



## REVISED AGENDA

### PRIORITIES AND FINANCE COMMITTEE

July 20, 2021, 9:30 AM  
IN THE COUNCIL CHAMBER

Members

Mayor N. Nenshi, Chair  
Councillor S. Chu, Vice-Chair  
Councillor G-C. Carra (CPS Chair)  
Councillor J. Davison (T&T Chair)  
Councillor J. Gondek (PUD Chair)  
Councillor W. Sutherland (UCS Chair)  
Councillor E. Woolley (Audit Chair)

#### ***SPECIAL NOTES:***

*Public are encouraged to follow Council and Committee meetings using the live stream [Calgary.ca/WatchLive](https://calgary.ca/WatchLive)*

*Public wishing to make a written submission may do so using the public submission form at the following link:  
[Public Submission Form](#)*

*Council Members may be participating remotely.*

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
  - 4.1. Minutes of the Priorities and Finance Committee, 2021 June 08
5. CONSENT AGENDA
  - 5.1. DEFERRALS AND PROCEDURAL REQUESTS
    - 5.1.1. Deferral Request of Virtual Reality Fire and Life Safety Education Pilot report back, PFC2020-0784, from September 2021 to 2022 Q1, PFC2021-1118
  - 5.2. BRIEFINGS
    - 5.2.1. Status of Outstanding Motions and Directions, PFC2021-1077

6. POSTPONED REPORTS  
(including related/supplemental reports)

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 7.1. Downtown Strategy Implementation and 2020 Annual Report, PFC2021-0779
  - 7.2. Real Estate Working Group Update (Verbal), PFC2021-0936  
**Time Specific: To be the last item heard**
  - 7.3. Amendments to Council's Procedure Bylaw and Council Committee Governance, PFC2021-0888
  - 7.4. Pension Governance Committee Annual Report, PFC2021-0782
  - 7.5. The City of Calgary Reserves and Long Term Liabilities Balances 2020, PFC2021-1002
  - 7.6. Off-site Levy Investment Income Final Update (Verbal), PFC2021-1107
  - 7.7. Calgary Municipal Land Corporation Project Development and Financing, PFC2021-1101  
Attachment 2 and Attachment 6 held confidential pursuant to Sections 24 (Advice from officials) and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.
- Review By: upon execution of finalized agreements**
- 7.8. Solutions for Achieving Value and Excellence (SAVE) Program Update and Results, PFC2021-0787  
Attachment 3 held confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

**Review By: 2026 July 20**

**NEW MATERIAL**

- 7.9. *Resilient Roofing Rebate Program Update, PFC2021-1122*

8. ITEMS DIRECTLY TO COMMITTEE

- 8.1. REFERRED REPORTS  
None

- 8.2. NOTICE(S) OF MOTION

- 8.2.1. Notice of Motion - Problem Properties, PFC2021-1113  
Councillor Demong

8.2.2. Notice of Motion - Supporting Hospitality Businesses By Enabling Permanent Patio Extensions, PFC2021-1120  
Councillor Woolley

8.2.3. Notice of Motion - Petitioning Federal and Provincial Orders of Government for Overdose and Drug Poisoning Crisis Assistance, PFC2021-1121  
Councillor Woolley and Councillor Carra

**NEW MATERIAL**

8.2.4. *Notice of Motion - Increasing Accessibility to & Safety of Affordable Child Care in Calgary, PFC2021-1129*  
Councillor Gondek, Councillor Carra and Councillor Farrell

9. **URGENT BUSINESS**

10. **CONFIDENTIAL ITEMS**

10.1. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1. MCC Feasibility Study and Proposed Governance Structure, PFC2021-0996  
**Time Specific: Following the lunch recess**

Held confidential pursuant to Sections 17 (Disclosure to personal privacy), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*.

**Review By: 2025 January 01**

10.1.2. Evolving the Calgary Parking Authority Governance and Business Model, PFC2021-0998

**Time Specific: Following Item # 10.1.1**

Held confidential pursuant to Sections 17 (Disclosure to personal privacy), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*.

**Review By: 2025 January 01**

10.1.3. Update on the Proceeds from Disposition, PFC2021-1116

Held confidential pursuant to Sections 23 (Local public body confidences), 24 (Advice from officials), and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

**Review By: When the sale transaction on the property has closed**

10.2. **URGENT BUSINESS**

11. **ADJOURNMENT**







## MINUTES

### PRIORITIES AND FINANCE COMMITTEE

**June 8, 2021, 9:30 AM  
IN THE COUNCIL CHAMBER**

**PRESENT:**

Mayor N. Nenshi, Chair  
Councillor S. Chu, Vice-Chair (Remote Participation)  
Councillor G-C. Carra (CPS Chair) (Remote Participation)  
Councillor J. Davison (T&T Chair) (Remote Participation)  
Councillor J. Gondek (PUD Chair) (Remote Participation)  
Councillor W. Sutherland (UCS Chair) (Remote Participation)  
Councillor E. Woolley (Audit Chair) (Remote Participation)  
Councillor J. Farkas (Remote Participation)  
Councillor D. Farrell (Remote Participation)  
Councillor S. Keating (Remote Participation)

**ALSO PRESENT:**

City Manager D. Duckworth (Remote Participation)  
General Manager C. Arthurs (Remote Participation)  
General Manager K. Black (Remote Participation)  
General Manager S. Dalglish (Remote Participation)  
Chief Financial Officer C. Male (Remote Participation)  
General Manager D. Morgan (Remote Participation)  
General Manager M. Thompson (Remote Participation)  
Deputy City Clerk J. Fraser  
Legislative Advisor L. Kearnes

**1. CALL TO ORDER**

Mayor Nenshi called the Meeting to order at 9:34 a.m.

**ROLL CALL**

Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, Councillor Keating and Mayor Nenshi.

**2. OPENING REMARKS**

Mayor Nenshi provided opening remarks, a traditional land acknowledgement and mourned the passing of victims in London, Ontario.

**3. CONFIRMATION OF AGENDA**

**Moved by** Councillor Carra

That the Agenda be amended by adding the following item of Confidential Urgent Business:

- 10.2.1 COVID Update (Verbal), PFC2021-0940

**MOTION CARRIED**

**Moved by** Councillor Chu

That the Agenda for the 2021 June 08 Regular Meeting of the Priorities and Finance Committee be confirmed, **as amended**.

**MOTION CARRIED**

4. CONFIRMATION OF MINUTES

- 4.1 Minutes of the Regular Meeting of the Priorities and Finance Committee, 2021 May 18

**Moved by** Councillor Chu

That the Minutes of the 2021 May 18 Regular Meeting of the Priorities and Finance Committee be confirmed.

**MOTION CARRIED**

5. CONSENT AGENDA

Councillor Keating joined the Remote Meeting at 9:42 a.m.

**Moved by** Councillor Chu

That the Consent Agenda be approved as follows:

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

- 5.2.1 Status of Outstanding Motions and Directions, PFC2021-0825

- 5.2.2 Enabling Construction in Cooperation with School Boards and Developers, PFC2021-0581

**MOTION CARRIED**

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 7.1 White Goose Flying Update (Verbal), PFC2021-0887

Justin Jimmy, Chair of the Aboriginal Urban Advisory Committee addressed Committee with respect to Report PFC2021-0887.

The following documents were distributed with respect to Report PFC2021-0887:

- A presentation entitled "White Goose Flying Verbal Update PFC2021-0887"; and
- A handout entitled "The City of Calgary's Implementation of the 'Own' Section in the White Goose Flying Report Update 2021"

**Moved by** Councillor Sutherland

That with respect to Report PFC2021-0887, the following be approved, **as amended**:

The Priorities and Finance Committee recommend that Council direct Administration to:

1. Identify the advancement of Truth and Reconciliation Commission (TRC) Calls to Action as a priority for The City of Calgary and a responsibility of all leaders and staff;
2. Establish an annual report to Calgarians on the progress made on TRC Calls to Action where The City has either a direct (Own) or indirect (Partner or Encourage) role, as outlined in the White Goose Flying Report, **reporting through the Priorities and Finance Committee**; and,
3. Bring forward a request for a budget increase for the Indigenous Relations Office through the November 2021 budget deliberations that will accelerate the advancement of actions outlined in the White Goose Flying Report.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

7.2 Community Safety Investment Framework Funding Options, PFC2021-0458

A presentation entitled "PFC2021-0458 Community Safety Investment Framework Funding Options" was distributed with respect to Report PFC2021-0458.

**Moved by** Councillor Carra

That with respect to Report PFC2021-0458, the following be approved:

That the Priorities and Finance Committee recommend that Council:

1. Direct Administration to continue to work with the Calgary Police Service on the Community Safety Investment Framework with it being funded up to a total of \$8M for 2022 from Calgary Police Service with annual assessment of investment based on outcomes.
2. Request that Calgary Police Commission and Calgary Police Service report back to Council in conjunction with Administration on the investments and outcomes of the Community Safety Investment Framework annually through the Calgary Police Service annual report.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

**7.3 Council Innovation Fund Application – Clear Justice Guided Police Complaints App, PFC2021-0793**

Denis Ram, University of Alberta, addressed Committee with respect to Report PFC2021-0793.

The following documents were distributed with respect to Report PFC2021-0793:

- A presentation entitled "Council Innovation Fund Application: Clear Justice Guided Police Complaints App"; and
- A presentation entitled "Guided Complaints for the Calgary Police Service"

**Moved by** Councillor Woolley

That with respect to Report PFC2021-0793, the following be approved:

That the Priorities and Finance Committee recommend that Council:

1. Approve this application to the Council Innovation Fund for the Clear Justice Guided Police Complaints App (Attachment 2) in the amount of \$45,000; and
2. Direct Administration to report back to the Priorities and Finance Committee on the outcomes of this project no later than Q4 2022.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

**7.4 Citywide Growth Strategy: Strategic Growth in the Belvedere Area Structure Plan, PFC2021-0814**

A presentation entitled "Citywide Growth Strategy: Strategic Growth in the Belvedere Area Structure Plan" was distributed with respect to Report PFC2021-0814.

**Moved by** Councillor Carra

That with respect to Report PFC2021-0814, the following be approved:

That the Priorities and Finance Committee recommend that Council:

1. Approve the Growth Management Overlay reallocation proposal and business cases as described in Attachment 2; and
2. Direct Administration to prepare a bylaw and advertise for a proposed Area Structure Plan amendment to facilitate a Growth Management Overlay

reallocation as described in Attachment 3 and bring this amendment directly to the 2021 September 13 Combined Meeting of Council for a public hearing.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

7.5 Citywide Growth Strategy: Growth Management Overlay Review, PFC2021-0639

A presentation entitled "Citywide Growth Strategy: Growth Management Overlay Review" was distributed with respect to Report PFC2021-0639.

By General Consent, pursuant to Section 6(1) of the Procedure Bylaw 35M2017, Committee suspended Section 78(2)(a) of the Procedure Bylaw in order to complete this Agenda Item prior to the lunch recess.

**Moved by** Councillor Gondek

That with respect to Report PFC2021-0639, the following be approved:

That the Priorities and Finance Committee recommends that Council direct Administration to continue to work with stakeholders to explore and implement business-friendly refinements to improve the 2022 New Community Growth Strategy Business Case review process, and consider more significant changes to the Growth Management Overlay mechanism, as outlined in Attachment 2.

For: (7): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Gondek, Councillor Woolley, Councillor Farrell, and Councillor Keating

Against: (2): Councillor Davison, and Councillor Sutherland

**MOTION CARRIED**

7.6 Calgary Exhibition and Stampede Limited – 2020 Credit Facility, PFC2021-0687

Committee recessed at 12:32 p.m. and reconvened at 1:30 p.m. with Mayor Nenshi in the Chair.

**ROLL CALL**

Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Farrell, Councillor Keating and Mayor Nenshi.

Absent for Roll Call: Councillor Woolley (joined Remote Meeting at 1:40 p.m.)

Dana Peers, Interim CEO of the Calgary Stampede and Graeme Ryder, VP and CFO of the Calgary Stampede, addressed Committee with respect to Report PFC2021-0687.

A presentation entitled "The Calgary Exhibition and Stampede Ltd.: 2020 Credit Facility Update and Bank Amendments" was distributed with respect to Report PFC2021-0687.

**Moved by** Councillor Sutherland

That with respect to Report PFC2021-0687, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Direct Administration to consent to amendment of certain Calgary Exhibition and Stampede Limited ("The Stampede") credit facilities in order to ensure The Stampede remains in good standing under such credit facilities. The form and terms of such amendments to be in accordance with The City's Credit Documentation- Loans and Loan Guarantees policy;
2. Direct Administration to amend the necessary financial covenants to allow The Stampede to remain in good standing under its credit facilities with The City. The form and terms of such amendments shall be in accordance with The City's Credit Documentation- Loans and Loan Guarantees policy; and
3. Direct Administration to amend any existing agreements between The City and Calgary Exhibition and Stampede Limited as applicable and in accordance with The City's Credit Documentation – Loans and Loan Guarantees policy.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

7.7 Financial Task Force Implementation Update, PFC2021-0796

A presentation entitled "Financial Task Force Implementation Update" was distributed with respect to Report PFC2021-0796.

**Moved by Councillor Davison**

That with respect to Report PFC2021-0796, the following be approved:

That the Priorities and Finance Committee recommend that Council:

Endorse the planning and budget principles in Attachment 5 and direct Administration to:

- a. use the principles in order to develop a decision-making framework for the 2023-2026 service plan and budget cycle; and
- b. include the principles in the next update to the Multi-Year Business Planning and Budgeting Policy.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

7.8 Response to Motion Arising from Verbal Report C2021-0658 (Verbal), PFC2021-0808

The following documents were distributed with respect to Report PFC2021-0808:

- A presentation entitled "Response to Motion Arising from Verbal Report C2021-0658"; and
- An additional package of public submissions

**Moved by** Councillor Gondek

That with respect to Verbal Report PFC2021-0808, the following be approved:

That the Priorities and Finance Committee recommend that Council direct that administration prepare for future transit funding opportunities by developing a programmatic approach to delivering transit priorities concurrently, based on the Route Ahead prioritization strategy combined with an integrated community capital investment plan. Report returning to the SPC on Transportation and Transit no later than Q1 2022. Completion of the Council-approved Stage 1 of the Green Line will continue to be the number one growth and funding priority within this strategy and that completion of the full Green Line will continue to be a priority within the Route Ahead process.

For: (9): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, Councillor Farrell, and Councillor Keating

**MOTION CARRIED**

7.9 Richmond Green Needs Assessment and Real Estate Analysis, PFC2021-0834

The following documents were distributed with respect to Report PFC2021-0834:

- A presentation entitled "Richmond Green Needs Assessment"; and
- An additional package of public submissions

Councillor Davison left the Remote Meeting at 2:46 p.m.

Councillor Farkas joined the Remote Meeting at 2:57 p.m.

Councillor Farkas left the Remote Meeting at 3:15 p.m.

Councillor Farrell left the Remote Meeting at 3:15 p.m.

By General Consent, pursuant to Section 6(1) of the Procedure Bylaw 35M2017, Committee suspended Section 78(2)(b) of the Procedure Bylaw in order to complete the remaining Items prior to the afternoon recess.

Mayor Nenshi left the Council Chamber at 3:21 p.m. and Vice-Chair Chu assumed the Chair remotely.

Mayor Nenshi resumed the Chair at 3:25 p.m. and Vice-Chair Chu returned to his regular seat in Committee remotely.

Councillor Davison returned to the Remote Meeting at 3:27 p.m.

**Moved by** Councillor Woolley

That with respect to Report PFC2021-0834, the following be approved, **as amended:**

That the Priorities and Finance Committee recommend that Council:

1. Approve the recommendations of the Richmond Green 'Needs Assessment' contained in Attachment 2 **and Attachment 3, except for recommendation #12;**
2. **Approve a new recommendation #12 in Attachment 2 and Attachment 3 that states: Any proceeds from a land sale at Richmond Green are to fund improvements to Richmond Green Park including the development of a new Master Plan and the construction of it. This will include but not be limited to the replacement of the lost ball diamonds from Parcel 'A' and remediation and redevelopment costs for the Operations Workplace Centre (OWC);**
3. Approve an increase of \$7.429 million in 2022 in RE&DS capital budget ID A403784 to be funded from the Real Estate Services Reserve **for this work;**
4. **Direct Administration to develop and implement a comprehensive Master Plan for the new Richmond Green Park area using proceeds of the sale, with residual funds, if any, to be reinvested in the Community Investment Reserve. For clarity, work may proceed before the completion of the Master Plan, where such work would be required in any event (including but not limited to the remediation of the OWC);**
5. **In the event land use is not granted, direct Administration to return to the Priorities and Finance Committee with alternative options, without need for reconsideration, as soon as possible; and**
6. Direct that Attachment 3 remain confidential pursuant to Section 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*, to be reviewed 2026 May 01.

For: (7): Mayor Nenshi, Councillor Carra, Councillor Davison, Councillor Gondek, Councillor Sutherland, Councillor Woolley, and Councillor Keating

Against: (1): Councillor Chu

**MOTION CARRIED**

## 8. ITEMS DIRECTLY TO COMMITTEE

### 8.1 REFERRED REPORTS

None

### 8.2 NOTICE(S) OF MOTION

Councillor Gondek left the Remote Meeting at 3:56 p.m.

- 8.2.1 Notice of Motion - Temporary Front Driveway Cover Pilot Project, PFC2021-0875



**Moved by** Councillor Keating

That with respect to Notice of Motion PFC2021-0875, the following be approved:

That Notice of Motion PFC2021-0875 be forwarded to the 2021 June 21 Combined Meeting of Council for consideration.

For: (5): Councillor Carra, Councillor Davison, Councillor Sutherland, Councillor Woolley, and Councillor Keating

Against: (2): Mayor Nenshi, and Councillor Chu

**MOTION CARRIED**

8.2.2 Notice of Motion - Investment in Calgary's Parks and Open Spaces, PFC2021-0909

Councillor Keating left the Remote Meeting at 4:38 p.m.

**Moved by** Councillor Davison

That with respect to Notice of Motion PFC2021-0909, the following be approved:

That Notice of Motion PFC2021-0909 be forwarded to the 2021 June 21 Combined Meeting of Council for consideration.

For: (6): Mayor Nenshi, Councillor Chu, Councillor Carra, Councillor Davison, Councillor Sutherland, and Councillor Woolley

**MOTION CARRIED**

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

**Moved by** Councillor Chu

That pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting at 4:05 p.m., in the Council Boardroom, to discuss confidential matters with respect to the following Item:

- 10.2.1 COVID Update (Verbal), PFC2021-0940

**MOTION CARRIED**

Committee reconvened in public meeting at 4:52 p.m. with Mayor Nenshi in the Chair.

**Moved by** Councillor Chu

That Committee rise and report.

**MOTION CARRIED**

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

10.2 URGENT BUSINESS

10.2.1 COVID Update (Verbal), PFC2021-0940

Administration in attendance during the Closed Meeting discussions with respect to Report PFC2021-0940:

Clerks: J. Fraser and A. Degrood. Law: J. Floen. Advice: K. Black, K. Choi, S. Dalgleish, S. Henry, and C. Male.

**Moved by** Councillor Chu

That with respect to Report PFC2021-0940, the following be approved:

That the Closed Meeting discussion be held confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

**MOTION CARRIED**

11. ADJOURNMENT

**Moved by** Councillor Chu

That this meeting adjourn at 4:54 p.m.

**MOTION CARRIED**

The following items have been forwarded on to the 2021 June 21 Combined Meeting of Council:

CONSENT

- White Goose Flying Update (Verbal), PFC2021-0887
- Community Safety Investment Framework Funding Options, PFC2021-0458
- Council Innovation Fund Application – Clear Justice Guided Police Complaints App, PFC2021-0793
- Citywide Growth Strategy: Strategic Growth in the Belvedere Area Structure Plan, PFC2021-0814
- Citywide Growth Strategy: Growth Management Overlay Review, PFC2021-0639
- Calgary Exhibition and Stampede Limited – 2020 Credit Facility, PFC2021-0687
- Financial Task Force Implementation Update, PFC2021-0796
- Response to Motion Arising from Verbal Report C2021-0658 (Verbal), PFC2021-0808
- Richmond Green Needs Assessment and Real Estate Analysis, PFC2021-0834

ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- Notice of Motion - Temporary Front Driveway Cover Pilot Project, PFC2021-0875
- Notice of Motion - Investment in Calgary's Parks and Open Spaces, PFC2021-0909

The next Regular Meeting of the Priorities and Finance Committee is scheduled to be held on 2021 July 20 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

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CHAIR

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ACTING CITY CLERK

UNCONFIRMED



**Community Services Deferral or Procedural Request to  
Priorities and Finance Committee  
2021 July 20**

**ISC: UNRESTRICTED  
PFC2021-1118**

**Deferral Request of Virtual Reality Fire and Life Safety Education Pilot report  
back, PFC2020-0784, from September 2021 to 2022 Q1**

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In PFC2020-0784, Administration was directed to report back to the Priorities and Finance Committee on the outcomes of a Virtual Reality Fire and Life Safety Education project, funded by the Council Innovation Fund, by September 2021. Due to COVID-19, this project was not able to be tested. A deferral of reporting on results of the pilot is requested until Q1 2022.



# BRIEFING

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Item # 5.2.1

**Chief Financial Officer's Briefing to  
Priorities and Finance Committee  
2021 July 20**

**ISC: UNRESTRICTED  
PFC2021-1077**

## **Status of Outstanding Motions and Directions**

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### **PURPOSE OF BRIEFING**

Identify outstanding items for the Priorities and Finance Committee as of 2021 July 09.

### **SUPPORTING INFORMATION**

On 2012 April 03, the Priorities and Finance Committee directed Administration to provide the Committee with a schedule of Status of Outstanding Motions and Directions.

This report is in alignment with the mandate of the Priorities and Finance Committee.

This report tracks outstanding motions and directions from the Priorities and Finance Committee to Administration. By continuing to maintain and update the monthly status of outstanding motions and directions, Administration is attempting to mitigate the risk of not responding to or losing track of, Committee and or Council direction. Any risks associated with specific directions or motions in Attachment 1 will be dealt with in the context of the report on that specific direction or motion.

### **ATTACHMENT(S)**

1. Attachment 1 – Status of Outstanding Items for the Priorities and Finance Committee





DATE BACK TO COMMITTEE	ITEM	DATE OF REQUEST	SOURCE	SUBJECT
ANNUALLY	<b>CITY OF CALGARY CITIZEN PRIVACY DATA PRACTICES</b>	2020 January 27	C2020-0039	2. Direct the City Clerk/FOIP Head to provide an annual report to the Priorities and Finance Committee on The City's Privacy Management Program.
ANNUALLY	<b>RESILIENT CALGARY STRATEGY UPDATE REPORT</b>	2021 April 27	PFC2021-0429	3. Direct Administration to provide an annual update report of the Resilient Calgary strategy to the Priorities and Finance Committee.
ANNUALLY	<b>WHITE GOOSE FLYING UPDATE (VERBAL)</b>	2021 June 08	PFC2021-0887	<p>That with respect to Report PFC2021-0887, the following be approved, as amended:</p> <p>The Priorities and Finance Committee recommend that Council direct Administration to:</p> <p>2. Establish an annual report to Calgarians on the progress made on TRC Calls to Action where The City has either a direct (Own) or indirect (Partner or Encourage) role, as outlined in the White Goose Flying Report, <b>reporting through the Priorities and Finance Committee;</b></p>
2021 July 20	<b>VERBAL UPDATE ON NOM PFC2019-1510 CALGARY PARKING AUTHORITY EFFICIENT AND EFFECTIVE PARKING MANAGEMENT (VERBAL)</b>	2021 May	PFC2021-0722	<p>That the Priorities and Finance Committee recommend that Council:</p> <p>1. Direct that the Municipally Controlled Corporation Report be provided to the Priorities and Finance Committee no later than 2021 July 20 with the recommendation of the Calgary Parking Committee, to fulfill the direction of PFC2019-1510;</p>

2020 Q4	<b>NOTICE OF MOTION PROCESS FLOW AND CHECKLIST</b>	2019 September 30	PFC2019-0913	That Council:
2021 March		2020 December	PFC2020-1374	4. Direct the City Clerk's Office to provide an update of this process to the Priorities and Finance Committee by Q4 2020.
2021 July	<b>DEFERRAL REQUEST – UPDATES TO THE PROCEDURE BYLAW DUE Q1 2020</b>	2021 March 16	PFC2021-0226	Deferral to 2021 March
				Deferral to 2021 July
2021 Q1	<b>NOTICE OF MOTION – RENAMING JAMES SHORT PARK AND JAMES SHORT PARKADE</b>	2020 July 20	PFC2020-0802	That Council:
				1. Direct Administration to revise the Municipal Naming, Sponsorship and Naming Rights Policy CP2016-01 as follows:
				2. DIRECT administration to develop a process by which citizen requests to re-examine an existing name of a city asset will be handled, ensuring that any such process involve community input with final decision-making by Council through the Priorities and Finance Committee as per the existing policy. In addition, this must also involve consultation with the Anti-Racism Advisory Committee once it is operational, with the report returning through the Priorities and Finance Committee no later than Q1 2021.
2021 Q4	<b>DEFERRAL REQUEST – REPORTING ON RE- EXAMINATION OF CITY ASSET NAMES PROCESS TO Q4 2021</b>	2021 March 16	PFC2021-0284	Deferral request.

