

Staff Report



To	Committee of the Whole
Service Area	Corporate Services
Date	Wednesday, May 15, 2024
Subject	2023 Long-term Financial Statement: Reserves and Debt

Recommendation

1. That a Tree Compensation reserve fund (365) be opened to fund tree planting activities from fees collected under the Tree By-law (2010)-19058 or successor by-laws.
 2. That a Property Assessed Clean Energy Funding reserve fund (305) be established to record and track grant funding received from the Federation of Canadian Municipalities and the disbursement of funds.
 3. That the Property Assessed Clean Energy reserve fund (362) be renamed PACE Loan Loss Provision reserve fund and that the purpose and terms are updated as outlined in this report.
 4. That \$500 thousand be transferred from the Stormwater Contingency reserve (359) to the Stormwater Capital reserve fund (165) in 2024.
-

Executive Summary

Purpose of Report

The purpose of this report is to update Council on the status of the City's reserves, reserve funds, and debt at the end of 2023. It also fulfills our reporting obligations under the *Development Charges Act, 1997*, as amended, and the *Planning Act*.

Key Findings

- The [Long-term Financial Framework](#) (LTFF) uses three criteria to evaluate the City's financial health:
 - Flexibility – the ability to adapt to changing opportunities;
 - Sustainability – the ability to maintain services over an extended period of time; and
 - Vulnerability – the level of resiliency to mitigate unexpected negative factors.The levels and state of reserves, reserve funds, and debt directly contribute to the City's ability to achieve the three pillars of the LTFF. The overall increase in available balances contributes positively to all three measures.
- As a whole, the City's reserves and reserve funds increased by \$31.5 million (6.5 per cent) compared with the previous year to a year-end balance of \$519.2 million before accounting for commitments. Over half of the increase (\$17.1 million) is from interest earned on reserve funds. This indicates that the funds are being utilized at a rate similar to the contribution rate rather than

accumulating into larger balances. This also confirms the success of the work undertaken to address inflation and capacity constraints in 2022 and through the 2023 Budget Confirmation process. After accounting for 2023 and prior budget approvals that have not yet been spent (commitments), the total available balance at the end of 2023 was \$160.8 million, an increase of 35.3 per cent over the 2022 year-end balance.

- Reserve and reserve fund balances have been increasing since 2015 and this is primarily due to a focused strategy to increase funding for infrastructure renewal, and one-time allocations from the annual surplus to bolster reserve and reserve fund balances.
- As a group, the year-end available balance in the tax supported corporate contingency reserves was 62 per cent of the target balance. Balances below target reduce the City's financial health. For example, the City's ability to quickly adapt to a changing environment to capitalize on opportunities and avoid threats, a key component of flexibility in the LTFF, is reduced. Flexibility to smooth budgeted increases over multiple years to avoid tax spikes is diminished. This highlights the need to replenish these reserves by transferring year-end surpluses until they reach 75 per cent of the target balance as directed by Council in the [2024-2027 Multi-Year Budget Companion Report – Council Budget Decisions](#).
- The tax supported strategic reserves have remained relatively in the same position with an available balance of \$1.9 million at the 2023 year-end compared with a balance of \$2.0 million at the 2022 year-end.
- The combined available balances in tax and non-tax supported corporate capital reserve funds increased by 39.9 per cent. This is due to a reduction in commitments from changes in project timing made through the [Capital Budget Prioritization in 2022 and the 2023 Budget confirmation](#) process. This funding capacity was allocated during the 2024 budget, enabling the City to phase-in the high cost of inflation experienced in 2022 and 2023 over the full multi-year budget period, overall helping affordability.
- Year-end debt outstanding totalled \$111.9 million after principal repayment of \$12.1 million in 2023. This outstanding principal is 25.2 per cent of the City's operating revenue and well within the 55 per cent that is the City's self-imposed limit. Debt servicing accounts for 3.4 per cent of own-source revenue and is well within the legislated annual repayment limit (25 per cent). The first measure will improve in 2024 because of principal repayments made throughout the year. It will also improve because the City is not planning to borrow money in 2024 due to elevated interest rates as outlined in the [Debt Strategy](#) prepared as part of the 2024-2027 Multi-Year Budget (MYB).
- A total of \$26.3 million in development charges (DCs) were collected in 2023 compared with \$20.9 million in 2022. DC exemptions and discounts, which must be funded from non-DC sources, totalled \$11.6 million (2022: \$6.9 million), of which \$3.1 million was for exemptions mandated through Bill 23. The exemptions and discounts were \$7.4 million (176 per cent) higher than budgeted. This budget shortfall created additional pressure on the Growth reserve fund (156) for tax-supported services and the Water (152), Wastewater (153), and Stormwater (165) capital reserve funds.

Strategic Plan Alignment

The Strategic Plan identifies implementing the LTFF as a key requirement to maintain the City's financial health. The LTFF is a collection of fiscal policies, including the [General Reserve and Reserve Fund Policy](#) and [Debt Management Policy](#), which guide the development of long-term financial plans. It uses three criteria to evaluate the City's financial health: flexibility, sustainability, and vulnerability. Managing the City's reserves, reserve funds, and debt effectively helps meet the criteria of the LTFF. Reporting on the activity and status of the City's reserves, reserve funds, and debt informs Council on the City's progress toward meeting its strategic plan objective.

Future Guelph Theme

Foundations

Future Guelph Objectives

Foundations: Maintain the City's healthy financial position

Financial Implications

This report does not affect the City's finances directly. However, continued strategic management of reserves, reserve funds, and the debt portfolio supports the City's overall financial health, including maintaining a favorable credit rating.

Report

Reserve and Reserve Funds

The City has almost 80 reserve and reserve funds. These are used for planned capital expenses, strategic objectives, unexpected or extraordinary costs, and to reduce tax levy fluctuations. The [General Reserve and Reserve Fund Policy](#) governs the use of reserves and reserve funds at the City. It guides how the money is used, funding sources, and sets out target balances for each reserve and reserve fund. The policy groups reserves and reserves funds into the following categories:

- Tax-supported reserves and reserve funds
 - Contingency reserves
 - Program-specific reserves
 - Strategic reserves
 - Program-specific reserve funds
 - Capital reserve funds
- Non-tax supported reserves and reserve funds
 - Contingency reserves
 - Capital reserve funds
- Obligatory reserve funds
 - Obligatory corporate reserve funds
 - DC reserve funds

