

# 2025 OFF-SITE LEVY

Annual Report

# Introduction

Parkland County uses off-site levies to ensure growth pays for growth by recovering the capital costs required to build or expand growth-related infrastructure. Off-site levies provide a transparent and equitable way to allocate eligible levy costs to benefitting lands as development occurs. This approach to growth ensures that County ratepayers do not incur an additional tax burden.

Parkland County’s off-site levy program is established under Bylaw 2015-07 (the “Off-Site Levy Bylaw”), which sets the levy amounts for water, sanitary, transportation and stormwater infrastructure in Acheson, Big Lake, and Fifth Meridian areas. In accordance with the *Municipal Government Act*, the County prepares an annual report summarizing levies imposed and collected in the previous year and the levy rates to be applied in the current year.

This report reflects the County’s annual update to the off-site levy model using information updated to December 31, 2025 (the most recent completed year-end). Information for 2025 and earlier is treated as “actual”, while information for 2026 and beyond is treated as “estimate” and will be updated in future annual reporting as year-end results are finalized.

Levy calculations are determined through consultation with the affected landowners and developers. The County continuously works with members of the development industry to determine methodology, inputs and rates. The off-site levy model applies a full-cost methodology that considers infrastructure costs, inflation, construction timing, developable areas, financing impacts, and reserve interest to calculate rates that allocate costs to developers based on the degree of benefit.



## 2025 Highlights and Key Findings

- **Overall Average Off-Site Levy Rate:** Slight decrease from approximately \$154,306 per net hectare (2025) to \$146,299 per net hectare (2026). However, each benefitting area may see larger increases/decreases.
- **Total leviable off-site infrastructure costs (gross):** approximately **\$625.21 million** across water, sanitary, transportation, and stormwater.
- **Grant Funded Intersection Projects in Acheson:** received **\$12.4M** in Provincial funding for two intersections: Bevington/Pinchbeck Road & Highway 16A and Spruce Valley Road & Highway 16A. This contribution reduces net costs of infrastructure required to be paid by developers.
- **Grants and contributions:** To date, approximately **\$27.27 million** of grant funding or other contributions across Acheson and Big Lake, reducing the net costs of infrastructure that need to be funded by off-site levies.

- **Levy-funded share included in rates:** approximately **\$597.85 million**.
- **Off-site levies collected to date:** approximately **\$33.36 million** (as of December 31, 2025).
- **Deferred revenue (reserve) balances at end of 2025:** Water **\$3,092.20**; Sanitary **\$1,873.81**; Transportation **\$6,336.29**; Stormwater **\$2,593.75**.
- **Development land base included in the model:** approximately **3,659 net hectares** across **123** benefitting areas.

## Report Sections and Background Information

This report summarizes the most recently completed year-end information for levies as required under the *Municipal Government Act*. This includes a review of the County's relevant capital and servicing plans, project costs and timing, and benefitting allocations for each type of infrastructure.

For ease of reference, the report is organized to reflect the levy process: identifying benefitting areas and developable land, reporting levy receipts, summarizing leviable project costs and allocations (net of grants and contributions), reporting the deferred revenue (reserve balances) and presenting the 2026 off-site levy rates.

### Development Area and Benefitting Areas

Off-site levy rates are calculated within defined benefitting areas. These areas group lands that share the benefit of specific water, sanitary, transportation, and stormwater improvements. The developable land base used in rate calculations excludes lands that are not available for development or are not assessable for levies (e.g., environmental reserve, municipal reserve, and arterial/collector road right-of-way). Each year, the developable land inventory is updated to reflect development that has occurred and any changes in planning assumptions.

### Off-Site Levy Payments Received

Off-site levies are payable at the time of subdivision or development approval through an executed Development Agreement. Levy receipts are tracked by infrastructure type and may only be used for the purpose for which they were collected. This report summarizes levy receipts to date and highlights receipts collected in the reporting year.

### Leviable Infrastructure

Leviable infrastructure includes eligible off-site projects for water, sanitary, transportation, and stormwater. Project costs reflect completed work and estimate cost of future work, inclusive of engineering and contingency. These amounts are reviewed and updated annually.