2021 July	<b>OFFICE OF THE COUNCILLORS: GOVERNANCE REVIEW AND PROPOSAL</b>	2021 May 10	C2021-0699	<p>That with respect to Report C2021-0699, the following be adopted:</p> <p>That Council</p> <p>3. Direct the City Clerk's Office to review the mandate of the CCCO, returning to the Priorities and Finance Committee through the CCCO no later than July 2021 with a framework for Council governance over the accountability and transparency processes for matters related to the Office of the Councillors;</p>
2021 Q3	<b>OFF-SITE LEVY INVESTMENT INCOME Q1 UPDATE (VERBAL)</b>	2021 February 16	PFC2021-0246	<p>That the Priorities and Finance Committee recommend that Council direct Administration to provide the final off-site levy investment income update to Council through the Priorities and Finance Committee no later than 2021 Q3.</p>
2021 Q3	<b>BENEFIT DRIVEN PROCUREMENT UPDATE</b>	2021 March 16	PFC2021-0395	<p>That the Priorities and Finance Committee recommend that Council:</p> <p>4. Direct Administration to return to the Priorities and Finance Committee with a Council policy inclusive of Benefit Driven Procurement no later than Q3 2021.</p>
2021 September	<b>COUNCIL INNOVATION FUND APPLICATION FOR VIRTUAL REALITY FIRE AND LIFE SAFETY EDUCATION PILOT</b>	2020 July 14	PFC2020-0784	<p>That with respect to Report PFC2020-0784, the following be adopted:</p> <p>That Council:</p> <p>1. Approve this one-time application to allocate \$75,000 from the Council Innovation Fund for the Virtual Reality Fire and Life Safety Education Pilot.</p> <p>2. Direct Administration to report back to the Priorities and Finance Committee on the outcomes of this project by September 2021.</p>

2021 November	<b>POST-PANDEMIC ECONOMIC RECOVERY</b>	2020 April 27	PFC2021-0579	<p>That with respect to Report PFC2021-0579, the following be approved:</p> <p>2. To report on economic recovery progress, including benefits realized, every six months starting with a 2021 November update, with Briefings thereafter; and</p> <p>3. To incorporate concluding recommendations of the Economic Resilience Task Force (ERTF) in the 2021 November update.</p>
2021 Q4	<b>HAWKWOOD OUTDOOR RECREATION FACILITY PROJECT</b>	2020 July 20	PFC2020-0696	<p>That with respect to Report PFC2020-0696, the following be adopted:</p> <p>That Council:</p> <p>1. Consider this application for the Council Community Fund for the Hawkwood Community Capital project in the amount of \$500,000 one-time funding request; and</p> <p>2. Direct Councillor Magliocca's office and the applicant to report back to the Priorities and Finance Committee within 12 months of project completion.</p>
2021 Q4	<b>COUNCIL INNOVATION FUND APPLICATION – HERITAGE CALGARY NAMING, RENAMING AND COMMEMORATION PROCESS DESIGN</b>	2021 February 16	PFC2021-0096	<p>That Council:</p> <p>2. Direct Administration to report back to the Priorities and Finance Committee on outcomes no later than Q4 2021.</p>

2021 Q4	<b>CIF APPLICATION – CALGARY ECONOMIC DEVELOPMENT LEARNING CITY COMMUNITY PILOT</b>	2021 February 16	PFC2021-0189	<p>That the Priorities and Finance Committee recommend that Council:</p> <p>2. Direct Administration to report back to the Priorities and Finance Committee on outcomes no later than Q4 2021.</p>
2021 Q4	<b>GOLF COURSE OPERATIONS EXPRESSION OF INTEREST &amp; REAL ESTATE ASSESSMENT</b>	2020 October 13	PFC2020-0952	<p>That the Priorities and Finance Committee recommend that Council receive for the Corporate record the results of the assessment of market interest in a long-term contract to provide public golf service, and direct Administration to:</p> <p>a. Direct RE&amp;DS to bring back a real estate feasibility assessment that substantiates Corporate needs at the remaining land at Richmond Green, and the Richmond Green Operations Workplace Centers (OWC), to determine further disposition opportunities and report to Priorities and Finance Committee (PFC) on or before Q4 2021;</p> <p>That Council add a new Recommendation #5, as follows, and renumber:</p> <p>5. Direct administration to develop a scoping report for the costs of the Request for Proposal for the contracting out of golf course operations, and a confidential Labour Relations Report returning to Council through the Priorities and Finance Committee for approval prior to proceeding and releasing the Request for Proposal as soon as possible.</p>

2021 Q4	<b>MOTION ARISING FROM GUIDEBOOK FOR GREAT COMMUNITIES</b>	2021 March 22	PUD2021-0015	<p>That Council: Direct Administration to develop a more user-friendly and inclusive Public Hearing process that includes but is not limited to:</p> <ol style="list-style-type: none"> <li>1. Creating a collaboration between the City Clerk and the Chief Information Technology Officer to identify the best method to implement an integrated and automated registration system for Public Hearings;</li> <li>2. Exploring the feasibility of holding Public Hearings at more accessible times; and</li> <li>3. Developing an endorsement statement for members of the public to sign when they register for Public Hearings which outlines the City of Calgary's commitment to anti-racism, equity, diversity and inclusion.</li> </ol> <p>Returning to the next Priorities and Finance Committee no later than end of Q4 2021 with the recommended approach.</p>
2021 Q4	<b>CITY OF CALGARY CITIZEN PRIVACY DATA PRACTICES: 2019-2021 PRIVACY FRAMEWORK WORKPLAN DELIVERABLES</b>	2021 March 22	C2021-0373	<p>That with respect to report C2021-0373, the following be adopted as amended:</p> <ol style="list-style-type: none"> <li>2. Direct the City Clerk to provide a status update on the <i>Privacy Management Program Framework</i> within the annual report to the Priorities and Finance Committee on The City's Privacy Management Program; and</li> <li>3. Report back to PFC with a work plan no later than Q4 2021 with the intention of bringing resource requests, if any, to the budget adjustment process in November 2021.</li> </ol>

2022 January	<b>2020 GROWTH STRATEGY MONITORING REPORT</b>	2020 October 19	PFC2020-0962	<p>That with respect to Report PFC2020-0962, the following be approved:</p> <p>That the Priorities and Finance Committee recommends that Council direct Administration to bring a Growth Strategy Monitoring Report to the Priorities and Finance Committee no later than 2022 January.</p>
2022 February	<b>CITYWIDE GROWTH STRATEGY INDUSTRIAL</b>	2021 March 03	PUD2021-0150	<p>That the Standing Policy Committee on Planning and Urban Development recommends that Council direct Administration to undertake the Citywide Growth Strategy: Industrial Action Plan as identified in Attachment 3, and report back to Council through the Priorities and Finance Committee no later than 2022 February.</p>
2022 February	<b>MOUNT ROYAL UNIVERSITY – AI DIGITAL TWIN FOR TRUCKS</b>	2021 February 16	PFC2021-0025	<p>That with respect to Report PFC2021-0025 the following be approved: That the Priorities and Finance Committee:</p> <p>2. Direct Administration to report back to the Priorities and Finance Committee indicating how the money was spent and the outcomes of the project within 12 months of its end date, as per the Council Innovation Fund Terms of Reference.</p>
2022 Q1	<b>HERITAGE CONSERVATION TOOLS AND INCENTIVES UPDATE REPORT</b>	2020 July 27	PUD2020-0758	<p>That Council direct Administration to:</p> <p>b. Return to the Priorities and Finance Committee no later than Q1 2022 with the residential tax credit financial incentive package for consideration in the 2023-2026 budget deliberations.</p>

2022 Q1	<b>CITY PLANNING &amp; POLICY PRIORITIES AND WORKPLAN REPORT</b>	2021 February 08	PUD2021-0046	<p>The Standing Policy Committee on Planning and Urban Development recommend that Council direct Administration to adjust the reporting timelines for:</p> <p>5. New community full operating cost model (PFC2019-1062), to return to Council, through Priorities and Finance Committee, no later than 2022 Q1.</p>
2022 Q2	<b>SUPPLEMENTAL REPORT – RESPONDING TO COUNCIL QUESTIONS ON THE COUNCIL INNOVATION FUND APPLICATION FOR DOWNTOWN ACCELERATOR PROGRAM – 1MILLION SQUARE FEET</b>	2020 May 25	C2020-0600	<p>That with respect to Report C2020-0600, the following be adopted:</p> <p>4. Direct Administration to report back to the Priorities and Finance Committee on the outcomes of this project by Q2 2022.</p>
2022 Q2	<b>WATER UTILITY INDICATIVE RATES – REVISED FOR 2021 AND 2022 AND FINANCIAL PLAN UPDATE</b>	2020 October 19	PFC2020-1140	<p>c. Direct Administration to report back on rates and limits for Wastewater extra strength surcharge parameters by Q2 2022.</p>



2022 Q2	<b>RESILIENT ROOFING REBATE PROGRAM</b>	2021 April 27	PFC2021-0575	2. Approve the Resilient Roofing Rebate Program as identified in Attachment 2, and direct Calgary Building Services to return to Priorities and Finance Committee no later than Q2 2022 with a monitoring report on the program's progress, lessons learned, and approach for the subsequent years of the program.
2022 Q2	<b>BELTLINE AND INGLEWOOD POOLS PROGRAM</b>	2021 May 31	CPS2021-0748	That with respect to Report CPS2021-0748, the following be approved:  That Council direct Administration to:  b) Report back through the Priorities and Finance Committee in Q2, 2022 with the results of a feasibility study (including capital and operating needs) for converting the facility to deliver integrated social recreational programming.
2022 Q4	<b>UPDATE ON MOVING TO AN EXTERNAL OPERATOR FOR CITY GOLF COURSES</b>	2021 February 16	PFC2021-0045	That Council:  Refer this Item to Administration to consider after the implementation of the Golf Course Sustainability Framework, returning to Council through the Priorities and Finance Committee with a recommendation on whether to continue with the contracting out of all or some golf course operations no later than Q4 2022.
2022 Q4	<b>CIVIC CENSUS REVIEW</b>	2020 February 03	PFC2020-0094	3. Direct the Returning Officer to report back with an evaluation of discussions with Statistics Canada and the provincial government and the ongoing value of a civic census by Q4 2022.

2022 Q4	<b>COUNCIL INNOVATION FUND APPLICATION – CLEAR JUSTICE GUIDED POLICE COMPLAINTS APP</b>	2021 June 08	PFC2021-0793	That the Priorities and Finance Committee recommend that Council:  2. Direct Administration to report back to the Priorities and Finance Committee on the outcomes of this project no later than Q4 2022.
2023 Q1	<b>COUNCIL INNOVATION FUND REQUEST FOR THE FUTURE OF STEPHEN AVENUE – ACTIVATE + EXPERIMENT</b>	2020 March 10	PFC2020-0274	That the Priorities and Finance Committee recommends that Council:  1. Approve this application to the Council Innovation Fund for The Future of Stephen Avenue: Activate & Experiment, in the amount of \$300,000; and 2. Direct Administration to report back to Priorities and Finance Committee on the outcomes of this project by Q1 2023 as per the fund guidelines.
2023 Q2	<b>ROADSIDE NATURALIZATION PILOT</b>	2020 February 24	C2020-0265	That with respect to Report C2020-0265, the following be adopted:  That Council:  4. Direct Administration to report back to the Priorities and Finance Committee on the outcomes of this project no later than Q2 2023, with interim reports on project progress and return-on-investment as information becomes available.

## **Downtown Strategy Implementation and 2020 Annual Report**

### **RECOMMENDATIONS:**

That the Priorities and Finance Committee direct that this Report be forwarded as Urgent Business to the 2021 July 26 Combined Meeting of Council.

That the Priorities and Finance Committee recommends that Council:

1. Receive the State of Downtown Calgary 2020 (Attachment 2) for the corporate record;
2. Approve the Downtown Calgary Development Incentive Program Terms of Reference (Attachment 3);
3. Direct Administration to bring the Downtown Calgary Development Incentive Program Phase 2 -Terms of Reference to Council no later than 2021 Q4;
4. Direct Administration to report on the implementation of the Downtown Calgary Development Incentive Program, the financial status, and recommendations on future program terms of reference to Council no later than 2022 Q4; and,
5. Approve Redirection & Reprioritization of Cultural Municipal Sustainability Initiative Budget Funds (Attachment 5), including allocations of previously approved budgets totaling \$15.5M as outlined in Table 1 - Redirection of CMSI Funds.

### **HIGHLIGHTS**

- This report showcases the intentional effort and holistic approach towards Calgary's downtown revitalization including: the State of Downtown Calgary 2020; the proposed terms of reference for the Downtown Calgary Development Incentive Program (the Incentive Program); the accelerated investment in cultural amenities through the redirection and reprioritization of Cultural Municipal Sustainability Initiative (CMSI) funds; and, a summary of work underway to support the implementation of *Calgary's Greater Downtown Plan: Roadmap to Reinvention*.
- What does this mean to Calgarians? Downtown is the economic and cultural heart of Calgary. It is the central hub for business, innovation and creativity. What happens downtown, especially in terms of real estate, has a direct impact on the rest of the city. Calgary needs a strong core to grow our economy, create jobs and contribute to funding the city services we rely on every day.
- Why does this matter? A thriving downtown means a thriving Calgary. We need bold action and intentional investment to transform our downtown from vacancy to vibrancy. The success of Calgary relies on downtown being a place where people want to live and visit and where businesses want to set up shop. Downtown must transform toward a vision that includes a more balanced mix of residential, culture, tourism, retail, entertainment, and office. Investments in arts and culture capital projects supports transforming downtown into a more vibrant, livable and economically prosperous place.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

## **DISCUSSION**

### **Looking Back: State of Downtown Calgary 2020**

The downtown strategy team is proud of the level of collaboration to jointly deliver the second annual State of Downtown Calgary report (Attachment 2), to be received for the corporate record. 2020 has been an unprecedented year and the COVID-19 pandemic has taken an enormous toll on Calgarians, our city and our downtown. The impact from unemployment, small business struggles and closures, and office space vacancies has been staggering. This report highlights where the downtown is currently in relation to the four pillars of the Downtown Strategy – Place, Work, Live, and Connect. It highlights this past year's successes, challenges and the opportunities that the Downtown Strategy partners are moving forward with in 2021 and beyond.

### **Where We Are Today: The Challenge**

- Downtown office vacancy is at approximately 12 million square feet which translates into approximately 32 percent (Q1-2021, CBRE).
- Downtown office property values have declined by approximately \$16 billion since 2015, or 60 percent, resulting in non-residential tax responsibility shifting from properties in the Downtown Core to non-Downtown properties.
- Downtown office absorption is forecasted to be an additional negative one million square feet in 2021. This will exert further downward pressure on downtown property values and tax shift impacts.
- Downtowns across the globe are the areas hardest hit by the effects of the COVID-19 crisis. The pandemic has globally accelerated the need for action on downtowns.

### **Call to Action: Downtown Calgary Development Incentive Program Terms of Reference**

The Downtown Calgary Development Incentive Program (the Incentive Program) was approved on 2021 April 26 by Council in report *C2021-0524 Realizing Calgary's Greater Downtown Plan: Initial Investments and Incentives*, with an initial \$45 million to fund the program. Council directed Administration to report back with the Incentive Program terms of reference and criteria to the Priorities and Finance Committee no later than 2021 July. The purpose of the Incentive Program is to provide financial incentives to assist with the removal of approximately six million square feet of office space in the Greater Downtown Area over the next ten years (2021 to 2031). The full projected ten years of the Incentive Program will require a total estimated \$450 million investment to have a meaningful impact upon downtown office and residential space. The funding approved for the Incentive Program is only 10 percent of the overall need to get started. We will need to look hard at alternate sources of funding and support from other orders of government to help address 90 percent of the funding gap. Advocacy efforts with other orders of government for funding support and enabling tools are underway (Attachment 4).

The removal of office space can be achieved through conversion to residential or other adaptive uses, or through potential demolition and rebuild of non-office space. It is important to note that the real estate industry, including Calgary Economic Development's Real Estate Sector Advisory Committee (RESAC) have been exploring office to residential conversions since 2015. Since Council's approval on 2021 April 26, there has been significant interest and excitement from the market (local and national) on the Incentive Program. The market is keen to see the Incentive Program launched as soon as possible.

The Downtown Calgary Development Incentive Program Terms of Reference (Attachment 3) was developed with input and in collaboration with industry to ensure it is set up for success. The Terms of Reference requires Council's approval prior to the official launch of the Incentive

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Program. The downtown team targets the program launch by the middle of 2021 August. The sooner the Incentive Program is implemented, the faster we can start addressing the downtown vacancy situation, and in return stimulate economic recovery through employing workers and contractors for office conversion projects. As part of sound program management best practices, Administration will closely monitor market conditions and bring forward required future revisions for Terms of Reference to continue to set up the Incentive Program for enduring success over the next ten years.

**Work Underway**

Listening to the real estate industry, the business sector, citizens, and the community, there are high expectations for The City to take urgent action and move at the speed of business on downtown implementation. We have been asked to make bold moves and proceed on the basis that this is “*not business as usual*.” The downtown team is laser focused on taking actions. A highlight of the work underway since Council’s approval of The Plan and initial investment package on April 26 is outlined in Attachment 4. The team is focused on the vibrancy of downtown Calgary, encouraging private investment in business and buildings; aligning programming to generate visits and spending; providing amenities and services to enhance the comfort and quality of life for Calgarians living, working, learning, and visiting downtown; and advocating to other orders of government for funding support and enabling tools.

**Re-opening & Welcome Back**

With the third stage of the Province’s re-opening plan starting on 2021 July 01, the downtown strategy team is taking a balanced and measured approach to work with partners to welcome workers, students, visitors, and tourists back to downtown. There is excitement about programming and activation opportunities. Safety is a top priority. The City and the Calgary Downtown Association have partnered, along with other stakeholders including Alpha House Society and Tourism Calgary, to deliver the Downtown Ambassador pilot for the 9 Block/Stephen Avenue area. Downtown Ambassadors are connecting Calgarians and visitors to information on services, places and supports in the downtown.

One sector that was hit hard by the pandemic is the tourism sector. According to the report *The Impact of the Pandemic on the Downtown Areas of Canada’s Six Major Cities* (PWC, 2021 March), “*the ability to reposition rapidly when reopening begins will be key to mitigating the impact of the pandemic and revitalizing the tourism industry. In the long term, the quality of tourism ecosystems that prevailed before the pandemic could contribute to the cities’ recovery if measures are implemented to support businesses. With business tourism expected to decline, cities should focus more on leisure tourism. However, there will still be a need for major business events beyond 2022. Downtowns that can offer a high-quality experience for business events through a state-of-the-art technological infrastructure could return to pre-pandemic levels of activity.*”

**Emerging Opportunity to Accelerate Downtown Vibrancy: Redirection and Reprioritization of Cultural Municipal Sustainability Initiative Budget Funds**

The Cultural Municipal Sustainability Initiative (CMSI) funding program ends in 2024. Administration is recommending consolidating and reprioritizing CMSI funds as per Attachment 5: Table 1 - Redirection of CMSI Funds. The consolidated funds will be reprioritized to projects that can be delivered within the funding timeline, as per Attachment 5: Table 1 – Redirection of CMSI Funds, and aligns with and supports the objectives of *Calgary’s Greater Downtown Plan: Roadmap to Reinvention*; the Culture Plan for Calgary, Calgary’s Destination Strategy; and, the Rivers District Master Plan - Calgary’s Culture & Entertainment District. Accelerating

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investments towards a clustering of cultural amenities in the downtown will help drive tourism and increased visits by Calgarians by increasing volume, frequency, and duration of trips, which in turn will support businesses and enhance downtown vibrancy.

Next Step

Following Council's approval of Terms of Reference, the downtown strategy team plans to launch the Incentive Program by the middle of 2021 August.

**STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☒ Public Communication or Engagement was not required
- ☒ Public/Stakeholders were informed
- ☒ Stakeholder dialogue/relations were undertaken

Extensive engagement was undertaken with industry experts including Calgary Economic Development's RESAC group, the Real Estate Working Group, the Building Owners and Managers Association (BOMA), NAIOP Commercial Real Estate Development Association, BILD Calgary Region, and the non-market housing sector on the considerations for the Incentive Program Terms of Reference. The downtown strategy team also met with over 30 interested representatives from private industry including developers, brokers, architects, designers, and consultants.

Engagement with stakeholders that hold CMSI budgeted projects was conducted in the form of a survey (2021 May-June). The Glenbow Museum and the Fort Calgary Renovation and New Museum Project were identified as demonstrating the highest level of project readiness based on ability to have: viable match-funding in place, project costing and executable plan in place, meeting a project delivery timeframe, and operational sustainability (with/without the investment). As a result of this survey, and in alignment with *Calgary's Greater Downtown Plan: Roadmap to Reinvention*, the remaining CMSI funds have been redirected and reprioritized to priority projects with one outlier - The Calgary Opera Community Arts Centre. Calgary Opera's \$7.5M CMSI funding will not be impacted by the redirection of funds identified in Attachment 5: Table 1 - Redirection of CMSI Funds.

**IMPLICATIONS**

**Social**

The Incentive Program stimulates development and investment in the downtown thereby promoting vibrancy and improving quality of life. The proposed recommendation on CMSI optimizes funding for projects that provide artistic, cultural, economic and social value to downtown Calgary.

**Environmental**

The Incentive Program will leverage opportunities to adapt downtown office buildings to residential and/or other uses to be more energy efficient.

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## **Economic**

The Incentive Program directly responds to the Financial Task Force's recommendation #33: investigate the crisis level vacancy in the downtown office market and respond with actions. Calgary needs a strong downtown to grow our economy, create jobs and fund the City services we rely on. Calgary's future success depends on our downtown being a place where people want to live, visit and set up businesses.

## **Service and Financial Implications**

### **Other:**

Upon Council approval, funds will be transferred to the Civic Partners for distribution to CMSI recipients as per Attachment 5: Table 1 - Redirection of CMSI Funds.

## **RISKS**

As downtown office vacancy rates continue to rise, the impacts are far-reaching including impacting Calgary's economic competitiveness, and fiscal sustainability. As noted in the risk summary in report *C2021-0524 Realizing Calgary's Greater Downtown Plan: Initial Investments and Incentives*, the identification of risks and response strategies has informed the development of the Incentive Program Terms of Reference. A comprehensive risk register is being maintained and risks will continue to be monitored and managed as the program progresses. One of the top risks is the significant funding gap for the latter years, outside of the initial investment of \$45 million for the Incentive Program. To manage the risk, a multi-stakeholder collaboration, partnerships and advocacy to both federal and provincial governments is required to support the Incentive Program beyond the initial investment.

CMSI funds are at risk of not being invested in the arts and culture sector if they are not spent within the funding timeline. As a result of general economic challenges and COVID-19, some organizations have been unable to meet matched-funding requirements under current project approvals. Funds allocated to these projects are at risk of being relinquished to the province if unspent by the funding program end date. The recommendation mitigates this risk by supporting a strategic approach to distribute the remaining funds to projects that have demonstrated the highest level of project readiness. Stakeholders were made aware of the possibility that the funds allocated to their projects may be redirected or reduced if project readiness cannot be demonstrated prior to the program deadline or sooner. There is a political risk that they may not accept this decision and may go to Council for support. The Mayor's Office was informed, and feedback was gathered on the concept of redirecting and reprioritizing allocated funding at risk of being relinquished to the Province.

## **ATTACHMENTS**

1. Background and Previous Council Direction
2. State of Downtown Calgary 2020
3. Downtown Calgary Development Incentive Program Terms of Reference
4. Updates on Initiatives Underway
5. Redirection & Reprioritization of Cultural Municipal Sustainability Initiative Budget Funds

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Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development	Approve
Carla Male	Chief Financial Officers Department	Consult
Chris Arthurs	Deputy City Manager's Office	Consult
Katie Black	Community Services	Consult
Jill Floen	Law	Consult



# Background and Previous Council Direction

## Background – Downtown Strategy

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Downtown Calgary is a critical component to Calgary's resilience in the face of economic, social and environmental shocks. Our Downtown needs to transform to position it for success in the new economy and in a post-pandemic world. When the Greater Downtown thrives, so does the rest of the city. Calgary's Greater Downtown is an economic driver and employment centre, historically generating 40 percent of non-residential tax revenue and 25 per cent of city-wide employment. However, an economic downturn has had a significant impact on Calgary's Greater Downtown with high unemployment and office vacancy rates. To address the issues in Calgary's Greater Downtown, there is a need for a comprehensive and coordinated strategy that can leverage the efforts of The City and its strategic partners to invest in infrastructure and stimulate the economy.

### Greater Downtown Plan

Calgary's Greater Downtown Plan: Roadmap to Reinvention (The Plan) is our vision, roadmap and commitment to build a thriving, future-focused downtown over the next decade and beyond. It will replace the 2007 Centre City Plan and is a component of the Next Generation Planning System. The Plan is an initiative of the Downtown Strategy which will be the principle driver for implementation.

The Plan is downtown's roadmap for the future and like a roadmap, there are many ways to get to a destination. The strategic moves and actions provide many ways to achieve a future where our downtown is a resilient and vibrant place for everyone, with welcoming neighbourhoods, active streets and well-used public spaces.

### Calgary in the New Economy

The economic strategy for Calgary, identifies four pillars of focus – Talent, Innovation, Place, and Business Environment – that are interconnected and an integral part of a prosperous economy – with investment in place-making important for each focus area. This Plan aligns with Calgary's economic strategy by providing the roadmap for placemaking in Greater Downtown to attract business, talent and residents, which supports growth in innovation. People are at the centre of vibrancy and putting people at centre of strategic action and decision-making in Greater Downtown will allow Calgary's downtown to be a more vibrant and prosperous place.

### Downtown Strategy

The Downtown Strategy brings together civic and community partners through coordinated and collaborative work with the commitment to making life better every day for citizens, customers, residents and businesses through a focus on four pillars: place, work, live and connect. The Plan is an initiative of the Downtown Strategy with a focus on these pillars. The Downtown Strategy will be the principle driver and coordinator of implementation over time and will help coordinate future budget requests (both capital and operating) and prioritize corporate action across all Service Lines. It will also ensure ongoing community dialogue and alignment with other Civic Partners and partnerships.

## Previous Council Direction – Downtown Strategy

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At the 2021 April 26 Strategic Meeting of Council, with respect to report PUD2021-20 *Calgary's Greater Downtown Plan Roadmap to Reinvention*, the following was approved:

That Council:

1. Approve, by resolution, Calgary's Greater Downtown Plan (amended Attachment 3); and
2. Rescind, by resolution, the Centre City Plan.

At the 2021 April 26 Strategic Meeting of Council, with respect to report C2021-0524 *Realizing Calgary's Greater Downtown Plan: Initial Investments and Incentives*, the following was approved:

That Council:

1. Approve **revised** Attachment 3, "Greater Downtown Plan – Initial Investment and Approvals", including investment categories and allocations, and with the \$200 million initial investment funded by \$60 million from the Budget Savings Account, \$63 million from the Fiscal Stability Reserve and \$77 million from the Canada Community Building Fund subject to receipt of the 2021 increase;
2. Request the Mayor write letters to the provincial and federal governments, advocating for funding and other support for Calgary's Greater Downtown Plan, and direct Administration to pursue the same support by contacting provincial and federal government officials and departments;
3. Authorize entering into a Housing Agreement on Sierra Place at 706 7 Avenue SW and authorize the Community Services General Manager to develop, approve, and execute the agreements identified in Attachment 7 and necessary to implement the HomeSpace project; and,
4. Direct Administration to report back to Council no later than 2022 Q2.

In 2020 December, Council approved *Notice of Motion C2020-1439 Providing Incentive to Residential Development in the Downtown Core*. That with respect to Notice of Motion C2020-1439, the following be adopted, as amended: NOW THEREFORE BE IT RESOLVED that Council direct City Administration to explore the potential creation of regulatory and financial investment incentives for the development of new high-density residential complexes and the conversion of office buildings to various forms of residential occupancy or other uses within the downtown generally, but with a focus on the Downtown Core, to coordinate with the work of the Real Estate Working Group and Urban Initiatives Downtown Strategy team. AND FURTHER BE IT RESOLVED that Administration report to the Priorities and Finance Committee with its findings no later than the end of 2021 April.

## Background - Cultural Municipal Sustainability Initiative

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The objective of the Cultural Municipal Sustainability Initiative (CMSI) program is to maximize The City's investment in cultural infrastructure for optimal social, learning, entertainment, and economic value in the sector, and doing so by leveraging community initiatives and addressing The City's strategic interests.

In 2008 Council directed that five percent of the province's MSI allocation to The City be invested in cultural infrastructure. The total allocation of \$165 million to Cultural MSI is available for culture-related projects at the rate that the province allocates in its multi-year capital budgets.

To date, twelve projects have been completed and are operational. A further four projects are in progress and are able to access CMSI funding within the program timeline.

## Previous Council Direction - Cultural Municipal Sustainability Initiative

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On 2016 April 25, Council ADOPT that SPC on Community and Protective Services Recommendation 1 contained in Report CPS2016-0297 Cultural Municipal Sustainability Initiative Program Update and Recommended Projects for Funding be adopted, as follows:

That Council:

1. Approve a capital appropriation increase to Capital Budget Program 519 by \$2 million in 2016, \$10.9 million in 2017 and \$11.6 million in 2018, a total of \$24.5 million, for the Centennial Planetarium from the Cultural Municipal Sustainability Initiative program, subject to approval by the Government of Alberta, with no match funding requirement (Attachment 2).

ADOPT that SPC on Community and Protective Services Recommendations 2, 3, 5 and 6 contained in Report CPS2016-0297 be adopted, as follows:

That Council:

2. Approve a capital appropriation increase to Capital Budget Program 510 Calgary Zoo by \$2 million in 2016 and \$6.15 million in 2017, a total of \$8.15 million, for the Treasures of China Giant Panda Exhibit Project funded by the Cultural Municipal Sustainability Initiative, subject to approval by the Government of Alberta (Attachment 3).

3. Approve a capital appropriation increase to Capital Budget Program 639 by \$500 thousand in 2016 and \$1 million in 2017, a total of \$1.5 million, for the King Edward School Arts Incubator Project from the Cultural Municipal Sustainability Initiative program, subject to approval by the Government of Alberta (Attachment 4).

5. Direct Administration to continue to work with Calgary Arts Development Authority to utilize the proposed Cultural Municipal Sustainability Initiative guiding principles in Revised Attachment 1 to renew the program strategy to direct CMSI allocations.

6. Direct Administration to pursue replenishing capital funds for cultural capital infrastructure

On 2009 July 13, Council approved CPS2009-34, Updated Cultural Infrastructure Funding Framework and City – Cultural Municipal Sustainability Initiative Requirements.

On 2008 November 24, Council approved CPS2008-90, MSI Program Guidelines for Culture-Related Infrastructure, and CPS2008-91, Calgary Arts Development Authority's Strategic Plan and Arts Space Investment Process (ASIP) was received for information.

At the 2008 February 19 Special Meeting of Council, Council approved CPS2007-74, Updated Culture, Parks, Recreation Infrastructure Investment Plan (CPRIIIP) and Emergency Response Infrastructure Investment Plan (ERIIP), approving 5 per cent (up to \$165 million) of Municipal Sustainability Initiative (MSI) funds towards culture-related infrastructure projects.

On 2007 April 16, Council approved CPS2007-20, Cultural Spaces for the Arts Strategy and Capital Plan, receiving for information CADA's Summary Report, Reclaiming Calgary's Cultural Identity: Arts Spaces Strategy and Capital Plan.



# State of Downtown Calgary 2020

Published July 2021



## **Publishing Information**

### **Title**

State of Downtown Calgary 2020

### **Author**

The City of Calgary

### **Published**

July 2021 - DRAFT

### **Additional Copies**

The City of Calgary  
Records & Information Management (RIM)  
Calgary Building Services  
P.O. Box 2100, Station M, Mail Code: 8115  
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We are proud to present the second annual State of Downtown Calgary report, highlighting where our downtown stands at the end of 2020 – including both its strengths and weaknesses, while looking forward from 2021 towards a decade into Calgary's future.

This has been an unprecedented year and has taken an enormous toll on Calgarians, our city and our downtown. We've been hit hard from every angle by the COVID-19 pandemic and the impacts of our oil and gas sector restructuring. The impact from unemployment, small business struggles and closures, and office space vacancies has been staggering. Families are trying to make ends meet, small business owners are working day-and-night to keep the doors open, and companies of any size are struggling. Our downtown and downtown business owners are taking the brunt of this impact full-on. It's time that we take a new approach to Calgary's downtown, learn from both the good and the bad of the past year, and take bold action to shape downtown's future.

Our downtown is the economic and cultural heart of Calgary. It is a hub for business, innovation, and creativity. What happens downtown impacts the rest of the city and Calgary needs a strong core to grow and create jobs. Calgary, as a whole, benefits from a strong downtown, as it contributes to its economic success and The City's revenues, tax base, and ability to provide services to citizens. The downtown is connected to the rest of the city and is not an island – what happens downtown has a direct impact on the rest of the city.

A vibrant downtown is vital to Calgary's economic recovery and we're facing a long road ahead. There is no looking back – we must focus on the future. Calgary's downtown will not go back to the way it was before the pandemic, let alone five to ten years ago. We must take bold steps now, implement necessary changes and make decisive moves quickly in order to transform and reinvent downtown for decades to come.

Step one in the road map to reinvention is planning for the next decade of our downtown. **Calgary's Greater Downtown Plan** is a long-range, non-statutory plan that will help city-builders, decision-makers, investors, and citizens understand the direction for our downtown over the next decade. It is our vision, roadmap and commitment to build a thriving, future-focused downtown.

