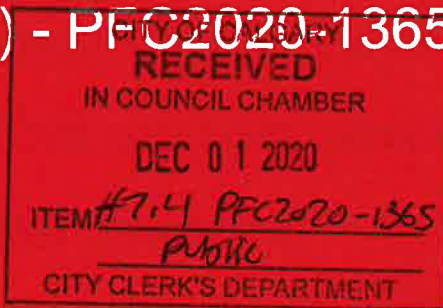




Off-Site Levy Program Update  
(Verbal Update) - PFC2020-1365

Priorities and Finance Committee  
2020 December 1

ISC: Unrestricted





## Investment income review summary

1. In 2020 July, through off-site levy bylaw review work, land development industry stakeholders asked why Community Services levy balances did not earn interest.
2. A full analysis of Community Services, Transportation and Utilities investment income allocations was conducted.
3. It was confirmed that investment income of \$56.3M was earned but not allocated to the Community Services Levy and Centre City Levy (2006-2019), and the Utilities' Levy accounts (2004-2019).
4. Prior to being formally introduced into the Off-site Levy bylaw, the Community Services levy was voluntary, and the terms and conditions did not specify an attribution of income.
5. Moving forward, all Off-site Levy and Centre City Levy accounts will have the formal direction on where to direct investment income.





## Investment income review summary

### 2020 November 02 Combined Meeting of Council (C2020-1237) direction

1. Transfer the confirmed \$56.3 million earned investment income to the associated Off-site Levy accounts from Corporate Programs as outlined in Attachment 1; and
2. Effective 2020 January allocate any future investment income earned on the Community Services portion of the Centre City Levy to the Centre City Community and Recreation infrastructure Centre City levy accounts; and
3. Keep the report and recommendations confidential pursuant to Sections 24, 25 and 27 of the FOIP Act until no later than 2020 November 09.

### 2020 November 10 Priorities and Finance Committee (PFC2020-1316) direction

With regard to Closed Session Item 14.2.3 (C2020-1237) from the 2020 November 02 Combined Meeting of Council, PFC recommends that Council direct Administration, on follow-through actions in response to this item, to report to PFC, with the first report-back on 2020 December 01.



## Follow through action plans

Action	Update	Timing	Status
a Communication to stakeholders	<ul style="list-style-type: none"> <li>i. External members of Audit Committee informed by email on November 13</li> <li>ii. Held meetings with BILD and NAIOP representatives, including BILD Board of Directors</li> <li>iii. Report C2020-1237 was made public on 2020 November 13</li> <li>iv. Continuing forums to address questions from development industry, including through joint off-site levy governance committee</li> </ul>	On-going	Underway
b Transfer funds	Prepare to transfer funds from Corporate Programs to appropriate off-site levy accounts	By 2020 year-end reporting	Underway
c Audit and auditor review	<p>Update provided to Audit Committee on 2020 November 19</p> <p>External Auditor engaged</p> <ul style="list-style-type: none"> <li>i. confirm accounting treatment</li> <li>ii. confirm accuracy of amount</li> <li>iii. review internal controls and processes</li> </ul>	By 2020 year-end reporting	Underway



## Follow through action plans

Action	Update	Timing	Status
d Include in 2020 year-end reports	<ul style="list-style-type: none"><li>i. audited year-end financial statements (Audit Committee)</li><li>ii. annual off-site levy report (SPC on Planning and Urban Development)</li></ul>	2021 Q2	Yet to commence
e Update Priorities and Finance Committee on progress of actions	Provide update on follow through actions	2020 / 2021	Underway



## Recommendation

That the Priorities and Finance Committee recommends that Council direct Administration to provide the next off-site levy investment income update to Council through the Priorities and Finance Committee in 2021 Q1.