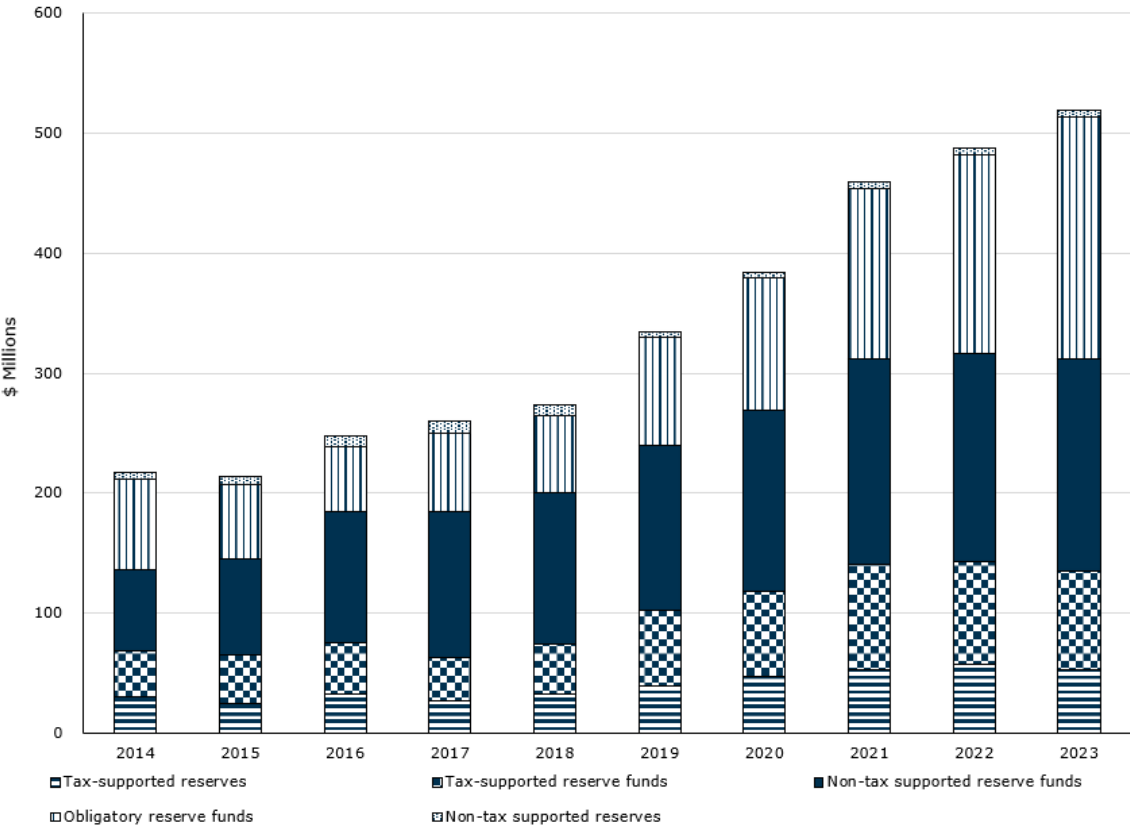
A summary of all the reserve and reserve fund activity in 2023 is provided in Attachment-1 Reserve and Reserve Fund Activity. A discussion on each category is provided below. Detailed information is provided for DCs, parkland dedication (PD), and community benefit charges (CBCs) to meet the requirements of the *Development Charges Act, 1997*, as amended (DCA) and the *Planning Act*.

Surplus allocations as recommended in the 2023 Year-end Operating Budget Monitoring and Surplus Allocation Report 2024-215 are accounted for in the figures below.

Overall, reserve and reserve fund balances have been increasing since 2015, as shown in Figure 1. This is primarily due to a focused strategy to increase funding for infrastructure renewal both within the tax and non-tax areas, and one-time allocations from the annual surplus to bolster reserve and reserve fund balances. While these one-time allocations do not represent a sustainable source of funding for the underlying strategies the reserves and reserve funds are intended to support, they have helped to offset the impact of reductions to budgeted annual capital transfers.

The year-end reserve and reserve fund balances, before commitments, increased by \$31.5 million from the previous year. This is primarily due to increases in the Obligatory reserve fund balances. Notably, the tax-supported contingency reserve balances decreased by \$1.7 million, after surplus allocation, compared with the previous year. These changes are discussed in later sections of the report.

Figure 1 - Reserve and reserve fund balances (before commitments) from 2014 to 2023



To get a more accurate understanding of the reserve positions, it is important to consider the impact of Council budget approvals for which funds have not yet been spent. These funding commitments reduce the year-end balances and provide an accurate representation of the true funding capacity in the reserves and reserve funds.

Attachment-1 Reserve and Reserve Fund Activity for 2023 presents the opening balance as of January 1, 2023, for each reserve grouping, transactions, including those to fund capital expenditures, through the year, and the ending balance on December 31, 2023. Additional information regarding capital expenditures in 2023 is provided in the 2023 Year-end Capital Budget Monitoring Report 2024-216. The year-end commitments column presents the impact of previous Council budget decisions that represent draws on these reserve balances that have not yet been executed. The available balance, also referred to as uncommitted balance, represents the funds available after 2023 and prior budget commitments have been factored in.

Table 1 presents the available balances for 2023 as well as the total commitments; 2022 amounts are included in the table for comparison. At a high level, the available balance at the end of 2023 increased by \$42.0 million from 2022. This is due to increases in tax-supported program-specific reserves and reserve funds, non-tax supported capital, obligatory, and DC reserve funds as well as the reduction in the commitments against the reserves and reserve funds. The reduction in commitments resulted from the capital prioritization work which was undertaken in 2022 to reset the 2022 and 2023 capital budgets to accommodate inflation and capacity constraints.

Table 1 - Reserve and reserve fund balances (\$ millions)

Description	2023	2022	Increase/ decrease
Balance before commitments	519.2	487.7	31.5
Commitments	358.4	368.9	(10.3)
Available balance	160.8	118.8	42.0

Tax-Supported Reserve and Reserve Funds

As shown in Attachment-1 Reserve and Reserve Fund Activity for 2023, the year-end balance before commitments for tax-supported reserves and reserve funds totals \$134.9 million. After commitments, the balance is \$51.4 million as shown below in Table 2. This balance is \$10.2 million lower than the available balance at the end of 2022. The reduction was primarily driven by the decrease in the Corporate Capital reserve funds discussed in later sections of the report.

Table 2 - Tax-supported reserves and reserve funds available balances (\$ millions)

Description	2023	2022	Increase/ decrease
Corporate contingency reserves	24.5	25.4	(0.9)
Program-specific reserves	17.8	16.9	1.0
Strategic reserves	1.9	2.0	(0.1)
Program-specific reserve funds	11.4	7.2	4.2
Corporate capital reserve funds	(4.1)	10.7	(14.3)
Total	51.5	61.6	(10.1)

Corporate Contingency Reserves

Corporate contingency reserves provide the City with liquidity and the ability to offset one-time, extraordinary and/or unforeseen expenditures to reduce the tax impact. As a group, the year-end available balances in the corporate contingency reserves were at 62 per cent of the target balance compared with 72 per cent in 2022. The approved target is eight to ten per cent of own-source revenues. Since the City's own-source revenues were higher for 2023 than 2022, and the available balance decreased, the balance relative to target deteriorated.

The corporate contingency reserves category includes the Social Housing Reserve (208). The use of this reserve has evolved to be a multi-purpose reserve which acts as both a contingency reserve and a capital reserve for the City's share of the social services capital program. Changes to its grouping and target balance will be included in the update of the General Reserve and Reserve Fund Policy which will be presented for Council's consideration in the fall of this year.

It is noteworthy that the available balance in the Tax Rate Operating Contingency reserve (180) is only \$9.7 million or 47 per cent of the target balance. This reserve was utilized by staff through recommendations to smooth impacts over multiple years, and by Council during the MYB process and in some cases mid-year to fund one-time expenses to help affordability. Examples of expenses funded from this reserve include:

- \$750 thousand transfer to Guelph General Hospital for the City's contribution towards the hospital expansion project.
- \$863 thousand to the Elliott Community for the 29 long-term care bed expansion project.
- \$516 thousand to fund increased operating and maintenance costs from extending the lifecycle replacement timelines for fleet.
- \$500 thousand to offset some of the costs resulting from Bill 23.

To rebuild the contingency reserves, staff will continue to recommend the transfer of any year-end surpluses to the Tax Rate Operating Contingency reserve (180) as a priority. Through the 2024 budget, staff have cautioned the further depletion of the contingency reserves as the balance as a group is below target.