Projects may include contributions from other funding sources, such as Provincial or Federal Government grants. These amounts are deducted from the total project costs to determine the project balance. In accordance with legislation, costs funded through special grants or contributed assets are not recovered through off-site levies.

Levies are collected from developers and deducted from the leviable share of project balances within the levy model to determine the remaining amount of levies to be collected from future development.

### Off-Site Levy Funding

Generally, when sufficient funds are available, levies are used to pay for project costs directly. However, in new growth areas, the County and/or developers may provide interim financing for Over Expenditures (OE). OEs are

eligible costs incurred by a developer or the County required to finance all or a portion of the leviable infrastructure to accommodate a new development when it is in excess of the associated off-site levy amount. Developers, and the County, are entitled to recover OEs in the future from other developers paying their off-site levies.

**Off-Site Levy Account Balances**

Off-site levy receipts are held in separate deferred revenue accounts by infrastructure type. Balances increase as levies are collected (and interest is earned) and decrease as levy-funded projects are constructed and costs are paid. Where balances are negative, this indicates costs have been incurred in advance of levy collection (i.e., front-ending or interim financing). Interest is earned on positive balances and charged on negative balances in alignment with legislation and County practice.

**Proposed 2026 Off-Site Levy Rates**

Off-site levy rates are updated annually to reflect the most current information available for project scopes, cost estimates, actual expenditures, benefitting allocations, and remaining developable land. Rates are expressed on a per net hectare basis for each benefitting area and infrastructure type.

Based on the 2025 year-end update, average rates decreased slightly from approximately \$154,306 per net hectare to \$146,299 per net hectare. However, each benefitting areas levy rate will fluctuate based on impacts from estimate project costs, development areas and allocations of projects to areas. In 2026, Acheson Zone 1 and Zone 6 were most impacted by the levy model update. This is due to the exclusion of the residential community Osborne Acres and the Ranch Golf Course from the model calculation. As the off-site levy model should include the most up to date information available, at this time neither of these areas are anticipated to connect to servicing and should not be included in the levy calculation. This adjustment results in an increase in off-site levy rates in Zone 1 of approximately 16% and in Zone 6 of approximately 12%.

Figures 1 and 2 display summaries of the total off-site levy rates (water, sanitary, transportation and stormwater combined) by geographic areas compared to 2024 and 2025 rates.

