

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Monday, May 3, 2021
Subject	<b>2020 Long-term Financial Statement – Reserves and Debt</b>

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## Recommendation

1. That an obligatory reserve fund (344) be opened to manage Federal/Provincial grant funds received in 2021 from the Safe Restart Agreement Public Transit Funding Program as a requirement of the transfer payment agreement.
  2. That the Greenhouse Gas reserve (352) and the Ontario Municipal Commuter Cycling reserve fund (350) with nil balances be closed.
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## Executive Summary

### Purpose of Report

The purpose of this report is to update Council on the year-end position of all reserves and reserve funds as well as outstanding and forecasted debt. This report will also provide details on notable transactions that occurred throughout 2020 as well as historical and future outlooks. It will also serve to satisfy requirements of the Development Charges Act, 1997 (DCA) and the Planning Act in regard to annual reporting of development charges (DCs) and parkland dedication and provide an interim report, two years after enactment of the Parkland Dedication By-law (2019)-20366, as directed by Council on January 28, 2019.

Previously Council would receive individual reports on reserve and reserve fund activity, DCs, parkland dedication, and debt, however these items are all interconnected and presenting them together will provide Council with a holistic view of the City's long-term financial position.

### Key Findings

- As a whole, the City's reserves and reserve funds increased by 16 per cent over the previous year with a year-end balance of \$383,963,635 before commitments.
- Reserve and reserve fund balances have been increasing since 2015 and this is primarily due to a focused strategy on increasing funding for Infrastructure Renewal both within the tax and non-tax areas.
- Reducing the use of contingency reserves for funding of planned expenditures at budget has allowed these reserves to reach their target levels.
- Reaching target levels for contingency reserves allows for greater flexibility in budgeting for the associated operating expenses, enabling reductions in annual budget requirements, thereby reducing the overall risk to the City.

- Year-end debt outstanding totaled \$101,480,582 after principal repayment of \$12,477,197.
- The City continues to be in a well-managed position with respect to outstanding debt obligations, all ratios being met and are currently trending positive.
- The planned future debt issuance will push the ratios closer to the limits established in the [Debt Management Policy](#), however, they are not expected to be exceeded over the next 25 years.

## **Financial Implications**

There are no direct financial implications from this report. Continued strategic management of the City's reserves, reserve funds and debt portfolio will support the City's overall financial health, including a continued positive credit rating.

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## **Report**

### **Reserves and Reserve Funds**

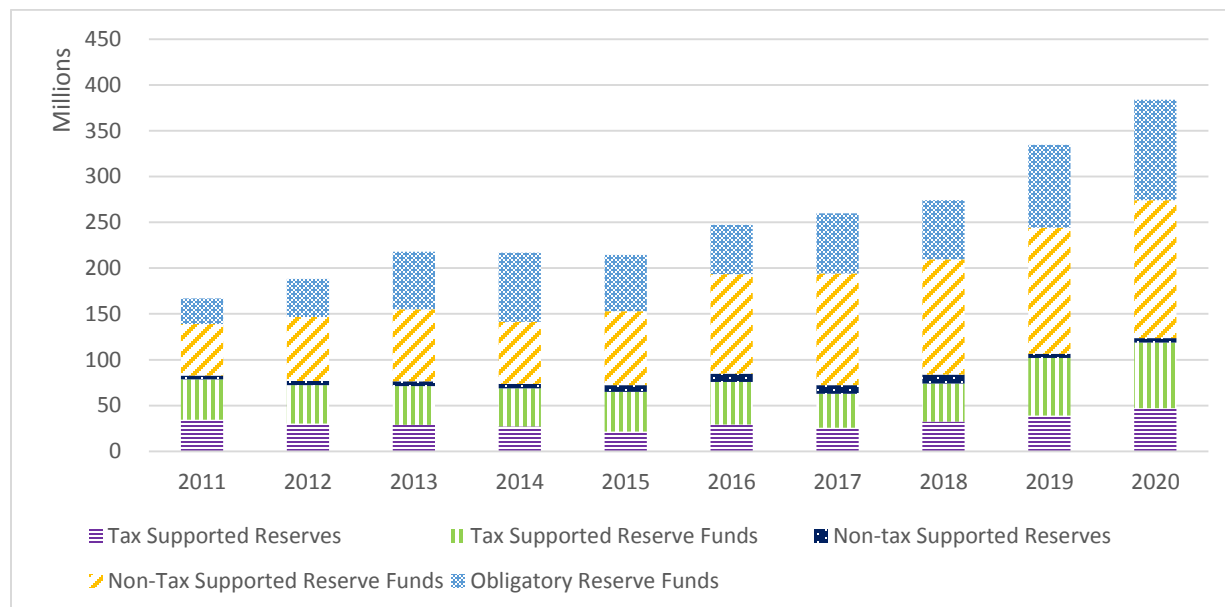
A schedule of reserve and reserve fund activity is provided in Attachment-1 Reserve and Reserve Fund Activity. Targets for specific reserves and reserve funds can be found in the City's [General Reserve and Reserve Fund Policy](#).

Notable reserve and reserve fund activity is described below under each category, with the exception of detailed analysis for the Parkland Dedication reserve funds and DCs reserve funds that require specific information to satisfy regulations in the Municipal Act.

Surplus allocations as recommended in the 2020 Year-end Operating Budget Monitoring and Surplus Allocation and Deficit Funding Report are accounted for in all figures below. Actual target percentages provided below are based on the uncommitted ending balance at the end of 2020.

Overall reserve and reserve fund balances have been increasing since 2015, as shown in Figure 1, and this is primarily due to a focused strategy on increasing funding for Infrastructure Renewal both within the tax and non-tax areas. Reducing the use of contingency reserves for funding of planned expenditures at budget has allowed these reserves to reach their target levels, thereby reducing the overall risk to the City.

**Figure 1 2011 to 2020 Reserve and Reserve Fund Balances**



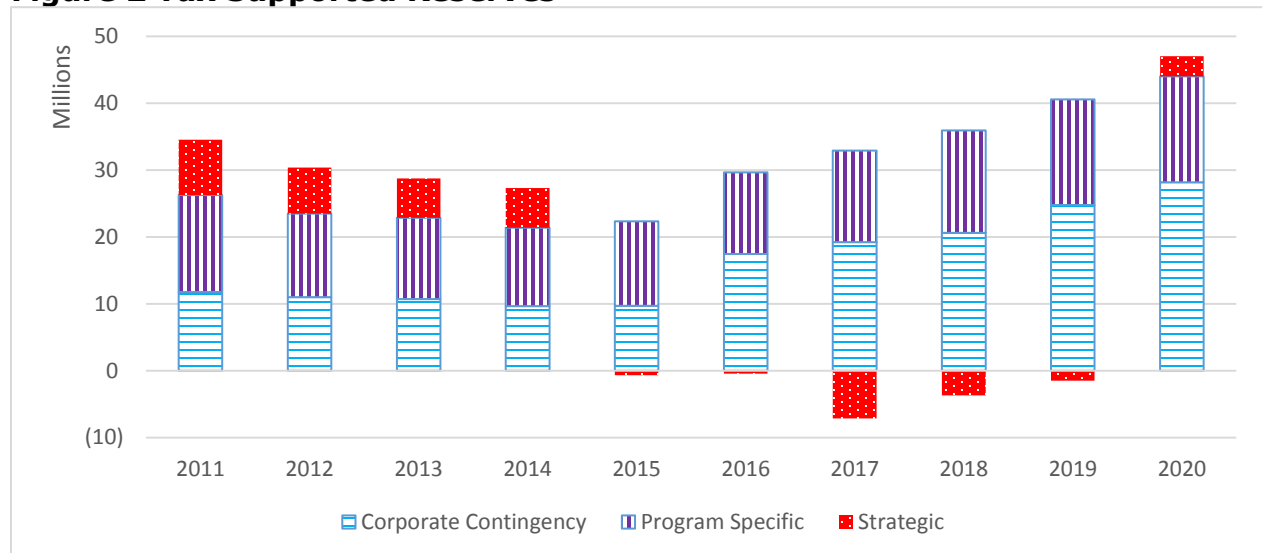
### **Tax Supported Reserves and Reserve Funds**

The City's tax supported reserve and reserve funds have increased 16 per cent over 2019, this is primarily due to lower capital spending due to COVID-19 and a balance of Safe Restart funds (\$4,842,087) in the City's Tax Operating Contingency Reserve (180). Capital spending is expected to return to normal trends as the pandemic ends and the balance of Safe Restart funds will be used to mitigate any 2021 and future impacts from COVID-19.

