

Payment-In-Lieu of Parkland (Parks Reserve Fund) – Treasurer’s Annual Financial Statement as of December 31, 2023

Presented To:	Finance and Administration Committee
Meeting Date:	June 18, 2024
Type:	Correspondence for Information Only
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Recommended by:	General Manager of Corporate Services

Report Summary

This report provides information regarding a 2023 financial statement of this reserve fund under the Planning Act which requires the City Treasurer to present an annual financial statement about the payment-in-lieu of parkland (Parks Reserve Fund).

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

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, 2023, balance	\$ 1,199,496
Interest income earned	\$ 67,116
New deposits received	\$ 235,805
Expenses incurred	<u>\$ (24,381)</u>
December 31, 2023, balance	\$ 1,478,036

The expenses incurred during 2023 funded from this account included the following:

A. Convert Parks Lighting to LED	<u>\$24,381</u>	(Note A)
Total Expenses Incurred	\$24,381	

Note A – Will be fully funded from this account and further explained in Note 1 below.

As of December 31, 2023, there are specific project commitments in this reserve fund as follows:

1. Convert Parks Lighting to LED	\$35,331	(Note 1)
2. Purchase of Parkland	\$10,088	(Note 2)
3. Pinecrest Gardens Phase 1	\$12,000	(Note 3)
4. Green Space (as per Green Space Advisory Panel)	<u>\$115,179</u>	(Note 2)
Total Commitments	\$172,598	

Note 1 – During 2022 Budget deliberations in December 2021, Council approved \$177,000 to be used towards the conversion of Parks lighting to LED. This draw will be replenished in future years from energy savings.

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 2023). 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). As approved in the 2024 Budget,

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.

Note 4 – As approved in the 2024-2027 Capital Budget (page 450 of the 2024 Budget document), the existing and available funds, as well as future collection of funds, will be used towards the Playground

Revitalization capital project for remaining playgrounds that require replacement.

Conclusion:

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