Our future success relies on downtown being a place people want to live, visit and set up businesses. We need to move beyond the traditional nine-to-five business district towards a vibrant downtown that people enjoy 24/7 – with a diverse mix of residential, office, retail, entertainment, tourism and culture.

The Downtown Strategy team is planning bold moves for the next decade to achieve our vision of a resilient and vibrant place for everyone:

- **Building great downtown neighbourhoods** with vibrant gathering places, lots of housing choices and all of the amenities residents need close by.
- **Expanding our green network** with more parks, natural spaces and river frontage connected by pedestrian-friendly main streets.
- **Creating streets for people** by building connections and support vibrant neighbourhoods.
- **Making transit more appealing to all Calgarians** to travel to and around downtown.
- **Encouraging innovation** to accommodate and attract innovative businesses, testing and economic enterprise from the global technology sector.



**We need to create an even-more thriving downtown community that moves beyond the traditional office-based downtown central business district and instead is a dynamic, vibrant 24/7 centre of our city. This means taking bold action and making intentional investments in public spaces, supporting vibrant neighbourhoods, and ensuring we continue to create a downtown that people want to live and work in.**

Stuart Dalglish  
General Manager, Planning and Development  
The City of Calgary

Calgary's Greater Downtown Plan is just the beginning. In order for downtown reinvention to occur, downtown partners must make an intentional investment in our downtown to make it a place where people want to live and spend their time, while also making it attractive to for businesses to set up shop, innovate and thrive. This means providing financial incentives to convert empty office buildings to residential spaces, educational spaces, urban agriculture pilots or new spaces for retail. This is already underway, with a \$200 million investment from The City of Calgary to make it easier to fill downtown's empty office space and support the establishment of 24/7 communities in our downtown core.

We also need to make a significant investment in vibrancy to support the development of complete neighbourhoods. This means improving public spaces that are community centerpieces, like reinvesting in the future of Stephen Avenue, building a north-south pedestrian connection on 8 Street S.W., opening up Downtown West to the Bow River through an extension of the West Eau Claire Promenade, and transforming Arts Commons into Calgary's arts and culture hub for the future.

Implementing Calgary's Greater Downtown Plan and investing in a shift from vacancy to vibrancy will require the participation and actions of many downtown stakeholders and our Downtown Strategy team is taking a share approach to our roadmap to reinvention.

This report highlights where the downtown is currently in relation to the four pillars of our Downtown Strategy – Place, Work, Live, and Connect. It highlights this past year's successes, challenges and the opportunities that the Downtown Strategy partners are moving forward with in 2021 and beyond. This past year saw extreme challenges and limitations placed on our downtown, but there was still a lot happening in our downtown and this report provides a snapshot of how our efforts are building the foundation for the next decade of our downtown's future.

Our best days are ahead of us. There is no easy fix, but we'll come back stronger than ever with grit, determination and collaboration to move the heart of Calgary along the road to reinvention.



Stuart Dalglish  
The City of Calgary



Thom Mahler  
The City of Calgary




Mary Moran  
Calgary Economic Development



Kate Thompson  
Calgary Municipal Land Corporation



Dr. John Brown  
The University of Calgary



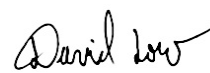
James McLaughlin  
The City of Calgary



Chris Arthurs  
The City of Calgary

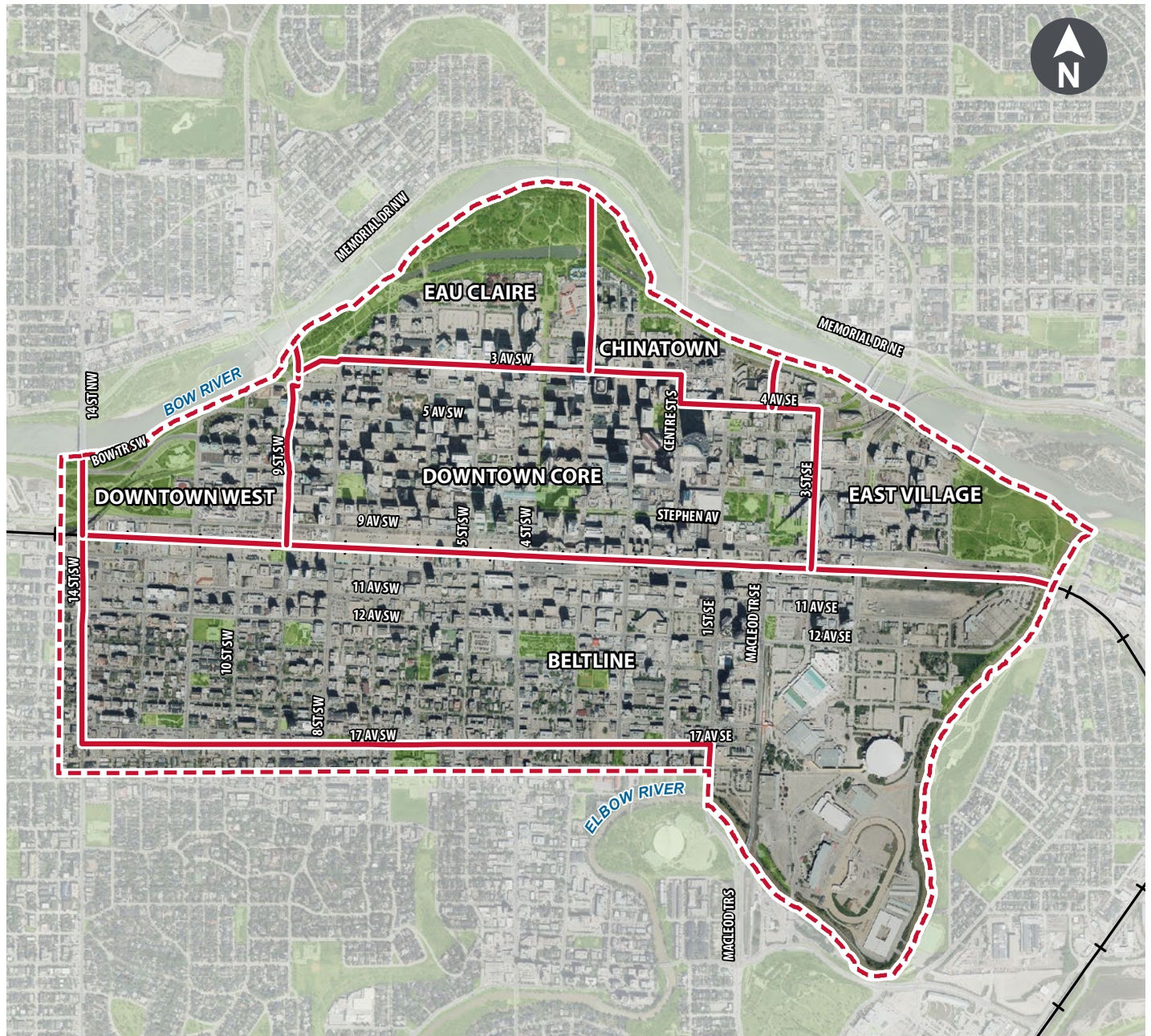


Jennifer Rempel  
Calgary Downtown Association



David Low  
Victoria Park Business  
Improvement Area

## Downtown – The Boundaries



### Legend

- Greater Downtown Boundary
- Neighbourhood Boundary

## Calgary City-wide 2020 Highlights



Highest concentration of  
**head offices** per capita in Canada  
– FP500 2020 Database –



5th most **livable city** in the world  
– The Economist Intelligence Unit, 2019 –  
No change. The EIU did not release a report in  
2020 due to COVID-19



493 kilometres of on-street  
**bikeways and cycle tracks** citywide



Calgary has the second lowest  
**cost of living** of Canadian cities and  
9th lowest of North American cities.  
Mercer 2020 Cost of Living Ranking



Top 10 North American Ecosystem  
**Affordable Talent** and  
Top 20 North American Ecosystem  
**Bang for Buck**  
– Startup Genome, 2020 –



33 venture **capital investments**  
totaling \$353M in 2020  
– Source: 2020 Year in Review: Canadian Venture Capital  
Market Overview, CVCA, March 2021 –

## Downtown Calgary 2020 Highlights



6 Business Improvement Areas  
downtown



5 community and  
neighbourhood associations



956,000  
e-scooter trips



200+ art galleries, parks,  
public art, historical buildings  
and areas, and shopping malls





# The Place

## The Importance of Downtown Public Spaces

What makes a great public space? It's a place where people want to be. It can mean something different for each person, but it is freely accessible to all. Making a great place is also something on which cities and their business and community partners collaborate and build together.

Placemaking as a community and economic development tool has been around since Jane Jacobs' groundbreaking 1961 book, *The Death and Life of Great American Cities*. It recognized public spaces that are regularly visited by diverse people are safer, more prosperous, more enjoyable for residents and more attractive to visitors.

Why is public life an essential part of a healthy, vibrant city? Public life is the social activity that takes place in our public spaces – on streets, in parks and plazas, and in the spaces between buildings. It's created by people when they live their lives outside. A lot of our public life happens by how we design our public spaces and has individual, neighbourhood, and citywide benefits – both economic and social.

The Urban Land Institute Center for Sustainability and Economic Performance's "The Case for Open Space" report validates this approach. Parks and open space, and the public life they create, can increase community health, enhance urban environmental sustainability, increase the value of nearby real estate, and generate higher real property tax revenue for municipalities.

Vibrant public life is an indicator of a city that is successful economically, socially and environmentally. When designed to embrace the changing social needs of its surrounding or the community, public spaces can support enhancing the quality of life for people living and working in those communities. A thriving public life is essential to attract and retain talent for business large and small.



## Building public life in Calgary's downtown and Stephen Avenue

Investing in the future of Stephen Avenue is a fundamental piece of our Downtown Strategy. It's one way we're supporting and attracting private investment, and encouraging people to visit and patronize our businesses. It will provide amenities and services to enhance the quality of life for people living and working in Calgary's downtown.

The Calgary Downtown Association is a major partner as the steward of this space. This is not just about creating a beautiful street, it's about creating conditions that will attract private investment, economic growth, and amenities that will entice residents and visitors for years to come.

Updating Calgary's historic pedestrian hub goes beyond designing and improving the physical streetscape. It involves developing strategies to encourage economic investment and redevelop private space. It's a plan for programming the public space to improve public life and ensure residents and tourists are drawn to Stephen Avenue for years to come.

Cities have discovered this and have begun to redesign streets and urban spaces to allow for public life and support economic growth –like Market Street in San Francisco, 16th Street Mall in Denver and 3rd Street Promenade in Santa Monica. We're taking this approach in Calgary as well, like our with our community partnerships to develop Bowforth Park in Downtown West, or larger public spaces like Stephen Avenue and the Eau Claire Promenade and Plaza.





### Re-shaping public spaces in the Eau Claire area

The City's efforts in Eau Claire, Chinatown and the East Village, serve a similar purpose in the downtown area. Redesigning the Eau Claire Promenade and Eau Claire Plaza public spaces is possible because the Downtown Flood Barrier, which sits underneath, needs to be improved. This work is part of The City's efforts to create a safe, efficient and beautiful riverfront promenade and cycling network. It will have a ripple effect of supporting neighbouring communities and business areas. These projects are working towards building more resilient and vibrant communities that support future growth and development for the people who live, work, visit and travel the area.

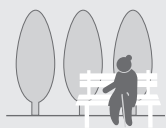
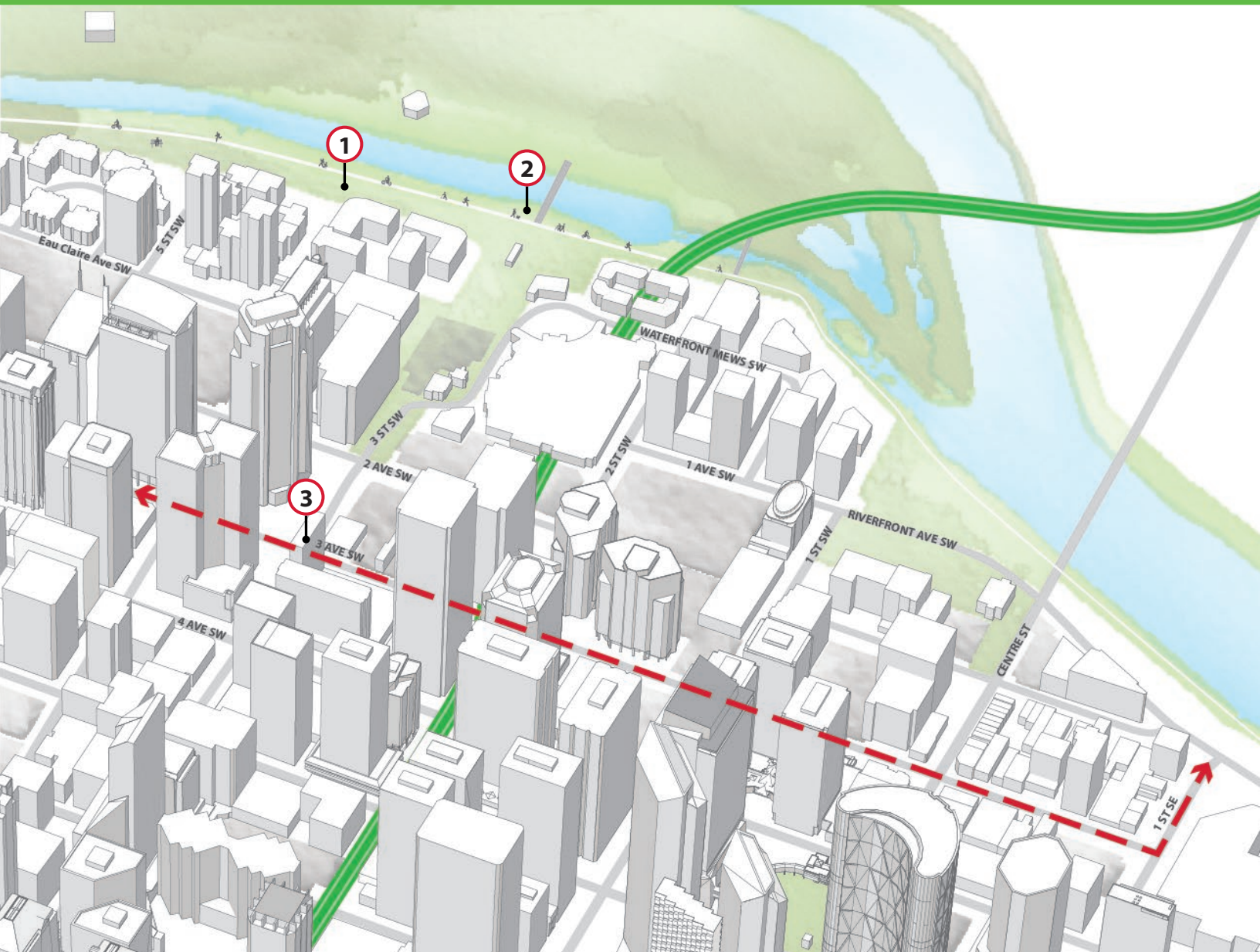


**\$59.1 million**

Capital investment in 2020 and 2023 in  
Eau Claire area **public space projects**







**1** Eau Claire Plaza  
Eau Claire Promenade/  
Downtown Flood Barrier



**2** Jaipur Bridge,  
Centre Street Ramps



**3** 3 Avenue Walking and  
Wheeling projects

## Public and Private Partners Making Big Moves in the East Village and Rivers District

Calgary Municipal Land Corporation (CMLC) has been transforming the East Village and the east end of Victoria Park into one of the city's most inviting destinations since 2007. Despite the COVID-19 pandemic, CMLC moved forward on the major projects underway in these transforming neighbourhoods.

The vision for east Victoria Park will result in four million square feet of mixed-use development and more than 8,000 new residents moving into the district. CMLC's priority is to enhance the existing urban fabric—including public realm enhancements, connectivity within Stampede Park, the Elbow River and neighbouring communities—and reshape east Victoria Park as an active, walkable, and accessible community with enhanced connections to adjacent neighbourhoods.





## Event Centre

- Community engagement about perceptions of the new facility took place between January and March, with 1,977 Calgarians participating at in-person events and 14,549 Calgarians providing feedback online.
- Dialog and HOK announced as the lead design firms for the Event Centre in June 2020.
- CANA + Mortenson Construction announced as the lead construction management firm.



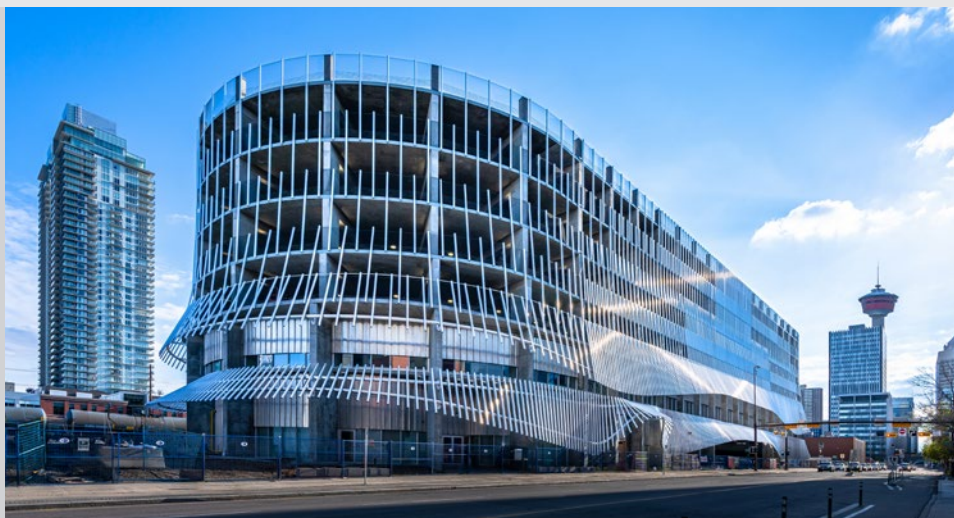
## 17 Avenue S.E. Extension

- The 17th Avenue SE Extension and Victoria Park/Stampede Station Crossing is a critical connection in the Rivers District Master Plan to reconnect Stampede Park to the Beltline neighbourhood while bringing the energy and excitement of 17 Avenue into the heart of the Culture + Entertainment District.
- Enabling work for the 17 Avenue S.E. extension project began, which will lead to 17 Avenue connecting the Stampede Park with Victoria Park and the Beltline.
- The design for a new, street-level Victoria Park/Stampede CTrain station was approved in October 2020.



## Platform Innovation Centre

- Opening in fall 2021, the Platform Innovation Centre is a hub dedicated to supporting startups and entrepreneurs.
- Work crews topped off the 9 Avenue S.E. Parkade and Platform Innovation Centre with the final concrete pour on its upper level.
- The tech and startup incubator and 500 stall parkade is on track for a spring 2021 completion.





## BMO Centre Expansion

- Crews finished construction of Hall F, a 100,000 sq. ft. facility on the north side of the existing building that'll allow business to continue uninterrupted through the construction of the BMO Centre expansion.
- Calgary Stampede and CMLC unveiled concept drawings for the expanded convention centre, to be complete in 2024, which will significantly grow and modernize the facility and enable Calgary to host meetings and conventions on a global scale.



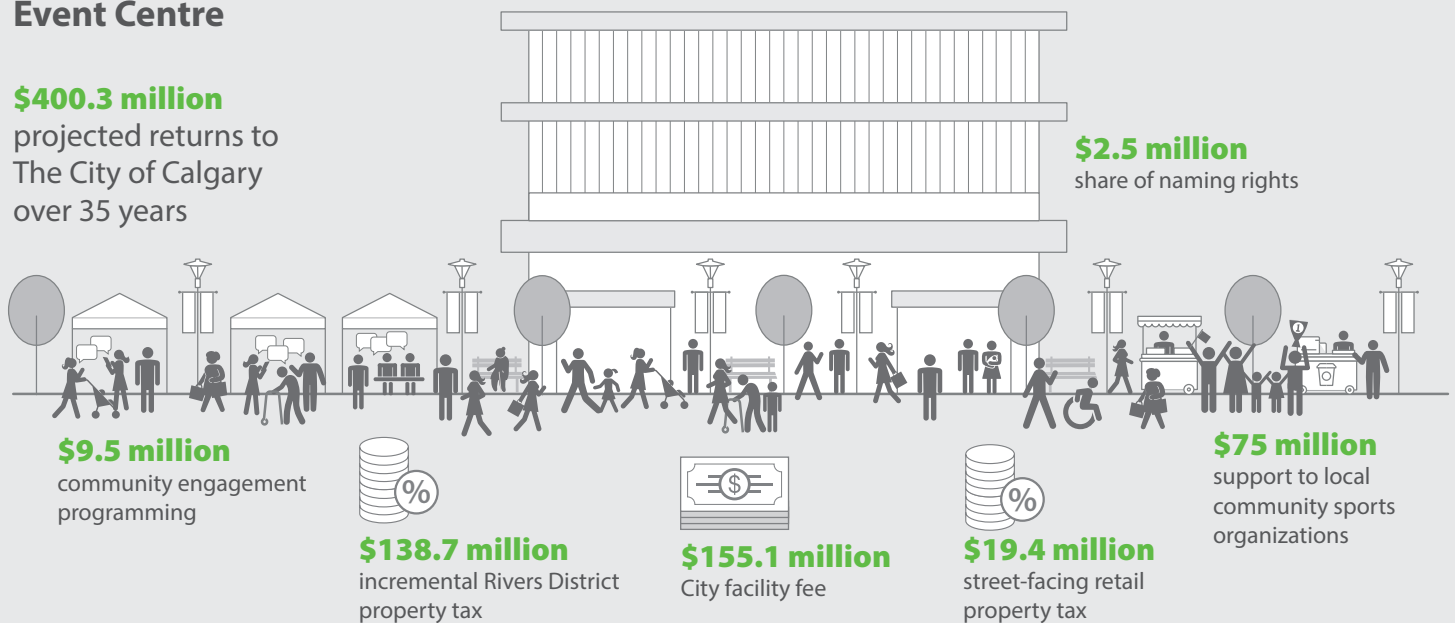
## Arts Commons Transformation

- CMLC, Arts Commons, and The City of Calgary signed an agreement to begin designing a major transformation to Arts Commons.
- An oversight committee with representation from all three parties will oversee the procurement and design process, which will last through mid-2022.



## Event Centre

**\$400.3 million**  
projected returns to  
The City of Calgary  
over 35 years



## Arts Commons Transformation



**\$300 million**  
estimated amount added  
to Calgary's gross domestic  
product during construction



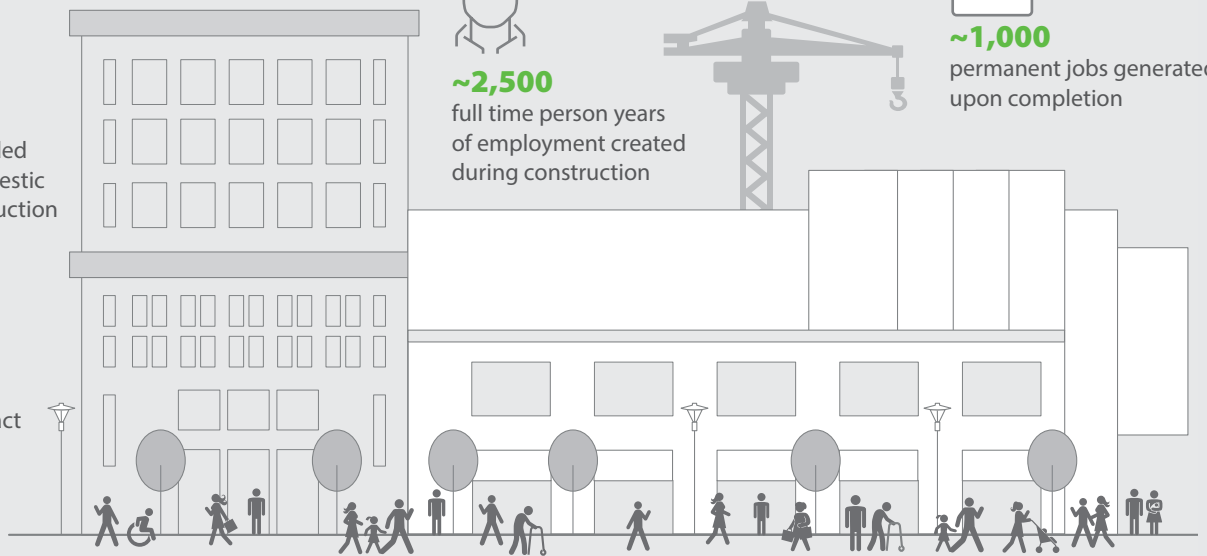
**\$95 million**  
annual economic impact  
on our downtown



**~2,500**  
full time person years  
of employment created  
during construction



**~1,000**  
permanent jobs generated  
upon completion



## BMO Centre Expansion



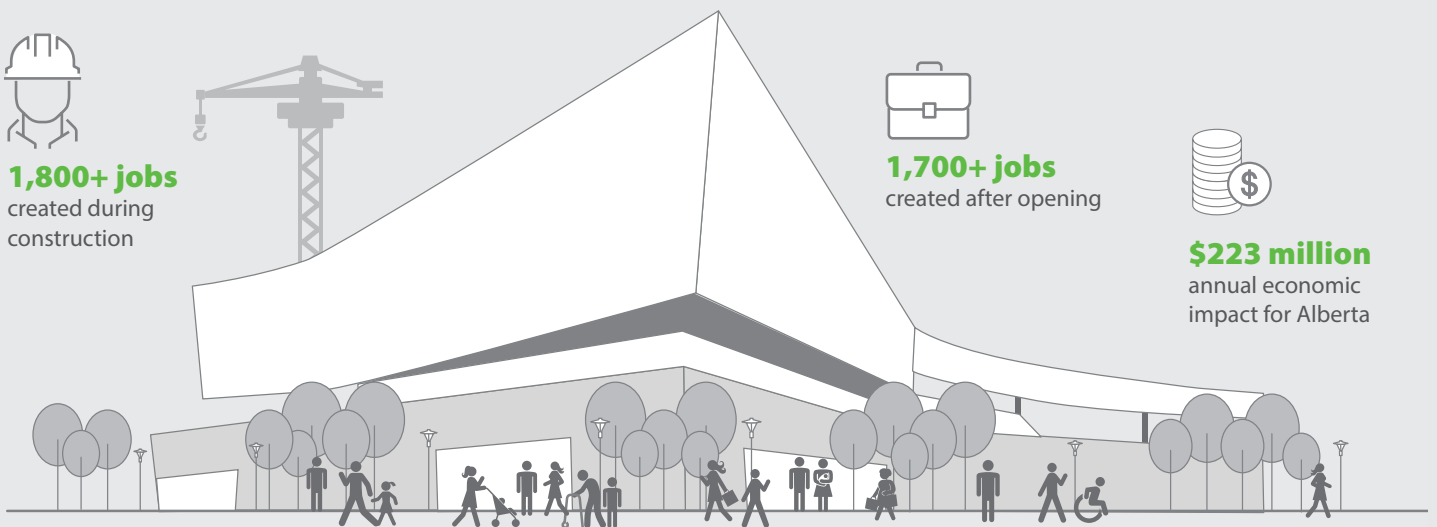
**1,800+ jobs**  
created during  
construction



**1,700+ jobs**  
created after opening



**\$223 million**  
annual economic  
impact for Alberta



### Historic City Hall

Historic City Hall had been completely under wraps since May 2017, when it was surrounded by a heavy-duty protective enclosure. Exterior work was finished in 2020 and Historic City Hall was “unwrapped”. Calgarians were able to view the building for the first time in three years. While Historic City Hall was undergoing heritage restoration, the wrap covered the construction crew, equipment and materials, and protected the sandstone and exposed building components from weather. It allowed work to occur through every season regardless of extreme temperatures. 15,142 pieces of sandstone were restored and 2,400 new sandstone bricks were installed to the building’s original façade.



### Tomorrow's Chinatown

One of Calgary's most culturally distinct and unique neighbourhoods, Chinatown, is getting Calgary's first-ever cultural plan, which will influence planning policy and a new Local Area Plan. With the guidance of the Chinatown community, and the Chinatown Business Improvement Area (BIA) these new plans, known collectively as Tomorrow's Chinatown, will help support Chinatown's future as a vibrant, culturally-rich place to live, visit, work, and do business, for generations to come. Culture plays the defining role in shaping Chinatown. This cultural plan will be a roadmap for the planning and use of cultural resources to strengthen the economy and improve the quality of life in Chinatown. Tomorrow's Chinatown is expected to finalize the new cultural and local area plan by the end of 2021.



**5 Community leaders**  
volunteer their time and expertise  
as part of a project advisory group



More than **1,200 Calgarians**  
responded to **Tomorrow's  
Chinatown discovery survey**



More than **120 hours** of  
**one-on-one and group  
conversations** were held on  
matters affecting Chinatown



**330 businesses**  
in Chinatown

## High Park

High Park is a new rooftop public park and event space in the Beltline serving as an exciting destination for residents and visitors to the city alike. Built on top of a parkade, the park reimagines the under-utilized rooftop of the City Centre Parkade as public space. The park features a boardwalk, lined with a series of colourful parklets that encourage socially distanced outdoor get-togethers. High Park was developed in partnership by the Beltline Neighbourhoods Association, the Calgary Parking Authority, Public City Architecture and the Beltline Urban Mural Project, with funding from The City of Calgary's Beltline Community Investment Fund.