### **Tax Supported Reserves**

The tax supported reserves have been improving over the past six years, Figure 2, primarily due to a focus on ensuring appropriate balances in contingency reserves.

**Figure 2 Tax Supported Reserves**



### Corporate Contingency Reserves

These reserves are required to provide the City with liquidity and to offset one-time, extraordinary and unforeseen expenditures so that the impact to the tax rate is minimized. This group is at 100 per cent of targeted levels at year-end. This is excluding the remaining funds from the Safe Restart Grant (\$4,842,087), which are dedicated to mitigating COVID-19 related costs and deficits. The following items were funded from the Corporate Contingency Reserves:

- \$302,400 to support Welcoming Streets, addiction court support and support recovery room initiatives (2020 budget).
- \$117,436 to offset the costs of the Council Compensation Review (2020 budget).
- \$100,000 transferred to the Elliott for one-time capital needs (2020 budget).
- \$1,000,000 was transferred to the Affordable Housing Reserve to support Council approve requests for funding (in-year Council approval).

### Program Specific Reserves

The City maintains liability specific compensation reserves (Accumulated Sick Leave (Fire 100, Police 101), WSIB (330) and Paramedic Retirement (338)) to fund the cost of certain employee benefits that are incurred today, but payable in the future. These liabilities are generated through legislation and terms of collective agreements.

This group of reserves is currently at 97 per cent of target, however, the continuing pressures from increasing benefit costs and changing legislation may change this status in future years. Continued diligence in monitoring and proactively funding these known obligations is critical to long term sustainability.

### Strategic Reserves

The City's Strategic Reserves support investment in affordable housing, redevelopment and the Hanlon Creek Business Park (HCBP). The level of funding in each is related to the underlying strategies being supported. The negative balance in this group is related to the HCBP, however, as land sales continue, it is

forecasted that the balance will be returned to a positive status within three to five years.

The Affordable Housing Reserve increased significantly in 2020 due to the Council approval of \$1,000,000 transferred to support a number community projects currently in development.

The balance in the Redevelopment Incentive reserve (122) has increased over a four-year period as funds accumulate in order to pay out commitments related to the Tax Increment Based Grant programs within the City's Community Improvement Plans. These funds are fully committed over 10 years.

Based on the approved policy of directing any Carbon Credit revenue to the 100RE Reserve Fund, the Greenhouse Gas Reserve (352) is no longer required and can be closed out.

### **Tax supported Reserve Funds**

Overall reserve fund balances (Figure 3) have increased due to the focus on the Infrastructure Renewal Strategy, as well as the one-time dividend from Guelph Municipal Holdings Inc. received in 2019. The balance has outstanding capital project commitments of \$45 million against it, which reflects a lower level of capital spending in 2020 due to COVID-19.

**Figure 3 Tax Supported Reserve Funds**



### **Program Specific Reserve Funds**

This group of reserve funds are related to specific services and/or sources of funding, such as Police Capital and Sleeman Naming Rights. The current requirement is that they remain positive in order to fund approved expenditures.

The balance of funding received through the Ontario Municipal Commuter Cycling program has been spent and the associated reserve fund (350) can now be closed.

### **Corporate Capital Reserve Funds**

Corporate Capital Reserve Funds include reserve funds for Infrastructure Renewal, Contaminated Sites, Growth, City Building, Efficiency, Innovation and Opportunity Fund and 100 Renewable Energy. Collectively these reserve funds have increased

by 11 per cent beyond 2019's ending balance, primarily due to lower than usual capital activity due to COVID-19.

- Collectively these reserve funds are at 35 per cent of their target, excluding 100 RE.
- The City Building Reserve Fund is currently overcommitted by \$777,373. This will be addressed through the development of a strategy for funding long-term investment in this area. Staff are recommending a transfer into this reserve fund from the 2020 year-end position to reduce future tax increases.

In addition to a targeted reserve fund balance, these funds also have annual contribution targets, which support the long-term sustainability of the strategies they are used to fund. Currently both the Growth and Contaminated Sites strategies are being funded at 100 per cent of target. The Infrastructure Renewal strategy is being funded at 59 per cent, with continuation of the 10-year strategy expected to bring this to 90 per cent by 2027. The City Building funding is at 41 per cent of target, and there is currently no long-term strategy in place to bring this to 100 per cent. The 100 RE strategy is currently being developed to establish both targets for sustainable funding and a recommendation on how to achieve it over time.

### **Non-tax Supported Reserves and Reserve Funds**

The City's non-tax supported reserves and reserve funds have increased 9 per cent over 2019, this is primarily due to a continued focus on long-term sustainable infrastructure renewal funding and lower capital spending due to COVID-19. Capital spending is expected to return to normal trends as the pandemic ends.

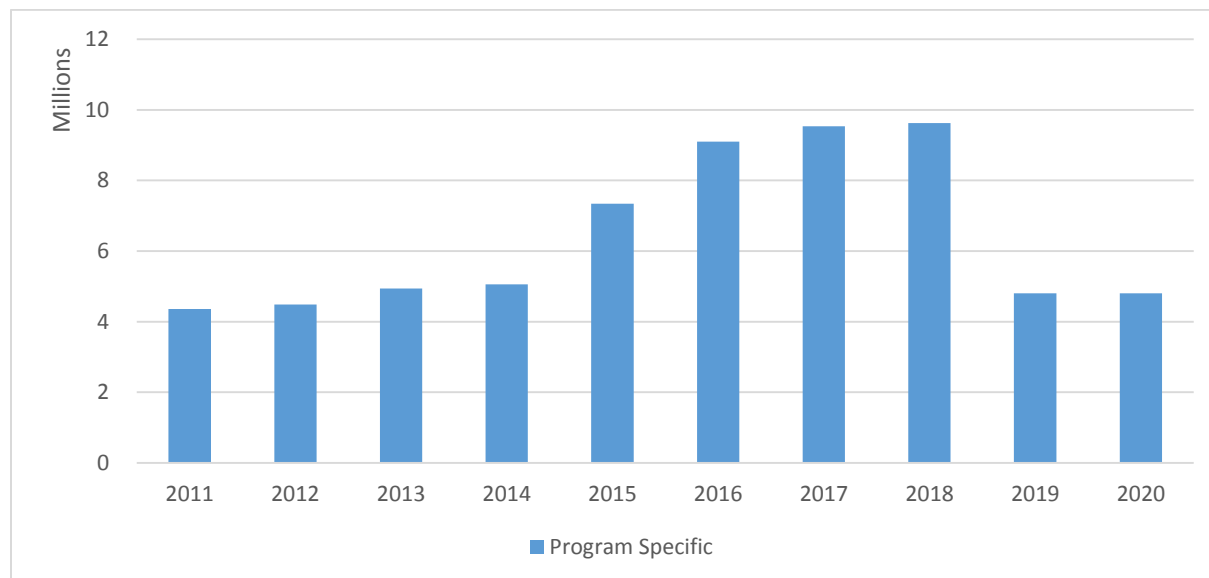
### **Non-tax supported Reserves**

#### **Program Specific Reserves**

Non-tax contingency reserves are to meet the emergency and unplanned funding needs in the operations of the non-tax services, as well as to avoid large fluctuations in user rates. All services with the exception of Parking meet or exceed the established reserve target of 10 per cent of gross operating expenditures. The Parking reserve established in 2019 has yet to have a contribution made to it as the focus has been on reducing the tax contribution to Parking to transition the service to a fully user rate system. The target for Parking is approximately \$170,000.

