



Report to Council

Department: Corporate Services
Division: Corporate Services
Date: January 12, 2026
Prepared by: Kate Rowe, Director of Corporate Services
Report Number: Corporate Services-2026-01
Subject: 2024 Treasurer's Statement on Development Charges and Parkland
Number of Pages: 15

Recommendation(s)

That Corporate Services-2026-01 entitled 2024 Treasurer's Statement on Development Charges and Parkland prepared by Kate Rowe, Director of Corporate Services dated January 12, 2026 be received, and

That Council approves the Annual Treasurer's Statement for Development Charges and Parkland Reserves, inclusive of Appendix A through E, in accordance with section 43(1) of the Development Charges Act, 1997 as amended and Section 42 of the Planning Act, and

That Council directs the Treasurer to make the statement available to the public upon request as per Section 43(2.1) of the Development Charges Act, 1997, Bill 73 and Section 42 of the Planning Act.

Purpose

As required by the Development Charges Act 1997, as amended, and Bill 73, the Treasurer for the Town of Essex must prepare an annual financial statement reporting on the status and transactions relating to the development charges reserve fund for the previous year. Additionally, in accordance with Section 42 (Cash-in-lieu of Parkland) of the Planning Act and Section 7 of O.Reg. 509/20, the Treasurer must provide a financial statement including opening and closing balances to Council relating to cash-in-lieu of parkland monies. The Treasurer's statement is to be made public and available upon request following Council approval.

Background and Discussion

Development Charges:

Per the Development Charges Act, 1997, S.O. 1997, c. 27 Section 43 (1) the treasurer of a municipality shall each year on or before such date as the council of the municipality may direct, give the council a financial statement relating to development charge by-laws and reserve funds established under Section 33. 1997, c. 27, s. 43 (1).

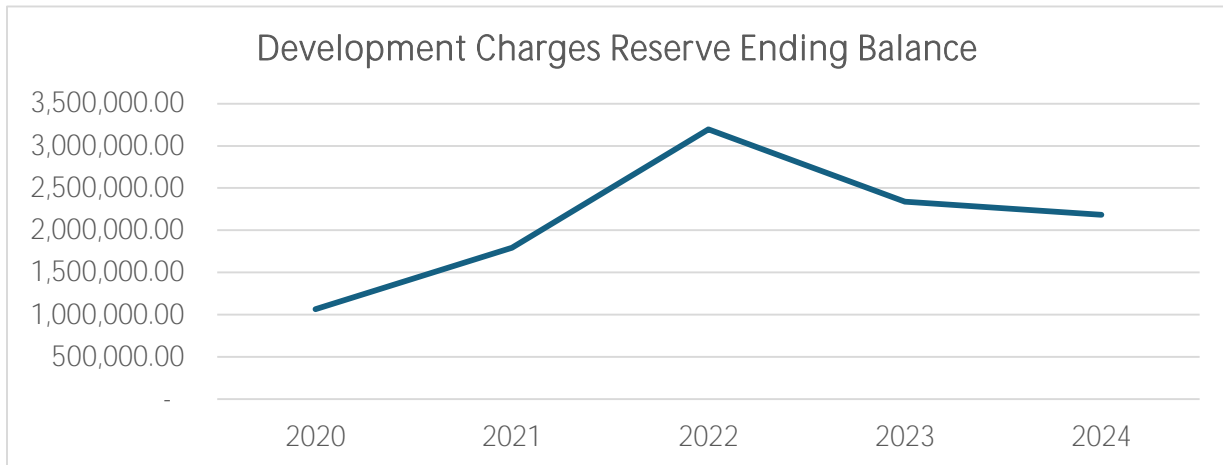
Municipalities generally impose development charges to assist in providing infrastructure required by future development in the municipality through the establishment of a viable capital funding source to meet the municipality's financial requirements.

