

COUNCIL MEETING
FINANCE DIVISION

REPORT FIN 2025-07
March 18, 2025

SUBJECT: Development Charges 2024 Year End Statement

AUTHOR: Richard Bendell, CPA, CMA
Development Finance Coordinator

APPROVING: Anka Vuksan Scott, CPA
MANAGER: Manager of Budgets and Financial Services/Deputy
Treasurer

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND receives the Treasurer's Statement attached to Report FIN-2025-07 in accordance with the *Development Charges Act, 1997* as amended; and further,

THAT Welland City Council directs the Deputy Treasurer to make the statement available to the public by posting Treasurer's Statement on the City's website as per Section 43(2.1) of the *Development Charges Act, 1997*.

RELATIONSHIP TO STRATEGIC PLAN

This recommendation is aligned to Council's strategic priority of ensuring "**Economic Growth**" for creating a diverse economy through partnerships and emerging markets to ensure sustainable growth and quality employment.

EXECUTIVE SUMMARY:

Annually, the Treasurer is required to provide a statement to council of the municipality that outlines the opening and closing balances of the reserve fund and transactions relating to the Development Charge reserve fund. The Treasurer's statement is to be made public by posting the statement on the City website following Council approval. The Treasurer's statement is presented in Appendix I.

BACKGROUND:

The *Development Charges Act, 1997* requires that development charges be reviewed on a ten-year cycle. The City of Welland's current Development Charges By-law's are 2022-163 and 2022-165 passed in August 2022. The services covered by these bylaws are:

- By-law 2022-163 – City Wide – No Transit
- By-law 2022-165 – North-West Service Area (Area Specific)

DISCUSSION:

The purpose of development charges is to help offset the increase in capital costs which are attributable to growth. Development charges are collected relative to the increased capital costs involved with the provision of:

1. Administration
2. Parks & Recreation
3. Fire
4. Public Works
5. Roads
6. Storm Water
7. Water/ St. Andrews Terrace
8. Wastewater
9. Library

Development charges on new development are imposed by the City of Welland when the development of the land will increase the need for service and where the development requires approvals with respect to zoning, minor variance and conveyance of land, subdivision approval, consent for servicing development, or the issuance of a Building Permit.

Development charges are collected immediately prior to the issuance of a Building Permit. The various 2024 development charges imposed by the City of Welland are outlined in the City's current Development Charges By-law's 2022-163 and 2022-165.

FINANCIAL:

The recommendations and details contained in this report are operational, administrative, and compliance related.

During fiscal 2024, the City of Welland collected \$2,166,067 (net of DC Credit Refunds/ Adjustments in Development charges). Development charges earned investment income of \$483,236, and expenditures of \$4,330,075. Therefore, the net decrease in Development charges during fiscal 2024 was (\$1,680,772). (Appendix I)

ATTACHMENT:

Appendix I – Treasurer's Statement, Development Charges for the year ended December 31, 2024