The reduction in balances in these reserves (Figure 4) in 2019 reflects an adjustment to bring them in line with the targets above. As part of the 2020 budget, surplus funds were transferred to the respective capital reserve funds.

**Figure 4 Non-tax Supported Reserves**



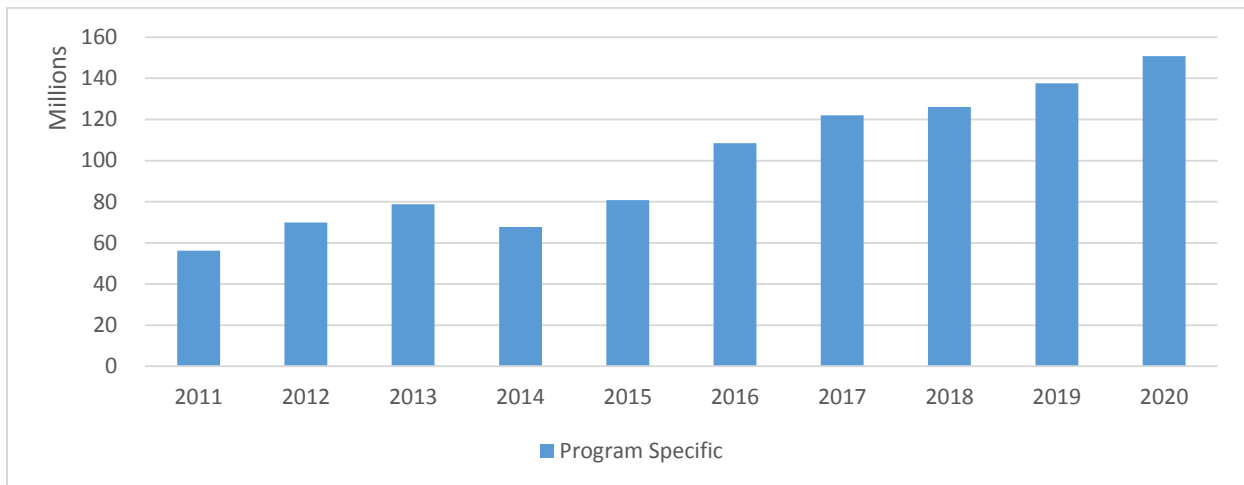
**Program Specific Reserve Funds**

These reserve funds consist of financing for capital works for Water, Wastewater, Stormwater, Parking and Courts. Capital works include infrastructure renewal, city building initiatives, and offsetting DC exemptions for growth-related assets. The current balances are at 84 per cent of target as a group, mainly due to a significant balance in Wastewater Capital (153).

Target transfers to these reserve funds are based on the work of the Corporate Asset Management Plan. As part of the 2020 Corporate Asset Management Plan update, the sustainable funding level for water and wastewater were reduced and stormwater was increased. Overall, the Infrastructure Renewal Strategy for these services is 63 per cent funded, however, there is a large variation by service from Stormwater at 28 per cent to Wastewater at 85 per cent. Development of a renewed long-term funding strategy for these services is planned to be presented to Council in 2022 and it will take into consideration the updated data from the Core Asset Management Plans currently being completed.

The increase in the balances in these reserve funds, (Figure 5) is due to a continued focus on attaining sustainable infrastructure funding for the respective services. The balance has outstanding capital project commitments of \$90 million against it, which reflects a lower level of capital spending in 2020 due to COVID-19.

**Figure 5 Non-tax Supported Reserve Funds**



### Obligatory Reserve Funds

These reserve funds are mandated under various legislation to be held separate from the balance of City funds and are treated as deferred revenue. They include the Ontario Building Code Stabilization (188), Parkland Dedication (300 and 301), Provincial Dedicated Gas Tax (342), and Federal Gas Tax (343). A new obligatory reserve fund for the Safe Restart Transit funding received in 2021 is required based upon the transfer payment agreement and therefore has been included for Council approval.

The increasing balance in these reserve funds (Figure 6) is a reflection of higher than usual DC collections in 2019 and a one-time doubling of Federal Gas Tax funds received in 2019. The balance has outstanding capital project commitments of \$68 million against it, which reflects a lower level of capital spending in 2020 due to COVID-19.

**Figure 6 Obligatory Reserve Funds**





## **Parkland Dedication By-law Update**

The City's current Parkland Dedication By-law (2019)-20366, prepared under the authority of section 42 of the Planning Act, came into effect on January 31, 2019 and has been amended by By-law (2019)-20380, By-law (2020)-20531 and By-law (2021)-20573.

The by-law is applicable to development and redevelopment pursuant to section 42 of the Planning Act and builders are obligated to pay Payment In Lieu (PIL) prior to issuing building permits where the proposed development and redevelopment meets the by-law criteria.

The City has collected \$2.16 million in 2020 (2019: \$1.1 million) in PIL under the new by-law (Table 1 below).

In addition, the City has collected approximately \$250,800 in PIL funds for building permits issued for development of 22 single-detached houses using land valuation included in Schedule A of the by-law. This is an increase of approximately 750 per cent over the unit rates established in the old by-law.

### **Downtown residential development, high density residential development and alternative rate cap**

As part of the by-law, a 'cap' was established that limits the amount of parkland dedication at an alternative rate of 1 hectare per 500 dwelling units applied to residential lands located inside and outside of downtown. The cap for high density residential development outside of downtown is set at a maximum rate of 30 per cent of the appraised land value.

The cap for high-density residential development outside of downtown has not been used in the first two years of the new by-law. PIL was collected for the development of two high-density residential apartments and was calculated at a lower alternative rate than the cap of 30 per cent.

For lands located downtown, the cap for residential development is set at a maximum rate of 20 per cent of the appraised land value.

The alternative rate cap for high-density residential development was applied only in one instance, the development of a downtown 14-storey residential apartment building with 139 residential units where PIL at an alternative rate of 1 hectare per 500 dwelling units was calculated at 73 per cent of the lot area.

The alternative rate cap, definitions, exemptions and other components will be examined for efficiency and effectiveness improvements throughout 2021 and 2022 as part of the legislated requirement to update the parkland dedication bylaw.

In previous years, the Planning Act permitted parkland to be conveyed under Section 37 to increase height and/or density of existing buildings. This was repealed in 2020 as it is now eligible under a Community Benefits Charge (CBC) by-law, should the municipality pass one. Under Section 37 subsection 51, if the municipality does not pass a CBC by-law by the September 2022, any funds collected and held in the parkland dedication reserve funds with respect to the repealed Section 37 must be transferred to a general capital reserve.