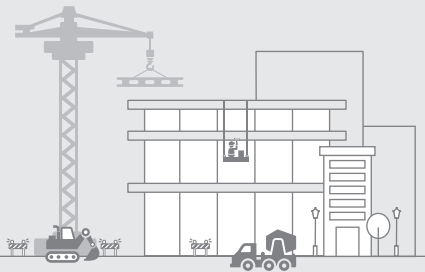


Located at  
**340 – 10 Avenue S.W.**

**90,000 sq. ft.**  
of public space

**Features murals** from Kevin Ledo, Guido van Helten, Ankh One and Derek Simmers

## Development and Investment



**Construction Value**  
**\$170 million**



**Building Permits**  
**573**



**Downtown and Beltline Office Sales**  
**\$123.09 million**



**Average Downtown Commercial Core**  
**Net Rental Rate**  
**\$12.15/sq.ft.**



## Where we Work

This past year was extremely tough for downtown's businesses, both large and small. The COVID-19 pandemic and restructuring to Calgary's oil and gas industry hit our downtown hard. Gone are the vast majority of office workers, transit riders, students and visitors and our business are suffering as a result. But it's not all doom and gloom – Calgary brings many assets to the recovery of its downtown work ecosystem. Calgary has a young and innovative culture, a dynamic, diverse and well-educated population, and best-in-class infrastructure. The city also has a vital, respected university sector, and a growing reputation as a tech and innovation hub.

The Downtown Strategy team aims to support and encourage private investments in downtown businesses and buildings. Over the next 15 years, we are looking to re-energize downtown office spaces with diverse and innovative businesses and jobs.

We will help our existing businesses and attract new companies over the next five years, using a variety of metrics such as business counts, office vacancy rates, and industry types to measure success. A big part of this has been the creation of The City's Business and Local Economy program and Economic Recovery

Task Force, both of which focus on reducing barriers, time, and cost to enable local business success, while supporting businesses through the effects of the pandemic.

Calgary Economic Development helped attract, expand and retain 15 companies in our downtown and created and retained 1,509 direct and indirect jobs. The Opportunity Calgary Investment Fund (OCIF) was leveraged to secure high potential organizations to set up shop in Calgary, with five companies making direct and positive impacts on our downtown.





## Platform Innovation Centre

Opening in fall 2021, the Platform Innovation Centre is a hub dedicated to supporting startups and entrepreneur, and a focal point for Calgary's burgeoning tech sector. The Platform Innovation Centre provides a single point of access to resources, supports, programming and events to help startup founders successfully launch and grow their business. It is a critical tool in Platform Calgary's plan to create jobs, diversify the economy, and ensure greater prosperity for all Calgarians.

Located in the heart of the East Village neighbourhood, beside City Hall, Central Library, and Studio Bell, the Platform Innovation Centre will help create connections for local innovators, driving new economic growth and job creation in Calgary.

The Platform Innovation Centre is a partnership between Platform Calgary, Calgary's organization dedicated to making the city a global hub for startups and innovation, the Calgary Parking Authority, and Calgary Municipal Land Corporation. It is being designed to meet the changing needs of Calgary's business community while accelerating Calgary's innovation economy.

The Platform Innovation Centre will provide:

- 50+ program partners helping founders start and grow tech startups and companies
- Access to classes, seminars, workshops, and programs

- Networks of local, regional, national, and global advisors and mentors
- Pitch stage and event-based community space for 450+ people equipped with display screens, built-in sound system, lights, and broadcasting cameras to provide a fully immersed digital-first experience and the ability to pivot to in-person events
- 50,000 sq. ft. to serve entrepreneurs and tech startups

As the home of Startup Calgary, Platform Calgary is a champion for every innovation entrepreneur, especially those in the early stages of a great idea or business. Their goal is to increase the number of technology startups in Calgary by ten times to 3,000 core tech startups in 2031, and in turn, create tens of thousands of jobs and add \$10 billion to Calgary's gross domestic product (GDP).



### Downtown Calgary office space: larger and more occupied

Downtown and Beltline office vacancy at the end of 2020 sat at 29.36%. Calgary couldn't keep up with the demand for space when the city's economy was stronger, so large-scale office developments were approved to keep up. These large projects took years to complete, while the economy contracted in the interim and demand dropped significantly since 2014.

The result of this build-up is that Calgary has not only the highest levels of downtown office supply (commercial core and Beltline), but also the highest occupied downtown office space per capita when viewed against comparable North American cities. As of Q4, Calgary has 43 square feet (sf) of office space, per capita, more than double the amount of Toronto (21 sf per capita), the next highest of any comparable North American city.

While Calgary has the largest amount of downtown office space, per capita, it also has more occupied downtown office space than any comparable city. Calgary currently has 31 sf per capita, more than one and half times the occupied downtown office space of Toronto (20 sf per capita) and more than double Denver (13 sf per capita), a city Calgary is often benchmarked against.

Downtown Calgary office space is highly competitive compared to other cities. Calgary is the best bargain for office space rentals compared with other Canadian cities. Average "class A" downtown lease rates are roughly three times higher in Vancouver than here in Calgary. Calgary has an abundance of high quality, move-in ready, and economical office space downtown. The current rental rates should be attractive to businesses.

#### Calgary



**43 sq. ft.**

Downtown office  
space per capita

**31 sq. ft.**

Occupied downtown office  
space per capita

#### Toronto



**21 sq. ft.**

Downtown office  
space per capita

**20 sq. ft.**

Occupied downtown office  
space per capita

#### Denver



**15 sq. ft.**

Downtown office  
space per capita

**13 sq. ft.**

Occupied downtown office  
space per capita

– CBRE, Oxford Economics, Statistics Canada, U.S. Census Bureau,  
U.S. Department of Commerce –

### ESQ Business Services

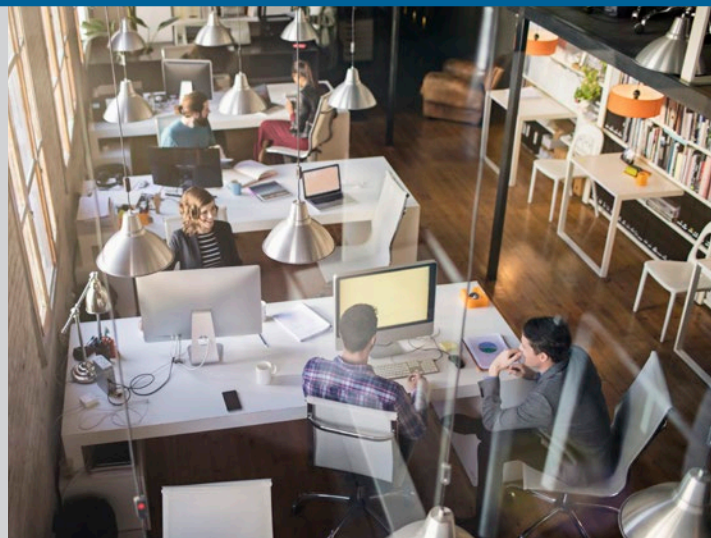
ESQ Business Services chose Calgary to open its sole Canadian support and software development centre. While searching for its newest development centre location in Canada, ESQ looked to Toronto, Winnipeg and Vancouver, but ultimately chose Calgary as the best option to expand its company into North America. Calgary Economic Development's efforts to promote and attract investment in new technology industries outside of the traditional oil and gas sector was noted as a strong factor in ESQ's decision to launch this new unit in Calgary.





## Symend

Downtown Calgary-based Symend has raised a \$73 million round of funding for its customer engagement platform designed to better connect with financially at-risk customers. The startup has developed an “engagement platform” designed to better engage, treat, and retain financially at-risk customers. Symend’s mission is to digitally transform the engagement experience for those consumers by using behavioural science, artificial intelligence, and machine learning. Symend is targeting a team size of 200 employees by the end of 2020. Not only is Symend delivering an innovative solution to the marketplace, but they are also actively leveraging Calgary’s rich and diverse tech talent pool.



## Harvest Builders

Harvest Builders, a Calgary-based venture builder that provides a co-building approach to growing a business, will receive up to \$4 million from the Opportunity Calgary Investment Fund (OCIF) over three years to help create and sustain infrastructure in Calgary, allowing startups in western Canada to test new technologies and grow their businesses.

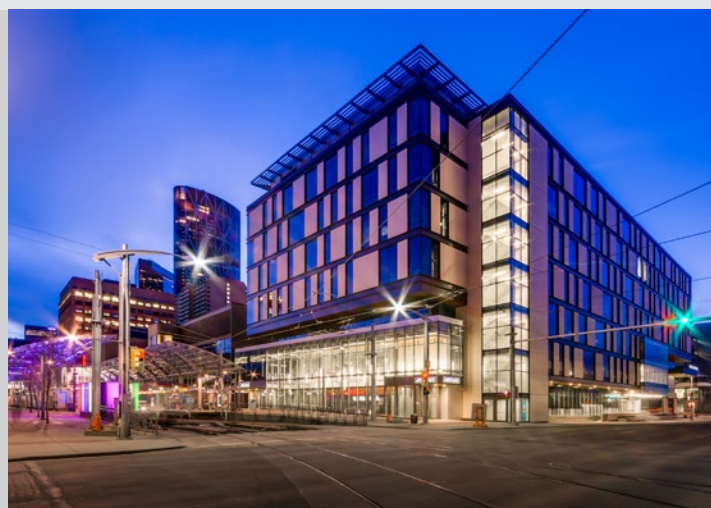
This investment will enable Harvest to expand their initial pilot, and work with startup founders to co-build new companies that continue to fuel the funnel of new innovation and technology in Calgary.

Harvest Builder’s portfolio will initially focus on the financial technology and property/real estate technology sectors, with plans to expand to other portfolios in the future. The Harvest platform is expected to create at least 290 funded high skill full-time jobs.



## Bow Valley College

Bow Valley College was awarded \$1.52 million by the Government of Canada’s Future Skills Centre to help Canadians secure employment by demonstrating their competencies to prospective employers, by “Bridging the Gap” in skills required. This significant investment will be used to develop both scalable Artificial Intelligence (AI) assessments and a technology platform to support reskilling and upskilling. The college and its partners will each identify two in-demand jobs in the region, create scalable AI assessments, and then offer them to job seekers through a network of almost 50 community partners.



### SAIT DX Talent Hub

In September, the Southern Alberta Institute of Technology (SAIT) made a significant commitment to enhancing Calgary's tech talent development infrastructure and combatting a shortage in this area by announcing the creation of the Digital Transformation (DX) Talent Hub. Supported by an \$8.2 million investment from the Opportunity Calgary Investment Fund (OCIF), the DX Talent Hub will

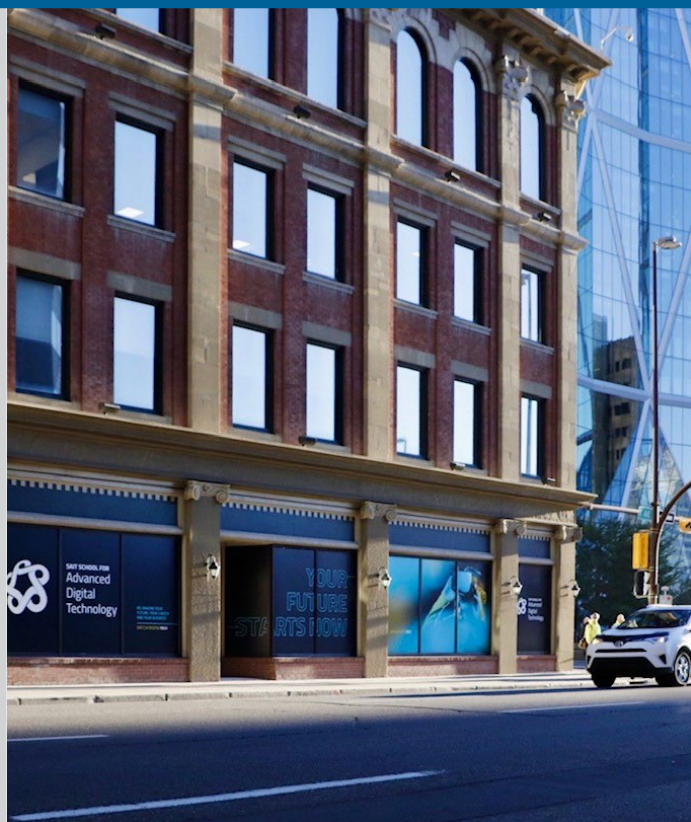
January 2021 in downtown's historic Odd Fellows Building. The Hub's focus is on addressing the digital skills gap in Calgary and helping workers and companies transition to the digital economy. The Hub is expected to produce more than 1,500 graduates, including at least three dozen corporate workforce cohorts, from its Digital Adoption training program within five years. It will also engage hundreds of K-12 students each year to help them explore and build careers in technology.



Occupies **34,000 sq. ft.** of office space



**1,500 graduates** expected within five years



### LodgeLink Inc.

LodgeLink Inc., a digital B2B workplace travel platform that efficiently connects service providers to businesses seeking workforce logistics management, is receiving up to \$3 million from the Opportunity Calgary Investment Fund (OCIF). This investment will support an expected 300 new tech jobs over five years in Calgary. Along with the 300 tech jobs associated with OCIF support, which will include roles in software development and systems/data analytics, LodgeLink expects to hire another 300 non-tech positions in Calgary.

**LodgeLink Inc. is the 14th organization** approved for OCIF funding

**500+ companies** around the world use LodgeLink launch

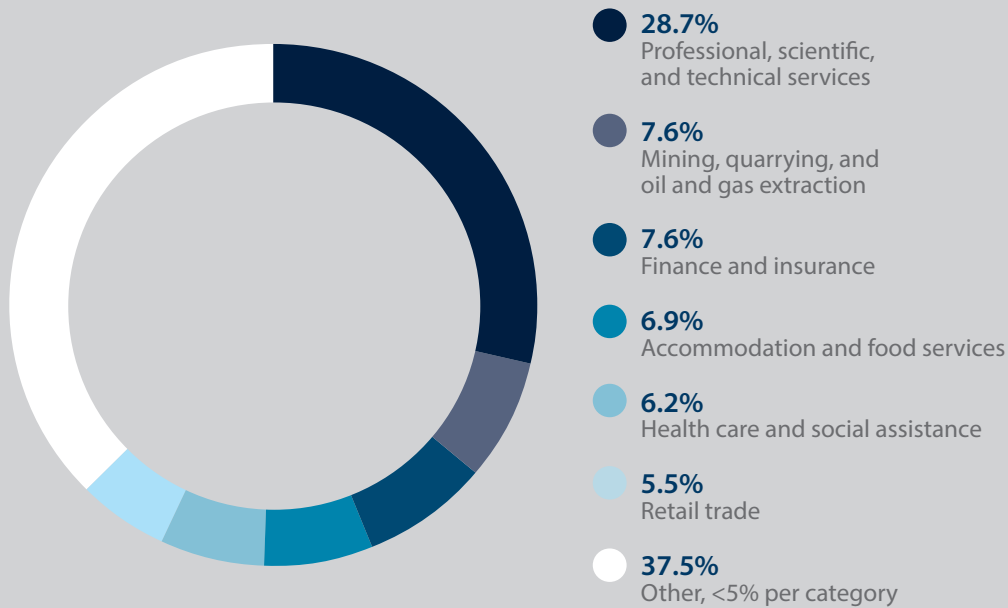


Will require **~50,000 sq. ft. of downtown office space** to accommodate **600 additional staff**



Lists more than **2,000 hotels** and lodge properties on its platform, representing over **200,000 rooms**

## Downtown businesses by industry



– Canadian Business Counts, Statistics Canada, December 2020 –

**117**  
**Head offices**  
**based in Calgary**  
– the highest  
concentration per  
capita in Canada

– FP500 2020 Database (Canada's  
largest corporations by revenue.) –



**49,653,988 sq.ft.**

Downtown & Beltline  
Office and Retail Space



**42,500**

Number of tech workers in Calgary

– 2020 Scoring Tech Talent, July 2020, CBRE Research –

**-656,295 sq.ft.**

Office Absorption Volume

– CBRE –





## Where we Live

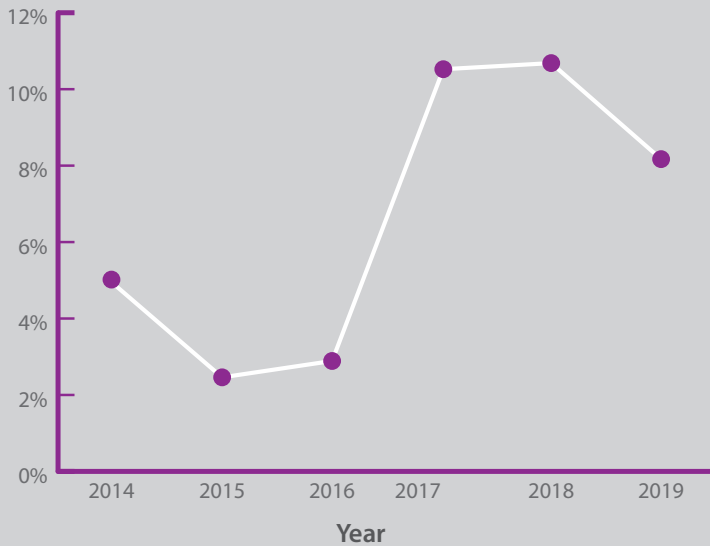
The Downtown Strategy team is committed to ensuring that downtown is a neighbourhood of choice to live in. We are working to provide the amenities to enhance the quality of life of people living downtown, year-round and to support complete communities. Downtown is a neighbourhood Calgarians are choosing with 44,991 people calling it home.

The population gains have been served by a growing supply of housing. Downtown added 1327 housing units last year, with 1084 additional units under construction. The downtown residential vacancy rate is 5.8 per cent for the area of downtown north of the CPR tracks and 15.38 per cent for the Beltline. Monthly rents bumped down slightly downtown (\$1,157 from \$1,165 in 2019) and bumped up slightly in the Beltline (\$1,270 from \$1,225 in 2019).



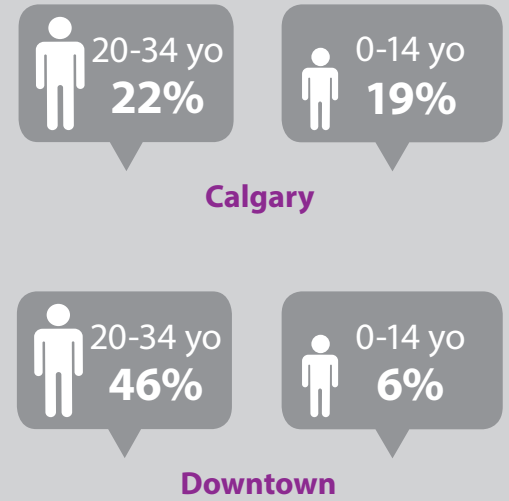
## Downtown Population

Percentage of Calgary's Population Growth that Occurred in the Downtown Area



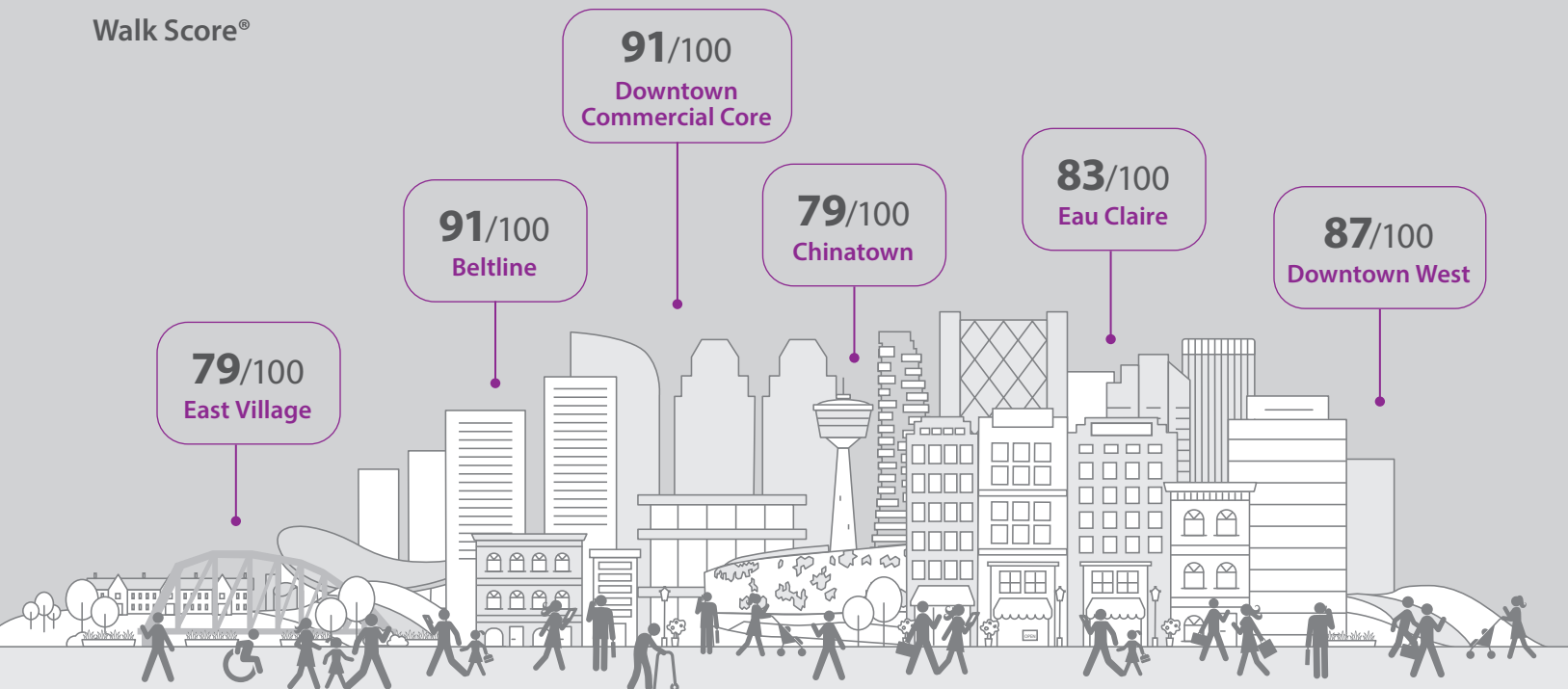
– The City of Calgary –

## Downtown Demographics



– 2019 Civic Census –

## Walk Score®



– WalkScore –

## **9 Block Program**

The 9 Block program was an effort to improve vibrancy and safety in the nine blocks that surround City Hall. The City of Calgary, the University of Calgary, the Calgary Downtown Association, Calgary Municipal Land Corporation and Bow Valley College worked collaboratively to improve safety in this important area of the downtown, support the neighbourhoods' businesses, and find low-cost, impactful solutions through partnerships.

The centre piece of these improvements was the installation of a canopy and lighting at the transit stop in front of the University of Calgary's School of Architecture, Planning and Landscape (SAPL) on Macleod Trail S.E. Research lead Mauricio Soto-Rubio, with students from SAPL, designed and fabricated this installation to improve the real and perceived safety and vibrancy issues in their neighbourhood. The canopy and improved lighting provides more visibility at the stop during night time hours – highlighted as an ongoing safety issues by students, people who work in the neighbourhood, and neighbourhood businesses.

The partnership between The City and the University of Calgary focused on students and researchers at SAPL exploring how the nine blocks around City Hall could become a more welcoming, distinct and vibrant place for all Calgarians and visitors through innovative design, planning and programming strategies. Urban Alliance, the partnership between The City and the University of Calgary, supported the hiring of a group of SAPL students over the summer to design the bus stop installation.

One of the other cornerstone projects was the launch of a Downtown Ambassador pilot in autumn 2020. The City of Calgary and the Calgary Downtown Association partnered, along with other stakeholders like Tourism Calgary and Alpha House Society, to create the six-month pilot for the 9 Block/Stephen Avenue area. Since September, Downtown Ambassadors have been connecting Calgarians and visitors to information on resources, services, places and supports. The primary focus for the ambassadors has been outreach, safety, and cleanliness, providing a presence to the area.

Over 1,300 interactions between ambassadors and Calgarians occurred in 2020, including more than 800 interactions with members of Calgary's vulnerable population, and over 150 interactions with surrounding businesses on both ground and Plus 15 levels. These interactions have been largely introductions to the program, wellness checks and connecting individuals with social services, referrals to relevant programming and welcoming visitors.

Safety is a major component of this effort. Beyond the Downtown Ambassador pilot, The City and more than 20 community partners in the area have launched a coordinated safety and security strategy for the 9 Block area – focused on training, information sharing and coordinated communication.





### Downtown Ambassadors



**1,302 interactions** with the community between September and December 2020



**200 referrals** to social services supports



**350 wellness checks** with members from Calgary's vulnerable population

## Winter Strategy

The goal of Calgary's Winter City Strategy is to find ways to create more economic, social and cultural opportunities during Calgary's winter months. A major piece of this strategy is to support the development of more outdoor winter activities and events to drive traffic to our downtown, promote Calgary as a Winter City to encourage tourism activities, and increase support for winter-focused opportunities for businesses.

Development of Chinook Blast, Calgary's Midwinter Roundup Festival began in 2020, involving more than 80 partners with a focus on safe, self-directed, physically distanced citizen experiences. Chinook Blast is Calgary's largest winter festival showcasing Calgary as a world class Winter City and the stage for future iterations that will attract visitors from across the country and around the world.

In addition to Chinook Blast, a number of ideas and programs were explored that would make it easier for people to enjoy the outdoors during winter, which included:

- Identifying temporary road and lane closures that could be used during winter for walking
- Reducing barriers for hosting outdoor neighbourhood gatherings, including lowering costs and making permits easier to get
- Introducing a grant program called "Embrace the Outdoors" to activate spaces outdoors throughout the winter and support safe gatherings in communities. The program was so successful that it was fully subscribed within two weeks of the launch date in December
- Eliminating the permit process for allowing fire pits in parks and community spaces and reducing barriers to accessing City owned fire pits. The initial program was so successful that the 16 bookable fire pits had to be expanded to 75 to keep up with the demand







### COVID Compliant Activations and Events

In response to Alberta Health Services restrictions for mass gatherings, events scheduled after mid-March to August 31, 2020 were cancelled. In July applications for drive-in, drive thru events, small community events and non-competitive walks and runs were accepted by The City of Calgary.

Funding applications were shared with external organizations and community groups with the remaining Central Memorial Park (CMP) activation funds from 2019, to be provided as micro grants for sustainable and repeatable programming.

Between July and November, 25 single and multi-day events and activations were held in and around Central Memorial Park, with the support of the Central Memorial Park Activation Fund. These events included:

- Farmers' Stand in the Park
- Shaw/Calgary Pride Art Installation
- Poetry in the Park
- Pet Costume Parade





## Glow Winter Festival

Glow Winter Festival lit up Stephen Avenue for three nights of energy infused art, music and entertainment. The Calgary Downtown Associations free, family-friendly festival brightened the dark days of winter by welcoming Calgarians downtown to enjoy an array of musicians, street activations, and show-stopping lights. This year's festival featured a trackless train running down Stephen Avenue, ice lounges outside restaurants and an international ice carving competition, among other events.



**125,000 Calgarians and visitors** attended over the 3 days



**32 local and international artists performed**



**6 professional ice sculptors** participated

## BUMP Festival

The Beltline Urban Mural Project (BUMP) Festival arrived back in Calgary in August, bringing with it 20 new murals. The community-driven initiative first started back in 2017 and has seen a total of 31 murals painted as a result. The 2020 additions included work from abstract French graffiti artist Astro, Canadian/Kazakhstani contemporary folklore artist Ola Volo, and Calgary painter Michelle Hoogveld. The festival took a new approach this year, due to COVID, focusing on self-guided tours, socially distanced DJ performances at mural sites, and artist panel sessions recorded at Contemporary Calgary.



**22 participating artists**



**20 new murals completed**



**5,000 downloads of self-guided mural tours**



## How we Connect

The Downtown Strategy's Connect pillar is about creating and managing the frameworks that connect people, goods, information and ideas. Over the next 15 years, the Downtown Strategy team will achieve this through investing in an environment (physical and digital) that accelerates new ideas and innovation.

Responding to the COVID-19 pandemic in 2020 required nimbleness and innovation to keep people moving downtown, feeling safe and to support downtown businesses. This includes opening up space for people to move in a socially distanced manner, making it easier for restaurants to open or expand their patios, and making it easier for people to come downtown, park and pick-up dinner or purchases from downtown restaurants and stores.

Downtown partners also looked for innovative solutions to staying connected and repurposing space. We talked about the High Park parkade conversion earlier in this report, but that project grew out of the need for space and human connection in a socially distanced time.

### Adaptive Roadways

Calgary was the first major city in Canada to explore road adaptations for better pedestrian use during the COVID-19 pandemic. The City of Calgary added space for pedestrians and cyclists to social distance safely by identifying areas in our downtown where "adaptive road closures" would be the most efficient, safe, and effective. This involved closing off a lane to motor vehicle traffic and opening the lane for anyone walking, running, cycling, rollerblading or e-scooting. The large lanes allowed users to spread out at safe distances. Adaptive road closures changed locations and scopes throughout 2020 to meet the needs of cyclists and pedestrians.

#### The City considers locations if:

- Experiencing high or elevated use.
- Feasible to close lane/road without significant safety risk.
- Closing a lane/road will not negatively impact operating businesses.
- Transit can be maintained effectively.
- It is sustainable and cost effective to maintain.
- It will allow at least 15 minutes of continuous walking to support physical health.