Council passed By-law No. 2384, the Imposition of Development Charges in the Town of Essex, on October 7th, 2024, under subsection 2 (1) of the Development Charges Act, 1997, as amended. Per the Act, a municipality that has passed a development charge bylaw shall establish a separate reserve fund for each service to which the development charge relates. The Town of Essex has the following Development Charge Reserve funds:

- Fire Protection Services
- Growth Studies
- Library Services
- Parks and Recreation Services
- Policing Services
- Provincial Offences Act including By-law
- Services related to a Highway (Transportation)
- Wastewater Services

The Town of Essex is compliant with Section 59.1(1) of the Development Charges Act, whereby the Town of Essex has not imposed, directly or indirectly, a charge related to development or a requirement to construct a service related to development, except as permitted by the Development Charges Act, 1997 or another Act. 2015, c. 26, s. 8.

Graph 1: Development Charge Reserve ending balance 2020-2024



Graph 1 (Development Charge Reserve ending balance 2020-2024) shows the Development Charge reserve balance for the past 5 years. As illustrated within the graph, the Town of Essex has maintained a net positive balance in the overall Development Charge reserve. A more comprehensive summary that shows each subsection within the Development Charge reserve is detailed in Appendix A.

Table 1: Development Charge Reserve 2023 and 2024 comparison

	2023	2024	Dollar Change (2023 vs 2024)	Percentage Change (2023 vs 2024)
Beginning Balance	3,196,578	2,337,671	(858,906)	-27%
Development Charges Collected	403,374	646,917	243,543	60%
Development Charges Waivers	133,866	689,266	555,400	415%
Interest Earned	186,216	125,128	(61,088)	-33%
Capital Expenditures	(692,347)	(819,388)	(127,041)	18%
Debenture Payments	(890,015)	(797,045)	92,970	-10%
Ending Balance	2,337,671	2,182,548	(155,123)	-7%

Table 1 (Development Charge Reserve 2023 and 2024 comparison) compares the activity of the Development Charge reserve from 2023 to 2024. Both Development Charges collected and waivers which were incentives Council approved to increase development received saw a large increase from 2023, which is due to the timing of planning and development activity, cash collections

at the onset of development and the extent to which development charges waivers and incentives were available.

In 2023, the Development Charge reserve finished repaying an internal loan back to the Sanitary Sewer reserve and Debenture Bylaw 1769 matured. Both expenses were therefore not incurred in 2024, which decreased the total debenture payments in 2024. The growth-related debenture payments that were made in 2024 are further explained in Appendix C. In 2024, growth-related capital expenditures increased compared to 2023. The capital expenditures incurred by the Development Charge reserve in 2024 are detailed in Appendix B.

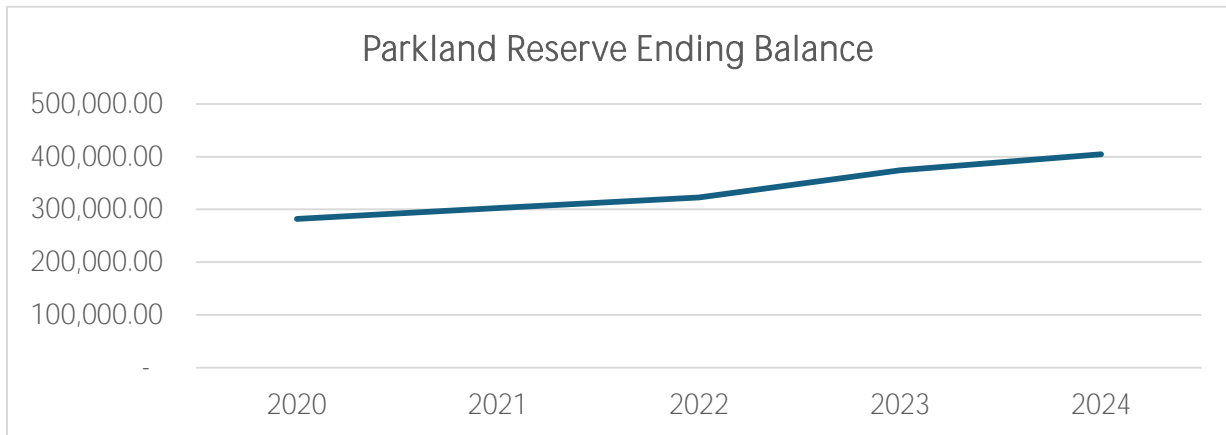
Parkland:

Under section 42 of the Planning Act, a municipality may require, as a condition of development, that land be conveyed to the municipality for park or other public recreational purposes. In certain circumstances, Council may accept a payment in lieu of land dedication, to the value of the land otherwise required to be conveyed.

