

Payment-In-Lieu of Parkland (Parks Reserve Fund) – Treasurer’s Annual Financial Statement

Presented To:	Finance and Administration Committee
Meeting Date:	July 13, 2021
Type:	Correspondence for Information Only
Prepared by:	Apryl Lukezic Financial Support & Budgeting
Recommended by:	General Manager of Corporate Services

Report Summary

This report provides information regarding the annual financial statement of the payment-in-lieu of Parkland (Parks Reserve Fund) as required under the Planning Act. This report also provides a 2020 financial statement of this reserve fund.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

Financial Implications

There are no financial implications associated with this report.

Background

A municipality may require, as a condition of development, that land be conveyed to the municipality for park or other public recreational purposes. Alternatively, Council may require payment-in-lieu to the value of the land otherwise to be conveyed with rates of 2% for commercial/industrial purposes and in all other cases a rate of 5% of the land value instead of parkland development.

The City has been collecting payment-in-lieu of parkland funds for many years and has been maintaining a dedicated reserve fund to record and track the use of those funds.

Under the *Planning Act*, the Treasurer shall present a statement relating to Cash in Lieu of Parkland. The Treasurer’s statement must include, for the preceding year:

- (a) Statements of the opening and closing balances of the special account and of the transactions relating to the account;
- (b) Statements identifying:

- i. Any land or machinery acquired during the year with funds from the special account,
- ii. Any buildings erected, improved or repaired during the year with funds from the special account,
- iii. Details of the amounts spent, and
- iv. For each asset mentioned in subclauses (i) and (ii), the manner in which any capital cost not funded from the special account was or will be funded.

Annual Financial Statement:

January 1, 2020 balance	\$1,030,314
Interest income earned	\$20,837
New deposits received	\$95,531
Expenses incurred	<u>(\$126,070)</u>
December 31, 2020 balance	\$1,020,612

The expenses incurred during 2020 funded from this account included the following:

1. Lighting on Junction Creek Waterway Park	\$90,300 *
2. Azilda Splash Pad	<u>\$35,770 *</u>
Total	\$126,070

* Remaining costs for these capital projects were funded within existing capital budgets.

There are specific project commitments in this reserve fund as follows:

1. Val Caron Splash Pad (previously for Bell Park)	\$49,892	(Note 1)
2. Green Space (as per Green Space Advisory Panel)	\$115,179	(Note 2)
3. Purchase of Parkland	\$10,088	(Note 2)
4. Pinecrest Gardens Phase 1	<u>\$12,000</u>	(Note 3)
Total Commitments	\$187,159	

Note 1 – Funds were originally set aside in the 2011 Capital Budget in relation to an ACT Partnership to install a new splash park at Bell Park. However, the partnership/application for grant funding was not successful, so the funds have since been cancelled for this splash park and can be used for future projects. Community Services Committee approved that these funds be reallocated to fund the remaining splash pads (ie. Val Caron) in the parks and open space master plan.

Note 2 – In accordance with by-law 2010-158, funds from the sale of surplus parkland would be deposited in this Reserve Fund. Fifty percent of the funds from any particular sale will be directed towards acquisition of parkland based on the adopted Green Space priority list (funds available of \$115,179 at end of 2020). The other fifty percent of the funds from any particular sale will be directed towards acquisition of parkland or park development in the ward in which the sale was made (funds available of \$10,088 relates to Ward 2).

Note 3 – Represents a deposit towards developing the parkland at Pinecrest Gardens Subdivision. This deposit will be returned to the developer once conditions around developing the parkland have been fulfilled.

Conclusion:

This report is to meet annual requirements of the Planning Act to provide Council with a financial statement of this reserve fund.