

The Corporation of the Township of Hamilton



Council Staff Report

Report To: Mayor Jibb and Members of Council
Report No: T-2026-13
Report Title: 2025 Development Charge Reserve Funds
Submitted By: Nusrat Ahmed, Director of Financial Services / Treasurer
Date: 16 Jun 2026

Subject:

2025 Development Charge Reserve Funds

Recommendation:

That Council receives Report T2026-13: 2025 Development Charge Reserve Funds for information.

That the 2025 Development Charges Reserve Funds Statement be made available to the public on the Township's website.

Background Information:

The Township of Hamilton collects and administers Development Charges (DCs) and Cash-in-Lieu of Parkland reserve funds in accordance with the requirements of the Development Charges Act, 1997 (DCA) and the Planning Act, 1990. As part of these legislative requirements, municipalities are required to prepare and present annual reserve fund statements that provide transparency and accountability regarding the collection, management, and use of these funds.

The Township is in compliance with the reserve fund reporting and allocation requirements established under the DCA. Section 43 of the DCA requires the Treasurer to provide Council with an annual financial statement relating to the Township's Development Charge By-law and any reserve funds established under the Act. The statement provides a summary of reserve fund activity during the reporting period, including reserve fund balances, contributions, expenditures, and the use of development charge funding for eligible growth-related capital projects.

The Treasurer's statement for the year ended December 31, 2025 is attached as Appendix A (Development Charges Reserve Fund Summary) and Appendix B (Development Charges Project Finance Statement). Following Council's receipt of the statement, the Township is required to submit the Treasurer's statement to the Minister of Municipal Affairs and Housing by July 15, 2026.

Discussion:

The Township maintains six DC reserve funds, one for each service category identified in Development Charges By-law 2024-60. During 2025, the Township collected \$217,275 in development charges and interest earnings and utilized \$220,873 to fund eligible growth-related capital projects. As of December 31, 2025, the combined balance of the DC reserve funds was \$1,637,345.

Details of the opening and closing reserve fund balances, contributions, expenditures, and interest earnings are provided in Appendix A – Development Charges Reserve Fund Activity. Information regarding the capital projects funded through development charges during 2025 is provided in Appendix B – Development Charges Project Financing Statement.

The Township confirms that it has not imposed, directly or indirectly, any charge related to development or requirement to construct a service related to development except as authorized under the Development Charges Act or other applicable legislation. The Township has not borrowed funds to finance DC-eligible capital projects, and there were no outstanding credits owing to developers during the reporting period.

The Development Charges Act also requires municipalities to allocate or spend at least 60 per cent of the monies held in certain reserve funds at the beginning of each year. Appendix C – Development Charges Allocation by Service outlines the applicable allocation requirements and identifies future spending commitments approved through current and prior capital budgets.

For all services where development charges were collected during 2025, there were no changes to the capital cost estimates identified in the Township’s 2024 Development Charges Background Study. Appendix D – Statement Related to Amounts Collected During the Year Where No Money Was Spent provides the required explanation for any service category where development charge revenues were collected but not expended during the reporting period.

The Parkland Reserve Fund had a year-end balance of \$257,008 as of December 31, 2025, representing an increase of \$9,710 from the 2024 year-end balance of \$247,298. The increase reflects parkland contributions and interest earned during the year, net of any eligible expenditures.

Financial / Staffing / Legal Implications:

Financial:

The purpose of this report is to provide information related to the DC Reserve Funds transactions for the year 2025.

Legal:

The Township is in compliance with the reserve fund reporting and allocation requirements established under the DCA.

Environmental and Climate Change Impact Assessment:

1. Will this project / proposal generate Greenhouse Gas (GHG) Emissions? NA
2. Will this project / proposal increase or decrease the amount of energy and emissions used by the Township? NA
3. How will this project / proposal reduce Township emissions? NA

4. What measures will be taken to mitigate / reduce energy consumption and GHG emissions?
NA
5. Does the project / proposal take into account current and future climate hazards (i.e. extreme flooding, temperature fluctuations, drought, invasive species, etc.) and what actions have been taken / considered to reduce risk and negative impacts? NA

Strategic Plan Pillar(s):

Effective Governance: To deliver efficient and cost-effective governance in a timely manner through leadership and respect - administer with an unbiased view.

Conclusions:

The Township met all Development Charges Act reporting and reserve fund requirements in 2025. Development Charges collected during the year were directed toward eligible growth-related capital projects, supporting the Township's ongoing investment in infrastructure required to accommodate growth.

Overall, the Township continues to effectively manage its Development Charges in a responsible and transparent manner. The Township's approach remains compliant with legislative requirements while supporting long-term financial sustainability and ensuring that growth contributes toward the infrastructure and services needed to serve new development.

