

Off-site levy payment relief program – Off-site levy balances

Off-site levy balances

The projected off-site levy balances in table 1 below are provided at a summary level by department. It is important to note that there are further restrictions based on service line and infrastructure type, and there are commitments against the balances. To move ahead with projects in a timely manner to support development, infrastructure identified in the off-site levy program may be funded using a combination of levy funds and other funding sources for Transportation and Community Services. This often results in a positive balance in the levy accounts at the end of the year. Commitments for the remainder of the budget cycle (2020-2022) for Transportation and Community Services are \$341 million.

The Water Utility currently has \$841million in debt for levy-related projects. The balance in table 1 below is levies collected less the current year principal and interest payments. As more growth related infrastructure investment is made, debt will continue to grow for Water Resources and this balance along with future levies collected are intended to cover principal and interest payment on this debt.

Off-site levy funds are governed by the Municipal Government Act (MGA), which does not allow The City to use the funds for a purpose they were not intended. The MGA requires that funds and investment income must be used to build growth-related infrastructure and cannot be used to off-set a payment relief program. The funds must be used for the appropriate service line and infrastructure type. Table 1 provides projected balances at the end of 2020 including 2020 billing and budgeted expenditures, without consideration of The Program or any payment default.

Table 1: Projected Off-site Levy Balance as at December 31, 2020

	Off-Site Levy (in millions)			
	Water	Transportation	Community Services	Off-Site Levy Total
Opening balance @ Jan 1, 2020	56.0	93.4	181.2	330.6
Billing (Jan to Jun 2020)	26.9	16.1	7.1	50.1
Billing (July to Dec 2020)	30.9	30.0	15.6	76.5
Less budgeted current year spend	(64.3)	(90.1)	(50.7)	(205.1)
Projected balance as at Dec 31, 2020	49.5	49.4	153.2	252.1

Table 1 Notes:

- Transportation includes Transit busses.
- Community Services includes Fire, Police, Recreation, and Library.