Program-Specific Reserves

Program-specific reserves are maintained to fund specific costs or liabilities, including those associated with retirement and sick leave benefits for first responders, and Workplace Safety and Insurance Board. The 2023 year-end available balance for this group of reserves was \$17.8 million, which is \$970 thousand higher than the balance at the end of 2022. The balances in this sub-group of program specific reserves were 2 per cent over the target balance at the 2023 year-end.

Strategic Reserves

Strategic reserves support investment in affordable housing (119), incentivize redevelopment through Community Improvement Plans (122 and 194), support tourism focused initiatives through the Municipal Accommodation Tax (184), and support strategic property development (332). The target level of funding in each is related to the underlying strategies being supported. The 2023 year-end available

balance for this group of reserves was \$1.9 million, which is \$100 thousand lower than the balance at the end of 2022.

Program-Specific Reserve Funds

Program-specific reserve funds are related to specific services and/or sources of funding, for example, Police Capital (158) and Sleeman Naming Rights (162).

The City collects fees for applications and cash-in-lieu of trees and fines under the Tree By-law (2010)-19058. To increase transparency regarding the total amounts collected and use of the funds, a new program-specific discretionary reserve fund is proposed with following terms and authority:

Reserve fund name: Tree Compensation reserve fund (365)

Purpose: To accumulate funds collected under the Tree By-law (2010)-19058 or successor by-laws and finance tree planting activities in the City.

Target balance: No established maximum limit. Reserve fund balance must be positive.

Source of funds: Fees collected under the City's Tree By-law (2010)-19058.

Use of funds: To fund tree planting costs.

Authority/timing: Council approved through the budget or in-year Council report.

At the end of 2023, the City had \$1.2 million in tree compensation revenue that is proposed to be transferred into this new reserve fund.

The available balance for program-specific reserve funds, including the proposed Tree Compensation reserve fund (365) is \$11.4 million, an increase of \$4.2 million from 2022. The current requirement is that this group of reserve funds remain positive to fund approved expenditures and this target was met as of December 31, 2023, except for the Sleeman Naming Rights reserve fund (162) which had an ending negative balance of \$27 thousand as of December 31, 2023 (no commitments). Although the balance is negative, this was an improvement from 2022 where the negative balance was \$46 thousand.

Corporate Tax-Supported Capital Reserve Funds

Corporate tax-supported capital reserve funds support the City's five [Long-term Financial Strategies](#). The target balances in these reserve funds are linked to their approved purpose as outlined in the strategy documents.

Collectively, these reserve funds are overcommitted and in a deficit position at the end of 2023. The available balance in the corporate capital reserve funds decreased by \$14.3 million from the previous year. There are three main factors that influenced this decrease in available balances:

- i. higher funding for DC exemptions as 2023 was the first full year since Bill 23 came into force. This has resulted in a negative available balance for the Growth reserve fund (156) which funds DC exemptions for tax-supported services;
- ii. increased commitments relative to 2022; and
- iii. \$16.5 million is for projects that were approved for debt financing in previous budgets but the debt has not yet been issued due to high interest rates. The City expects to borrow these monies starting in 2025, as outlined in the [Debt Strategy](#) and the funds will be returned to the available balance.

The Service Enhancement reserve fund (159), formerly City Building, is currently overcommitted by \$14.7 million (2021 - \$14.1 million). \$14.2 million of the deficit balance is for projects approved for debt financing but the debt has yet to be issued. The [Service Enhancement Strategy](#) developed through the 2024-2027 MYB increased annual contributions to return this reserve fund to a sustainable position at the end of 2025. An updated strategy that meets the [Mayoral Budget Direction](#) will be developed to address the deficit in the Service Enhancement reserve fund (159) through the 2025 Budget Confirmation process.

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. The target balances were approved before the City adopted multi-year budgeting. With the adoption of multi-year budgeting at the City, the reserve fund balance and contribution targets are under review and will be presented to Council later this year.

Non-tax Supported Reserve and Reserve Funds

As shown in Attachment-1 Reserve and Reserve Fund Activity, the year-end balance before commitments for non-tax supported reserves and reserve funds totals \$183.1 million. After commitments, the available balance is \$100.7 million, \$40.7 million higher than the 2022 available balance as shown below in Table 3. The categories are discussed in detail in the sections below.

Table 3 - Non-tax supported reserves and reserve funds (available balances (\$ millions))

Description	2023	2022	Increase/ decrease
Contingency reserves	5.8	5.2	0.5
Capital reserve funds	95.0	54.8	40.2
Total	100.7	60.0	40.7

Non-tax supported contingency reserves

Non-tax supported contingency reserves are maintained to meet emergency and unplanned funding needs in the operations of the non-tax funded services as well as to avoid large fluctuations in user rates. The services in this group are water, wastewater, stormwater, courts, and parking.

As a group, the non-tax supported contingency reserves increased by \$527 thousand (after commitments) in comparison with the combined 2022 year-end balance. All services generally meet or exceed the established reserve targets except Parking (106), which is at 51 per cent of the target balance, and Wastewater (182) which is at 74 per cent of the target balance. The targets for these contingency reserves are 10 per cent of gross operating expenditure budget. The balance in the Stormwater Contingency reserve (359) is \$1.0 million compared to a target of \$215 thousand. Reserve forecasts prepared through the 2024-2027 MYB show that the balance in the Stormwater Contingency reserve (359) would still exceed the target even after considering the planned expenditures from 2024 to 2027. The forecasts also show deficit balances in the Stormwater Capital reserve fund (153) starting in 2028. Based on these forecasts, staff recommend transferring \$500 thousand from the Stormwater Contingency reserve (359) to the Stormwater Capital reserve fund (165) in 2024.

Non-tax supported program specific reserve funds

These reserve funds provide financing for capital works for water (152), wastewater (153), stormwater (165), parking (151), and courts (120). Capital works include infrastructure renewal, service enhancement initiatives, and funding DC revenue loss for growth-related assets. Like the tax-supported corporate capital reserve funds, these reserve funds have both target balances and target annual transfers. The target balances for these reserve funds are under review as they are currently linked to asset management requirements only, but these reserve funds support all rate-funded components of the capital program for each of the non-tax supported services (infrastructure renewal, growth, and service enhancement). Target annual transfers to these reserve funds are also based on the [Corporate Asset Management Plan](#). An updated Asset Management Plan will be presented to Council in the summer of 2024 and incorporated into the reserve policy update as appropriate.

The available ending balance in the non-tax supported capital reserve funds increased by \$40.2 million, largely due to a reduction in commitments and changes in project timing through the capital prioritization process undertaken in 2022. Some capital projects that were initially deferred have been re-budgeted in the 2024-2027 MYB and forecast. [Reserve fund forecasts](#) developed during the 2024-2027 MYB process show that this group of reserves would be in a negative position starting in 2028.

Obligatory Reserve Funds

This grouping includes two sub-categories:

- i. Obligatory Corporate Reserve Funds which include the Ontario Building Code Stabilization (188), Parkland Dedication Payment-in-Lieu (300 and 301), Community Benefits Charges (302), Provincial Dedicated Gas Tax (342), Canada Community-Building Fund (343), and Property Assessed Clean Energy/Guelph Greener Homes program related (305 and 362); and
- ii. DC Reserve Funds.

These reserve funds are mandated under agreements and various pieces of legislation to be held separate from the balance of City funds and are treated as deferred revenue until the funds are used.

Obligatory Corporate Reserve Funds

The year-end balance in the Obligatory Corporate Reserve Funds after commitments increased by \$4.9 million compared with the 2022 available balance. This increase is due, in part, to the balances in the reserve funds associated with the [Guelph Greener Homes program](#) – Property Assessed Clean Energy (PACE) Loan Loss Provision (362) and PACE Funding (305).