The Planning Act also sets out the requirement for reporting, including a financial statement and both public and provincial submission.

The City maintains two separate reserve funds for parkland dedication, one for the Downtown area in accordance with the Downtown Secondary Plan and one for the remainder of the City.

In addition to total PIL collection of \$2.16 million, 0.61 hectares of land were conveyed to the City for a neighbourhood park in Harts Lane subdivision. The breakdown of the PIL collected are detailed in Table 1 followed by the 2020 reserve fund activity statement in Table 2.

**Table 1: 2020 Parkland Dedication Revenue**

Approval Type	Planning Act Section	Number of Approvals	Amount of payment in lieu
Consent for severance	53	-	-
Residential building permit	42	16	\$151,299
Multi-unit residential building permit	42	3	\$590,427
Subdivision registration	51.1	-	-
Industrial/commercial building permit	42	8	\$1,417,741

**Table 2: 2020 Parkland Dedication Reserve Fund Activity**

	Parkland Dedication Reserve Fund (300)	Downtown Parkland Dedication Reserve Fund (301)
Opening balance	\$6,599,856	\$(702,340)
PIL collected	\$1,319,467	\$840,000
Interest earned (paid)	\$159,711	\$(6,211)
Closing balance	\$8,079,034	\$131,449
Year-end commitments	\$474,454	\$0
Uncommitted balance	\$7,604,580	\$131,449

There was no spending of reserve funds in 2020 however in August of 2020 Council did direct staff to proceed with the purchase of 104 Oliver Street using parkland dedication funds for development into a parkette.

### **Development Charges**

The DCA requires under Section 43 that the Treasurer of the municipality must provide to Council an annual financial statement relating to DC by-law and any

reserve funds established under the DCA. The statement for the preceding year must include the following statements:

- a) a statement of the opening and closing balances of the reserve funds and any transactions relating to the funds; (found in Attachment-2)
- b) a statement identifying all asset whose capital costs were funded under the DC by-law during the year and the source of the capital cost not funded under the DC by-law; (found in Attachment-3) and
- c) statement as to compliance with subsection 59.1 (1); that no other charge has been imposed related to a development or a requirement to construct a service related to development, except as permitted by the Act or another Act.

The statement must be made available to the public and given to the Minister of Municipal Affairs and Housing.

### **Year-end Balance**

The accumulated closing balance of all 16 reserve funds is \$25.5 million after all prior year unspent commitments have been applied. The balance is \$2.2 million more than the year-end balance at the end of 2019. The increase is attributed to collections being slightly more than approved budget in 2020. The overall balances are in a healthy position as the current balance exceeds the average annual expenditure over the past five years.

### **Development Charges Revenue**

In 2020, the City saw decreased collections in both residential and non-residential development. This decrease was expected due to COVID-19, future level of development is uncertain at this time as the impacts of COVID-19 continue.

The City collected DCs for 550 new residential dwellings as well as granted 216 exemptions for accessory apartments. Overall, 14 per cent were low density (single detached and semi-detached), 24 per cent medium density (multiples except apartments) and 63 per cent high density (bachelor, 1-bedroom and 2-bedroom apartments). A comparison to the 2018 DC Background Study and 2019 actuals can be found in Table 3 - Residential Density Mix.

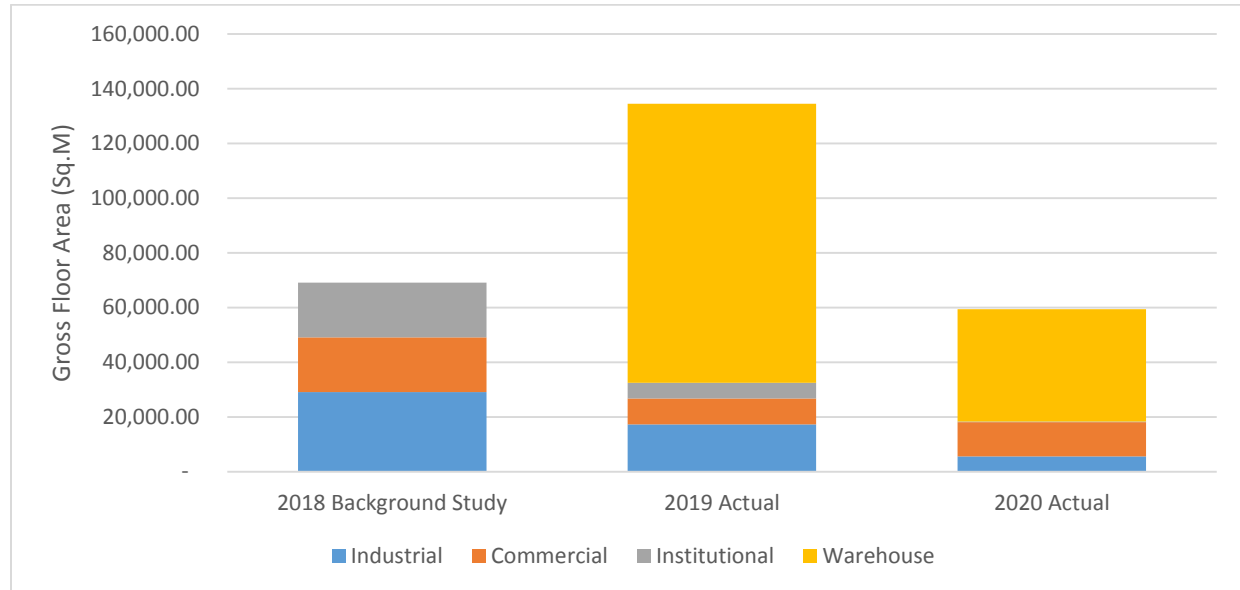
**Table 3 - Residential Density Mix**

<b>Residential Density</b>	<b>Background Study Mix</b>	<b>2019 Mix (including accessory apartments)</b>	<b>2020 Mix (including accessory apartments)</b>
Low	18%	13%	14%
Medium	41%	3%	24%
High	41%	84%	62%

Significantly lower collections were seen in the non-residential category with 2020 collections down by almost 56 per cent compared to 2019. However, 2020 collections were more in line with the 2018 DC Background Study's forecast. The

2018 DC Background Study anticipated 69 thousand square meters of industrial, commercial and institutional space would be added each year and result in 1,047 new jobs per year, over the next 10 years in order to meet the provincially mandated growth targets. In 2020, 59 thousand square meters of non-residential space was added. A comparison between the 2018 DC Background Study, 2019 and 2020 can be found in Figure 7 – Non-Residential DC Collections.

**Figure 7 – Non-Residential DC Collections**



**Development Charges Expenditures**

In 2020, the City invested \$18.8 million in growth-related infrastructure, this includes \$9.3 million drawn from DC reserve funds. Projects with significant DC funding in 2020 can be found in Table 4 - 2020 DC Spending Highlights. The complete breakdown by project and service can be found in Attachment-3.