Per section 42 (15), all money received on the sale of land under subsection (5), less any amount spent by the municipality out of its general funds in respect of the land, shall be paid into a special account and spent only for the acquisition of land to be used for park or other public recreational purposes, including the erection, improvement or repair of buildings and the acquisition of machinery for park or other public recreational purposes. The Town of Essex maintains these funds in a special Parkland Reserve Fund, in which each ward has its own separate

sub- fund. On December 16th, 2024, the Council of the Town of Essex passed By-law 2404 to regulate the dedication of parkland, or the payment-in-lieu thereof, as a condition of the development and/or redevelopment. This By-law was amended with By-law 2425 on March 3, 2025.

Graph 2: Parkland Reserve ending balance 2020-2024



Graph 2 (Parkland Reserve ending balance 2020-2024) shows the Parkland reserve balance for the past 5 years. A more comprehensive summary that shows each subsection within the Parkland reserve for 2024 is detailed in Appendix D.

Table 2: Parkland Reserve 2023 and 2024 comparison

	2023	2024	Dollar Change (2023 vs 2024)	Percentage Change (2023 vs 2024)
Beginning Balance	322,863	374,390	51,527	16%
Parkland Contributions Collected	76,966	31,650	(45,316)	-59%
Interest Earned	3,643	19,738	16,095	442%
Capital Expenditures	(29,082)	(20,784)	8,298	-29%
Ending Balance	374,390	404,995	30,604	8%

Table 2 (Parkland Reserve ending balance 2023 and 2024 comparison) compares the activity of the Parkland reserve from 2023 to 2024. Parkland contributions collected will fluctuate annually, depending on the status of development in each ward through the planning and building processes.

In 2024, Parkland capital expenditures decreased slightly compared to 2023. The capital expenditures incurred by the Parkland reserve in 2024 are detailed in Appendix E.

Financial Impact

Development charges and cash-in-lieu of parkland are important components of the Municipality's long-term financial plan. As outlined in the Development Charges Act, the funds collected through development charges may only be used to finance growth-related projects identified in the Development Charges Background Study.

This report provides both summary level transaction information by reserve, and detailed funding information on projects and debentures for applicable reserves. It is important to note that both the Development Charges and Parkland reserves forecasts must be monitored to ensure sufficient cash flow and positive balances to fund forecasted projects. While fluctuations will occur in accordance with each approved budget, the balance for both reserves must remain positive.

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

Consultations

Kate Giurissevich, Chief Administrative Officer

Maddy Tulett, Financial Analyst

Ann Marie Unis, Manager, Financial Services

Link to Strategic Priorities

- Embrace asset management best practices to build, maintain, and continuously improve our municipally owned infrastructure.
- Leverage our Town's competitive advantages to promote jobs and economic investment.
- Take care of our natural environment and strengthen the sense of belonging to everyone who makes Essex "home".
- Deliver friendly customer service in an efficient, effective, and transparent manner while providing an exceptional working environment for our employees.
- Build corporate-level and community-level climate resilience through community engagement and partnership and corporate objectives.

Report Approval Details

Document Title:	2024 Treasurer's Statement on Development Charges and Parkland - Corporate Services-2026-01.docx
Attachments:	- Appendix A to E.pdf
Final Approval Date:	Jan 7, 2026

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink that reads "Kate Giurissevich". The signature is written in a cursive style and is centered on the page.

Kate Giurissevich, Chief Administrative Officer - Jan 7, 2026 - 12:52 PM