Council approved the creation of a PACE reserve fund (362) through the [Staff Report 2022-27 - Property Assessed Clean Energy Update](#). Following the launch of the [Guelph Greener Homes program](#), staff recommend two separate reserve funds for this program. One reserve fund will be used to set aside a provision for bad loans and another to record and track grant funding received from Federation of Canadian Municipalities (FCM) and the disbursement of funds to residents. To achieve this the following terms are proposed to repurpose the approved PACE reserve fund (362) and create a new reserve fund.

The following revised terms and authority are proposed:

Reserve fund name: PACE Loan Loss Provision reserve fund (362).

Purpose: To set aside funds from FCM grant to cover any future potential losses arising from loans made to participating property owners through the Guelph Greener Homes Program.

Target balance: Five per cent of the total dollar amount of outstanding principal of loan issued by the City (Guelph Greener Homes Program).

Source of funds: FCM and City portion as outlined in [Report 2022-27](#).

Use of funds: To recover losses incurred at any time during the repayment term of the loan issued to property owners.

Authority/timing: City Treasurer – From September 2023 until the date all loans issued under the program are fully paid.

The following terms and authority are proposed for the creation of a new reserve fund:

Reserve fund name: PACE Funding reserve fund (305).

Purpose: To record and track grant funding received from FCM and the disbursement of funds.

Target balance: No established maximum limit. Reserve fund balance must be positive.

Source of funds: FCM as outlined in [Report 2022-27](#).

Use of funds: To extend energy efficiency retrofit grants under the Guelph Greener Homes program and to cover the expenses of implementing and operating the program.

Authority/timing: City Treasurer - approval of funding received, loans issued, and operating cost incurred.

Additional discussions relating to parkland dedication and community benefits charge reserve funds are provided in separate sections to meet the specific requirements of the *Planning Act*.

Parkland Dedication

Parkland Dedication (PD) is applicable to subdivision applications pursuant to section 51.1, consent for severance applications pursuant to section 53, and development and redevelopment pursuant to section 42 of the *Planning Act*. The City's PD By-law requires the conveyance of land for park or other public recreational purposes as a condition of the development or redevelopment of land, or the payment of money in lieu of conveyance (PIL). The City maintains two separate reserve funds for PD PIL, one for the Downtown (301) area, in accordance with the Downtown Secondary Plan, and one for the remainder of the City (300).

Section 42 (17) of the *Planning Act* and section 7 (1) of Ontario Regulation (O. Reg.) 509/20: Community Benefits Charges and Parkland, set out the annual reporting requirements for PILs:

- a. A statement of the opening and closing balances of PIL Reserve Funds and any transactions relating to the funds (presented in Table 4).
- b. A statement identifying land and machinery acquired, and buildings erected, improved or repaired during the year with the funds, details of the amounts spent, and the manner in which any capital cost not funded from the PIL reserve funds was or will be funded.

- c. Any amount of money borrowed from the PIL reserve funds, the purpose for which it was borrowed, and the amount of interest accrued on any money borrowed.

In addition, section 42 (16.1) of the *Planning Act* requires a municipality to spend or allocate 60 per cent of the monies in the reserve fund at the beginning of each year. The section below addresses these reporting obligations.

Table 4 - 2023 PD reserve fund activity

Description	PD reserve fund (300)	Downtown PD reserve fund (301)
Opening balance	\$15,407,924	\$354,519
PIL collected	\$1,828,291	\$0
Capital expenditures	\$0	\$0
Interest earned	\$558,785	\$12,137
Closing balance	\$17,795,000	\$366,656
Year-end commitments	\$1,507,962	\$0
Available balance	\$16,287,038	\$366,656

There were no expenditures funded or amounts borrowed from the PD reserve funds in 2023.

Through the [2024-2027 MYB](#), the City allocated \$27.1 million to capital project PK0180 Parkland Acquisition in 2025 and 2027. This amount exceeds the 60 per cent allocation threshold in section 42 (16.1) of the *Planning Act*.

Community Benefits Charges

Under section 37 of the *Planning Act*, a municipality can impose a community benefits charge (CBC) on new buildings or structures that are a minimum of five stories high and have 10 or more residential units. The City’s CBC By-law came into effect on September 18, 2022. Section 7 of Ontario Regulation 509/20: Community Benefits Charges and Parkland, sets out the annual reporting requirements for CBCs:

- a. A statement of the opening and closing balances of the CBC reserve fund and any transactions relating to the fund (found in Table 5).
- b. A statement identifying facilities, services and matters acquired during the year with the funds, details of the amounts spent, and for each facility, service or matter acquired, the manner in which any capital cost not funded from the CBC was or will be funded.
- c. Any amount of money borrowed from the CBC reserve fund, the purpose for which it was borrowed, and the amount of interest accrued on any money borrowed.

In addition, section 37 (47) of the *Planning Act* requires a municipality to spend or allocate 60 per cent of the monies in the reserve fund at the beginning of each year. The section below addresses these reporting obligations.

Table 5 - 2023 CBC reserve fund activity

Description	CBC reserve fund (302)
Opening balance	\$453,800
CBCs collected	\$474,400
Capital expenditures	\$0
Interest earned	\$23,656
Closing balance	\$951,856
Year-end commitments	\$0
Available balance	\$951,856

There were no expenditures or amounts borrowed from the CBC reserve fund in 2023.

Through the [2024-2027 MYB](#), the City allocated \$2.2 million to the following capital projects between 2024 and 2027:

- Parkland Acquisition (PK0180) – \$1.9 million
- Public Art (CT0004) – \$80 thousand
- Community Benefits Charge By-law Update (GG0282) – \$125 thousand
- Zoning By-Law Review (PL0075) – \$81 thousand
- Heritage Initiatives (PL0076) – \$16 thousand

This total funding allocated exceeds the 60 per cent allocation threshold in section 42 (16.1) of the *Planning Act*.

Development Charges

Section 43 of the DCA requires the Treasurer of the municipality to provide to Council an annual financial statement relating to DC By-law and any reserve funds established under the DCA. Section 43 (2) of the DCA and O. Reg. 82/98 prescribe the information that must be provided in the statement. Specifically, the statement for the must provide the following:

1. A statement of the opening and closing balances of the reserve funds and any transactions relating to the funds (found in Attachment-2 Development Charges Reserve Fund Statement);
2. A statement identifying all assets 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 Development Charges Project Finance Statement);
3. A description of each service and/or service category for which the reserve fund was established. If the fund was established for a service category, the services in the category;
4. The amount borrowed from the fund by the municipality and the purpose for which it was borrowed, and interest accrued during the previous year;
5. The amount and source of money used by the municipality to repay municipal obligations to the DC reserve funds;
6. A schedule that identifies credits recognized under section 17 and, for each credit recognized, sets out the value of the credit, the service against which the credit is applied, and the source of funds used to finance the credit;
7. For each service for which a DC is collected during the year,

- i. whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant DC background study, to be incurred during the term of the applicable DC by-law.
 - ii. If the answer to subparagraph (i) is no, the amount the municipality now expects to incur and a statement as to why this amount is expected;
8. For any service for which a DC was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year. O. Reg. 82/98, s. 12 (3); O. Reg. 438/22, s. 1;
9. A 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.

Furthermore, subsection 35 (2) of the DCA requires a municipality to spend or allocate at least 60 per cent of the monies in the reserve funds for water, wastewater, and roads at the beginning of each year.

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

DC Reserve Fund Activity

The City maintains 16 DC reserve funds for each of the services under DC By-law (2019)-20372 as amended by By-law (2021)-20643. Opening and closing balances as well the total project costs funded from these reserve funds are provided in Attachment-2 Development Charges Reserve Fund Statement. The list of specific projects and debt interest is provided in Attachment-3 Development Charges Project Financing Statement.