**Table 4 - 2020 DC Spending Highlights**

Project	Total spending 2020	Funding from DC 2020
Transit Buses (TM0006)	\$2,813,874	\$1,761,279
South End Community Centre (RP0290)	\$1,347,695	\$1,347,695
Water New Supply (WT0002)	\$1,167,956	\$1,167,956
Guelph Police Services Headquarter Renovations (PS0033)	\$1,577,509	\$649,350
Paisley Feedermain Construction – Phase 3 (PN0268)	\$466,496	\$419,877

## Development Charges Exemptions

The DCA permits for several exemptions where DCs shall not be imposed for certain types of development. This list is expanded further by exemptions laid out in the City's DC By-law (2019)-20372. In 2013, Council passed By-law (2013)-19537 to enact a Development Charge Exemption Policy whereby any amount of exemption given must be recovered from the City's tax and non-tax supported capital reserve funds. DC exemptions in 2020 totaled \$4,009,840, the breakdown of the type of exemption can be found in Table 5 Exemptions. These exemptions were recovered from the following capital reserve funds: Growth (156), Water (152), Wastewater (153), Stormwater (165), Parking (151), Courts (120) and Paramedics (360).

**Table 5 Exemptions**

Type of Exemption	Quantity	Exemption Value
Residential Accessory Apartments	216	\$3,572,702
Industrial Additions	5	\$409,889
University of Guelph	2	\$27,249
Total Exemptions	223	\$4,009,840

In September 2020, the DCA was officially amended by Bill 108 and Bill 138 and now permits exemptions of up to two accessory units per residential unit.

## Development Charges Debt

DCs are calculated based on the DC Study which covers both a 10 and 25-year capital planning horizon. In some cases, growth-related projects are completed prior to having fully collected the necessary DCs to fund the project. In these situations, external debt is permitted under the DCA to cash flow the capital costs of the project and is repaid by the future DC collections. Total debt interest paid in 2020 from DCs was \$758,981.

**Table 6 DC Debt Outstanding**

Project	December 31, 2020 Outstanding Balance	Debt Maturity
Hanlon Expressway Interchange	\$13,966,217	2029
Wilson Street Parkade	\$4,319,000	2039
Police Headquarters	\$13,551,265	2029 and 2039
Public Health Facilities	\$1,969,570	2026
Total	\$33,806,052	

**Debt**

The appropriate use and management of debt is critical to the City achieving long-term strategies, including sustainable funding and infrastructure investment. Through the updated Debt Management Policy, limitations were established for ensuring adherence to the City’s overall Long-term Financial Framework.

After principal payments of \$12,477,197 and interest of \$3,213,245 in 2020, the total debt outstanding at the end of 2020 was \$101,480,582. No new debt was added during the year.

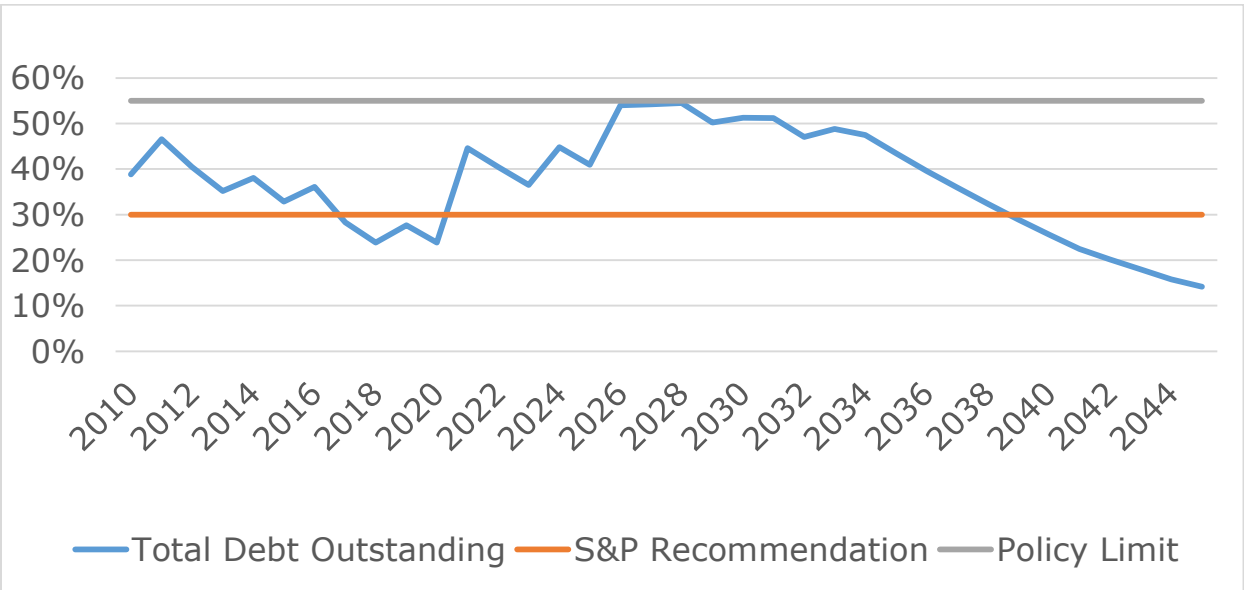
**Table 7 City Imposed Debt Limitations**

Limitation	Target	Current	Trend
Direct Debt to Operating Revenue	<55 %	19 %	Improving
Debt Service Cost to net Revenue	<10 %	2.9 %	Improving
Debt Servicing to Discretionary Reserve Ratio	>1:14	1:17	Improving

Based on planned debt funding requirements, the above ratios will reverse their current trend in the short term, however, it is expected that all limitations will be met over the next 25 years. For 2020 debt activity see Attachment 4.

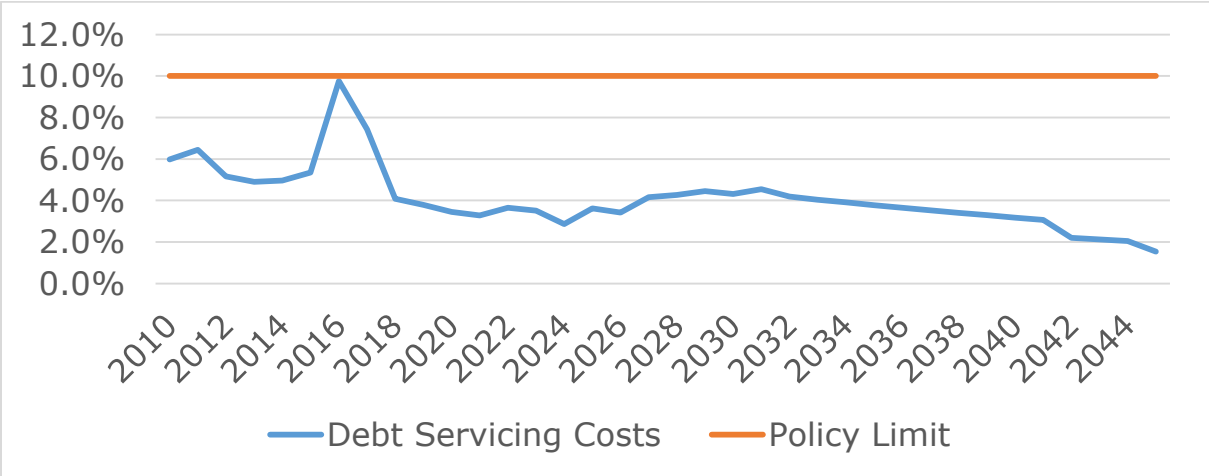
Total debt to operating revenue (Figure 8) is forecasted to peak in 2028 and then decrease steadily after that point. This aligns with the need for significant investment in critical asset renewal of facilities as well as the construction of the South End Community Centre in order to meet growth demands.

**Figure 6 Total Debt to Operating Revenue**



Due to historical low interest rates and previously issued debentures reaching maturity, the cost of servicing debt (Figure 9) is expected to stay stable over the short-term, and then trending lower in the longer term.