**Figure 1 – summary of Proposed 2026 OSL rates compared to 2025, 2024 in Acheson Zones 1-8**

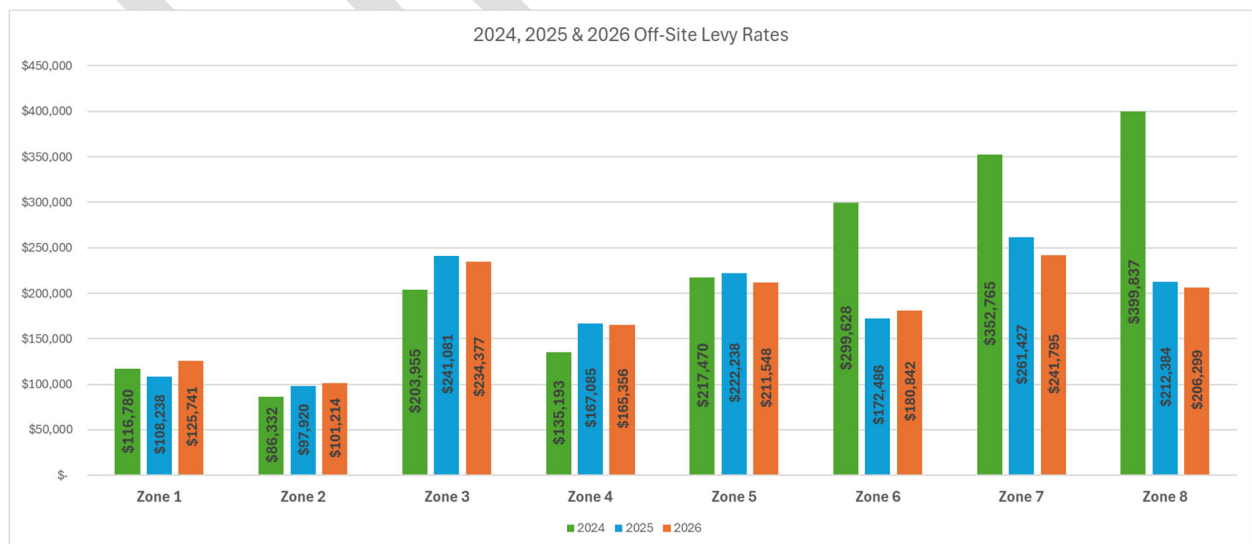
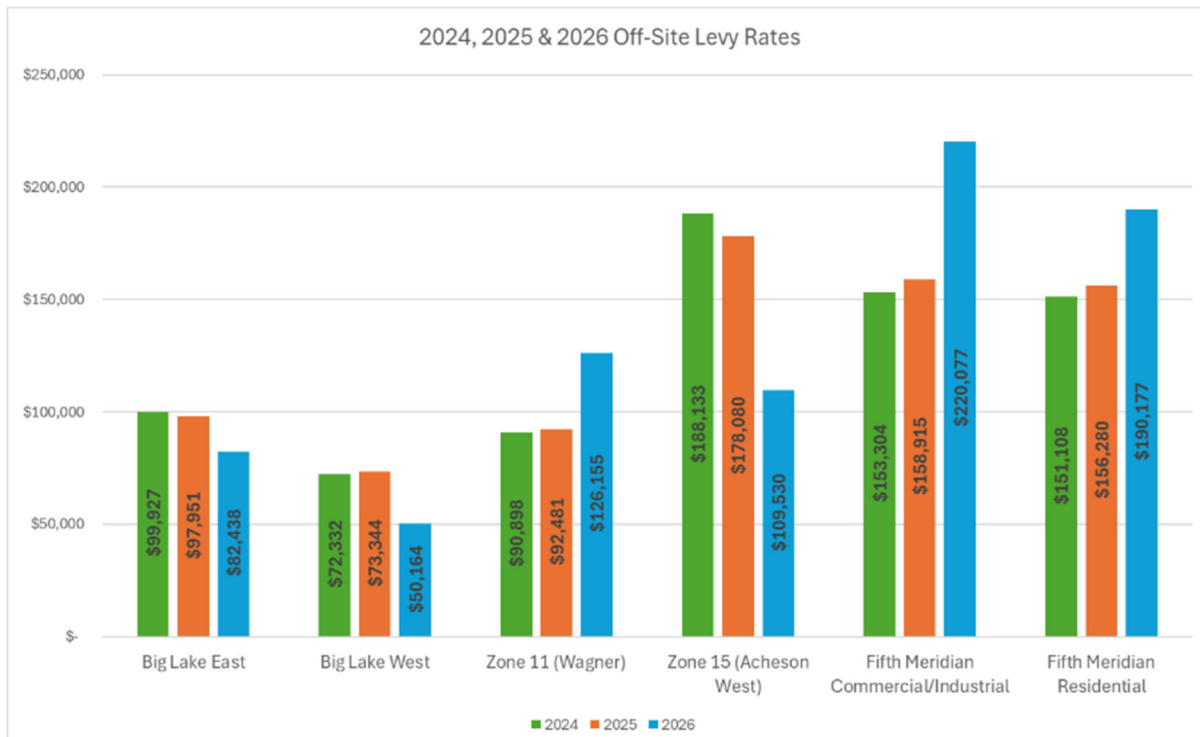


Figure 2 – summary of 2026 OSL rates compared to 2025, 2024 in Big Lake, Acheson Zone 11 and 15 and Fifth Meridian



DRAFT

# Acheson, Big Lake and Fifth Meridian

The following information outlines off-site levy activity in the Acheson, Big Lake and Fifth Meridian areas. For additional information on each section, please refer to “Report Sections and Background Information” included in the Introduction.

## Development Area and Benefitting Areas

To support transparent allocation of costs, the County has divided the Acheson, Big Lake and Fifth Meridian areas into 123 off-site levy benefitting areas, as shown in **Appendix 1 Off-Site Levy Benefitting Areas**. These areas reflect existing and planning servicing basins (water, sanitary, transportation and stormwater) and consider natural and man-made barriers (e.g., highways, rail lines, watercourses). Total net development area included in the model is approximately 3,659 net hectares representing lands remaining to be developed that have not previously paid off-site levies, net of applicable municipal and environmental reserve, and arterial and collector road allowances. Area calculations are provided in **Appendix 2 Development Area Summary**.