The City has not imposed, directly or indirectly, a charge related to a development or a requirement to construct a service related to development except as permitted by the DCA or another act. The City has not borrowed money from DC reserve funds or issued credits to developers.

No money was spent from the Fire (315), Courts (326), and Public Works (329) DC reserve funds in 2023. There are commitments against the Public Works reserve fund totalling \$512 thousand; these capital projects already have budget approval and are expected to proceed in the near term. With respect to the Fire and Courts DC reserve funds, there are planned capital works which were included in the new DC background study and 2024-2027 MYB.

On January 16, 2024, Council approved the [2023 DC Background Study, as amended](#) (2023 DCBS) and adopted new DC by-laws that went into effect on March 2, 2024. Based on the 2023 DCBS, the City plans to spend approximately \$1.8 billion on capital projects (a mix of growth, infrastructure renewal, and service enhancement), of which the growth-related portion is 44 per cent (\$779.6 million) over the 10-year term of the DC by-laws. As this is the most current information available, the City does anticipate incurring the capital costs estimated in the 2023 DCBS. The City however reviews the timing of capital expenditures through the budget process. This is done to ensure that the timing of projects and growth, which pays DCs, is better aligned to mitigate cash-flow impacts. It is also done to ensure that funding, including non-DC funding, is available for the planned capital works. Staff will be monitoring the difference in planned expenditures (per the 2023

DCBS) and the budget and will report annually on any changes through this report as required under the DCA.

Year-end Balance

The total closing balance of all 16 DC reserve funds is negative \$31.4 million after all unspent commitments have been applied. The outstanding balance of DC funded debentures as of December 31, 2022, was \$65.8 million, leaving a net positive balance of \$34.4 million overall in the DC reserve funds at the end of the year. DC funding for capital expenditures in 2023 totalled \$18.5 million compared with \$8.8 million in 2022. Commitments not yet spent were also higher at the end of 2023 (\$169.5 million) compared to the previous year (\$149.7 million). Despite higher expenditures and commitments, the net closing balance after debt is essentially the same as it was at the end of 2022. This is due to higher collections and exemptions funding, interest on late payments, and accrued interest.

Administration/growth-related studies and parking are no longer DC-eligible services. The balances discussed above include a deficit balance in the Administration/Growth Studies DC reserve fund (318) of \$3.4 million. Non-DC funding will be required to offset this deficit and will need to be planned for as part of the 2025 Budget Confirmation process. The balance in the Parking DC reserve fund (323) is \$1.2 million and will be transferred to the Parking Capital reserve fund (151) as part of the 2024 year-end process. Administrative recommendations related to this will be part 2024 year-end report. The Provincial government recently introduced Bill 185, the *Cutting Red Tape to Build More Homes Act, 2023*. If passed, this would change the DCA to allow the costs of studies to be recovered from DCs, reversing a change made through Bill 23. The discussion above reflects the legislation in force at the time of writing this report. Any changes resulting from Bill 185 will be included in the report issued through the 2024 year-end process.

As previously noted, the DCA requires municipalities to allocate or spend at least 60 per cent of the monies in the Water, Wastewater, and Roads DC reserve funds. The 2024-2027 MYB includes \$71.8 million in DC-funded costs for Water, \$114.5 million in DC-funded costs for Wastewater, and \$48.8 million in DC-funded Road costs. These amounts exceed the 60 per cent minimum allocation required under the act.

DC Collections and Exemptions

DC reserve funds are funded from DC collections, exemptions funding or allocations, interest on late payments, and accrued interest. DC reserve funds received a total of \$46.0 million in 2023 as shown in Attachment-2 Development Charges Reserve Fund Statement. The City collected \$26.3 million in DCs, an increase of \$5.4 million from 2022. Collections accounted for 57 per cent of the funding transferred to the DC reserve funds. Contributions from tax and rate supported reserve funds to fund exemptions and discounts as required under the DCA totalled \$11.6 million reflecting a 68 per cent increase from 2022. Exemptions provided 25 per cent of the total funding that went into the DC reserve funds.

Statutory exemptions and discounts, including those imposed through Bill 23, accounted for \$9.7 million (84 per cent) of total exemptions. Costs for Bill 23 related exemptions and discounts were \$3.1 million for non-profit housing exemption and the rental housing discounts. A portion of the costs to fund exemptions for additional residential dwelling units (ARDUs) is related to Bill 23 however the data were not tracked separately. The remaining \$1.8 million relates

to discretionary exemptions included in the City’s DC By-law (2019)-20372, as amended. This level of exemption is over budget by \$7.4 million or 176 per cent in 2023. Increased funding for DC exemptions has created pressure for the Growth reserve fund as mentioned in the section on Corporate Tax-supported Reserve Funds. Similar pressures are being placed on the non-tax supported capital reserve funds, which fund DC exemptions in addition to other capital needs. This challenge was highlighted during the 2024 budget, with increasing tax and rate transfers building over four years to address this cost, and negative impacts on reserve funds forecast out to 2035. The breakdown of the type of exemption can be found in Table 6.

Table 6 - Breakdown of DC exemptions funded in 2023

Exemption	Statutory or discretionary	Amount
Industrial expansions	Statutory	\$461,088
Category of owner	Discretionary	\$1,832,642
Non-profit housing corporation	Statutory	\$2,675,905
Rental housing discounts	Statutory	\$382,259
ARDUs	Statutory	\$6,229,135
Total	n/a	\$11,581,029

The combined collections and exemption contributions represent approximately 70 per cent of the 2018 DC Background Study forecasted collections. This indicates the need to adjust the capital plan to account for growth occurring at a different pace from what was planned. Timing of growth-related expenditures will continue to be adjusted to reflect the pace of growth and the City’s commitment to prioritize housing enabling investments in order to achieve its [Housing Pledge](#).

DC Expenditures

In 2023, DC funded infrastructure investment totalled \$18.5 million drawn from DC reserve funds. Projects with significant DC funding in 2023 can be found in Table 7. The complete breakdown by project and service can be found in Attachment-3 Development Charges Project Financing Statement.

Table 7 - 2023 DC Spending Highlights

Project	2023 Total spending	2023 DC funding
Speedvale Road Reconstruction - Woolwich to Metcalfe (PN0097)	\$5,199,180	\$1,962,622
Eastview Community Park (PK0127)	\$1,009,956	\$1,009,956
Whitelaw Road Reconstruction - Shoemaker to Paisley (PN0784)	\$2,287,333	\$2,287,333
South End Community Centre Construction (RF0093)	\$4,423,729	\$4,145,920
New Intersection/Pedestrian Signals (TF0028)	\$732,900	\$659,869
Water New Supply (WT0002)	\$863,751	\$863,751
Solid Waste Collection Trucks New (WC0016)	\$1,078,782	\$728,178
Total	\$13,308,298	\$9,370,296

DC Debt

In some cases, growth-related projects are completed prior to having fully collected the 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 future DC collections. The total debt interest paid from DCs was \$1.3 million in 2023. Table 8 presents the outstanding principal and maturity dates for DC debt.

Table 8 - DC Outstanding Debt

Project	December 31, 2023 Outstanding Balance	Debt Maturity
Hanlon Expressway Interchange	\$10,357,514	2026
Police Headquarters	\$11,913,433	2026 and 2039
Baker District Central Library	\$9,361,082	2031
South End Community Centre	\$30,367,918	2031
Wilson Street Parkade	\$3,755,000	2039
Total	\$65,754,932	n/a

Debt

Using and managing debt appropriately is critical to the City achieving long-term strategies, including sustainable funding and infrastructure investment. The City follows the [Debt Management Policy](#), to use debt to help achieve strategic objectives while keeping within legislative limits. The City also imposes its own policy limits for using debt in addition to the legislative requirements through the [Debt Management Policy](#).