**Figure 7 Debt Servicing to Operating Revenue**



**Financial Implications**

There are no direct financial implications from this report. Continued strategic management of the City’s reserves, reserve funds and debt portfolio will support the City’s overall financial health, including a continued positive credit rating.

**Consultations**

The Parks planning and the Building department were consulted to provide input related to Parkland and Development Charge obligatory reserve funds respectively. The City’s overall approach to managing reserves and reserve funds is to review them corporately to ensure long-term sustainability, while integrating specific service requirements to ensure flexibility in managing operating and capital budgets.

**Strategic Plan Alignment**

Reporting annually on the status and activity of the City’s reserves, reserve funds and debt supports the Strategic Plan’s Working Together for our Future pillar through maintaining a fiscally responsible local government.

**Attachments**

- Attachment-1 Reserve and Reserve Fund Activity
- Attachment-2 Development Charge Reserve Fund Statement
- Attachment-3 Development Charge Project Financing Statement
- Attachment-4 Debt Activity

**Departmental Approval**

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## Reserve and Reserve Fund Activity for 2020

## Attachment-1

Reserve & Reserve Funds	2020 Opening Balance	Operating	Capital	Reserve and Reserve	DC Collections	Other	Interest Earned	Debtenture Interest	Ending Balance	Year End Commitments	Uncommitted Balance
Tax Supported Corporate Contingency Reserves	24,813,544	4,666,723	(300,000)	(1,000,000)					28,180,267	7,265,562	20,914,705
Tax Supported Program Specific Reserves	15,758,979	94,435							15,853,414		15,853,414
Tax Supported Strategic Reserves	(1,473,618)	5,279,228	(1,032,415)	530,990			(266,740)		3,037,445	12,247,464	(9,210,019)
Tax Supported Program Specific Reserve Funds	6,877,468	885,519	(4,367,388)	2,636,231		1,500	142,382		6,175,712	3,177,409	2,998,303
Tax Supported Corporate Capital Reserve Funds	55,864,916	30,488,740	(19,089,257)	(3,241,344)		77,669	1,278,705		65,379,429	42,317,748	23,061,681
Non-Tax Supported Program Specific Reserves	4,802,584								4,802,584		4,802,584
Non-Tax Supported Capital Reserve Funds	137,535,991	39,851,212	(27,634,845)	(2,215,078)			3,229,811		150,767,091	90,455,521	60,311,570
Obligatory Corporate Reserve Funds	27,301,722	11,199,860	(8,320,412)			2,159,467	665,262		33,005,899	16,560,080	16,445,819
Development Charge Reserve Funds	63,002,012		(9,282,372)	3,289,202	18,174,805	33,633	2,303,495	(758,981)	76,761,794	51,218,401	25,543,393
<b>Total</b>	<b>334,483,598</b>	<b>92,465,717</b>	<b>(70,026,689)</b>	<b>1</b>	<b>18,174,805</b>	<b>2,272,269</b>	<b>7,352,915</b>	<b>(758,981)</b>	<b>383,963,635</b>	<b>223,242,185</b>	<b>160,721,450</b>

City of Guelph  
Development Charge Reserve Fund Statement for 2020

Attachment-2

Description	Non-Discounted Services						Discounted Services										Total
	Water	Wastewater	Stormwater	Services Related to a Highway	Fire	Police	Library	Transit	Administration	Indoor Recreation	Outdoor Recreation	Parking	Ambulance	Courts	Health	Waste Diversion	
<b>Opening Balance, January 1, 2020</b>	<b>34,927,498</b>	<b>32,284,775</b>	<b>(1,206,432)</b>	<b>(10,338,350)</b>	<b>(822,694)</b>	<b>(15,568,388)</b>	<b>4,164,371</b>	<b>3,442,296</b>	<b>(59,337)</b>	<b>18,981,712</b>	<b>5,671,826</b>	<b>(1,702,791)</b>	<b>(1,332,050)</b>	<b>24,052</b>	<b>(5,635,028)</b>	<b>170,552</b>	<b>63,002,012</b>
<i>Plus:</i>																	
Development Charge Collections	3,744,619	3,544,225	120,975	3,405,951	202,128	414,586	367,231	1,768,419	492,434	1,675,470	1,278,768	748,101	69,588	2,355	99,858	240,097	18,174,805
Exemption Allocation	523,887	555,574	22,395	622,173	27,810	64,495	98,669	307,486	78,760	446,928	337,040	112,490	12,350	732	24,110	54,303	3,289,202
Interest Allocated re Late Payments	10,650	7,835	149	4,214	351	492	666	624	392	3,159	4,126	849	35	11	80	-	33,633
Accrued Interest	800,759	747,871	(25,964)	129,559	(15,357)	(43,573)	96,782	77,041	(1,144)	427,119	137,338	68,380	(28,823)	563	(72,812)	5,756	2,303,495
<b>Subtotal</b>	<b>5,079,915</b>	<b>4,855,505</b>	<b>117,555</b>	<b>4,161,897</b>	<b>214,932</b>	<b>436,000</b>	<b>563,348</b>	<b>2,153,570</b>	<b>570,442</b>	<b>2,552,676</b>	<b>1,757,272</b>	<b>929,820</b>	<b>53,150</b>	<b>3,661</b>	<b>51,236</b>	<b>300,156</b>	<b>23,801,135</b>
<i>Less:</i>																	
Amount Transferred to Capital (or other) Funds	1,914,030	1,119,091	98,942	831,100	-	649,350	119	1,993,418	673,977	1,347,695	500,554	(49)	39,697	-	-	114,448	9,282,372
Debt Charges - Interest	-	-	-	296,240	-	308,316	-	-	-	-	-	107,371	-	-	47,054	-	758,981
<b>Subtotal</b>	<b>1,914,030</b>	<b>1,119,091</b>	<b>98,942</b>	<b>1,127,340</b>	<b>-</b>	<b>957,666</b>	<b>119</b>	<b>1,993,418</b>	<b>673,977</b>	<b>1,347,695</b>	<b>500,554</b>	<b>107,322</b>	<b>39,697</b>	<b>-</b>	<b>47,054</b>	<b>114,448</b>	<b>10,041,353</b>
<b>Closing Balance, December 31, 2020</b>	<b>38,093,383</b>	<b>36,021,189</b>	<b>(1,187,819)</b>	<b>(7,303,793)</b>	<b>(607,762)</b>	<b>(16,090,054)</b>	<b>4,727,600</b>	<b>3,602,448</b>	<b>(162,872)</b>	<b>20,186,693</b>	<b>6,928,544</b>	<b>(880,293)</b>	<b>(1,318,597)</b>	<b>27,713</b>	<b>(5,630,846)</b>	<b>356,260</b>	<b>76,761,794</b>
<b>Less: Commitment not yet spent</b>	<b>24,165,554</b>	<b>9,667,796</b>	<b>1,060,477</b>	<b>7,264,609</b>	<b>-</b>	<b>16,713</b>	<b>251,908</b>	<b>2,313,960</b>	<b>1,979,090</b>	<b>783,845</b>	<b>2,788,320</b>	<b>106,084</b>	<b>938</b>	<b>-</b>	<b>-</b>	<b>819,106</b>	<b>51,218,401</b>
<b>Closing balance not yet committed</b>	<b>13,927,829</b>	<b>26,353,393</b>	<b>(2,248,296)</b>	<b>(14,568,402)</b>	<b>(607,762)</b>	<b>(16,106,767)</b>	<b>4,475,692</b>	<b>1,288,488</b>	<b>(2,141,962)</b>	<b>19,402,848</b>	<b>4,140,224</b>	<b>(986,377)</b>	<b>(1,319,535)</b>	<b>27,713</b>	<b>(5,630,846)</b>	<b>(462,846)</b>	<b>25,543,393</b>