## Temporary patios

Patio season in Calgary is a crowded affair. While there are many established patios in Calgary, there are also many local businesses who needed a bit of extra space to allow for social distancing and to allow customers to come out and eat and drink. In May, The City of Calgary provided temporary permission for outdoor patios on public spaces, such as sidewalks, with no fees involved.

In 2020, this program helped more than 100 businesses, many downtown, by allowing patios on sidewalks and other public land and waiving the fee to make it happen. Not only does this support operators in generating more revenue, it also provides extra space needed for physical distancing through the pandemic and enlivens public spaces.

These patios are not just for restaurants, businesses are able to establish them for retail outlets and sidewalk sales. The new temporary patios sprouted up along Stephen Avenue, and the Beltline and Victoria Park's restaurant and retail hubs.





### 15 Minute Free Parking

The City of Calgary and the Calgary Parking Authority began offering 15 minutes of free on-street parking in Calgary's on-street ParkPlus zones in 2020. Free on-street parking helped to support downtown businesses and restaurants by accommodating expanded curbside pick-ups and deliveries during periods of COVID-19 pandemic restrictions. Free parking for curbside pick-up and deliveries will remain in place for 2021.

Rush hour parking restrictions were also removed in the fall of 2020 on some of Calgary's Main Streets, including 17 Avenue in the Beltline and Victoria Park, in an effort to support businesses during periods of pandemic-related restrictions.



### E-scooter pilot

Calgary's extremely successful two year e-scooter (and e-bike) pilot project became permanent at the end of 2020. During the pilot project, Calgarians travelled more than 2.2 million kilometres, mostly in our downtown. In 2020, 780,000 trips were logged on e-scooters from companies Lime, Bird and Roll. Of the 1.9 million trips on e-bikes and e-scooters over the past two years, roughly 90% were on e-scooters. The City of Calgary made the decision based on analytics and feedback from Calgarians.

To make it easier to park on downtown streets, The City of Calgary implemented something new in 2020 - e-scooter parking zones. With more people using shared e-scooters, The City wanted mitigate public safety concerns while still offering mobility options for Calgarians. Thirty Share & GO painted parking areas were installed around the downtown and intended to be used as a go-to place to find an e-scooter or to end your Lime, Bird or, 2020 new entrant, Roll ride.



**Highest ridership**  
per device in  
North American cities



Amount of **e-scooter KMs**  
would **reach the moon and**  
**back three times**



E-scooters were in  
operation for the  
equivalent of **42 years**



In 2020, **51.5%** of all e-scooter  
trips **ended in a downtown**  
business improvement area

## Downtown Digital Infrastructure

The YYCIX (internet exchange) saw a 50% increase in traffic in 2020 with the peak being 60 Gb/second. The reasons behind the uptick in Internet usage in Calgary are not surprising – staying at home means Calgarians are giving their internet connections a workout. They're trying to stay productive in their jobs and school work while continuing to connect with friends and family. As a result, the use of Zoom and other bandwidth-intensive video conferencing apps skyrocketed during the COVID-19 pandemic.



**500+ km** of City of Calgary fibre network across Calgary



**~82 public wi-fi** sites available downtown



## East Village Nordic loop

The area around Fort Calgary has been transformed into the East Village Nordic Loop a one kilometre-long, groomed cross-country skiing loop. Calgary Municipal Land Corporation, Fort Calgary and the Foothills Ski Club are grooming this downtown and Bow River adjacent loop throughout the winter to give Calgarians a socially-distanced workout space, in the heart of Calgary's centre. Bring your own skis and make use of the onsite waxing station before hitting the trail.



**1 km loop** with access at the Fort Calgary parking lot, 6 Street S.E. and 8 Avenue S.E., and the Elbow River Traverse bridge



**Free** of charge to use





## E-scooter trips ending in downtown's Business Improvement Areas (BIAs)

**24.1%**

Calgary Downtown Association

**5.2%**

Chinatown

**6.2%**

Victoria Park

**0.7%**

First Street S.W.

**7.7%**

17<sup>th</sup> Avenue S.W.

**3.3%**

Fourth Street S.W.

## Connecting Downtown



### By train

Ctrain Customer Trip Satisfaction

**2019: 87%**

**2020: 80%**

– The City of Calgary –



### By bike

Cycle tracks connecting downtown

**8.7 km**

of cycle track in downtown Calgary

– The City of Calgary –

**1 km**

of new cycle track built in 2019



### By foot

Underpasses

**31,760**

2019 Pedestrian traffic

– The City of Calgary –



### By car

All-day average occupancy at downtown parkades

**2019: 63%**

**2020: 21%**

– Calgary Parking Authority –



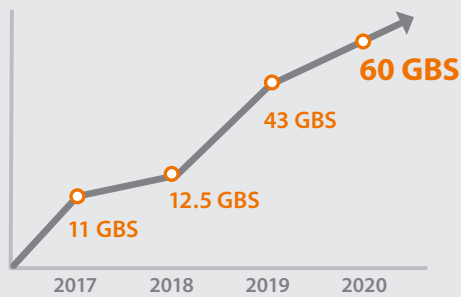
## Supporting business through connectivity

The YYCIX (internet exchange, IX) saw a 50% increase in the traffic in 2020 with the peak being 60 Gb/second.

The IX is an indicator of the strength of our innovation ecosystem and is recognized as a critical piece of infrastructure when attracting leaders in the tech and information sectors, as well as supporting local delivery of services. Whether you're a small business or a global provider, having the IX as critical infrastructure makes Calgary an attractive location to do business.

The IX allows for improved performance, increased resilience, greater access to global content, and reduces costs.

The City of Calgary has been able to leverage existing City infrastructure at little to no cost to enable the internet exchange growth and expansion.



### Calgary Internet Exchange (YYCIX) Data Transfer Peak

**2017: 11 GB/second**  
**2018: 12.5 GB/second**  
**2019: 43 GB/second**  
**2020: 60 GB/second**

– YYCIX Internet Exchange Community –

Downtown is home to thriving business improvement areas (BIAs) that strengthen the downtown business community and vibrant neighbourhoods. These BIAs are essential to the fabric of Calgary's downtown.

### What do BIA's do?

- Enhance the economic development of an area through promotion and marketing.
- Improve the physical environment of public spaces in commercial areas.
- Develop, improve and maintain public parking.
- Work collaboratively with The City of Calgary in delivery of municipal services in their zones.
- Advocate for policies and practices that support economic vitality in their zones.
- Invest annually in promotion, special events, street maintenance and improvements.
- Play a lead role in area revitalization and work with their communities on public safety and crime prevention efforts.
- Create some of Calgary's best known and most loved neighbourhoods.
- People living in and visiting Calgary identify with and value these areas as special and unique - each BIA gives Calgary a distinctive, appealing character.
- Offer an international array of exotic and unusual shops, food stores, restaurants, and coffee shops.
- Collaborate with The City regarding operational issues in the community (parks, land use, urban design, redevelopment, physical improvements, public safety, maintenance, traffic, parking, etc.).
- Provide input on policies to support economic health.





Legend

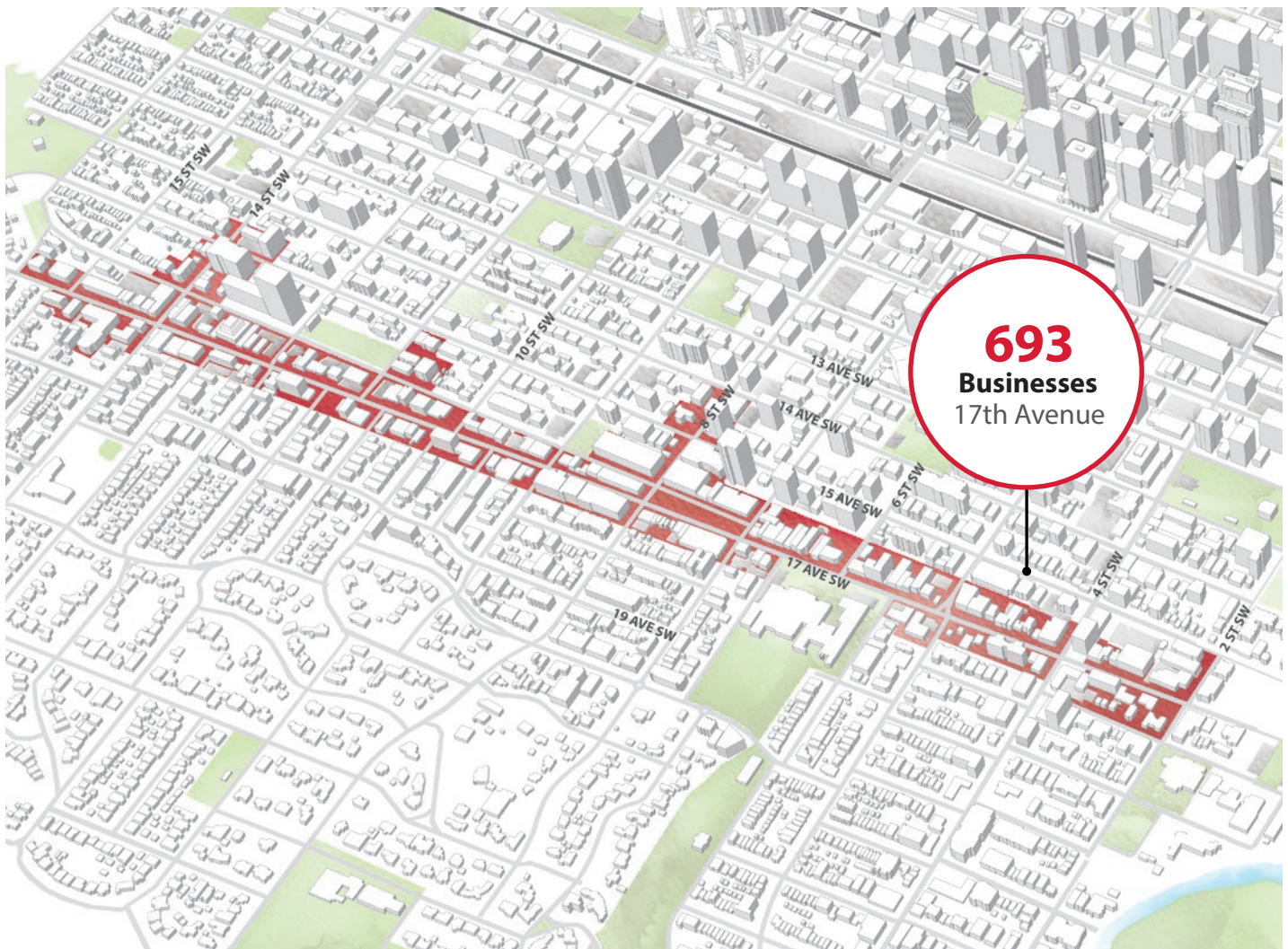
- Business Improvement Areas (BIAs)
- Existing Parks/Plaza
- Proposed LRT Green Line
- Existing LRT Blue Line
- Existing LRT Red Line

The illustration is for conceptual purpose only.



## 17th Ave Retail & Entertainment District

The 17th Ave Retail & Entertainment District works hard to make 17th Avenue a dynamic, fun place to shop, relax and people watch. The area stretches along 17 Avenue from 14 Street West to 2 Street East.



## Taste of 17th

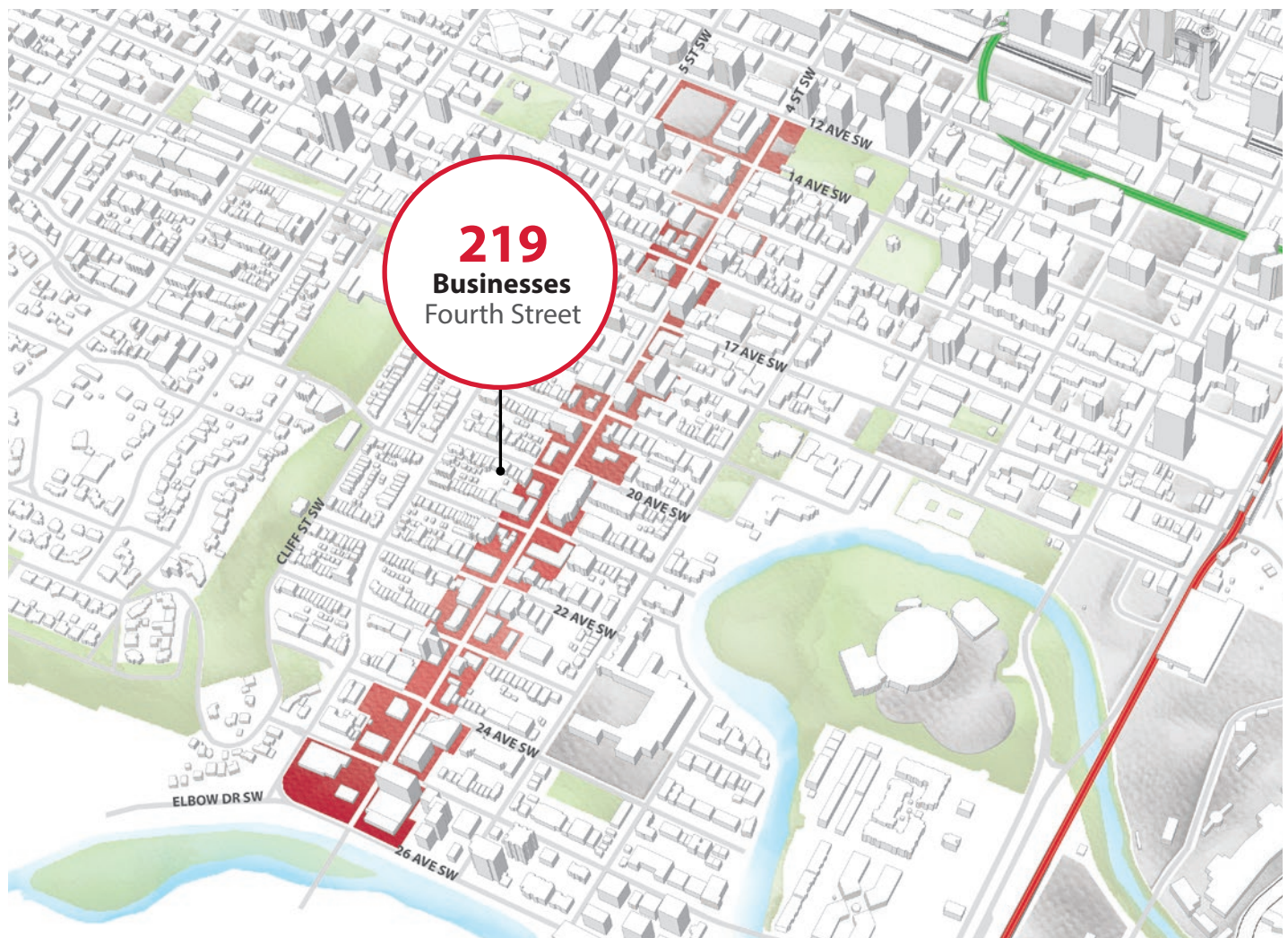
The 17th Ave Retail and Entertainment District inaugural Taste of 17th food festival hit the downtown at the end of November. For 10 days, 20 of 17th Avenues diverse restaurants and food establishments provided Calgarians with a special three course meal, while promoting their own classic menus. The event showcased the eclectic and diverse 17th Avenue food community and supported restaurants during a year where many had faced many challenges.





## Fourth Street Business Improvement Area

The mission of the Fourth Street Business Improvement Area is to represent the business interests of its members and to create, promote and maintain a unique, attractive, vibrant and prosperous business area that is appreciated and supported by the local market residents and by visitors from throughout the city and beyond.





## #wethefourth

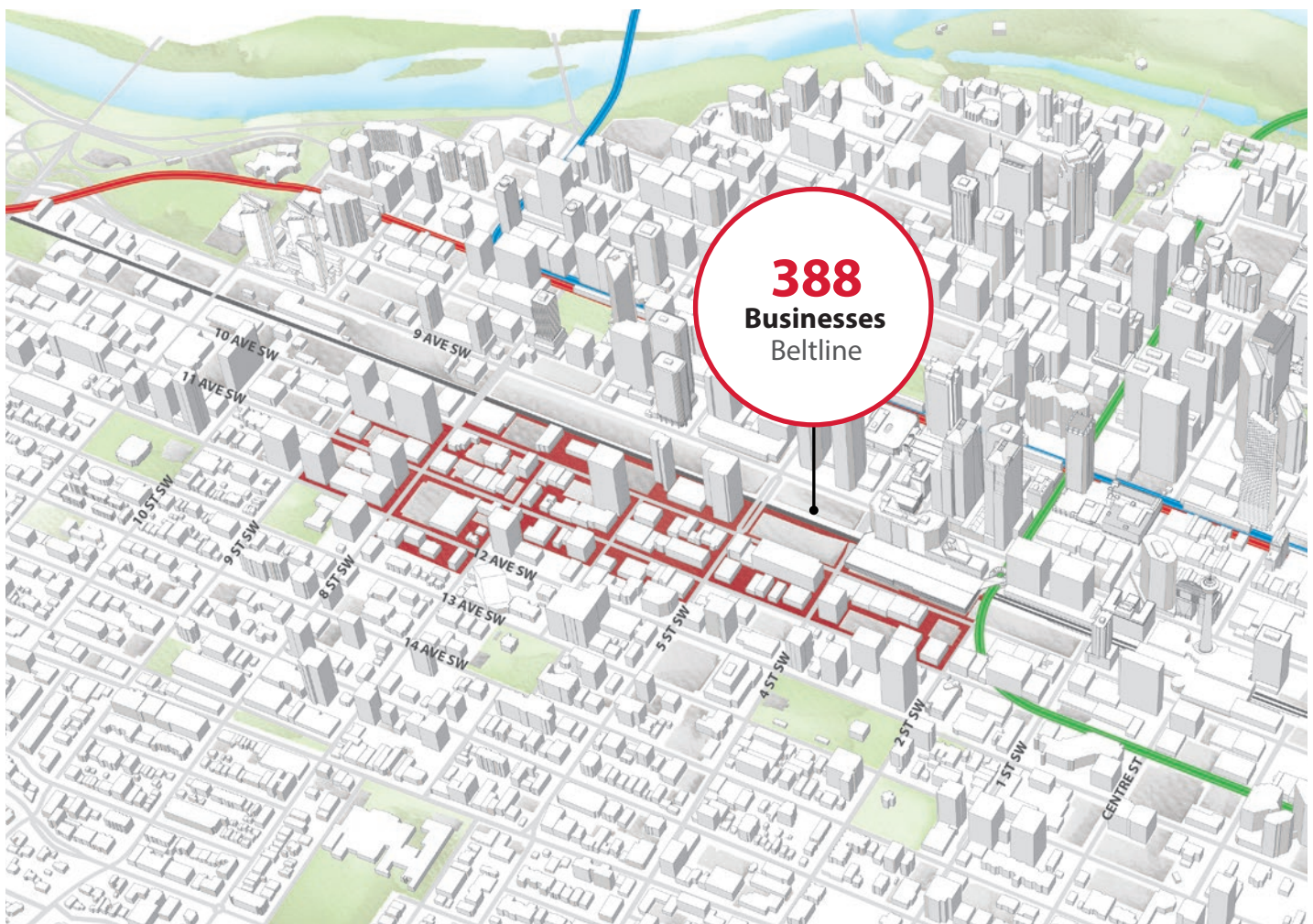
The Fourth Street BIA launched the #wethefourth promotional campaign over the summer of 2020 to put the welcome mats out for Calgarians and let them know that Fourth Street businesses were open for business. A play on words that nods to what once was synonymous with the NBA's only Canadian basketball team - #wethefourth speaks to the spirit of the people of 4th Street - determined, hard-working and invested in the community. Fourth Street businesses set out cheeky and witty welcome mats for Calgarians and visitors alike to help express support to everyone getting comfortable with leaving the house after the initial period of the pandemic and exploring everything the Fourth Street BIA has to offer.





## Beltline Business Improvement Area

The Beltline business community is a safe, fun, and vibrant destination for Calgarians and tourists; it is a central hub for business, shopping, dining, arts, and community events that celebrate local diversity and talent.



## Beltline Balcony Bash

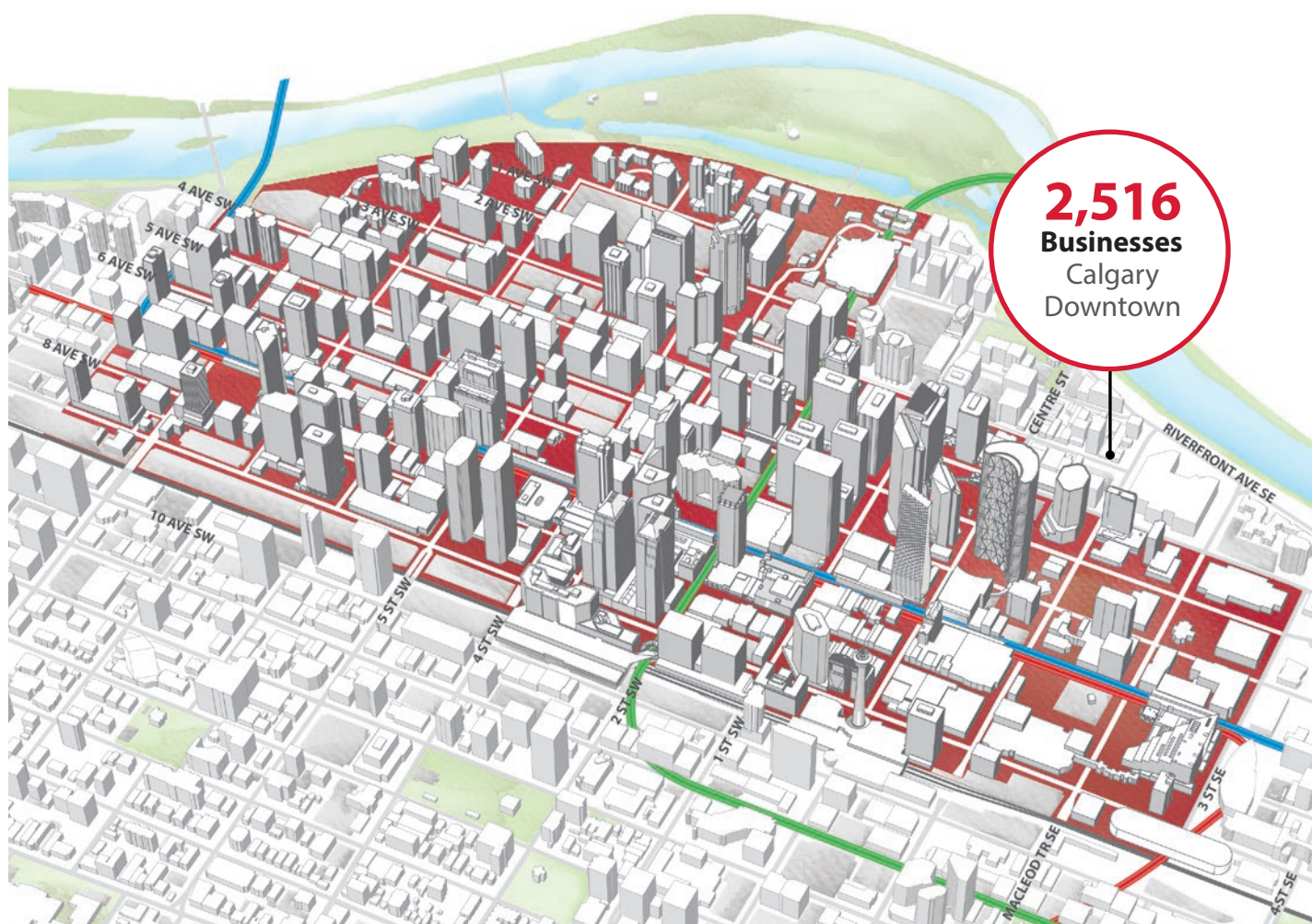
Each Friday during the spring of 2020, the Beltline BIA and Balcony Bash team broadcasted music, live from the Broken City rooftop patio – both streamed digitally and projected via loud speakers. The aim was to drive community spirit and encourage local shopping in the Beltline. Beltline restaurants created a take home menu so that Beltline residents could party together (from a far) on their balconies and show support for Calgary's front line workers. The Balcony Bash party reached over 200,000 Calgarians via organic and social connections.





## Calgary Downtown Association

The Calgary Downtown Association represents businesses in a 120 block area in the city centre. This area comprises over 50 million square feet of office, hotel, retail, restaurant, entertainment, attractions, cultural and government buildings.





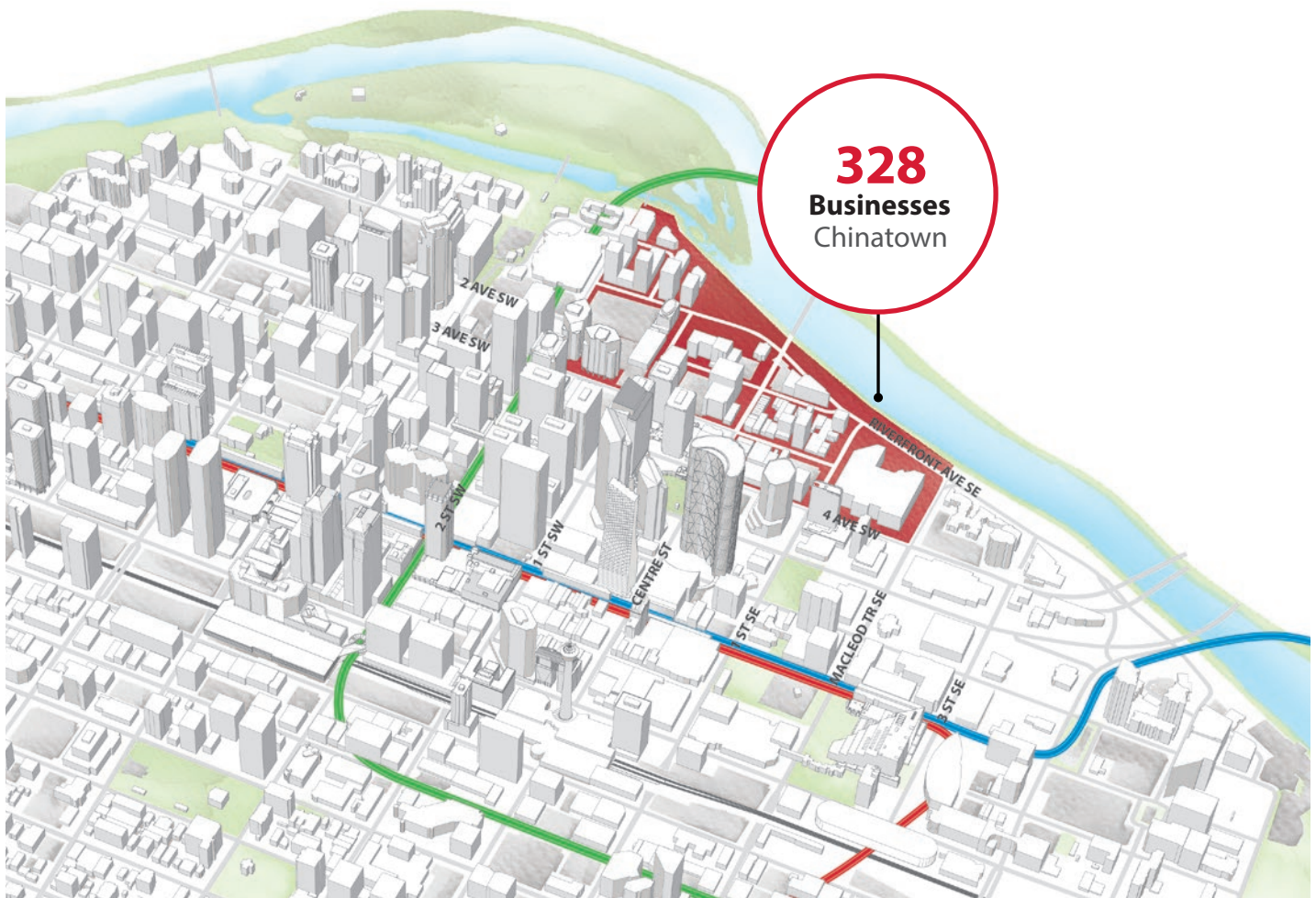
## 1 M Square Feet

The pandemic has had an impact on cities everywhere, disrupting the way we work, live and build, turning downtowns and main streets into ghost towns. But the question isn't if or when we return downtown, but rather how. How will we reconnect with each other to collaborate and innovate? How can we use space to foster innovation if we can't gather and meet like we used to? That's why the Calgary Downtown Association is building 1M - a platform to amplify and accelerate hundreds of small ideas, experiments, and projects that help reconnect people to our downtowns and main streets. 1M is about boosting connectivity at a micro-neighbourhood scale, building momentum one million sq ft at a time.



## Chinatown Business Improvement Area

The Chinatown Business Improvement Area is a partnership program to enable businesses to work together to raise funds and administer an organization that will serve to improve and promote business in this community. CBIA is unique as it also intends to revitalize the distinct Asian culture and societal diversity of this community and 110+ years of civic heritage and pride.