## Off-Site Levy Payments Received

Off-site levy receipts are collected from development within benefitting areas and are tracked separately by infrastructure type. As of December 31, 2025, the County has collected approximately \$33,356,822 in off-site levies to date. In 2025, three developers paid off-site levies for 13.6 ha of land totalling \$944,411.

These receipts are reflected in the levy model as a reduction to the remaining project balances to be recovered through future development.

**Figure 3 – 2025 Off-Site Levy Payment Receipts**

Benefitting Area	Location	Area Developed (ha)	2025 Off-Site Levy Payment Receipts				
			Water	Sanitary	Transportation	Stormwater	Total
109	Acheson Zone 1	4.76	\$ 143,923.36	\$ 690.20	\$ 357,966.28	\$ 709.24	\$ 503,289.08
1006	Big Lake East	7.62	\$ 346,664.28	\$ 33,322.26	\$ -	\$ 1,135.38	\$ 381,121.92
902	Big Lake West	1.20	\$ 32,972.25	\$ 173.43	\$ 26,676.10	\$ 178.22	\$ 60,000.00
<b>TOTAL</b>		<b>13.58</b>	<b>\$ 523,559.89</b>	<b>\$ 34,185.89</b>	<b>\$ 384,642.38</b>	<b>\$ 2,022.84</b>	<b>\$ 944,411.00</b>

## Leviable Infrastructure – Summary of Costs and Allocations

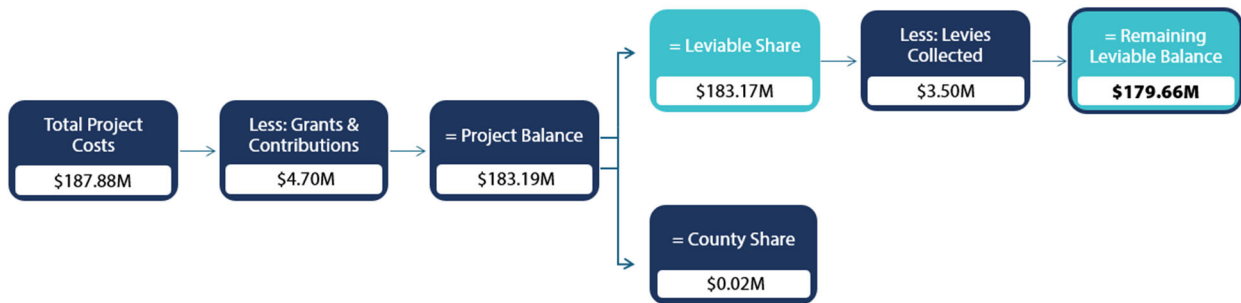
The off-site levy program includes planned and constructed projects required to service growth. Total gross infrastructure costs included in the bylaw are approximately \$625.21 million. **Appendix 3 Location of Infrastructure Maps** shows where the water, sanitary, transportation and stormwater

infrastructure project are located. Below outlines the share of these costs based on infrastructure type that benefits future development and is included in the off-site levy rate.

### Water Infrastructure

Parkland County purchases treated water from EPCOR through the Capital Region Parkland Water Services Commission (CRPWSC) and delivers it to customers through the County’s waterworks system (e.g., reservoirs, pump stations, supply mains, and distribution mains). The County considers certain upgrades to benefit the broader water system such as distribution mains beyond local looping identified in the *Acheson Big Lake Water Servicing Study 2022*, storage reservoirs, pump stations, pressure reducing valves, and water quality monitoring stations. The costs of these system-wide facilities are recovered from all benefitting lands through the Water Off-site Levy. Where funding allows, the County may front-end major projects (e.g., reservoirs and pumphouses) with the expectation of full cost recovery. Regional water supply system upgrades are the responsibility of the CRPWSC, are paid through the Commission’s water utility rates, and are not included in the County’s Water Off-Site Levy. Please see **Appendix 4 Water Project Cost and Allocation** for additional details.