CITY OF WELLAND
 TREASURER'S STATEMENT
 DEVELOPMENT CHARGES
 FOR THE YEAR ENDED DECEMBER 31, 2024

	TOTAL DEVELOPMENT CHARGES	50-625-00416 290980 ROADS	50-625-00417 291010 FIRE	50-625-00418 290990 ADMIN	50-625-00420 291080 SAN SEWER	50-625-00421 291090 WATER	50-625-00422 291100 STORM SEWER	50-625-00423 291110 LIBRARY	50-625-00429 291120 ST ANDREWS TERRACE- WATER	50-625-00435 291230 PUBLIC WORKS	50-625-00436 291240 RECREATION
BEGINNING BALANCE, JANUARY 1, 2024	16,729,738.61	7,764,171.45	1,728,508.92	516,017.65	40,373.92	1,048,351.13	1,106,930.27	304,953.77	62,054.47	144,401.68	4,013,975.35
ADD:											
DEVELOPMENT CHARGES	2,438,991.75	447,291.07	331,013.06	28,019.85	589,475.65	81,575.95	74,097.37	35,778.58	-	105,605.76	746,134.46
DC CREDIT REFUND/ADJUST	(272,924.52)	(113,620.65)	-	-	(260.58)	(9,923.57)	556.02	276.55	-	792.69	(150,744.98)
RESERVE PRIOR YEAR INTEREST ACCRUAL	-										
RESERVE INTEREST INCOME (NET OF PRIOR YEAR INTEREST ACCURAL & CURRENT YEARS ACC	483,236.06	231,426.06	55,320.00	16,150.00	(460.00)	19,040.00	35,990.00	7,200.00	1,710.00	(3,640.00)	120,500.00
RESERVE INTEREST ACCRUAL	-										
LESS:											
CAPITAL EXPENDITURES											
KINGSWAY ROAD RECONSTRUCTION AND WATERMAIN UPGRADE (ROADS) PHASE 1 OF 2	24,155.51	24,155.51									
ASSET MANAGEMENT PLAN UPDATE (LEVEL OF SERVICE) - 320	3,464.77	3,464.77									
ASSET MANAGEMENT PLAN UPDATE (LEVEL OF SERVICE) - 316	3,464.77	3,464.77									
TRAFFIC COUNT STUDY	2,577.60	2,577.60									
2024 ROAD RECONSTRUCTION 1	850,000.00	850,000.00									
NEW FIRE STATION #3 - PHASE 1 OF 2	50,328.50		50,328.50								
REPLACE RESCUE NO. 1 - HEAVY RESCUE/86	234,513.00		234,513.00								
FIRE PORTABLE RADIO COMMUNICATIONS	50,605.00		50,605.00								
NEW FIRE STATION #3 - PHASE 2 OF 2	1,143,706.00		1,143,706.00								
FIRE TRAINING TOWER - STATION #1	370,283.00		370,283.00								
SCBA UPGRADE	37,003.00		37,003.00								
AFFORDABLE HOUSING COMMUNITY IMPROVEMENT (CIP)	7,121.79			7,121.79							
OFFICIAL PLAN UPDATE	70,771.91			70,771.91							
NEW DOWNTOWN COMMUNITY IMPROVEMENT PLAN	33,496.20			33,496.20							
UPDATE BROWNFIELD CIP	26,441.55			26,441.55							
SANITARY SEWER MODEL UPDATE ADJUSTMENT	(7,670.33)				(7,670.33)						
ASSET MANAGEMENT PLAN UPDATE (LEVEL OF SERVICE) - 330	3,464.77				3,464.77						
ASSET MANAGEMENT PLAN UPDATE & DATA COLLECTION - 330	11,945.77				11,945.77						
BROADWAY AREA INFRASTRUCTURE RENEWALS PHASE II DESIGN	33,344.65				33,344.65						
MAJOR STREET AREA WASTEWATER MASTER SERVICING PLAN AND RENEWALS IMPLEMENTATI	69,427.03				69,427.03						
ONTARIO ROAD TRUNK SANITARY SEWER DESIGN	32,121.86				32,121.86						
PLYMOUTH AREA STREET I/I INVESTIGATION AND REDUCTION	37,500.00				37,500.00						
CONSOLIDATED LINEAR INFRASTRUCTURE REQUIREMENTS (Wastewater/Storm)	32,395.30				32,395.30						
CSO & SEWER SYSTEM FLOW LEVEL MONITORING (MANDATORY)	100,000.00				100,000.00						

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SANITARY MODEL UPDATE	8,222.21				8,222.21							
KINGSWAY ROAD RECONSTRUCTION AND WATERMAIN UPGRADE	50,000.00					50,000.00						
ASSET MANAGEMENT PLAN UPDATE (LEVEL OF SERVICE) - 910	3,464.77					3,464.77						
ASSET MANAGEMENT PLAN UPDATE & DATA COLLECTION - 910	11,945.77					11,945.77						
2024 ROAD RECONSTRUCTION 1	100,000.00					100,000.00						
WATER MODEL UPDATES & WATER MASTER PLAN	14,442.14					14,442.14						
ASSET MANAGEMENT PLAN UPDATE (LEVEL OF SERVICE) - 327	3,464.76							3,464.76				
WEST MAIN STREET AREA - INFRASTRUCTURE IMPROVEMENTS	18,000.00							18,000.00				
CLIMATE CHANGE ADAPTATION PLANNING	19,150.60							19,150.60				
DAVID STREET DIVERSION STUDY	62,215.44							62,215.44				
2024 LIBRARY DC ALLOCATION	92,100.00								92,100.00			
2 TANDEM TRUCKS AND STREET SWEEPER REPLACEMENT	204,000.00									204,000.00		
DUAL PIECE EQUIPMENT	70,569.74									70,569.74		
2024 YSP DC ALLOCATION TO DEPT 445	245,035.00										245,035.00	
RECREATIONAL CORRIDOR IMPROVEMENTS	108,443.08										108,443.08	
FUTURE ARENA NEEDS & FEASIBILITY STUDY	38,000.00										38,000.00	
GENERAL PARKLAND RENEWAL AND RESTORATION	60,560.00										60,560.00	
TOTAL CAPITAL EXPENDITURES	4,330,075.16	883,662.65	1,886,438.50	137,831.45	320,751.26	179,852.68	102,830.80	92,100.00	-	274,569.74	452,038.08	
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ENDING BALANCE, DECEMBER 31, 2024	15,048,966.74	7,445,605.28	228,403.48	422,356.05	308,377.73	959,190.83	1,114,742.86	256,108.90	63,764.47	-	27,409.61	4,277,826.75