## Chinatown Ice Sculpture Showcase

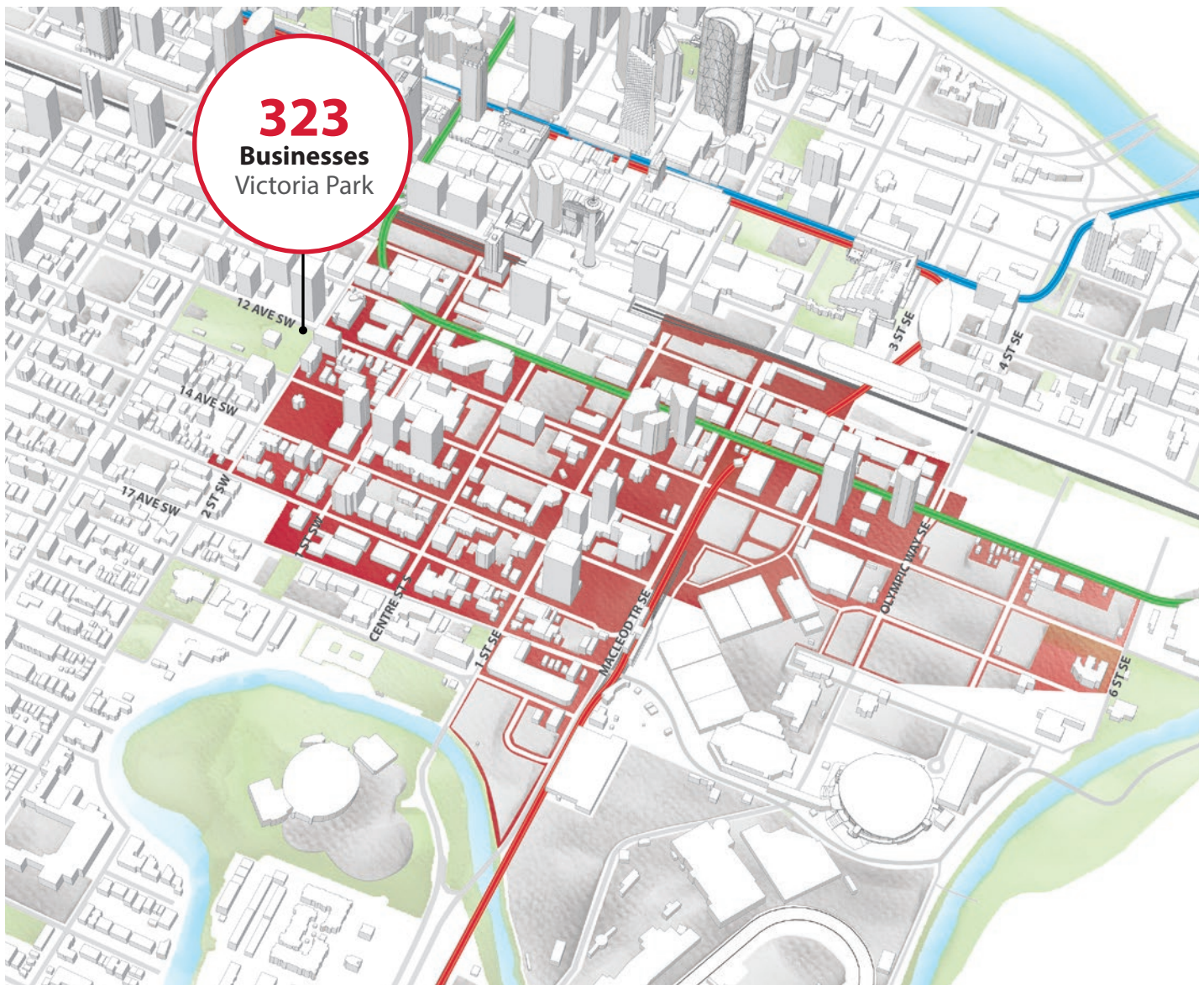
The Chinatown Business Improvement Area proudly displayed its second annual Chinatown Ice Sculpture Showcase to celebrate the Chinese Lunar New Year and to welcome in the Year of the Rat. Twelve ice sculptures were carved and displayed throughout Chinatown, welcoming in visitors to Calgary's most unique cultural neighbourhood. The ice sculptures showcased the diversity of the Chinatown business community and celebrated the unique 110+ year history of the community. Calgarians walking along Centre Street and 3 Avenue, exploring Chinatown's eclectic mix of Asian restaurants and shops were encouraged to capture photos of the sculptures and share them out through their social media channels.





## Victoria Park Business Improvement Area

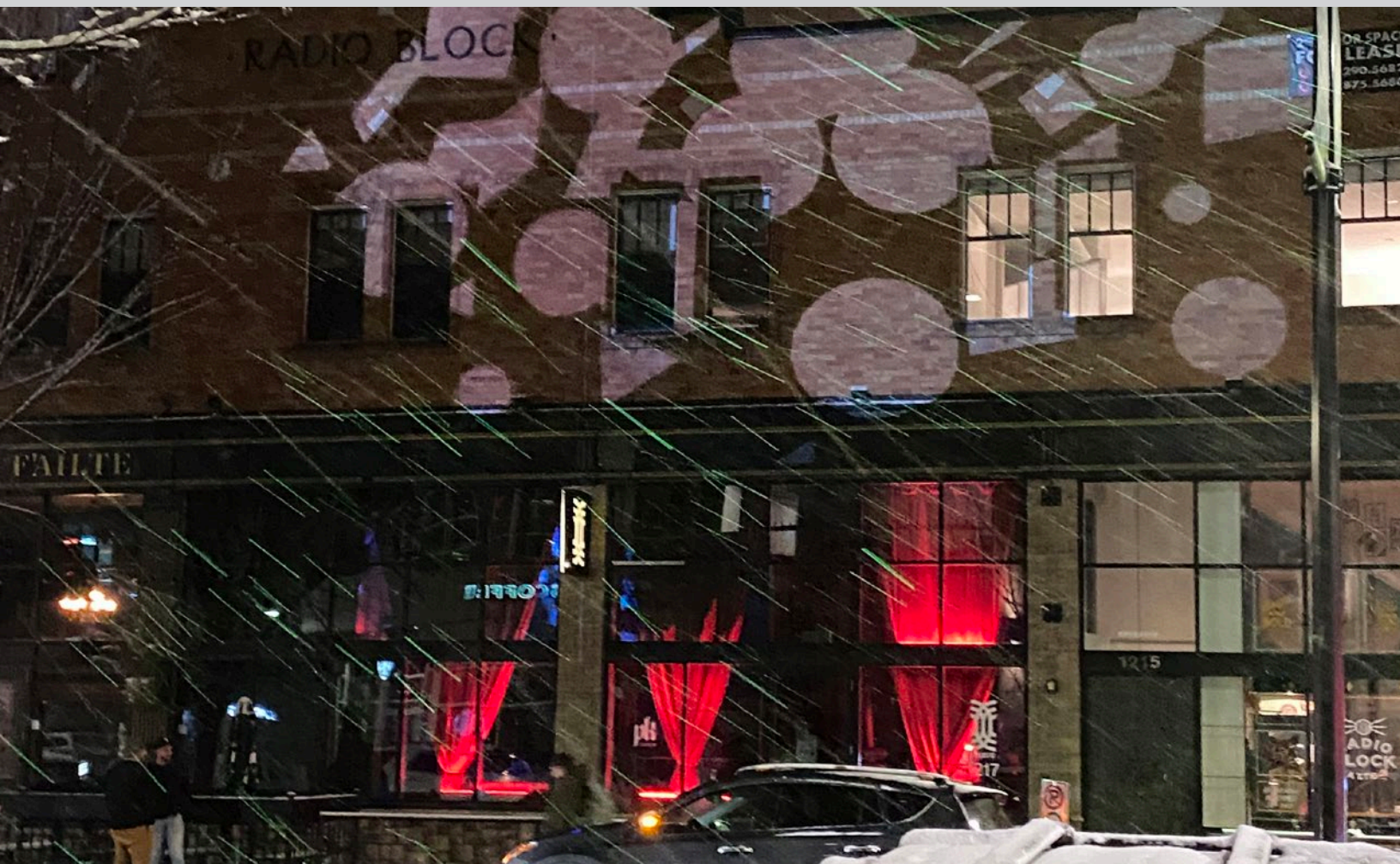
Victoria Park is a place to shop, to dine and to enjoy a night out. Find yourself immersed in vibrant shops, restaurants and cafés. Enjoy independent retailers and the unique wares they have to offer. Discover a rich heritage and the unique people that foster this energetic community.





## Gravitation

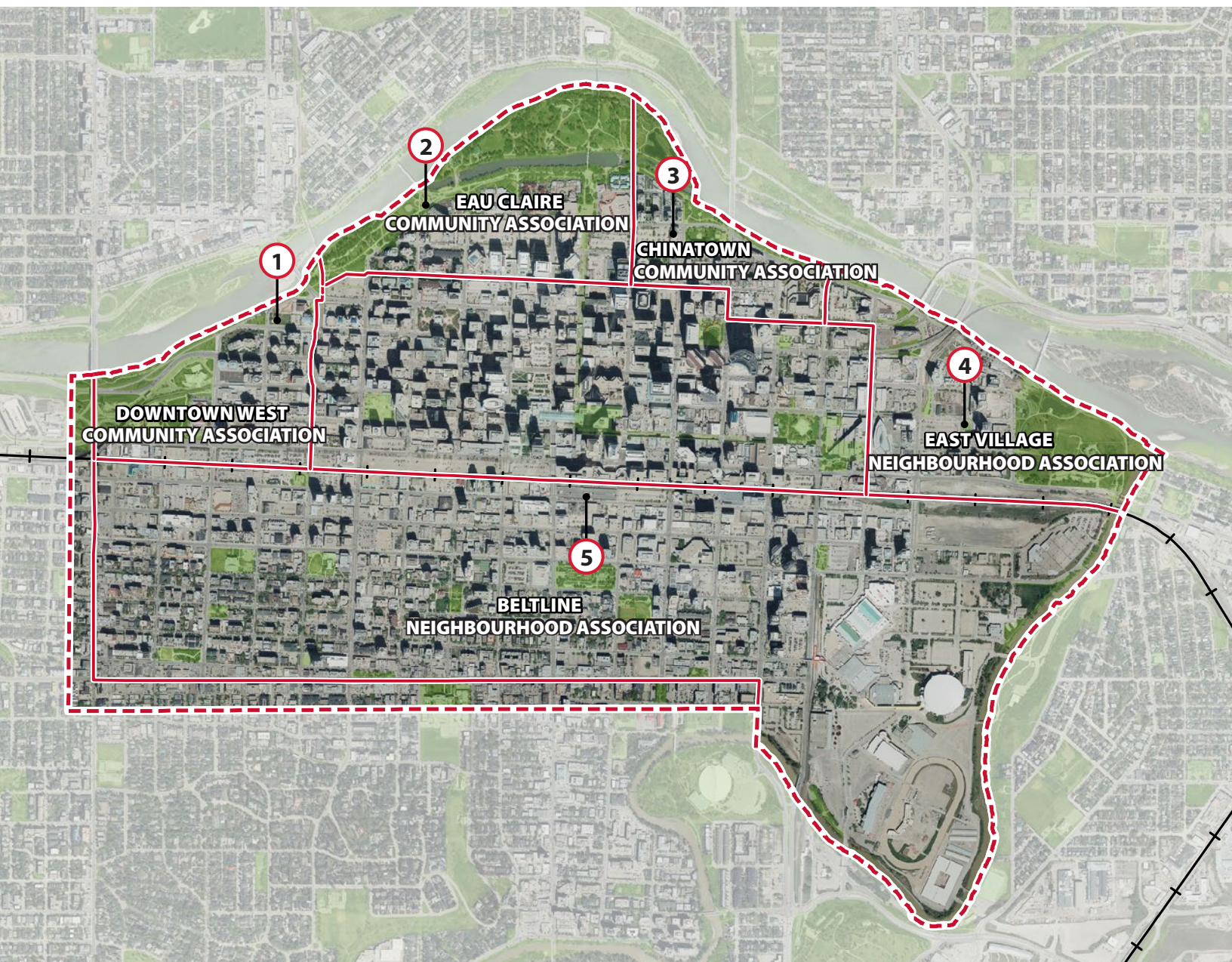
The Victoria Park BIA is partnering with Axis Z Media Arts (AZMA) to bring Calgarians an engaging projection mapping experience along 1 Street S.W. between 12 and 13 Avenues S.W. Three buildings spanning the west side of the street combined to create a seamless high resolution image that ran from sundown until the late evening. The light show centred on movement, change and hope bringing unique animated content to the downtown area. Gravitation combined particle-based animations along with inspirational texts, commenting on life under a pandemic, to create a truly unique and mesmerizing experience for people to enjoy as they travelled through Victoria Park.





## Downtown Calgary Community Associations

Calgary's community associations are vital in creating and sustaining communities throughout the city. With five community associations, downtown Calgary boasts a diverse group of volunteers who support community programs and events, community safety, and community development initiatives.



### Downtown West Community Association

**Population: 2,785**  
(2019 Civic Census)

#### 2020 Highlight

- 1 Bowforth Park** – a community-led initiative that established an off-leash dog park and community space on an empty lot in the middle of the community.

### Eau Claire Community Association

**Population: 2,030**  
(2019 Civic Census)

#### 2020 Highlight

- 2 Virtual AGM** – the COVID-19 pandemic did not disrupt the Eau Claire Community Association's annual general meeting, with attendance and member participation rising in a virtual setting.

### Chinatown Community Association

**Population: 2,471**  
(2019 Civic Census)

#### 2020 Highlight

- 3 Chinese Lunar New Year** – the Chinatown Community Association and Chinatown Cultural Centre welcomed in the year of the rat with celebrations, performances, and a marketplace throughout January.

### East Village Neighbourhood Association

**Population: 3,893**  
(2019 Civic Census)

#### 2020 Highlight

- 4 Upside Down Church** – The community highlighted the significance of Dennis Oppenheim's striking, controversial public art piece, which was installed in the heart of the East Village in 2019.

### Beltline Neighbourhood Association

**Population: 25,129**  
(2019 Civic Census)

#### 2020 Highlight

- 5 High Park** – Built on top of a parkade, this new rooftop public park and event space in the Beltline serves as an exciting destination for residents and visitors to the city alike.



Downtown is central to Calgary's economic recovery. It's our hub for business, innovation and creativity. What happens downtown has a direct impact on all Calgarians. Our downtown is also a source of civic pride and our postcard to the world. Calgary needs a strong core to grow our economy, create jobs and fund the City services we rely on every day. When our downtown thrives, Calgary thrives. We all thrive.

Our core will not go back to the way it was before the pandemic, let alone five to ten years ago because of changes to our energy industry and how and where people work. Our future success relies on downtown being a place people want to live, visit and set up businesses.

We need to move beyond the traditional nine-to-five business district towards a vibrant city centre that people enjoy 24/7 with a diverse mix of residential, office, retail, entertainment, tourism and culture.





**The Greater Downtown Plan is our way forward** for downtown and all of Calgary. We're making five strategic moves to achieve our vision of a resilient and vibrant place for everyone.

### Neighbourhoods for vibrant urban life

We'll create mixed-use neighbourhoods with gathering places, housing choices and all of the amenities residents need close by.

### A green network for a healthy environment

We're going to build a green network by connecting parks, natural spaces and river frontage with downtown's main streets.

### Streets for people

Streets will be designed for walkers and wheelers first that include space to linger and connect with people. Regional pathways will stretch along the riverbanks and underpasses, bridges and on-street mobility tracks will connect to neighbouring communities.

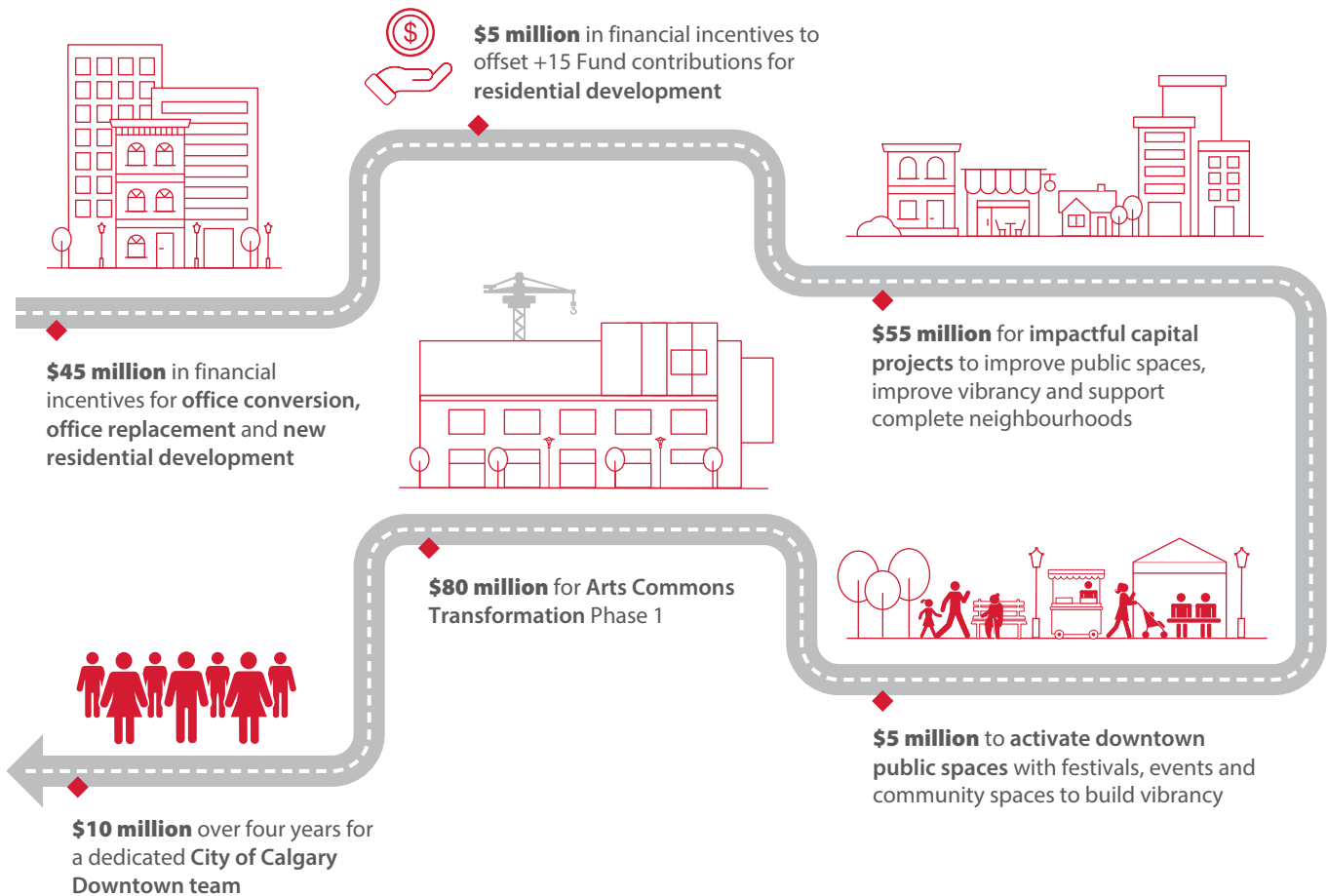
### Transit for all

Transit will be the quickest, safest and most cost-effective way to travel to and through downtown while making it an enjoyable experience.

### Future-proof and innovate for the next generation

Attracting and retaining the global technology and innovation sector, utilizing our highly educated workforce and leveraging our head office concentration to prosper in the new economy is our highest priority.





City Council approved an initial investment of \$200 million to support the actions outlined in the plan. The City now has the means and approvals required to shift Calgary's downtown from vacancy to vibrancy.

This is an opportunity to create an even-more thriving downtown community that moves beyond the traditional office-based downtown central business district and instead is a dynamic, vibrant 24/7 centre of our city. This Plan and investment allows The City

and its downtown partners to take bold action and making intentional investments in public spaces, supporting vibrant neighbourhoods, and ensuring that Calgary continues to create a downtown that people want to live and work in.

The initial investment of \$200 million is earmarked for actions that will address office vacancy, improve downtown vibrancy, and support the development of thriving neighbourhoods.

The 10-year implementation of **Calgary's Greater Downtown Plan** will require a collaborative approach to enhance Calgary's downtown. The Downtown Strategy partners – The City, Calgary Economic Development, Calgary Municipal Land Corporation, the University of Calgary, and the downtown business improvement areas – along with members of the real estate and business community – worked to create an investment package that will have an impact on downtown's greatest concerns.

A vibrant downtown is essential for attracting and retaining talent and our City's long term success. Harnessing the full potential of Calgary is dependent on creating a significantly improved tax base downtown which will help reduce the tax burden, where it has recently shifted outside the core, and improve competitiveness throughout the city. These financial investments are part of a necessary take-action approach to attract people who want to spend time living, working and playing downtown, by providing long term benefit to all Calgarians.

The investment in Calgary's downtown required from 2021 to 2031 is estimated at \$1 billion. This includes \$450 million to \$500 million to address office vacancy and \$500 million for downtown vibrancy infrastructure and amenities. The initial investment package represents only 20 per cent of the overall need over the next decade. The City will require support from all levels of government to help address this 80 per cent funding gap. City Council has directed the Mayor and City Administration to initiate a formal request to the federal and provincial governments.

A thriving downtown where people want to live and be, and where businesses want to set down roots, means a thriving Calgary. The City has been working extensively over the past several years with our civic partners, Calgary's real estate industry, post-secondary institutions, and the downtown business community. This is just the beginning of our downtown's long road to reinvention. The 10-year implementation of The Plan will require near-term and medium to long-term actions, along with a multi-pronged, multi-phased, and multi-stakeholder approach to reinvent Calgary's downtown and begin the shift from vacancy to vibrancy.



## Realizing Calgary's Greater Downtown Plan – Initial Investments and Incentives

### **\$45 million in financial incentives for office conversion, office replacement and new residential development**

Downtown office vacancy is at approximately 12 million square feet which translates into approximately 30 percent. As downtown office vacancy rates continue to rise, the impacts are far-reaching. Downtown office property values have declined by \$16 billion since 2015, or 60 percent, resulting in the tax shift situation that affects City finances and residential, commercial, and industrial property taxes throughout the city.

The City worked in collaboration with industry experts including Calgary Economic Development's Real Estate Sector Advisory Committee and the Real Estate Working Group to develop an incentives package for downtown office conversions, office replacement, and new residential development.

Converting office to residential uses is complex and expensive, with incentives being required to stimulate investment. The City and its private sector real estate partners have identified 28 potential downtown office buildings for conversion or adaptive reuse. This could include conversion to or reuse as residential units, student housing, senior housing, post-secondary institutions, and the amenities needed to establish complete, thriving neighbourhoods.

### **\$5 million in financial incentives to offset +15 Fund contributions for residential development**

Residential development in the downtown core often includes the requirement to contribute to the Plus 15 Fund, which supports construction, operation, and maintenance of downtown's Plus 15 system. This is often a barrier to residential development in the downtown core.

The City will provide \$5 million in incentives to developers who initiate residential projects in the downtown core to offset the Plus 15 Fund contribution. This removes a potential barrier to office to residential conversion or new residential development. The maximum incentive available is \$1 million and a project will need to be completed in a designated time period to receive the incentive.





### **\$55 million for impactful capital projects to improve public spaces, improve vibrancy and support complete neighbourhoods**

Implementing the Greater Downtown Plan means allocating \$55 million immediately for impactful projects, big and small, which move the plan from a planning document to real actions.

The City is considering the following projects that would improve vibrancy in Calgary's downtown:

#### **1. Future of Stephen Avenue**

- Create short and long-term strategies that can be implemented over time to make Stephen Avenue better for Calgarians and visitors, while creating opportunities for private investment and redevelopment

#### **2. Downtown West Promenade, from the Peace Bridge to 14 Street S.W.**

- Create a gateway to the Bow River and river pathway system in Downtown West
- Extend pathway and public space improvements already in place or being built in Eau Claire, Chinatown and the East Village

#### **3. 8th Street S.W.**

- Improve north-south connections from the Bow River to Downtown West and the Beltline
- Redesign and rebuild public spaces to support residential, retail, and commercial growth in the Downtown Core and Downtown West

#### **4. Establish a downtown public market**

- Create a sustainable public space that reflects the surrounding communities and The City's social, environmental, economic and cultural priorities

#### **5. Renovate Northwest Travelers Building and Historic Firehall #1**

- Redevelop for food and beverage and arts and culture development

#### **6. Redesign and rebuild Olympic Plaza**

- Re-imagining our Olympic legacy by renovating the living room for City Hall and Arts Commons



### **\$5 million to activate downtown public spaces with festivals, events and community spaces to build vibrancy**

Activating places and spaces is essential to increase downtown vibrancy and make downtown a place that people want to live, visit, and establish a business. The City is setting aside funds to support and enable its downtown partners plan and execute vibrancy-building programming and events.

This includes support for the implementation of the **Tomorrow's Chinatown** cultural plan, along with the **9 Block Program**, which supports safety, security, and vibrancy around City Hall and Stephen Avenue.

Additional programming and events that will be supported will be determined in consultation with The City's downtown partners, business improvement areas, and community associations.

### **\$10 million over four years for a dedicated City of Calgary Downtown team**

To activate the Greater Downtown Plan and move forward with the actions and projects that have been identified as priorities to enhancing downtown vibrancy, The City will allocate resources to a team dedicated to moving the actions required through this investment package forward.

### **\$80 million for Arts Commons Transformation Phase 1**

For the last 35 years, Arts Commons has been a key contributor to social, economic, cultural, and intellectual life in Calgary. As Canada's third largest arts centre, it is home to six resident companies and used by more than 200 community groups.

The Arts Commons Transformation (ACT) project of expanding and upgrading Arts Commons supports the goal of improving and diversifying Calgary's economy. It supports the Downtown Strategy and is considered a catalyst project for the Culture + Entertainment District.



Executed in two Phases, Arts Commons Transformation will both expand capacity in an adjoining new building and renew the existing facility.

Phase 1 of the transformation will expand capacity at a new location called Arts Commons North, or The Road House. The Road House will include three versatile, purpose-built venues, a connection to the existing building and supporting amenities. This 173,000 square-foot space will include a new 1,200 seat theatre, two smaller theatres, rehearsal space and an elevated corridor to the existing building and related amenities.

The Government of Canada recently announced its intention to double the federal Gas Tax Fund for one year, as the newly renamed Canada Community-Building Fund. This \$77 million of new federal funding will be directed for the Arts Commons Transformation (ACT) Project Phase 1.

The ACT project has been identified as a catalytic project for downtown vibrancy for more than 15 years. Once completed, Arts Commons, and their resident companies, will generate \$53 million to Calgary's economy annually and support 683 jobs.

During construction, ACT will create 3,155 jobs in Calgary, provide \$239M in labour income, and contribute \$386M to GDP. Upon ACT completion, Arts Commons will support 3,155 jobs in Calgary and provide \$239M in labour income.

With two-thirds of the funding for Phase 1 already in place, through the province and the City, this \$80M will provide the remaining funding required, fulfill the Federal government's funding pledge, and result in all three levels of government support. With \$77M coming from the Canada Community-Building Fund, the City is only required to top up \$3M to achieve full funding for Phase 1 of ACT.



In partnership with



# Downtown Calgary Development Incentive Program Terms of Reference

## 1. Introduction

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### 1.1 Background

The Downtown Calgary Development Incentive Program (the Incentive Program) was established in 2021 April by Council in report *C2021-0524 Realizing Calgary's Greater Downtown Plan: Initial Investments and Incentives* with an initial investment of \$45 million to fund the program. The approved report was presented in conjunction with report *PUD2021-0220 Calgary's Greater Downtown Plan: Roadmap to Reinvention* that detailed the 10-year implementation plan.

### 1.2 Purpose

The Incentive Program's purpose is to provide financial incentives to assist with the removal of approximately six million square feet of office space in the Greater Downtown Plan Area over the next 10 years (2021 to 2031). The Incentive Program will require a total estimated \$450 million of investment over the 10-year period to have a meaningful impact upon downtown office and residential space. At this time, \$45 million in funding has been identified and approved by Council. The removal of vacant office space can be achieved through conversion to residential or other adaptive uses, or through potential demolition and rebuild of non-office space. Without the Incentive Program, office conversions or redevelopment projects will likely not occur.

The overall goals of the Incentive Program are to increase overall economic activity in the Greater Downtown Plan Area by:

- Removing office space from the Greater Downtown Plan Area – with a priority area of the Downtown Core;
- Increasing downtown residential dwelling units to improve vibrancy; and
- Reducing the downtown office vacancy rate and supporting property values and the non-residential property tax assessment base.

## 2. Area of Applicability

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### 2.1 Incentive Program Area

The Incentive Program Area is defined to be the Greater Downtown Plan Area as established in *PUD2021-0220 Calgary's Greater Downtown Plan: Roadmap to reinvention* (map outlined in Appendix A). The priority for the initial investment will be on the Downtown Core as highlighted on the map, as this is the area with the highest office vacancy. However, potential projects within the Greater Downtown Plan Area will be considered after the initial phase.

### 2.2 Out of Scope

- Projects located outside of the Greater Downtown Plan Area.
- New builds of residential and new builds of office developments.
- Property owned by any municipal, provincial or federal government, or any subsidiary or affiliate thereto.



### 3. Term: 2021 August 01 to 2022 July 31

#### 3.1 Phase 1: 2021 August to December

- Office to residential conversions.

#### 3.2 Phase 2: 2022 January to July

- Additional office to residential conversions.
- +Inclusion of office to other adaptive uses. Incentive amount to be determined.
- +Office demolition and rebuild to non-office use. Incentive amount to be determined.
- +Office demolition and new builds of residential. Incentive amount to be determined.