City of Guelph  
Development Charge (DC) Project Financing Statement for 2020

Attachment-3

Capital Fund Transactions	Capital Account	Gross Capital Cost	DC Recoverable Cost Share					Non-DC Recoverable Cost Share				
			DC By-Law Period			Post DC By-Law Period		Other Reserve/ Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
			DC Reserve Fund Draw	DC Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
<b>WATER</b>												
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	(383,747)	(191,874)								(191,873)	
YORK TRUNK-PH 2A - WATERWORKS	PN0109	(490)	(245)								(245)	
YRK TRK&PSLY FDRMN-PH3-YRK:VIC	PN0110	1,798	899								899	
HNLN:ELNGTON ST/CLR ST (W-I-3)	PN0244	13,870	10,321								3,549	
YORK TRUNK-PH 2B - TO VICTORIA	PN0257	610,166	317,217								292,949	
PAISLEY FEEDERMAIN-SILVER-RES	PN0268	466,496	419,877								46,619	
WELLGTN:EDINBG S-SIPHON REHAB	PN0692	7,910	3,955								3,955	
ERAMOSIA-METCALFE > GLENHILL	PN0748	149,164	20,387								128,777	
WHITELAW:SHOEMAKER-PAISLEY	PN0784	5,001	5,001								-	
Water and Wasterwater Servicin	PN0872	53,398	53,398								-	
PROPERTY NEEDS ASSESSMENT	WD0028	26,884	13,442								13,442	
NEW SUPPLY	WT0002	1,167,956	1,167,956								-	
Wf-4 ROBERTSON BOOSTER UPGRADE	WT0015	47,358	23,679								23,679	
WS1-7 MASTERPLAN STUDIES	WT0023	2,548	2,548								-	
ZONE 2E ELEVATED TANK	WT0026	23,773	23,773								-	
CONSERVATION & EFFICIENCY	WW0106	43,696	43,696								-	
<b>Subtotal - Water</b>		<b>2,235,781</b>	<b>1,914,030</b>	-	-	-	-	-	-	-	<b>321,751</b>	-
<b>WASTEWATER</b>												
CLAIR/MALTBY SECONDARY PLAN	PL0022	43,852	39,416								4,436	
ARTH TRK-PH4-CROSS ST/MCDNL	PN0069	849,556	83,779								228,036	537,741
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	333,787	36,710								297,077	
STEVENSON SEWER:PH2-BENN-ERAM	PN0100	311,591	124,366								187,225	
YORK TRUNK-PH 2A - WATERWORKS	PN0109	72	94								(22)	
GRDN ST:LOWES RD/EDNBGH RD S	PN0142	29,383	29,383								-	
DOWNTOWN SERVICNG STUDIES	PN0167	12,771	7,334								5,437	
MAIN. HOLE COND ASSESSMENT PRG	PN0197	46,169	10,619								35,550	
WASTEWATER SEWER INVESTIGATION	PN0199	144,902	46,805								98,097	
I&I REDUCTION IMPLEMENTATION	PN0204	182,050	91,025								91,025	
W-WATER SEWER RELIN/REPR PRGM	PN0210	76,173	35,986								40,187	
YORK TRUNK-PH 2B - TO VICTORIA	PN0257	125,857	13,649								112,208	
CCTV Admin & Site Inspection	PN0750	66,640	(1,724)								68,364	
WHITELAW:SHOEMAKER-PAISLEY	PN0784	5,150	5,150								-	
GORDON ST SANITARY OVERSIZING	PN0866	8,955	8,955								-	
Water and Wasterwater Servicin	PN0872	160,193	160,193								-	
WWF1 DECOMMISSION GORDON SPS	SC0023	202,000	101,000								101,000	
SERVICING STUDIES - WASTEWATER	SC0029	134	103								31	
WWIQ/WS4 FLOW MONITORING	SC0035	269,162	134,581								134,581	
DEVELPMNT W.WATER SERV STUDIES	SC0056	4,165	4,165								-	
PLANT GENERATORS	ST0001	251,651	238,339								13,312	
WWTP - UPGRADES & STUDIES	ST0002	623,850	183,884								439,966	
WWTP BIOSOLIDS FACILITY UPGRD	ST0003	86,872	(126,422)								213,294	
WWTP PHASE 2 EXPANSION	ST0004	84,243	84,243								-	
WWTP PROCESS UPGRADES	ST0005	1,428,922	(489,791)								1,918,713	

Capital Fund Transactions	Capital Account	Gross Capital Cost	DC Recoverable Cost Share					Non-DC Recoverable Cost Share				
			DC By-Law Period			Post DC By-Law Period		Other Reserve/ Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
			DC Reserve Fund Draw	DC Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
SCADA UPGRADES	ST0006	99,575	(19,238)							118,813		
WASTEWATER MASTERPLAN	ST0008	237,505	237,505							-		
ENERGY EFFICIENCY MANAGEMENT	ST0009	236,486	34,523							201,963		
DIGESTER CLEANING PROGRAM	ST0013	634,096	44,459							589,637		
<b>Subtotal - Wastewater</b>		<b>6,555,762</b>	<b>1,119,091</b>	-	-	-	-	-	-	<b>4,898,930</b>	-	<b>537,741</b>
<b>STORMWATER</b>												
DOWNTOWN SERVICNG STUDIES	PN0167	4,561	3,412							1,149		
STORMWATER DRAINAGE OVERSIZING	SW0066	95,835	90,280							5,555		
SERVICING STUDIES	SW0068	6,587	5,250							1,337		
<b>Subtotal - Stormwater</b>		<b>106,983</b>	<b>98,942</b>	-	-	-	-	-	-	<b>8,041</b>	-	-
<b>SERVICES RELATED TO A HIGHWAY</b>												
WOODLAWN RD W	PN0002	31	15							16		-
NISKA RD:CITY BNDARY/DOWNEY RD	PN0046	200,021	133,717							-		66,304
WDLWN RD W: SLVRCRK PKW/REGAL	PN0059	463,937	226,234							224,105		13,598
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	72,647	252,257							(12,685)		(166,925)
YRK TRK&PSLY FDRMN-PH3-YRK:VIC	PN0110	12,264	8,584							3,680		-
GRDN ST:LOWES RD/EDNBGH RD S	PN0142	37,562	10,024							27,538		-
WATSON PW S:YORK-WATSON	PN0149	1,522	1,522							-		-
TRANSPORTATION STRATEGY & TDM	PN0174	37,907	18,463							19,444		-
RAILWAY CROSSINGS: EDINBURGH	PN0754	763	534							229		-
WHITELAW:SHOEMAKER-PAISLEY	PN0784	1,749	1,749							-		-
SIGNALS/INTERSECTION IMPROV	PN0869	185,574	(38,309)							(4,264)		228,147
ACTIVE TRANSPORTATION	RD0321	14,786	7,393							32,240		(24,847)
INT VICTORIA & CLAIR	RD0323	159	159							-		-
PTIF TRANS MASTER PL GUE-00	RD0337	197,592	97,729							97,729		2,134
HOIST FOR MAINTENANCE FACILITY	RD0351	66,570	66,570							-		-
TRAFFIC MGMT INITIATIVES	TF0008	16,194	8,097							(19,828)		27,925
NEW SIGNAL INSTALLATION	TF0014	980	882							98		-
CITYWIDE TRAFFIC MGMNT INITIAT	TF0026	80,165	35,480							17,836		26,849
<b>Subtotal - Services Related to a Highway</b>		<b>1,390,423</b>	<b>831,100</b>	-	-	-	-	-	-	<b>386,138</b>	-	<b>173,185</b>
<b>FIRE SERVICES</b>												
		-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal - Fire Services</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>POLICE SERVICES</b>												
POLICE HQ RENOVATIONS	PS0033	1,577,509	649,350							928,159		-
<b>Subtotal - Police Services</b>		<b>1,577,509</b>	<b>649,350</b>	-	-	-	-	-	-	<b>928,159</b>	-	-
<b>LIBRARY</b>												
MAIN BRANCH LIBRARY	LB0028	172,217	119							172,098		-
<b>Subtotal - Library</b>		<b>172,217</b>	<b>119</b>	-	-	-	-	-	-	<b>172,098</b>	-	-
<b>TRANSIT</b>												
CAD/AVL REPLACEMENT	TC0026	209,197	47,117							162,080		-