Attachments:

[Appendix A - Development Charges Reserve Fund Activity](#)

[Appendix B - Development Charges Project Financing Statement](#)

[Appendix C - Development Charges Allocation by Service](#)

[Appendix D - Statement Related to Amounts Collected During the Year Where No Money Was Spent](#)

Approved By:

Brian Gilmer, CAO

Daphne Livingstone, Director of Corporate Services /
Municipal Clerk

Status:

Approved - 11 Jun 2026

Approved - 11 Jun 2026

**Appendix A
Development Charges Reserve Fund Activity**

Description	Services to which the Development Charge Relates						Total
	Services Related to a Highway	Water Services	Protection Services	Parks and Recreation Services	Library Services	Administration	
Opening Balance, January 1, 2025	\$ (1,145,642)	\$ (23,105)	\$ 88,888	\$ (335,467)	\$ (93,589)	\$ (131,450)	\$ (1,640,363)
Plus:							
Development Charge Collections and Interest	\$ (112,475)	\$ (580)	\$ (54,740)	\$ (29,295)	\$ (3,959)	\$ (16,806)	\$ (217,855)
Repayment of Monies Borrowed from Fund and Associated Interest	-	-	-	-	-	-	-
Sub-Total	\$ (112,475)	\$ (580)	\$ (54,740)	\$ (29,295)	\$ (3,959)	\$ (16,806)	\$ (217,855)
Less:							
Amount Transferred to Capital (or Other) Funds	\$ 112,492	\$ 2,560	\$ 72,489	\$ 29,832	\$ 3,500	-	\$ 220,873
Amounts Refunded	-	-	-	-	-	-	-
Amounts Loaned to Other D.C. Service Category for Interim Financing	-	-	-	-	-	-	-
Credits	-	-	-	-	-	-	-
Sub-Total	\$ 112,492	\$ 2,560	\$ 72,489	\$ 29,832	\$ 3,500	\$ -	\$ 220,873
Closing Balance, December 31, 2025	\$ (1,145,625)	\$ (21,125)	\$ 106,637	\$ (334,930)	\$ (94,048)	\$ (148,256)	\$ (1,637,345)

Appendix B
Development Charges Project Financing Statement

Projects	2025 Actual	D.C. Recoverable Cost Share	Non-D.C. Recoverable Cost Share			
		D.C. Reserve Fund Draw	Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
<u>Services Related to a Highway</u>						
Lime Kiln	\$ 70,771	\$ (37,740)	-	-	-	\$ (33,031)
Hircock	\$ 32,124	\$ (32,124)	-	-	-	-
Edgar Benson	\$ 33,075	\$ (2,575)	-	-	-	\$ (30,500)
Hill 60	\$ 28,520	\$ (16,520)	-	-	-	\$ (12,000)
Garage Expansion	\$ 41,144	\$ (23,534)	\$ (17,610)	-	-	-
Total - Services Related to Highways	\$ 205,633	\$ (112,492)	\$ (17,610)	\$ -	\$ -	\$ (75,531)
<u>Water Services</u>						
Water Rate Study	\$ 25,597	\$ (2,560)	\$ (23,037)	-	-	-
Total - Water	\$ 25,597	\$ (2,560)	\$ (23,037)	-	-	-
<u>Protection Services</u>						
Fire Boat	\$ 147,743	\$ (47,489)	\$ (100,254)	-	-	-
Extrication Equipment	\$ 100,217	\$ (25,000)	\$ (75,217)	-	-	-
Total - Protection Services	\$ 247,961	\$ (72,489)	\$ (175,471)	-	-	-
<u>Parks and Recreation Services</u>						
Baltimore Parks Upgrades	\$ 127,853	\$ (29,832)	\$ (98,021)	-	-	-
Total - Parks and Recreation	\$ 127,853	\$ (29,832)	\$ (98,021)	-	-	-
<u>Library Services</u>						
New Collection	\$ 3,500	\$ (3,500)	-	-	-	-
Total - Library Services	\$ 3,500	\$ (3,500)	-	-	-	-
Total	\$ 610,543	\$ (220,873)	\$ (314,139)	\$ -	\$ -	\$ (75,531)

Appendix C
Development Charges Allocation by Service

Service	Balance in Reserve Fund at Beginning of Year:	60% of Balance to be Allocated (at a minimum):	DC Eligible Costs (Commitments and Future Capital Projects)	Amount of Capital Costs Estimated in D.C. Study Area Anticipated to be Incurred During Life of By-law (Y/N)
Services Related to a Highway	\$ (1,145,625)	\$ 687,375	\$ 6,260,905	Yes
Water Services	\$ (21,125)	\$ 12,675	\$ 1,439,291	Yes
Protection Services	\$ 106,637	\$ -	\$ 3,023,415	Yes
Parks and Recreation Services	\$ (334,930)	\$ 200,958	\$ 769,911	Yes
Library Services	\$ (94,048)	\$ 56,429	\$ 75,000	Yes
Administration	\$ (148,256)	\$ 88,953	\$ 507,962	Yes
Total	\$ (1,637,345)	\$ 1,046,390	\$ 12,076,484	

Appendix D
Statement Related to Amounts Collected During the Year Where No Money Was Spent

Service/Class of Service	Reason for No Spending of D.C. Funds Collected During the Year
Services Related to a Highway	
Fire Protection Services	
Parks and Recreation Services	
Library Services	
Growth Studies	The Township did not have any planned expenditures for studies in 2025
Water Services	