### 4. Grant

#### 4.1 Phase 1 Office to Residential Conversions

- The Incentive Program is offering a grant for office to residential conversions of \$75 per square foot based on the original gross building area of existing office that will be converted.
- The grant will be up to a maximum of \$10 million per property unless Council approves a greater amount for a particular application.

#### 4.2 Phase 2 Additional Office Conversions to other Adaptive Uses and/or Demolition and Rebuild

- Further analysis is currently underway to assess the potential grant amount calculation available per project for conversions to other adaptive uses (anything other than residential uses).
- Analysis is also underway to consider scenarios for demolition and rebuild to non-office uses.
- Approval for the grant criteria added in Phase 2 for other non-residential uses will be brought forward for approval by Council no later than 2021-Q4.

### 5. Decision Making & Approval Levels

#### 5.1 Incentives Approval Committee

The Incentives Approval Committee consists of two members:

1. General Manager of Planning & Development; and,
2. Chief Financial Officer or other Finance designate.

#### 5.2 Decision Making

- All application decisions made pursuant to this Incentive Program shall be in the sole and exclusive discretion of the Incentives Approval Committee.
- In the event where an application results in a grant amount that is greater than \$10 million, the evaluation process will be conducted by the Downtown Strategy Team, recommendation will be made to the Incentives Approval Committee for decision to proceed to Council for approval.

Approval Range (per Project)	Decision Making
Up to \$10 million	Incentives Approval Committee
Greater than \$10 million	Council

## 6. Criteria

### 6.1 Phase 1 Criteria

All application decisions made pursuant to this Incentive Program shall be in the sole and exclusive discretion of the Incentives Approval Committee.

To be considered eligible to be approved by the Incentives Approval Committee, an applicant must first satisfy the criteria outlined below. The criteria below must be met to be considered for the Incentive Program.

1. Elimination/removal of office space.
2. Conversion from office space to residential space.
3. The property is located within the Greater Downtown Plan Area.
  - Projects located in the “Downtown Core” portion are strongly encouraged and will be given priority in the review and project approval process.
4. The applicant is the property owner<sup>1</sup> or their designated agent, or the applicant provides authorization from the property owner that is satisfactory to The City of Calgary.
5. Evidence of project financing.
6. Applicant track record.
  - a. The applicant shall submit their project experience similar to scope and size contemplated in the application. If the applicant has no conversion experience, the consultants/ advisors that have conversion experience shall be named complete with their relevant experience. The development manager(s) or development consultants must have a proven track record in office to residential conversions or major urban renovation projects. The City’s previous dealings with the applicant, if any, including the applicant’s history of compliance with previous agreements and/or requirements of development, may also be considered.
  - b. The applicant shall prove to the satisfaction of the Incentives Approval Committee that the applicant has the human resources from a project management, supervision and execution perspective (if not own staff then via consultants) available in Calgary.
  - c. Details about the applicant shall be provided with the application as follows:
    - Age of entity/corporation;
    - Type of entity/corporation (legal and industry); and,
    - Proof of good standing with respect to annual filings, corporate standing, and financial capacity.

## 7. Application Process, Review, and Approval

### Phase 1

#### 7.1 Launch Date

Subject to Council’s approval of the Terms of Reference, the Incentive Program will be launched in middle of 2021 August.

#### 7.2 Application Intake Period

- 2021 August 16 to 2021 September 15.

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<sup>1</sup> For the purposes herein, “property owner” means the registered owner of the fee simple estate of the subject property as registered at the Alberta Land Titles Office.

### 7.3 Incentive Program Information

The Incentive Program Terms of Reference, Program Guide, application form, application process, and information will be available on The City of Calgary's website and communicated through stakeholder groups.

### 7.4 Application Requirements

- a. Overview of the proposed project
  - Ownership of the subject property (as outlined herein)
  - Intent of project – conversion of xx square foot of office to xx square foot of future use
  - Estimated total conversion costs
  - Estimated timeline to completion
- b. Description and background of the existing asset
  - Current use and vacancy status
- c. Overview of the physical location of the proposed project
  - Project address/location
- d. Project proposal
  - What is being proposed
  - Who will be involved in the conversion project (applicant's team and list of consultants such as architects, designers, engineers, or agents)
  - Special considerations – for example, heritage or other
  - How, and from whom, financing and/or capital is to be sourced
- e. Project readiness
  - Status of financing/funding
  - Construction drawings and building permits

### 7.5 Evaluation

- The Downtown Strategy Team will review applications based on the criteria set out in the Terms of Reference.
- The Downtown Strategy Team will endeavour to review applications within four weeks from the close of the intake period. This timeline is subject to extension based on a variety of factors. Furthermore, a timely review of an application requires the applicant and the Downtown Strategy Team to work collaboratively and the applicant must provide documentation or other information as required on a timely basis to facilitate these timelines.
- Following review by the Downtown Strategy Team, application(s) will be brought forward to the Incentives Approval Committee for decision (approval or refusal) within two weeks.
- Applicants will be informed by the Downtown Strategy Team of the status of their application once the Incentives Approval Committee has decided to approve or refuse the application.
- For applicants that submit viable conversion proposals, but where funding is not available in Phase 1 of the Incentive Program, those applicants will have their



applications rolled over and prioritized for consideration under future phases of approved funding.

## 7.6 Approval of Applications

- All application decisions made pursuant to this Incentive Program shall be in the sole and exclusive discretion of the Incentives Approval Committee.
- Application decisions, including approvals, made pursuant to this Incentive Program do not: (1) constitute the granting by the municipality of The City of Calgary of any approval or permit as may be required pursuant to the *Municipal Government Act (Alberta)* or any other legislation in force in the Province of Alberta, including approvals of subdivision and permit applications and any land use redesignation applications, or (2) restrict the municipality of The City of Calgary, its Council, officers, employees or agents in the full exercise of any and all powers and duties vested in them in their respective capacities as an approving authority over subdivision and permit applications and land use redesignation applications, or as a governmental authority.

Approvals will be provided under the following categories:

- a. Pre-approval of Application (pre-approval commitment letter)  
Subject to satisfactory receipt of financing commitment from a Charter Bank or other recognized financial institution within a timeline of 6 months. If this condition is not satisfied within the timeline established herein, the pre-approval may be unilaterally revoked. If an applicant elects to self-fund, evidence of internal financing is required.
  - b. Approval of Application  
All conditions have been satisfied and applicant is ready to proceed to entering into a Funding Agreement upon receipt of satisfactory financing commitment from a Charter Bank or other recognized financial institution. If an applicant elects to self-fund, evidence of internal financing is required.
  - c. Formal signing of Funding Agreement  
Final commitment for the Incentive Program. A Funding Agreement will be prepared for signing by the applicant and The City of Calgary, laying out the responsibilities and obligations of both parties. If stage gates during the construction process are not met, the Funding Agreement may be terminated. When a Funding Agreement is signed, a building permit approval needs to be in place within no more than six months following the conditional pre-approval of the project.
- Successful applicants must provide regular reports to the Downtown Strategy Team on progress towards completion – the details of reporting requirements will be outlined fully in the Funding Agreement. These reporting requirements may include copies of progress draws from lenders or other supporting documentation to confirm ongoing progress on the project. If an applicant elects to self-fund, evidence of internal financing is required.

## 7.7 Grant Payment

The grant will be payable upon fulfilment of the terms of the Funding Agreement, completion of construction, and receipt of occupancy permit.

## 8. Monitoring & Reporting

### 8.1 Reporting

- The success of the processes defined in these Terms of Reference will be monitored on an ongoing basis.
- The Downtown Strategy Team will provide a report on the Incentive Program's results, financial status, and recommendations on future program terms of reference to Council by 2022-Q4.

### 8.2 Effective Date

These Terms of Reference are effective on the date they are approved by Council.

## 9. Confidentiality

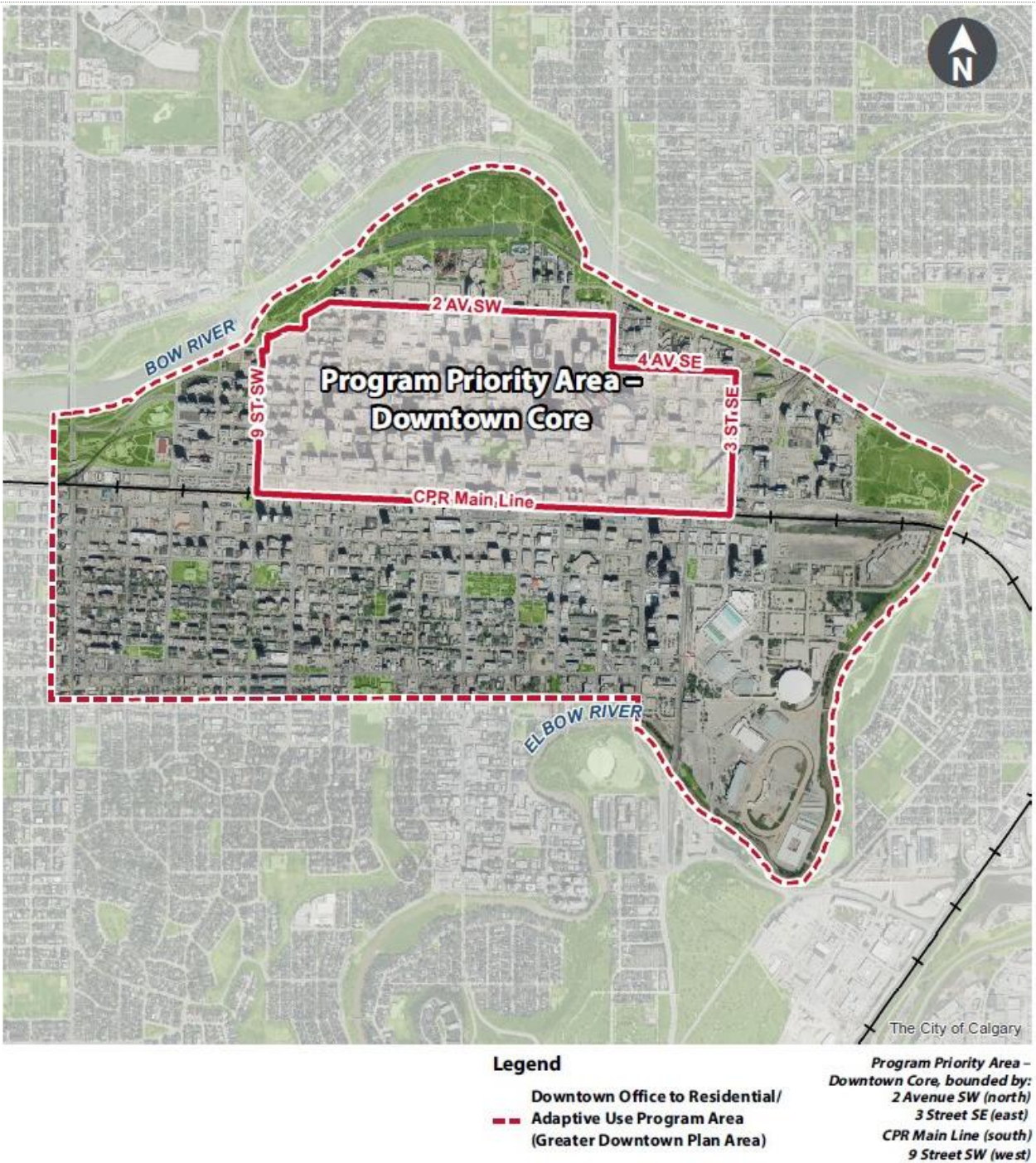
For the purposes of this section, "**Confidential Information**" means information considered proprietary to an applicant and disclosed to The City pursuant to this Incentive Program, and includes all material, data and information (regardless of form and whether or not the same is protected by copyright, patent, or other applicable law) which is not available to the public. "Confidential Information" does not include any information that: (i) is now in or subsequently enters the public domain through means other than by the direct or indirect disclosure by The City; (ii) is already in the possession of The City; (iii) is lawfully communicated to The City, free of any confidentiality obligation; (iv) The City has received the applicant's prior written approval to disclose; or (v) The City is required to disclose pursuant to the Municipal Government Act (Alberta), the Freedom of Information and Protection of Privacy Act ("**FOIP Act**"), or any subsequent legislation of similar effect, or The City is required to disclose pursuant to any law or order of a court having jurisdiction over the matter.

Applications may include the Confidential Information of the applicants. The City shall make all reasonable efforts to maintain in confidence the Confidential Information. Without limiting the generality of the foregoing, The City will make reasonable efforts to keep, file and store all Confidential Information, together with any notes or other material incorporating or relating to the Confidential information, in a manner consistent with the FOIP Act, as well as in a manner consistent with its confidential nature and to take all reasonable action, whether by instruction, agreement or otherwise, to ensure that its employees do not disclose or use the Confidential Information directly or indirectly, for any purpose other than the purposes for which it was provided.

Notwithstanding the foregoing, The City may be required to disclose Confidential Information pursuant to its public disclosure obligations as contained in the FOIP Act. Should such disclosure be required, The City shall use its reasonable efforts to limit that disclosure and, in any event, shall make that disclosure only to the extent so required. The City shall communicate its disclosure obligations to all applicants and advise them that any disclosure of Confidential Information pursuant to The City's obligations under the FOIP Act shall not breach any obligation of confidentiality that may exist between The City and applicant.

Appendix A:

Downtown Calgary Development Incentive Program Map







# Update on Downtown Initiatives Underway

## Incentive to offset Plus 15 Fund

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Following the 2021 April 26 Council meeting, Administration created a working group to develop the terms of reference for the Plus 15 fund incentive program. The team included representatives from Downtown Strategy, Planning, Law, Roads and Finance. The following summarizes the key principles of the incentive:

- Program will be delivered on a 'first-come, first-serve' basis;
- Payment of incentive funding will be through reimbursement upon project completion;
- Required Plus 15 Fund Contribution amount to be determined as per the recently approved Plus 15 Policy (July 2021);
- Full amount of required fund contribution, as per the above, will be reimbursed up to a maximum amount of \$1M per project

The Plus 15 Incentive Program will launch in September 2021 with communication to industry and the public in August.

## Downtown Vibrancy Capital Program

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### The Future of Stephen Avenue

Through the Downtown Vibrancy Capital Program, *The Future of Stephen Avenue* project will be able to proceed into design phase and construction.

- Next phase is to obtain capital funding to design the entire Stephen Avenue starting 2021. Which will be followed by a staged construction project targeting construction start in 2023.

### Downtown Public Market

The Downtown Public Market is envisioned as an ongoing community operated four season market located in Calgary's downtown and is intended to advance the goal of downtown vibrancy and reinforce downtown as a unique community to live and visit, creating a sustainable, versatile and dynamic public space.

- Identified as a priority project in the *Realizing Calgary's Greater Downtown Plan - Initial Investments and Incentives report (C2021-0524)*, The Downtown Strategy Leadership Team endorsed funding needed to hire a Project Development Manager to lead the development and delivery of this project.
- Administration is in the process of developing a Job Evaluation Questionnaire (JEQ) for the Project Development Manager to identify a candidate with the experience and skillset required to successfully lead this project.

## Programming

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There has been considerable interest in initiatives to programme and activate the greater downtown. Three projects that will receive funding and will proceed to implementation this year are outlined below.

### Green Alley Mural Gallery

- Funding allocated to support the Green Alley Mural Gallery and activation by the Calgary Downtown Association. The project will transform and program the alley between 7 Ave SW and Stephen Ave SW between Centre Street and 1 St SW. This project also includes involvement from the University of Calgary School of Architecture Planning and Landscape, the adjacent property owner, and the Beltline Urban Mural Program.

### West End Parknic

This is a project to create a bookable outdoor, licensed performance venue with food and beverages, food trucks, arts and culture and river connections. Key elements of the project will include:

- Temporary staging with production equipment
- Container bar to sell beverages and food (fully fenced to accommodate for AGLC)
- Surface mural & AstroTurf
- Dog friendly; washrooms on site; temporary seating with tables, fire pits, twinkle lights
- Branding and website
- Five event dates to showcase usage
- CDA Consultant to manage the project
- Engage Eau Claire displaced events

The initiative is planned to run from 2021 August to October.

### Downtown Ambassadors

The Downtown Ambassadors, recognizable by their red jackets, work as part of a team to connect Calgarians and visitors to services, information and build ties with local businesses, community organizations, and economically diverse citizens; and as a resource to the vulnerable population by helping connect them with social services.

- The Downtown Ambassadors are able to connect daily with Calgarians and visitors to provide information on services, places and supports in the downtown, along with creating an inclusive environment for all.
- To date the Ambassadors have already had over 4,470 interactions. This includes 2,725 interactions with individuals experiencing vulnerabilities, providing 697 referrals to individuals for social services.
- Ambassadors are also in regular communication with uniform, security and social services to ensure timely information sharing.
- Ambassadors have been a cornerstone to overall wayfinding and welcoming efforts for Alberta Health Services since the opening of the downtown immunization clinic.
- Ambassadors have also been able to create a welcoming presence on the transit system in the free fair zone and the program is exploring ways to support areas within the Plus 15s.

- The program is being expanded to include the piloting of additional routes: 8 Ave SW and 7 Ave SW to 8 St SW and 3 St SW to the river pathway.

## Dedicated Downtown Team

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The structuring and resourcing of a dedicated downtown team is well underway. The proposed team structure is built on the seven key areas of focus for the transformation of downtown:

- A new vision, a new vibe – marketing and communications;
- Regulatory initiatives, including approvals, to encourage development;
- Financial incentives to encourage development;
- Public realm and mobility changes and investments;
- Leveraging how our municipal-owned land can contribute;
- Programming; and
- Business Environment – Calgary in the new Economy.

Resourcing updates:

- In 2021 April, the position of Program Manager, Downtown Strategy was resourced. This position will focus on and manage the investments and incentive funding programs.
- A Director-level position for the Downtown Strategy business area has been approved by the Executive Leadership Team (ELT) and position development is underway. Recruitment will take place in 2021 August.
- Additional positions will be determined and resourced through 2021 Q3 and Q4.

## Advocacy and Partnerships

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- Mayor Nenshi sent advocacy letters to Prime Minister Trudeau and Premier Kenney in May 2021 on the need for federal and provincial support and investment in Calgary's downtown revitalization.
- Administration continues advocacy efforts with the federal and provincial government and departments including grants, funding opportunities, and enabling tools.
- The downtown strategy team presented to the provincial Calgary Office Revitalization and Expansion (CORE) Working Group on 2021 July 16 on areas for provincial support and investment.

## Other Work Underway

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### Rediscover Downtown Communications Plan

There is a great opportunity to welcome Calgarians back downtown and encourage them to support local businesses. At the same time, there is also a great opportunity to showcase the efforts that downtown businesses and community partners have undertaken to encourage COVID-safety and public health measures. By doing so, The City and its partners can reach Calgarians and encourage them to "Rediscover Downtown" at their own speed and own level of comfort.

"Rediscover Downtown" will celebrate Calgarians being back at their workplaces, old haunts and reconnecting in downtown gathering spaces, while also encouraging Calgarians to discover new places, businesses and opportunities for connection downtown, at their own level of comfort.

The “Rediscover Downtown” campaign will launch in early August in partnership with Downtown Strategy, community and business partners.

Transit & Parking Experiments (proposed)

Coordinated promotion of parking and transit deals, programs, availability and access to increase use and awareness of downtown mobility options. Key principles:

- Safety improves with greater ridership.
- Parking promotions to correlate with retail activity
- Corporations/Event hosts are willing to sponsor transit subsidies for promotional benefits
- Free day-park lot extensions for free evenings will encourage more people to stay downtown after work
- Transit/Parking deals/subsidies can direct ridership, increase user, drive app downloads and improve vibrancy of targeted areas

Experiments will run from July – October, with summary reporting and recommendations in 2021 October.



# Reprioritization of Cultural Municipal Sustainability Initiative Budget Funds

To achieve Calgary's Greater Downtown Plan vision, an investment in cultural capital infrastructure is required. Administration recommends supporting an investment in downtown vibrancy by redirecting the remaining Cultural Municipal Sustainability Initiative (CMSI) funds to cultural projects that can be delivered within the funding timeline, as per Table 1. These recommended investments align with and support the objectives of Calgary's Greater Downtown Plan: Roadmap to Reinvention (The Plan).

Engagement with stakeholders that hold CMSI budgeted projects was conducted in the form of a survey (May-June 2021). The Glenbow Museum and the Fort Calgary Renovation and New Museum Project were identified as demonstrating the highest level of project readiness based on ability to have: viable match-funding in place, project costing and execution in place, meeting project delivery timeframe and operational sustainability (with/without the investment).<sup>1</sup> The result of this survey and in alignment with The Plan, the remaining CMSI funds have been redirected and reprioritized to priority projects, with one outlier - The Calgary Opera Community Arts Centre. Calgary Opera's \$7.5M CMSI funding will not be impacted by the redirection of funds identified in Table 1.

**Table 1 – Redirection of CMSI Funds**

<b>CMSI Budgeted Projects (Relinquished)</b>	<b>Amount</b>	<b>Budget ID (From)</b>
Northwest Travellers	\$5,000,000	480772
Symon's Valley	\$2,000,000	480771
Forest Lawn	\$5,000,000	480650
Community Cultural Spaces	\$3,500,000	480651
<b>Total Amount to be Redirected</b>	<b>\$15,500,000</b>	
<b>Redirection of CMSI Budget Funds (Increased)</b>	<b>Amount</b>	<b>Budget ID (To)</b>
Glenbow	\$11,000,000	414191 (P633_002)
Fort Calgary	\$4,500,000	400260 (P512_892)
<b>Total CMSI Funds Redirected</b>	<b>\$15,500,000</b>	

The Glenbow Museum and the Fort Calgary Renovation and New Museum Project are managed by the Office of Partnerships who will also be responsible for administering the redirected \$15.5M CMSI funds.

The redirection of CMSI funding optimizes the delivery of arts and culture infrastructure for the benefit of Calgarians while also aligning with the goals of The Plan to strengthen Calgary's economy, foster business development and act as catalysts for revitalization and private investment.

<sup>1</sup> Operational sustainability (with/without the investment) means that the organization has enough income to continue operating with or without additional CMSI investment.

## Fort Calgary Renovations and New Museum Project Description

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The land on which Fort Calgary was built has played a central role for thousands of years in both ancient and more recent histories of the region. It is rooted in place-stories and memory practices of the Blackfoot, Iyârhe Nakoda, Tsuut'ina and Métis peoples, and was a natural gathering place to hunt, trade, and hold ceremony. The North West Mounted Police built Fort Calgary on the site in 1875 due to its natural topography and social significance. The Fort became the centre of a community that grew into the modern city of Calgary. Because of its unique place in Alberta's history, Fort Calgary is designated as both a National Historic Site and a Provincial Historic Resource. It is operated by the Fort Calgary Preservation Society, whose mission is to "share the histories and cultures of this place, with Calgarians and the world, to deepen understanding of the past and shape the future."

In 2020, the Board approved a new strategy committing to reconciliation through adoption of the Truth and Reconciliation Commission's guiding principles, and to exploration of the site's colonial past and its impact on the Indigenous people's connection to the land. At a time when it has never been more important for Canadian society to address the challenges of colonialism and reconciliation, the Society is uniquely positioned to engage Calgarians, Albertans, and Canadians in this critical conversation.

The Society will create an immersive 21st-century museum experience for the visitor, placing engagement at the heart of everything it does. The Society will build connections with and between its multiple communities through thoughtful and thought-provoking new exhibitions; expanded and enriched interactive school and public programs; and a wide variety of local and national indigenous and non-indigenous partnerships. In addition, the Society's audience strategy will align with the goals of Tourism Calgary's Destination Strategy, Travel Alberta, and Destination Canada to enhance Calgary's position as a destination of choice for Canadian and international visitors.

The Society projects 22,000 students and 66,500 visitors a year in the renovated Barracks and the New Museum, nearly tripling its current reach.

The building program comprises the demolition of the existing Interpretive Centre, the building of a New Museum to replace it, and renovations to the existing Barracks that will increase the number of classes by 50%.

In the New Museum, one space will tell the core story of the site of Fort Calgary, its histories and intersections with the development of Western Canada. It will showcase Indigenous-led exhibitions co-created with Fort Calgary's Indigenous Advisory Council, to share stories chosen by and told by the Indigenous peoples of the region. The second space will be flexible for special exhibitions, which would be co-created with a wide variety of community partners and borrowed from prestigious institutions such as the Canadian Museum of History and Library and Archives Canada.

## Glenbow Revitalization Project Description

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For over 50 years, Glenbow has showcased the talents of local, national, and international artists and introduced generations of Calgarians to the importance of contemporary, modern, and historical art, culture, and history to their lives.

As we approached the 50th birthday in 2016, Glenbow was facing several challenges: a persistent deficit due to the shortfall in the fee-for-service contract with the Province over many

years, a tired building, uncertainty about what Glenbow was, and a lack of resources to maintain Glenbow's multidisciplinary nature as a library, archives, museum, and art gallery.

Glenbow's founding purpose was to "promote and encourage the acquisition and diffusion of knowledge of the human race, its arts, its history and the nature of the world in which it lives, in the manner that best serves the educational and cultural needs of the peoples of Alberta." The intent of Eric Harvie's original words still guides our operations, but the context - "the nature of the world in which we live" - has changed dramatically over the last 50 years.

Calgary itself has changed dramatically since Glenbow was formed in 1966. At that time, the population was 323,000, and many Albertans had not travelled extensively or been exposed to international cultures. Fifty years later, Calgary has a well-educated, well-travelled, diverse community of 1.3 million people who expect to see in Calgary the kind of world-class cultural institutions they have seen in other cities.

Calgary has also experienced significant booms and busts impacting the funding sources for the Glenbow and other similar organizations. This has impacted both the fee for service contract with the Province and the deferred maintenance on the building. The building urgently requires revitalization. The mechanical, electrical and exhibition lighting systems are old and worn out and it is doubtful that some parts are even available if required. The envelope is failing and needs to be replaced. Most importantly, the current building is mission prohibitive.

The Glenbow Revitalization Project will leverage the proposed CMSI funding for a total project cost of \$120M, including \$14M in Municipal Stimulus Program Funding, \$40M in funding from Alberta Infrastructure, an application of \$40M to the Investing in Canadian Infrastructure Program and \$15M of other sources. The Glenbow Revitalization Project will address multiple areas of the existing museum that require improvement. The exterior of the building will be renewed by removing the existing cladding and replacing with more innovative cladding that will allow cultural energy to emerge onto the streets of downtown Calgary. The Project will renovate every floor of the museum, refreshing the physical experience of Glenbow by expanding the amount and functionality of exhibition space, installing new innovative and ever changing exhibitions and programs, and improving retail and restaurant space on Stephen Avenue Mall will allow artists, creators and visitors to engage with the remarkable collections and bring more Calgarians to downtown. The Project will address over \$20 million in deferred maintenance that has been identified in the most recent building condition assessment. The Project will contribute to the emerging cultural district in downtown Calgary. The City is investing significantly to plan a vibrant and active Stephen Avenue Mall and Glenbow is at its doorstep. The Revitalization of Glenbow will create a community hub in downtown Calgary, attracting people, boosting local businesses, and bringing new life to the entire area.





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**Amendments to Council's Procedure Bylaw and Council Committee Governance**

**RECOMMENDATIONS:**

That the Priorities and Finance Committee forward this Report as an Item of Urgent Business to the 2021 July 26 Combined Meeting of Council and recommend that Council direct Administration to return to the 2021 September 13 Combined Meeting of Council with a Bylaw amending the Procedure Bylaw 35M2017 as amended, to incorporate:

- 1) The procedural/administrative amendments outlined in Attachment 1; and
- 2) The proposed structure and mandates for the Standing Policy Committees and Standing Specialized Committees as outlined in Attachment 2.

**HIGHLIGHTS**

- The Procedure Bylaw establishes rules and provisions to regulate the conduct of business in Council meetings and establishes Council Committees. Updating these rules and provisions to reflect current best practices is important to ensuring Council and Council Committee meetings are conducted in an effective and efficient manner.
- The Procedure Bylaw also contains the mandates of Council's Standing Policy Committees and Standing Specialized Committees. Updating the structure and mandates for these Council Committees is intended to streamline governance, enhance policy and functional alignment, and retain flexibility and responsiveness.
- What does this mean to Calgarians? The proposed amendments will provide greater clarity with respect to meeting conduct, update language to allow for continued remote participation for members of the public and establish new areas of accountability and governance for select Council Committees.  
Why does it matter? Rules and provisions regulating the conduct of Council meetings provides certainty to Members of Council and the public that Council meetings are accessible, transparent, and fair. Effective Council Committee governance leads to timely decision making and facilitates effective service delivery
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Previous Council Direction is included as Attachment 3.