After principal payments of \$12.1 million and interest of \$2.8 million the total debt outstanding at the end of 2023 was \$111.9 million. The City also has loans receivable totalling \$12.4 million under long-term financing agreements. Of this, \$383 thousand of that is from Wellington-Dufferin-Guelph Public Health and will be paid off in 2024. The underlying City debenture was paid off in 2023. Funds received in 2024 will be transferred to the Infrastructure Renewal reserve fund (150). The remaining \$11.9 million is a loan receivable from The Elliott Community.

The underlying debenture associated with this receivable was paid off in 2021 from the Infrastructure Renewal reserve fund (150). Proceeds from this receivable are transferred back to this reserve fund accordingly.

Debt activity through 2023 is presented in Attachment-4 2022 Debt Activity. Table 9 presents the City imposed debt limits.

Table 9 - City Imposed Debt Limits

Limitation	Target	Current	Trend
Direct debt to operating revenue	Less than 55 per cent	25.2 per cent	Improving
Debt servicing to own-source revenue	Less than 10 per cent	3.4 per cent	Improving

The City continues to be in a well-managed position with respect to outstanding debt obligations, all ratios being met. [Detailed forecasts](#) prepared as part of the 2024-2027 MYB process also show that, while significant debt issuances are planned annually beginning in 2025 to support the capital budget and forecast, the City would stay within its legislated and self-imposed limits.

Financial Implications

This report does not affect the City’s finances directly. However, continued strategic management of reserves, reserve funds and debt portfolio supports the City’s overall financial health, including maintaining a favorable credit rating. The City continues to manage its debt obligations well and stay within the Council-approved debt ratios.

Consultations and Engagement

None.

Attachments

- Attachment-1 2023 Reserve and Reserve Fund Activity
- Attachment-2 Development Charges Reserve Fund Statement
- Attachment-3 Development Charges Project Financing Statement
- Attachment-4 2023 Debt Activity

Accessible formats are available upon request by contacting the Manager of Financial Strategy and Reporting at 519-822-1260 extension 2300. TTY 519-826-9771

Departmental Approval

None.

Report Author

Tina Chitsinde, Senior Corporate Analyst, Financial Strategy

This report was approved by:

Tara Baker
General Manager Finance/City Treasurer
Corporate Services
519-822-1260 extension 2084
tara.baker@guelph.ca

This report was recommended by:

Trevor Lee
Deputy Chief Administrative Officer
Corporate Services
519-822-1260 extension 2281
trevor.lee@guelph.ca

Attachment 1 - Reserve and Reserve Fund Activity for 2023 (\$ millions)

Reserve and reserve funds	Opening Balance	Operating (to/from)	Capital (to/from)	Reserve and reserve funds (to/from)	DC/CBC collections	Other Revenue	Interest Earned	DC debt interest	Year end surplus allocation	Ending balance	Year-end commitments	Available balance
Tax-supported corporate contingency reserves	28.8	(4.2)	(1.3)	-	-	-	-	-	3.9	27.1	(2.6)	24.5
Tax-supported program-specific reserves	16.9	1.0	-	-	-	-	0.0	-	-	17.8	-	17.8
Tax-supported strategic reserves	12.2	(3.8)	(0.4)	-	-	-	(0.0)	-	-	7.9	(6.0)	1.9
Tax-supported program-specific reserve funds	10.3	7.4	(4.2)	-	-	-	0.4	-	-	14.0	(2.6)	11.4
Tax-supported corporate capital reserve funds	75.0	38.0	(40.5)	(6.8)	-	-	2.4	-	-	68.1	(72.2)	(4.1)
Non-tax supported contingency reserves	5.4	0.8	(0.2)	-	-	-	-	-	(0.3)	5.8	(0.0)	5.8
Non-tax supported capital reserve funds	173.5	42.4	(42.3)	(4.8)	-	-	5.9	-	2.8	177.3	(82.4)	95.0
Obligatory corporate reserve funds	53.7	12.7	(8.6)	-	0.5	1.8	1.9	-	1.0	63.0	(23.1)	39.9
Development charge reserve funds	111.9	-	(18.5)	11.6	26.3	1.6	6.5	(1.3)	-	138.2	(169.5)	(31.4)
Total	487.7	94.3	(116.1)	-	26.8	3.4	17.1	(1.3)	7.3	519.2	(358.4)	160.8

Accessible formats are available upon request by contacting the Manager of Financial Strategy and Reporting at 519-822-1260 extension 2300. TTY 519-826-9771

Attachment 2 - Development Charges Reserve Fund Statement (\$)

Description	City of Guelph Development Charge Reserve Fund Statement for 2023																
	Water	Wastewater	Stormwater	Services Related to a Highway	Fire	Police	Library	Transit	Administration	Parks and Recreation	Parking	Ambulance	Courts	Public Health	Waste Diversion	Public Works	Total
Opening Balance, January 1, 2023	47,539,192	43,581,901	(951,045)	(713,197)	(83,627)	(17,003,358)	4,952,790	7,745,815	(1,214,185)	35,708,382	582,266	(1,410,556)	170,619	(5,494,676)	(1,713,003)	231,368	111,928,686
<u>Plus:</u>																	
Development Charge Collections	6,031,903	5,704,603	196,850	5,036,018	291,564	584,636	323,529	2,545,933	728,284	3,288,333	553,661	99,496	2,334	133,522	332,002	460,803	26,313,471
Exemption Allocation	2,431,787	2,298,845	79,013	2,012,578	112,736	233,649	231,744	984,654	280,066	2,429,828	-	39,173	1,985	85,621	170,983	188,366	11,581,028
Interest Allocated re Late Payments	370,026	349,295	12,031	308,079	17,753	35,284	15,801	154,308	44,251	154,977	49,790	5,994	99	6,730	18,475	26,925	1,569,818
Accrued Interest	1,731,131	1,596,030	(38,652)	412,140	4,361	(156,371)	518,865	319,170	(42,435)	2,304,363	159,179	(45,876)	5,917	(172,970)	(68,742)	19,494	6,545,604
Subtotal	10,564,847	9,948,773	249,242	7,768,815	426,414	697,198	1,089,939	4,004,065	1,010,166	8,177,501	762,630	98,787	10,335	52,903	452,718	695,588	46,009,921
<u>Less:</u>																	
Amount Transferred to Capital	2,779,584	2,276,663	643,845	3,552,141	-	76,721	(166,813)	530,665	1,103,299	6,475,716	73,760	3,650	-	-	1,111,358	-	18,460,589
Amount Transferred to Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Charges - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Charges - Interest	-	-	-	237,465	-	287,705	162,457	-	-	526,511	97,022	-	-	8,079	-	-	1,319,239
Subtotal	2,779,584	2,276,663	643,845	3,789,606	-	364,426	(4,356)	530,665	1,103,299	7,002,227	170,782	3,650	-	8,079	1,111,358	-	19,779,828
Closing Balance, December 31, 2023	55,324,455	51,254,011	(1,345,648)	3,266,012	342,787	(16,670,586)	6,047,085	11,219,215	(1,307,318)	36,883,656	1,174,114	(1,315,419)	180,954	(5,449,852)	(2,371,643)	926,956	138,158,779
Less: Commitment not yet spent	13,332,729	9,416,268	1,295,135	8,027,144	-	-	18,191,660	5,594,697	2,148,197	110,539,916	5,585	22,752	-	-	435,813	512,000	169,521,897
Closing balance not yet committed	41,991,726	41,837,743	(2,640,783)	(4,761,132)	342,787	(16,670,586)	(12,144,575)	5,624,518	(3,455,515)	(73,656,260)	1,168,529	(1,338,171)	180,954	(5,449,852)	(2,807,456)	414,956	(31,363,118)

