire Plan.
Services Related to a Highway	\$19,429,052	\$18,004,077	The growth related capital costs anticipated to expand services related to a highway include traffic calming measures and growth related fleet which will be allocated over the ten year forecast upon approval of the Transportation Master Plan. The provisions for upgrading gravel roads to paved roads will also be incorporated in the Capital Budget and Forecast based on Council's recent direction. Design costs were incorporated in the 2025 Capital Budget.
Parks and Recreation Services	\$1,580,800	\$492,218	The growth related capital costs anticipated to expand parks and recreation services include provisions for additional facility space and provisions for developing new parks related to subdivisions which will be allocated over the ten year forecast upon approval of the Recreation and Parks Master Plan.
Provincial Offences Act including By-Law Enforcement	\$3,300	\$8,358	The increase in estimated capital expenditures relates to the increased capital cost estimates as outlined in the 2025 Capital Budget.
Growth-Related Studies	\$1,138,001	\$1,127,004	The decrease in estimated capital expenditures relates to a decrease in cost estimates based on recent procurement results.
Total	\$ 27,538,653	\$ 20,695,205	

Statement of DC Restricted Reserve Balance Allocations for Services Related to a Highway

Schedule E

Service:	Services Related to a Highway	Comments
Balance in Restricted Reserve at Beginning of Year: January 1, 2024	\$ 1,341,563	
60% of Balance to be Allocated or Spent (at a minimum):	\$ 804,938	The Township has allocated/budgeted \$2.6M (see table below) which is greater than the 60% minimum balance allocation requirement.

Projects to Which Funds Have Been Allocated

Project Description	Allocated/Budgeted	Actual Services Related to a Highway DC's Spent in 2024
Watson Road South - County Road 37 (Arkell Road) to Maltby Road East	\$ 102,821	\$ 103,231
Maple Leaf Lane - County Road 46 to End	\$ 14,275	\$ 16,022
Gore Road - Sideroad 20 South to Valens Road	\$ 89,644	\$ 81,901
Other Allocated/Budgeted Projects in the 2025 Capital Budget and Forecast	\$2,381,184	\$ -
Total	\$ 2,587,924	\$ 201,154

Description of the Township-Wide Services/Class of Services for which each
DC Restricted Reserve was Established

Schedule F

Township-Wide Services/Class of Services	Description
Fire Protection Services	The fund is used for growth-related projects supporting fire protection services, including facilities, vehicles, equipment, and gear.
Services Related to a Highway	The fund is used for growth-related projects for roads, bridges, structures, public works related facilities, vehicles, and equipment, and other related road infrastructure.
Parks and Recreation Services	The fund is used for growth-related projects related to parkland development, parkland amenities, recreational trails, parkland buildings, recreation facilities, and parks & recreation vehicles and equipment.
Provincial Offences Act including By-Law Enforcement	The fund is used for growth-related projects including facilities, vehicles, and equipment.
Growth-Related Studies	The fund is used for growth-related to growth-related studies, including development charge studies.

Annual Treasurer's Statement of CILP
As at December 31, 2024

Schedule G

Opening Balance- January 1, 2024

\$ 1,199,862

Plus:

CILP Collections

\$ 291,730

Accrued Interest

\$ 75,346

Sub-Total

\$ 367,076

Less: CILP Funds Utilized

Puslinch Community Centre Park Renovation and Upgrade

\$ 75,103

Discretionary

Reserve Funding

DC's

Other Third

Party Funding

Gross Capital

Cost

Parking Lot & Associated Enhancements (curbing, entrance, and additional

\$ 145,251

\$ -

\$ 7,372

\$ -

\$82,475

lighting) at the front of the Puslinch Community Centre

\$350,093

Boreham Park Safety Study

\$ 3,203

\$3,203

Sub-Total

\$ 223,557

\$ -

\$ 152,698

\$ 59,516

\$ 435,771

Closing Balance - December 31, 2024

\$ 1,343,381

Statement of CILP Restricted Reserve Balance Allocations

Schedule H

	CILP	Comments
Balance in Restricted Reserve at Beginning of Year: January 1, 2024	\$ 1,199,862	
60% of Balance to be Allocated or Spent (at a minimum):	\$ 719,917	The Township has allocated/budgeted \$1.6M (see table below) which is greater than the 60% minimum balance allocation requirement.

Projects to Which Funds Have Been Allocated	\$ 719,917	
Project Description	Allocated/Budgeted	Actual CILP Spent in 2024
Puslinch Community Centre Park Renovation and Upgrade	\$ 297,864	\$ 75,103
Parking Lot & Associated Enhancements (curbing, entrance, and additional lighting) at the front of the Puslinch Community Centre	\$ 172,894	\$ 145,251
Boreham Park Safety Study	\$ 5,393	\$ 3,203
Other Allocated/Budgeted Projects in the 2025 Capital Budget and Forecast	\$ 1,084,483	\$ -
Total	\$ 1,560,634	\$ 223,557