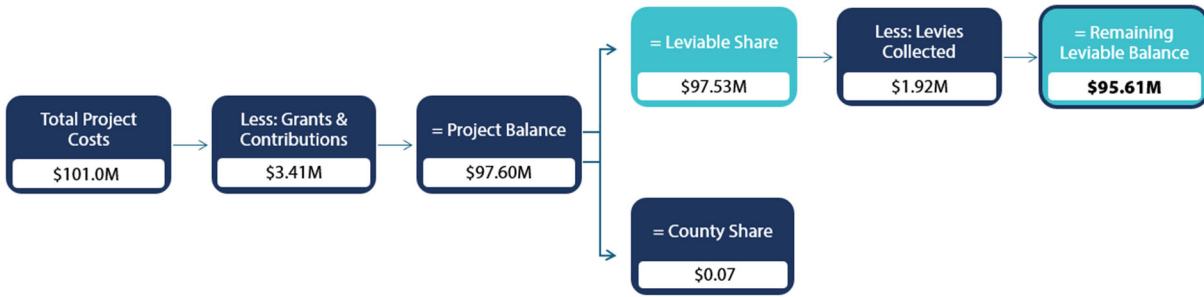
**Figure 4 – Total Water Off-Site Levy Costs**



### Sanitary

Parkland County’s sanitary system includes local, collector, and trunk sewer mains as well as any lift stations that collect wastewater and convey it to the Alberta Capital Region Wastewater Commission (ACRWC) transmission line. The sanitary infrastructure that is required for future development is identified in the *Acheson Big Lake Wastewater Servicing Study 2022* and updated as development occurs. The ACRWC then carries the wastewater to the regional wastewater treatment plant (southeast of Fort Saskatchewan) for treatment, with treated effluent discharged to the North Saskatchewan River. Regional upgrades to the treatment plant and transmission line are the responsibility of the ACRWC, are funded through the Commission’s sewage utility rates, and are not included in the County’s Sanitary Off-site Levy. If the ACRWC introduces a separate infrastructure charge for developing areas in the future, the County will adjust its levy accordingly. Please see **Appendix 5 Sanitary Project Cost and Allocation** for additional details.

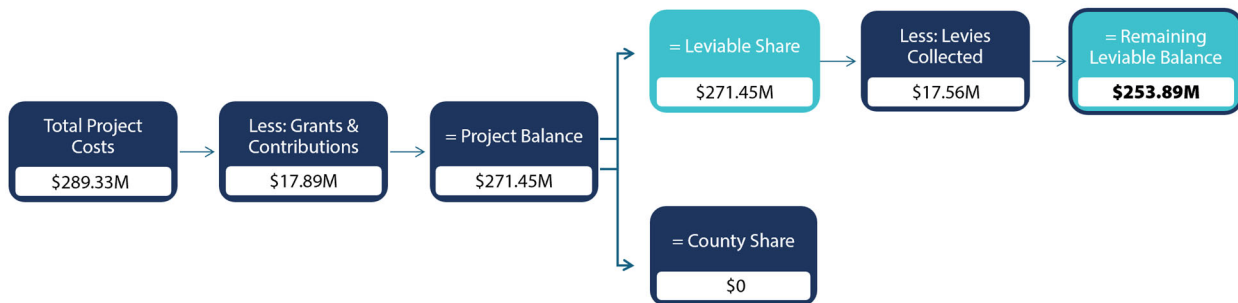
**Figure 5 – Total Sanitary Off-Site Levy Costs**



### Transportation

Parkland County classifies roads as arterial, collector, and local, based on the County’s 2021 Transportation Master Plan. Developers build and fully fund local roads in new development areas, which provide direct access to businesses. Arterial and collector roads are built to move traffic through a broader area and serve the wider County. New developments must pay their share of the cost of both Arterial and collector roads. These projects may also include roadway drainage (ditches and culverts), transit facilities, sidewalks, streetlights, and traffic signals. Please see **Appendix 6 Transportation Project Cost and Allocation** for additional details.