Capital Fund Transactions	Capital Account	Gross Capital Cost	DC Recoverable Cost Share					Non-DC Recoverable Cost Share				
			DC By-Law Period			Post DC By-Law Period		Other Reserve/ Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
			DC Reserve Fund Draw	DC Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
OPERATIONS FACILITY	TC0059	5,090	5,090						-			-
MOBILITY VAN - EXPANSION	TM0005	228,866	179,932						11,313			37,621
COMMUNITY BUS 2018	TM0006	2,813,874	1,761,279						939,334			113,261
<b>Subtotal - Transit</b>		<b>3,257,027</b>	<b>1,993,418</b>	-	-	-	-	-	<b>1,112,727</b>	-	-	<b>150,882</b>
<b>ADMINISTRATION</b>												
2019 DC Study	GG0238	23,312	20,981						2,331			
LEASH FREE REVIEW 2018	PK0062	(8,394)	(5,666)						(2,728)			
PARKS & REC MASTER PLAN 2018	PK0073	40,285	40,285						-			
Trail Masterplan Update	PK0079	40,698	27,674						13,024			
PARKLAND DEDICATION BYLAW	PK0089	2,310	1,663						647			
ZONING BY-LAW REVIEW	PL0021	90,231	94,282						(4,051)			
CLAIR/MALTBY SECONDARY PLAN	PL0022	305,398	274,795						30,603			
HERITAGE INITIATIVES	PL0024	4,564	573						3,991			
HOUSING INIT MKTING & COMM	PL0049	600	279						321			
OFFICIAL PLAN REVIEW	PL0054	207,181	139,839						67,342			
URBAN DESIGN GUIDELINES	PL0056	3,433	1,367						2,066			
COMMUNITY IMPROVEMENT STUDIES	PL0057	31,258	14,066						17,192			
PTIF TRANS MASTER PL GUE-00	RD0337	63,839	63,839						-			
<b>Subtotal - Administration</b>		<b>804,715</b>	<b>673,977</b>	-	-	-	-	-	<b>130,738</b>	-	-	-
<b>INDOOR RECREATION</b>												
SOUTH END COMMUNITY CENTRE	RP0290	1,347,695	1,347,695									
<b>Subtotal - Indoor Recreation</b>		<b>1,347,695</b>	<b>1,347,695</b>	-	-	-	-	-	-	-	-	-
<b>OUTDOOR RECREATION</b>												
GUELPH TRAILS GROWTH	PK0002	301,852	271,691						30,161			-
EASTVIEW COMMUNITY PARK	PK0014	141,940	127,746						14,194			-
CEDERVALE PARK	PK0030	3,272	2,945						327			-
ELLIS CREEK PARK	PK0047	(9,247)	(8,322)						(925)			-
RIVERWALK	PK0060	24	22						2			-
PARKS & REC MASTER PLAN 2018	PK0073	38,567	30,683						7,884			-
PEDESTRIAN RAILWAY BRIDGE	PK0075	88,543	39,799						(89,198)			137,942
DALLAN MASTER PLAN & CONST	PK0076	14,283	12,855						1,428			-
STARWOOD PARK	PK0104	3,754	3,378						376			-
PARKS EQUIPMENT GROWTH	PO0014	11,952	10,757						1,195			-
TRAILER	PO0042	10,000	9,000						1,000			-
<b>Subtotal - Outdoor Recreation</b>		<b>604,940</b>	<b>500,554</b>	-	-	-	-	-	<b>(33,556)</b>	-	-	<b>137,942</b>
<b>PARKING</b>												
WILSON ST PARKADE	PG0078	74,171	(49)							74,220		
<b>Subtotal - Parking</b>		<b>74,171</b>	<b>(49)</b>	-	-	-	-	-	-	<b>74,220</b>	-	-
<b>PARAMEDIC SERVICES</b>												
EQUIPMENT GROWTH	PM0003	71,709	39,697						4,404			27,608
<b>Subtotal - Paramedic Services</b>		<b>71,709</b>	<b>39,697</b>	-	-	-	-	-	<b>4,404</b>	-	-	<b>27,608</b>

Capital Fund Transactions	Capital Account	Gross Capital Cost	DC Recoverable Cost Share					Non-DC Recoverable Cost Share				
			DC By-Law Period			Post DC By-Law Period		Other Reserve/ Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
			DC Reserve Fund Draw	DC Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
<b>WASTE DIVERSION</b>												
ADMIN BUILDING RENEWAL	WC0003	43,984	16,632						27,352			
COLLECTION CARTS GROWTH	WC0024	191,485	27,876						163,609			
BINS	WC0029	21,636	(2,778)						24,414			
PDO SCALES AND SOFTWARE UPGRAD	WP0006	71,363	10,198						61,165			
SOLID WASTE MASTER PLAN	WP0008	259,100	62,520						196,580			
<b>Subtotal - Waste Diversion</b>		<b>587,568</b>	<b>114,448</b>	-	-	-	-	-	<b>473,120</b>	-	-	-
<b>TOTAL</b>		<b>18,786,500</b>	<b>9,282,372</b>	-	-	-	-	-	<b>3,173,828</b>	<b>5,302,942</b>	-	<b>1,027,358</b>

**Amount Transferred to Capital (or Other) Funds - Operating Fund Transactions**

Operating Fund Transactions	Annual Debt Repayment	DC Reserve Fund Draw		Post DC By-Law Period			Non-DC Recoverable Cost Share		
		Principle	Interest	Principle	Interest	Source	Principle	Interest	Source
SERVICES RELATED TO A HIGHWAY	1,465,499		296,240						
POLICE SERVICES	835,834		308,316						
PARKING	288,371		107,371						
HEALTH	685,221		47,054						

## Debt Activity

	2020 Opening Balance	Principal Payment	Interest Payment	2020 Ending Balance
Payable				
Tax Supported	63,117,797	9,217,814	1,990,538	53,899,983
Non-tax Supported	14,517,985	743,438	446,503	13,774,547
Development Charge	36,321,996	2,515,944	776,204	33,806,052
<b>Sub-total Payable</b>	<b>113,957,778</b>	<b>12,477,197</b>	<b>3,213,245</b>	<b>101,480,582</b>
Receivable				
Tax Supported	17,187,800	689,363	426,637	16,498,437
<b>Sub Total Receivable</b>	<b>17,187,800</b>	<b>689,363</b>	<b>426,637</b>	<b>16,498,437</b>
<b>Net Payable</b>	<b>96,769,978</b>	<b>11,787,834</b>	<b>2,786,608</b>	<b>84,982,145</b>