

Off-site Levy Investment Income Final Update (verbal)

PFC2021-1107

Priorities and Finance Committee

2021 July 20

ISC: Unrestricted



That the Priorities and Finance Committee recommends that Council accepts this final investment income update for the Corporate Record.



- 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.
- A full review of the levy investment income was undertaken, and it was confirmed that investment income of \$56.3M was earned but not allocated to the Community Services Levy account due to it being voluntary, the Centre City Levy (2006-2019); and the Utilities' Levy accounts (2004-2019) which was in error.
- On 2020 November 2, an Off-site Levy Update (C2020-1237) was brought to Council and a transfer of \$56.3M to the associated Off-site Levy accounts was approved. This transfer was completed in 2020 December.

- On 2020 December 1 and 2021 February 16 updates were provided to the Priorities and Finance Committee (PFC2020-1365/PFC2021-0246) on the investment income follow through plan. These updates correspondingly went to Council on 2020 December 14 and 2021 March 1.
- Additionally, Audit Committee directed Deloitte to audit the Off-site Levy account balances for the 2016-2020 time period. The results were presented to the Audit Committee on 2021 June 24 (AC2021-0901).
- As of Q4 2020 all Off-site and Centre City Levy accounts have the formal direction on where to direct Investment Income.



Action	Update	Timing	Feb 2021 Status	July 20 Status	
a	<p>Communication to stakeholders</p> <ul style="list-style-type: none"> i. External members of Audit Committee informed by email on November 13 ii. Held meetings with BILD and NAIOP representatives, including BILD Board of Directors iii. Report C2020-1237 was made public on 2020 November 13, and letter sent to BILD and NAIOP on 2020 November 10 informing them iv. Continuing forums to address questions from development industry, including through Joint Off-site Levy Governance Committee 	Ongoing	<ul style="list-style-type: none"> i-iii Complete iv. Ongoing 	<ul style="list-style-type: none"> i-iii Complete iv. Complete 	
b	Transfer funds	Transfer funds to appropriate Off-site Levy accounts, Dec 2020	By 2020 year-end reporting	Complete	Complete
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"> i. confirm accounting treatment ii. confirm accuracy of amount iii. review internal controls and processes 	By 2020 year-end reporting	Ongoing	Complete



Action	Update	Timing	Feb 2021 Status	July 20 Status
d Include in 2020 year-end reports	<ul style="list-style-type: none"> i. audited year-end financial statements (Audit Committee, 2021 April 20) ii. Annual Off-site Levy report (SPC on Planning and Urban Development, 2021 July 7) 	2021 Q2	Ongoing	Complete
e Update Priorities and Finance Committee on progress of actions	Provide update on follow through actions	2020 / 2021	Ongoing	Complete

Note: All identified actions related to this concern are complete. No further reporting on this item is required.



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