Accessible formats are available upon request by contacting the Manager of Financial Strategy and Reporting at 519-822-1260 extension 2300. TTY 519-826-9771

Attachment-3 Development Charges Project Financing Statement (\$)

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					
WATER												
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	1,711,020	855,510							855,510		-
YORK TRUNK-PH 2A - WATERWORKS	PN0109	101,394	50,955							50,439		-
YRK TRK&PSLY FDRMN-PH3-YRK:VIC	PN0110	200,668	100,334							100,334		-
YORK TRUNK-PH 2B - TO VICTORIA	PN0257	229	113							116		-
PAISLEY FEEDERMAIN-SILVER-RES	PN0268	3,260	2,532							286		442
WHITELAW:SHOEMAKER-PAISLEY	PN0784	636,022	636,022							-		-
Water and Wasterwater Servcin	PN0872	103,387	(8,290)							42,910		68,767
EXHIBITION PARK NEIGH. IMPROVE	PN0882	5,451	2,316							3,135		-
BULL FROG STORMWATER PRE-DES	SW0103	5,207	457							4,750		-
WATERSHED PLANNING	SW0105	46,371	46,371							-		-
CONSERVATION & EFFICIENCY	WD0063	102,587	102,587							-		-
NEW SUPPLY	WT0002	863,751	863,751							-		-
WF-4 ROBERTSON BOOSTER UPGRADE	WT0015	53,848	26,924							26,924		-
WS1-7 MASTERPLAN STUDIES	WT0023	2,686	2,686							-		-
ZONE 2E ELEVATED TANK	WT0026	7,759	7,759							-		-
WFS QUALITY UPGRADES	WT0032	(1)	1							(2)		-
CLYTHE WATER TREATMENT PLANT	WT0060	89,555	89,555							-		-
Subtotal - Water		3,933,194	2,779,583	-	-	-	-	-	-	1,084,402	-	69,209
WASTEWATER												
CLAIR/MALTBY SECONDARY PLAN	PL0022	1,022	1,022							-		-
WYND:CRDN/WLWCH-PH1-CRDN/CRK	PN0060	33,111	1,745							31,366		-
ARTH TRK-PH4-CROSS ST/MCDNL	PN0069	(15,708)	3,784							10,292		(29,784)
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	1,145,972	126,036							1,019,936		-
STEVENSON SEWER:PH2-BENN-ERAM	PN0100	6,895	2,281							3,488		1,126
WATER:MAPLE/GORDON (WW-I-8)	PN0102	(374)	249							(623)		-
YORK TRUNK-PH 2A - WATERWORKS	PN0109	204,316	101,109							103,207		-
GRDN ST:LOWES RD/EDNBGH RD S	PN0142	(15,346)	(15,346)							-		-
MAIN. HOLE COND ASSESSMENT PRG	PN0197	261,529	53,943							207,586		-
WASTEWATER SEWER INVESTIGATION	PN0199	206,589	20,300							186,289		-
YORK TRUNK-PH 2B - TO VICTORIA	PN0257	54	8							46		-
CCTV Admin & Site Inspection	PN0750	80,698	5,042							75,656		-
WHITELAW:SHOEMAKER-PAISLEY	PN0784	636,023	636,023							-		-
Water and Wasterwater Servcin	PN0872	103,387	(8,290)							42,910		68,767
EXHIBITION PARK NEIGH. IMPROVE	PN0882	8,176	3,474							4,702		-
SILVR CRK PKY SPDVLE W.LAWN RD	RD0376	971,787	(6,314)							711,339		266,762
WWS1 TRUNK SEWER INVESTIGATION	SC0030	407,280	203,640							203,640		-
WWIQ/WWS4 FLOW MONITORING	SC0035	200,830	100,418							100,412		-
DEVELPMNT W.WATER SERV STUDIES	SC0056	25,326	25,326							-		-
WASTEWATER SEWER INVESTIGATION	SC0058	30,616	6,123							24,493		-
INFLOW AND INFILTRATION REDUCT	SC0059	23,348	11,674							11,674		-
SEWER RELINE AND REPAIR PROGRA	SC0060	356,737	68,865							287,872		-
WELLINGTN:EDINBUR SIPHON REHAB	SC0061	-	(43)							43		-
GORDON ST SANI SEWER OVERSIZ	SC0063	(91,181)	(82,063)							(9,118)		-
PLANT GENERATORS	ST0001	40,681	(162,519)							203,200		-
WWTP - UPGRADES & STUDIES	ST0002	122,864	30,169							92,695		-
WWTP BIOSOLIDS FACILITY UPGRD	ST0003	24,608	8,596							16,012		-
WWTP PROCESS UPGRADES	ST0005	435,049	65,150							369,899		-
SCADA UPGRADES	ST0006	2,065,307	354,485							1,710,822		-
WASTEWATER MASTERPLAN	ST0008	69,871	69,871							-		-
ENERGY EFFICIENCY MANAGEMENT	ST0009	4,007,760	580,567							3,427,193		-
DIGESTER STRCT/GAS PROOFING	ST0014	282,767	21,576							261,191		-
BUILDING REPAIRS AND UPGRADES	ST0015	668,043	49,377							618,666		-
BULL FROG STORMWATER PRE-DES	SW0103	4,335	387							3,948		-
Subtotal - Wastewater		12,302,372	2,276,665	-	-	-	-	-	-	9,718,836	-	306,871
STORMWATER												
BULL FROG STORMWATER - PHASE 2	PN0075	15,916	3,330							11,077		1,509
WHITELAW:SHOEMAKER-PAISLEY	PN0784	610,421	610,421							-		-
SERVICING STUDIES	SW0068	1,976	988							988		-

Attachment-3 Development Charges Project Financing Statement (\$)