**Figure 6 – Total Transportation Off-Site Levy Costs**

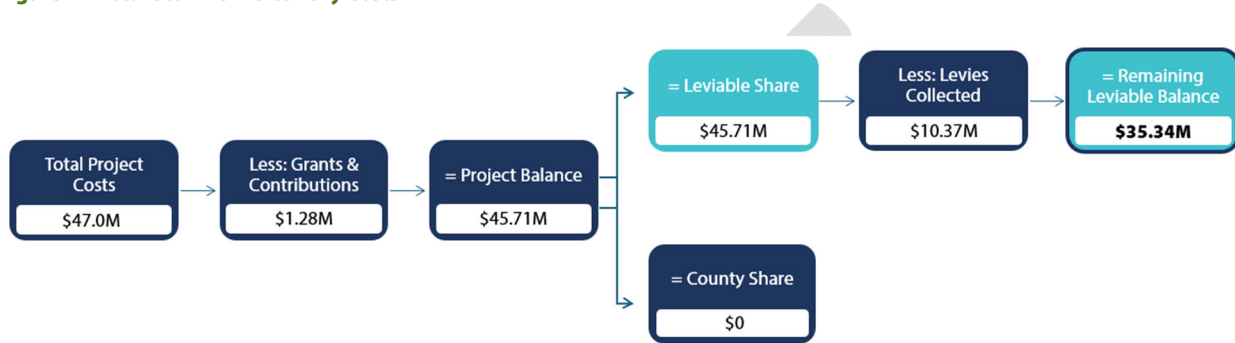


### Stormwater

Parkland County’s storm system has two parts: overland drainage and underground storm pipes. Overland drainage includes ditches, stormwater management facilities (SWMFs), berms and weirs, road ditches, and culverts. Road ditches and culverts are included in the road off-site infrastructure. SWMFs, berms/weirs, and local overland ditches are local items, and developers pay 100% of these costs.

In Acheson, the underground storm system for Zones 4, 5, 6, 7, and 8 uses a large outfall trunk and collector mains to carry stormwater from these zones to a constructed wetland in Lois Hole Provincial Park at Big Lake. Because this trunk and the collector mains serve the full storm basin for Zones 4–8, the cost is shared across all benefitting lands through the Storm Off-Site Levy. Comparatively, Zones 1-3 utilize overland drainage including ditches, SWMFs, berms, etc. Please see **Appendix 7 Stormwater Project Cost and Allocations** for additional details.

**Figure 7 – Total Storm Off-Site Levy Costs**



### Off-Site Levy Account Balances

The following table summarizes the account activity in 2025 for each leivable infrastructure type:

**Table 2 – 2025 Off-Site Levy Account Activity**

	Opening Balance (Jan 1, 2025)	Levies Collected	Returned / Utilized	Interest Earned	Closing Balance (December 31, 2025)
Water	\$ 38,201.86	\$ 523,559.89	\$ 566,971.22	\$ 8,301.67	\$ 3,092.20
Sanitary	\$ 623,146.50	\$ 34,185.89	\$ 675,176.45	\$ 19,717.87	\$ 1,873.81
Transportation	\$ 641,034.57	\$ 384,642.38	\$ 1,054,062.73	\$ 34,722.07	\$ 6,336.29
Stormwater	\$ 460,366.82	\$ 2,022.84	\$ 475,578.16	\$ 15,782.26	\$ 2,593.75
<b>TOTAL</b>	<b>\$ 1,762,749.75</b>	<b>\$ 944,411.00</b>	<b>\$ 2,771,788.56</b>	<b>\$ 78,523.87</b>	<b>\$ 13,896.05</b>

These balances represent funds available to support eligible levy-funded projects and over-expenditures (OEs) owing to developers and/or the County and are updated annually to reflect receipts, expenditures and interest.

### Over-Expenditure Cost Tracking and Responsibilities

Over-expenditure balances are money owed to developers (including the County) for bearing the cost of building infrastructure that will benefit more than their own development. These amounts must be

tracked separately and supported with clear documentation so they can be repaid as development occurs and off-site levies are collected.

The County's Finance department uses deferred revenue accounts to manage off-site levy balances and track levy funded projects. If a developer builds infrastructure and transfers it to the County, Finance and Planning record the over-expenditure amount and interest is added to the balances at year-end.

As part of the annual off-site levy update, Finance updates the off-site levy balance to reflect levies collected (and interest), project spending, and interest on over-expenditure balances using information from other departments. Based on the funds available in the deferred revenue accounts, the Off-Site Levy Committee recommends over-expenditure disbursements to developers and/or the County.

DRAFT