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					
DRAINAGE OVERSIZING	SW0094	-	28,251							(28,251)		-
STORMWATER MASTER PLAN	SW0096	115	10							105		-
BULL FROG STORMWATER PRE-DES	SW0103	9,535	844							8,691		-
Subtotal - Stormwater		637,963	643,844	-	-	-	-	-	-	(7,390)	-	1,509
SERVICES RELATED TO A HIGHWAY												
WOODLAWN RD W	PN0002	(4,876)	(2,438)						(1,240)			(1,198)
BAKER ST:QUEBEC TO WOOLWICH	PN0026	1,327,436	334,770						992,666			-
WYND:CRDN/WLWCH-PH1-CRDN/CRK	PN0060	27,005	6,792						-			20,213
SPDVL TRANS/TRK-PH1-SPDVL:WLCH	PN0097	2,342,188	981,076						11,157			1,349,955
YRK TRK&PSLY FDRMN-PH3-YRK:VIC	PN0110	128,984	90,296						38,688			-
GRDN ST:LOWES RD/EDNBGH RD S	PN0142	19,935	46,010						(26,075)			-
WATSON PW S:YORK-WATSON	PN0149	866	866						-			-
WHITEFLAW:SHOEMAKER-PAISLEY	PN0784	404,867	404,867						-			-
Frederick Dr. Turning Lane	PN0858	208,860	208,860						-			-
ACTIVE TRANSPORTATION	RD0321	101,866	25,933						18,533			57,400
INT VICTORIA & CLAIR	RD0323	297,755	297,755						-			-
CYCLING NETWORK EXPANSION	RD0357	59,612	37,981						9,935			11,696
TRANSPORTATION MP UPDATE	RD0362	25,700	20,558						5,142			-
COL. AV PRTECTED BIKE LNES ICIP	RD0379	122,636	56,343						46,083			20,210
TRANSPORTATION STRATDEMANDMGMT	RD0383	15,022	7,521						7,501			-
RAILWAY CROSSINGS AT EDINBURGH	RD0384	15,237	10,666						4,571			-
SUSTAINABLE TRANSPORTATION PRO	RD0392	25,133	12,511						12,622			-
COMPLETE STREETS DESIGN GUIDEL	RD0395	157,610	126,083						31,527			-
COLLEGE AVE CROSSING (ICIP)	RD0399	12	6						4			2
HANON CREEK BLVD (ICIP)	RD0400	14,696	7,348						5,251			2,097
BULL FROG STORMWATER PRE-DES	SW0103	2,596	239						2,357			-
CITYWIDE TRAFFIC MGMNT INITIAT	TF0026	-	(2)						(3)			5
SIGNALS / INTERSECTION IMPROVE	TF0028	732,900	659,869						73,031			-
ROAD SAFETY INITIATIVES	TF0034	443,009	218,233						12,679			212,097
Subtotal - Services Related to a Highway		6,469,049	3,552,143	-	-	-	-	-	1,244,429	-	-	1,672,477
FIRE												
		-	-						-			-
Subtotal - Fire		-	-	-	-	-	-	-	-	-	-	-
POLICE												
POLICE HQ RENOVATIONS	PS0033	184,404	76,721						107,683			-
Subtotal - Police		184,404	76,721	-	-	-	-	-	107,683	-	-	-
LIBRARY												
MAIN BRANCH LIBRARY	LB0028	1,385,733	(166,813)						1,552,546			-
Subtotal - Library		1,385,733	(166,813)						1,552,546	-	-	-
TRANSIT												
OPERATIONS FACILITY	TC0059	1,369,663	247,674						544,433			577,556
SUPERVISOR VEHICLE REPLACED	TC0080	37,898	37,898						-			-
MOBILITY VAN - EXPANSION	TM0008	245,093	245,093						-			-
Subtotal - Transit		1,652,654	530,665	-	-	-	-	-	544,433	-	-	577,556
Administration												
MASTER PLAN	FS0073	16,113	9,668						6,445			-
DC BACKGROUND STUDY	GG0239	343,283	343,283						-			-
PARKS & REC MASTER PLAN 2018	PK0073	21,406	14,449						6,957			-
CLAIR/MALTBY SECONDARY PLAN	PL0022	8,693	8,693						-			-
URBAN DESIGN GUIDELINES	PL0056	-	32,978						(32,978)			-
COMMUNITY IMPROVEMENT STUDIES	PL0057	(370)	(860)						490			-
ENVIRONMENTAL INITIATIVES	PL0074	7,625	7,625						-			-
OFFICIAL PLAN REVIEW AND IMPL	PL0077	9	7						2			-
Stormwater Master Plan	PN0871	161,264	161,264						-			-
DEPLOYMENT STRATEGY	PS0074	11,358	5,679						5,679			-
WATERSHED PLANNING	SW0105	520,513	520,513						-			-

Attachment-3 Development Charges Project Financing Statement (\$)

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					
Subtotal - Administration		1,089,894	1,103,299	-	-	-	-	-	(13,405)	-	-	-
PARKS AND RECREATION												
GUELPH TRAILS GROWTH	PK0002	134,726	134,726						-			-
CEDERVALE PARK	PK0030	5,847	5,847						-			-
STARWD/WATSON NEWPARK MP/CONST	PK0068	665,460	665,460						-			-
PEDESTRIAN RAILWAY BRIDGE	PK0075	451,282	225,641						-			225,641
DALLAN MASTER PLAN & CONST	PK0076	267	267						-			-
BICYCLE SKILLS FACILITY	PK0091	(755)	(755)						-			-
SPEEDVALE AVE UNDERPASS TRAIL	PK0099	-	6,564						(6,564)			-
CITY-WIDE -TRAILS ENHANCEMENTS	PK0125	397,696	198,848						198,848			-
EASTVIEW COMMUNITY PARK	PK0127	1,009,956	1,009,956						-			-
BICYCLE SKILL FACILITY	PK0129	7,226	7,226						-			-
PARKS EQUIPMENT GROWTH	PO0014	12,854	12,854						-			-
EMMA/EAR PEDESTRIAN BRIDGE	RD0330	126,326	63,163						63,163			-
SOUTH END COMMUNITY CENTRE	RF0093	4,423,729	4,145,920						277,809			-
Subtotal - Parks and Recreation		7,234,614	6,475,717	-	-	-	-	-	533,256	-	-	225,641
PARKING												
WILSON ST PARKADE	PG0078	73,760	73,760						-			-
Subtotal - Parking		73,760	73,760	-	-	-	-	-	-	-	-	-
Ambulance												
VEHICLES GROWTH	PM0002	3,742	3,650						92			-
Subtotal - Ambulance		3,742	3,650	-	-	-	-	-	92	-	-	-
Courts												
Subtotal - Courts		-	-	-	-	-	-	-	-	-	-	-
Public Health												
Subtotal - Public Health		-	-	-	-	-	-	-	-	-	-	-
WASTE DIVERSION												
ADMIN BUILDING RENEWAL	WC0003	42,942	42,942						-			-
VEHICLES GROWTH	WC0016	1,078,782	728,178						350,604			-
COLLECTION CARTS GROWTH	WC0024	384,793	107,802						276,991			-
Packer Storage Facility	WC0030	116,081	33,083						82,998			-
PDO SCALES AND SOFTWARE UPGRAD	WP0006	656,677	199,353						418,004			39,320
Subtotal - Waste Diversion		2,279,275	1,111,358	-	-	-	-	-	1,128,597	-	-	39,320
Public Works												
Subtotal - Public Works		-	-	-	-	-	-	-	-	-	-	-
TOTAL		37,246,654	18,460,592	-	-	-	-	-	5,097,631	10,795,848	-	2,892,583

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		
		Principal	Interest	Adj For Prior	Principal	Interest	Source	Principal	Interest	Source
Services Related to Highway	1,221,497		237,465							
Library	1,108,844		162,457							
Parking	192,000		97,022							
Police Services	555,532		287,705							
Recreation	3,597,156		526,511							
Health	666,678		8,079							

Accessible formats are available upon request by contacting the Manager of Financial Strategy and Reporting at 519-822-1260 extension 2300. TTY 519-826-9771

Attachment-4 2023 Debt Activity (\$)

Payment Type	2023 Opening Balance	2023 Debt Issued	2023 Principal Payments	2023 Interest Payments	2023 Closing Balance
Tax-supported	38,629,712	-	3,928,303	1,132,938	34,701,409
Non-tax supported	12,222,420	-	809,246	368,743	11,413,173
Development charge	73,096,638	-	7,341,706	1,319,239	65,754,932
Sub-total Payable	123,948,770	-	12,079,255	2,820,921	111,869,515
Receivable (Tax-supported)	(13,537,588)	-	(1,296,427)	(407,839)	(12,241,161)
Net Payable	110,411,183	-	10,782,829	2,413,082	99,628,354

Accessible formats are available upon request by contacting the Manager of Financial Strategy and Reporting at 519-822-1260 extension 2300. TTY 519-826-9771