**DISCUSSION**

Attachments 1 and 2 set out two categories of proposed amendments to the Procedure Bylaw:

**1) Procedural / Administrative:**

The City Clerk's Office began examining potential updates to the Procedure Bylaw in early 2020 to streamline language, ensure consistency with the *Municipal Government Act (MGA)* and fix several procedural inconsistencies. As this review was underway, the impacts to the conduct of meetings due to Covid-19 became known, which generated a renewed review to capture the ongoing procedural changes required by the pandemic. The proposed amendments can be summarized as follows:

- a. Accuracy/Improvement:
  - i. Refining language to reflect current practice (e.g. agendas are no longer physically posted within the Municipal Complex);

### Amendments to Council's Procedure Bylaw and Council Committee Governance

- ii. Eliminating unnecessary clauses (e.g. eliminating the Bylaw requirement to provide one or more Calendar proposals, practically speaking Council is only required to adopt a calendar); and
  - iii. Eliminating use of roll call votes in the event three or more Members are opposed (the electronic vote is the final vote result).
- b. Administrative:
  - i. Eliminating wording that no longer applies or is unnecessary (e.g. eliminating the reference to 'presentations');
  - ii. Applying consistent use of wording throughout the document (e.g. replacing 'table' with 'postpone'); and
  - iii. Applying consistent use of gender-neutral language (e.g. replacing 'he/she' with 'they').
- c. Legislative (alignment to the MGA):
  - i. Removing wording that substantially duplicates provisions of the MGA, instead referring to the MGA as the legislative authority (e.g. references to calling special meetings); and
  - ii. Correcting the applicable sections of the MGA (e.g. where section numbers may have changed).
- d. Remote participation:
  - i. Streamlining / removing restrictions to remote participation (e.g. eliminating the need to confirm a week in advance whether a Member will use remote participation);
  - ii. Removing wording that did not reflect the processes in place for both Members of Council and the public to participate remotely (e.g. removing wording referring to locations in the Chamber); and
  - iii. Providing a clear statement by Council supporting the continued use of remote participation by the public.

## **2) Council Committee Governance:**

The City Clerk, at the direction of the City Manager, has reviewed the current Council Committee structure for alignment to the forthcoming organization realignment, as well as with a citizen-focused lens. The proposed amendments to the Council Committee governance included in the Procedure Bylaw aim to streamline the number Committees of Council, reduce complexity, and enhance policy alignment by creating two Standing Policy Committees (SPC) and two Standing Specialized Committees (SSC):

- a. **Planning and Infrastructure (SPC):** will deal with all aspects of urban planning, including planning, development, transportation, real estate, environmental and climate management, oversight over Green Line and gas, power and telecommunications issues. **Membership:** 7 Members of Council
- b. **Community and Economic Development (SPC):** will deal with all aspects of community and neighbourhood services, community safety and protective services, economic development, local business economy, and operational services related to community and economic development. **Membership:** 7 Members of Council

### **Amendments to Council's Procedure Bylaw and Council Committee Governance**

- c. **Executive Committee (SSC):** will deal with all financial planning and budgeting items, notices of motion, City Manager items, council services and governance, integrity and ethics, and any items aligning to People, Innovation and Collaboration. **Membership:** Mayor, Chairs the two SPCs, Chair of Audit, and 3 Councillors-at-large
- d. **Intergovernmental Affairs Committee (SSC):** will continue to deal with items relating to the impact of other orders of governments' policies on the City, coordinating long-term growth for the region, affordable housing strategies. It will now also include items related to the Indigenous Relations Office. **Membership:** Mayor, Alberta Urban Municipalities Association (AUMA) Representative, Calgary Metropolitan Regional Board (CMRB) Representative, Federation of Canadian Municipalities (FCM) Representative, and 3 Councillors-at-large.

The above SPCs and SSCs would be complemented with current Boards, Commissions, and Committees that remain unchanged, including: Audit Committee, Calgary Planning Commission, and the Emergency Management Committee. With the proposed mandates (above), the following Council Committees discontinue in their current form: Green Line Committee, Gas, Power and Telecommunications Committee, and Coordinating Committee of the Councillor's Office.

The mandates outlined above provide overall guidance for which Council Committee would consider specific items and topics. However, Administration may use discretion and flexibility to determine which Council Committee may be the best fit for a specific item.

The proposed Council Committee structure offers several benefits:

- Aligns mandates to functional service delivery to facilitate timely decision making and provide effective mechanisms to strategically collaborate and coordinate on policy issues;
- Provides a streamlined governance model that simplifies the complexity of Council Committees and addresses the underutilization of some existing Council Committees;
- Retains the ability for any Council Committee to create a sub-Committee or working group to deal with specific issues as needed;
- Achieves an equal distribution in membership and a relatively equal distribution of workload amongst Members of Council on Standing Policy Committees,
- Will reduce scheduling overlaps, and reduce multiple meetings occurring on the same day (i.e., a morning and afternoon meetings)

Taken together, the proposed Procedure Bylaw amendments are intended to bring accuracy to the procedure bylaw and functional alignment and best practices to Council governance to facilitate effective decision making.

### **Internal Discussion/What We Heard**

The City Clerk's Office held consultation sessions with Members of Council on separate occasions, first to cover the procedural and administrative amendments, and second to discuss changes to Council's Committee governance structures. This included a review of the Notice of Motion process and checklist, as directed in PFC2019-0913. That review demonstrated that no significant changes were desired and/or required. Notices of Motion will continue to undergo a technical review by the Executive Committee (proposed) prior to being discussed at Council. Several

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engagement sessions were held with the Executive Leadership Team to specifically address the proposed changes to the Council Committee structure.

As directed by Council, the Coordinating Committee of the Councillor's Office was consulted on the future role and mandate of that Committee and provided direction to incorporate any governance functions of the Committee into the broader Council Committee realignment structure being proposed. Council services and governance is included in the mandate of the proposed Executive Committee.

**STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☒ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☐ Stakeholder dialogue/relations were undertaken

**IMPLICATIONS**

**Social**

Facilitating the ongoing ability for Members of Council and the public to participate remotely in Council or Committee meetings reduces barriers to participation that may have been imposed, prior to the Covid-19 pandemic, by the Procedure Bylaw language that was oriented towards in-person participation. The amendments would allow for innovative and accessible solutions for remote participation to be put in place, notably in relation to public hearing processes.

**Environmental**

Not applicable.

**Economic**

Not applicable.

**Service and Financial Implications**

**No anticipated financial impact**

**RISK**

There are no risks identified with proceeding with the procedural / administrative bylaw amendments as proposed. If Council does not proceed with the amendments, there is a risk that the rules and processes for the conduct of Council and Council Committee meetings do not align with practice, may not be sufficiently broad enough to allow for innovation and greater use of technology, and errors in the current text remain. No risks are identified with proceeding with the changes to the Council Committee structure and mandates.

**ATTACHMENT(S)**

1. Proposed procedural and administrative amendments
2. Proposed Council Committee Governance



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3. Previous Council Direction

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Jill Floen	City Solicitor and General Counsel	Approve



Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
16	Accuracy-Improvement	A - Scheduling of Meetings Council and Committee Meeting Scheduling by Council Calendar	16.(1) Annually, <i>Council</i> will adopt a schedule of <i>Regular</i> and <i>Special</i> meetings for the subsequent year (a Council Calendar). The <i>City Clerk</i> will present one or more calendar proposals for consideration by <i>Council</i> .	Delete 16.(1) and replace with: 16.(1) Annually, Council will adopt a schedule of meetings for the subsequent year (a Council Calendar).	Council also adopts Council Committee meetings, Strategic Meetings of Council, Combined Meetings of Council. Special Meetings are scheduled as per the <i>MGA</i> .
17	Legislative	Additions or Changes to Meetings Scheduled on the Council Calendar	17.(4) The Mayor, in consultation with the City Clerk: (a) may call a Special Council meeting whenever the Mayor considers it appropriate to do so; and [MGA, s. 194(1)(a)] (b) must call a Special Council meeting if the Mayor receives a written request for the meeting, stating its purpose, from a majority of the Councillors. Such meeting must be held within 14 days after the date that the Mayor receives the request. [MGA, s. 194(2)(b)]	delete 17 (4) and replace with "The <i>Mayor</i> may call a special meeting at any time in accordance with the <i>Municipal Government Act</i> ." [MGA, s. 194]	
22	Accuracy-Improvement	B- Providing Notice of Meetings	22. Except for meetings scheduled on the adopted Council Calendar, the <i>City Clerk</i> must notify <i>Members</i> and the public as soon as possible, and no less than 24 hours in advance, when meetings are scheduled, re-scheduled, postponed, or cancelled. Notice is deemed to be given by notifying <i>Members</i> , updating <i>The City's</i> website, and by posting a monthly schedule in the Municipal Building.	Adding the word "and" following <i>Members</i> , and delete the following: "and by posting a monthly schedule in the Municipal Building." 22. Except for meetings scheduled on the adopted Council Calendar, the City Clerk must notify Members and the public as soon as possible, and no less than 24 hours in advance, when meetings are scheduled, re-scheduled, postponed, or cancelled. Notice is deemed to be given by notifying Members, and updating The City's website.	staff are no longer posting a physical (written) notice of meetings
23	Legislative	Notice of Special Meetings	Notice of Special Meetings 23. (1) The notice for a Special meeting must describe the nature of the business to be transacted. [MGA, s. 194 (3)] (2) If a matter is not specified in the notice of a Special meeting, it may not be dealt with, unless all Members are present and a motion is passed by a majority vote to add the matter. [MGA, s. 194 (5)] (3) Waiving notice of a matter to be discussed at a meeting must be kept to a minimum, noting Council's preference to be as transparent and as accountable to the public as possible.	delete 23	defer to MGA on criteria on how/when to call a special meeting of council

Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
24	Remote Participation	Role of the Chair	24. The Chair must: (a) maintain order and decorum in a manner which promotes fairness and forward progress; (b) keep a sequence of speakers and recognize Members, Administration, advisors or citizens to speak at the appropriate segments of the agenda; (c) make rulings on Points of Order or Questions of Privilege; (d) ensure that Members understand the motion before them; (e) ensure that Members are at their designated seats and ready to vote, and must subsequently call the vote;	delete (e) "ensure that Members are at their designated seats and ready to vote, and"	
28	Remote Participation	B - Members of Council and Council Committees Participation by Members	28. (1) A <i>Member</i> who wishes to speak or make a motion at a meeting shall do so only after being recognized by the <i>Chair</i> , and may stand or remain seated while addressing the assembly. Recognition must ordinarily be on a first-come-first-served basis.	delete "and may stand or remain seated while addressing the assembly." 28. (1) A Member who wishes to speak or make a motion at a meeting shall do so only after being recognized by the Chair. Recognition must ordinarily be on a first-come-first-served basis.	
30	Remote Participation	C-Members of the Public	30. In order to ensure a safe and respectful meeting environment, those seated in the public gallery at <i>Council or</i> City BCC meeting must: (a) ensure all electronic devices are turned off or set to silent mode, and leave the meeting room if they need to respond to a call; and (b) not spontaneously applaud, display signs or engage in any behavior which may be disruptive, disrespectful, or intimidating to others.	delete "(a) ensure all electronic devices are turned off or set to silent mode, and leave the meeting room if they need to respond to a call; and" 30. In order to ensure a safe and respectful meeting environment, those seated in the public gallery or participating remotely at Council or City BCC meeting must: (a) not spontaneously applaud, display signs or engage in any behavior which may be disruptive, disrespectful, or intimidating to others.	
32	Remote Participation	C - Members of the Public	32. When making a submission to Council or a <i>Council Committee</i> , a member of the public must: (a) approach the speakers's podium only when called by the Chair,	Section 32 is deleted and replaced with: "When making a submission to <i>Council or Council Committee</i> , a member of the public must speak only when called by the Chair,	
37	Administrative	A - Agendas Agenda Setting	37.(5) The <i>Mayor</i> may request that a report whose only recommendation is that "Council receive for information" be removed from the <i>Council consent agenda</i> . The report must be then placed elsewhere on the agenda.	Delete 37. (5).	unesessary - same process for all items on consent.
38	Legislative	A- Agendas Agenda Setting	38. The subject of the agenda for a Special meeting of Council is determined by the Mayor and the City Clerk, and must be described in general terms in the notice of the meeting.	delete 38	defer to MGA on criteria on how/when to call a special meeting of council



Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
40	Legislative	A - Agendas Agenda Setting	40. The subject of the agenda for a Special meeting of Council Committees is determined by the Chair and the City Clerk, and must be described in general terms in the notice of the meeting	delete 40	defer to MGA on criteria on how/when to call a special meeting of council
42	Administrative	Agenda Submission Deadlines	42. (1) Submissions from Members of Council for inclusion in a Council or a Council Committee agenda must be submitted to the City Clerk no later than 11:59 p.m., one week before the meeting. Submissions received after the deadline must be placed on the next agenda of the respective body for which the submission deadline has not passed. (2) Submissions from Administration, Council Committees and Officers of Council must be in accordance with administrative guidelines established by the City Clerk. Submissions received after the stated deadline must be placed on the next agenda of the respective body for which the submission deadline has not passed.	delete 42 (1) and 42 (2) and replace with 42. Submissions from Members of Council, Administration, Council Committees and Officers of Council for inclusion in a Council or a Council Committee agenda must be submitted to the City Clerk no later than 11:59 p.m., one week before the meeting. Submissions received after the deadline must be placed on the next agenda of the respective body for which the submission deadline has not passed.	Blend. 42 (1) & (2) Same deadline for all reports
46	Accuracy- Improvement	Provisions of Agenda	(c) made available for review in person in the Municipal Complex, as soon as possible after delivery to the <i>Members</i>	delete 46 (c)	staff no longer provide paper copies of the agenda. Public can access online, in the Archives, if necessary
48-52	Accuracy- Improvement	Order of Business	Briefings	Move Briefings from under Consent Agendas, to the end of the agenda, usually after Administrative inquiries	align similar-type items
57	Accuracy- Improvement	Unfinished Business	57. Unfinished Business which was not concluded when a meeting did not achieve <i>quorum</i> , or when <i>quorum</i> was lost, is forwarded as follows: (a) to the next <i>Regular</i> meeting of the body;	57. (a) to the next appropriate meeting of <i>Council</i> or <i>Council Committee</i> , as determined by the <i>City Clerk</i> . (b) to a <i>Special</i> meeting of the body, called to dispose of the unfinished business	reflects the accurate procedure and different meeting types
66	Legislative	Addition of Urgent Business to an Agenda	66. Addition of a matter as urgent business to a Special meeting may only be made if all Members are in attendance at the meeting, the item proposed for addition falls within the stated purpose of the Special meeting, and the Members adopt a motion to add the business. [MGA, s. 194(5)]	delete 66	defer to MGA on how/when to call a special meeting
67	Administrative	Recognitions and Presentations Made During Council Meetings	Recognitions and Presentations Made During Council Meetings	delete "Presentations"	to align with Recognitions Policy
69	Accuracy- Improvement	Consent Agenda	69. (2) Briefings which have been directed by a <i>Council Committee</i> to be considered by <i>Council</i> must be placed on the <i>Council consent agenda</i> .	delete 69. (2)	clarified Briefing procedure

Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
70	Accuracy- Improvement	Consent Agenda	70. An <i>SPC</i> consent agenda may include: (a) reports that will not be forwarded to <i>Council</i> ; (b) reports for information only which will be forwarded to <i>Council</i> ; or (c) reports which are part of a process of regular periodic reporting	delete and replace with 70. A <i>Council Committee</i> consent agenda may include: (a) reports that will not be forwarded to <i>Council</i> ; or (b) reports which are part of a process of regular periodic reporting	accuracy - Committees, other than SPCs, have consent agendas. Delete (b) to align with Briefings
83 (3)	Legislative	C - Closed Meetings	83. (3) Council or a Council Committee when holding a Closed Meeting may at any time direct that a person, other than a Member, leave the Closed Meeting. [MGA, s. 197(4)] (24M2019, 2019 June 17)	delete MGA s.197(4) and replace with MGA s. 197(6)	fix inaccurate reference to MGA
83.1 (1)	Accuracy- Improvement	C - Closed Meetings	For all confidential items, <i>Administration</i> must recommend a date by which the item should be reviewed for consideration of public release. (2) For confidential items which Council has directed be reviewed by a specific date: (a) the City Clerk shall: (i) post the title of the item and the review date on The City’s website; and (ii) forward the item to the General Manager of the responsible department no later than 30 days prior to the date specified by Council; (b) the General Manager of the responsible department shall either: (i) direct that the item be posted to The City’s website or (ii) set a new date for the item to be reviewed. (3) For confidential items which a General Manager has set a new review date pursuant to subsection (2)(b)(ii): (a) the City Clerk shall post the revised review date on The City’s website; and (b) the procedure set out in subsections (2)(a) and (b) will be followed for the revised review date. (4) Where Council has directed that a confidential item be reviewed by a specific date, Council may subsequently change that date and such a change does not require a reconsideration. (24M2019, 2019 June 17)	delete 83.1 (2) delete 83.1 (3) renumber 83.1 (4) to 83.1 (2)	remove purely Administration process from procedure bylaw. This will be incorporated into The City Clerk's Office procedures
86	Remote Participation	D - Public Hearing Procedures	86 (4) In a public hearing, Council: (a) must hear from a person, group of persons or person representing them, who claims to be affected by the proposed bylaw or resolution and who has complied with the procedures outlined by Council; and [MGA, s. 230(4)(a)] (b) may hear from another person(s) who wishes to make representations and whom Council wishes to hear; and (c) may ask questions of public presenters, and the intent of such questions must be for clarification of the presentation. [MGA, s. 230(4)(b)]	Add after subsection 4 “(4.1) A person, group of persons or person representing them who wishes to make a submission to Council in accordance with subsection (4) may make their submission remotely if they first pre-register with the City Clerk’s Office.”	reflect the ability for the public to participate remotely

Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
104	Administrative	A- Main Motions	104. When the Chair believes there has been sufficient debate, she or he may seek to close debate on a motion, in accordance with the subsidiary motions table contained in Appendix D.1.	delete "she or he" and replace with "the Chair"	gender language
106	Accuracy- Improvement	Briefings	<p>Briefings</p> <p>106. (1) A report from Administration:</p> <p>(a) that does not seek any direction from Council;</p> <p>(b) from which no action will result; or</p> <p>(c) which is intended to highlight information of interest to Council; shall be identified as a “Briefing”.</p> <p>(2) For Briefings:</p> <p>(a) the Briefing must be placed on the Consent Agenda of the appropriate Council Committee;</p> <p>(b) no motion or resolution is necessary to address the Briefing; and</p> <p>(c) the Briefing must not be forwarded to Council.</p> <p>(3) Despite subsection (2)(c), a Council Committee may, on a motion, direct that the Briefing be forwarded to Council. Such Briefing must be placed on the Consent Agenda of Council. (24M2019, 2019 June 17)</p>	<p>Delete 106. (1) and replace with "A communication from Administration"</p> <p>Delete (2) (a) and replace with "the Briefing will be placed at the end of the agenda.</p> <p><i>Delete (b) and replace with "the Briefing is not debatable"</i></p> <p><i>Delete (3) and replace with "Despite subsection (2) (c) a Council Committee may, on a motion, direct that the Briefing be forwarded to Council.</i></p>	updated Briefing procedure
116	Administrative	E-Reconsidering Motions	E – Reconsidering Motions 116 (2) Any Member, regardless of how he or she voted on a defeated motion, can bring back the motion under the procedures for introducing a Notice of Motion (see section 113).	delete "he or she" and replace with "a Member"	gender language
118	Administrative	F - Voting	118. Every Member present at a meeting of Council or a Council Committee must vote on every matter put to a vote, unless he or she declares a Pecuniary Interest, or has abstained from voting on a matter due to absence from the public hearing [MGA, s. 170, 182, 183(1) and 184].	delete "he or she" = delete and replace with "the Member"	gender language
119	Accuracy- Improvement	Voting Style	<p>119. (4) Despite subsections (1) and (3), if three or more <i>Members</i> indicate their opposition to a motion during an electronic or a voice vote, a <i>Roll Call Vote</i> must be taken.</p> <p>(5) At any time prior to commencing a vote by voice, a <i>Member</i> may request a <i>Roll Call Vote</i> or a <i>Recorded Vote</i>.</p>	<p>delete (4) and replace with:</p> <p>Despite subsection (3), the Chair may ask that a Roll Call Vote be taken</p>	eliminate 're-voting" that occurs when calling for a roll-call vote after an initial series of voting has taken place.

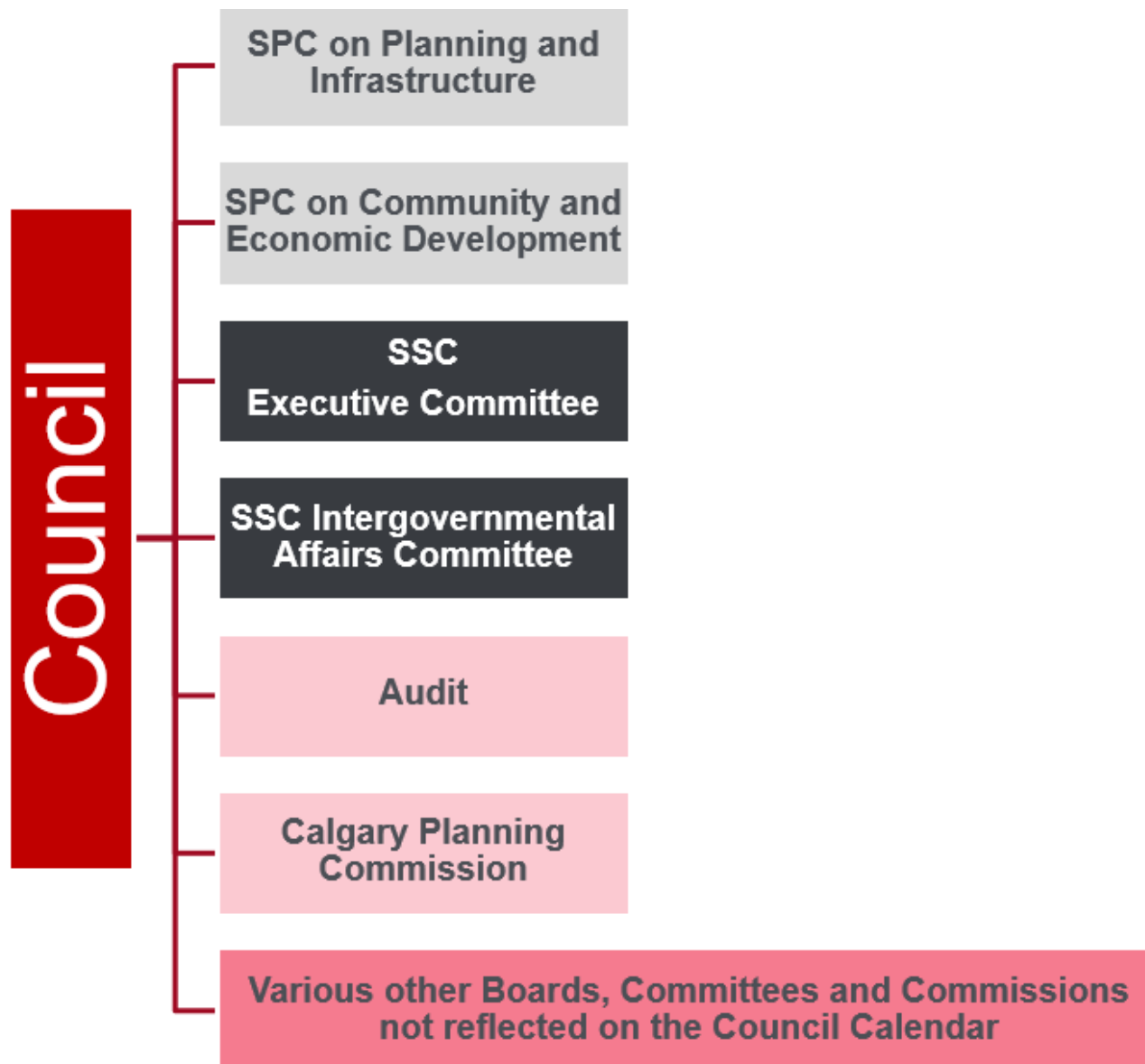
Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
130	Accuracy- Improvement	No Meetings Between Nomination Day and Organizational Meeting	130. In the year of a General Election, no Regular or Special meeting is to be scheduled between Nomination Day as defined in the <i>Local Authorities Election Act</i> , and the organizational meeting following a General Election.	delete and replace with "In the year of a General Election, no meetings are to be scheduled between Nomination Day as defined in the <i>Local Authorities Election Act</i> , and the Organizational meeting following the next <i>General Election</i> ."	consistent use of meeting types
132	Administrative	B - Reporting Through Committee to Council	Despite the above, a <i>City BCC</i> cannot file, table or refer a report that <i>Council</i> has directed, by motion, return to <i>Council</i> by a specific date, unless there is sufficient time to have the report return to Committee and proceed to Council by the specified date.	delete "table" and replace with "postpone"	consistent use of the term table
135	Legislative	A - Agendas	135. Council and Council Committee agendas and all bylaws and other materials published as a part of an agenda are retained by the City Clerk in the permanent Corporate Record. [MGA, s. 201(1)(d)]	delete <i>MGA</i> s. 201(1)(d)	remove inaccurate reference to MGA
138	Accuracy- Improvement	B- Minutes	138. (c) the names of those who voted for and against a motion when a <i>recorded vote</i> is taken;	delete (b) and (c) and replace with "the names of members who voted for and against a motion".	update voting procedure
139	Administrative	B- Minutes	(3) If a Member questions the accuracy of a portion of the minutes of a meeting for which an audio-visual recording, made in accordance with the Council policy on Recordings of Legislative Meetings CC001 exists, the recording of that meeting must be used to decide the question.	delete and replace with "(3) If a Member questions the accuracy of a portion of the minutes of a meeting for which an audio-visual recording exists, made in accordance with the Council policy on Recordings of Legislative Meetings CC001, the recording of that meeting must be used to decide the question. "	grammar - placement of 'exists' in the sentence
141	Administrative	Consolidation of Bylaws	The City Clerk is designated to consolidate bylaws at his/her discretion when deemed convenient and in doing so, must:	delete "his/her" and replace with "the City Clerk's"	gender language
E. 46	Administrative	Appendix E - Definitions	E.46 " <i>Recorded Vote</i> " means each <i>Member</i> entitled to vote on a matter shall indicate their vote on a printed form. The <i>City Clerk</i> shall gather the forms and read aloud the votes.	delete	no longer used
E.51	Administrative	Appendix E - Definitions	E. 51“Special” meeting of Council means a meeting called to deal with a specific topic, whose business to be transacted is described in general terms in the meeting notice; (24M2019, 2019 June 17)	delete	Special council meetings are out set in the <i>MGA</i> .



Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
APPENDIX F	Remote Participation	Remote Participation at Meetings	<p>F.1. A “Remote Member” is defined as a Member who intends to attend a Council or Council Committee meeting remotely. (18M2020, 2002 March 26)</p> <p>F.2 Remote participation is available when a Member is unable to attend a Council or Committee meeting. (18M2020, 2020 March 26)</p> <p>F.3 A request from a Member for remote participation should be received by the City Clerk at least one week in advance for inclusion in the agenda, so that notice of the remote participation is provided to the other Members and to the public. (18M2020, 2020 March 26)</p> <p>F.4 In consultation with the City Clerk, the Chair can determine a limit to the number of Remote Members in a meeting.</p> <p>F.5 Remote participation will only be used in the following meetings: (a) Regular, Strategic, and Public Hearing meetings of Council; and (b) Council Committee meetings where the City Clerk’s Office provides legislative services.</p> <p>These are: (i) Standing Policy Committees: 1. Community and Protective Services; 2. Planning and Urban Development; 3. Transportation and Transit; and 4. Utilities and Corporate Services.</p>	<p>F.1 edit 2002 March 26 to 2020 March 26 delete and replace F.2 with "Remote participation is available when a Member is unable to attend a Council or Council Committee meeting in person. delete F.3 . F.5 (a) meetings of Council (b) Council Committee meetings where the <i>City Clerk's</i> Office provides legislative services.</p>	<p>provides clarity to the instructions, and reflects desired remote participation</p>

Procedure Bylaw Section	Theme	Heading	Current Text	Proposed Revisions	Direction & Notes
APPENDIX F	Remote Participation	Remote Participation at Meetings	<p>(ii) Audit Committee;</p> <p>(iii) Priorities and Finance Committee;</p> <p>(iv) Intergovernmental Affairs Committee;</p> <p>(v) Gas, Power and Telecommunications Committee;</p> <p>(vi) Calgary Planning Commission;</p> <p>(18M2020, 2020 March 26)</p> <p>(vi.1) Arts Commons Advisory Committee;</p> <p>(18M2020, 2020 March 26)</p> <p>(vi.2) Council Compensation Review Committee; and</p> <p>(18M2020, 2020 March 26)</p> <p>(vii) any additional committees where Council are members.</p> <p>F.6 Remote participation is permitted in Closed Meetings.</p> <p>(15M2020, 2020 March 16)</p> <p>F.7 Remote participation will only be used in the following locations:</p> <p>(a) Council Chamber;</p> <p>(b) Calgary Power Reception Hall;</p> <p>(c) Legal Traditions Boardroom;</p> <p>(d) Electric Light Committee Meeting Room; and</p> <p>(e) other locations as determined by the City Clerk.</p> <p>F.8 A Remote Member is deemed to be present at the meeting and counts towards Quorum.</p> <p>(15M2020, 2020 March 16)</p> <p>F.9 The Remote Member retains all other rights and privileges as stated in the Procedure Bylaw.</p> <p>F.10 The time a Remote Member joins and leaves the meeting will be noted in the minutes.</p>	<p>Delete F.7</p> <p>F.9 italicize Procedure Bylaw, and add immediately following</p> <p>"The Chair will determine the practices to ensure the efficient and conduct of the meeting"</p>	
APPENDIX F	Remote Participation	Remote Participation at Meetings	<p>F.11 Speaking:</p> <p>(a) The speaking queue for the Remote Member may be determined as either first or last in queue.</p> <p>(b) If the Remote Member wants to be moved in the speaking queue, he/she can message the Chair or the City Clerk.</p> <p>F.12 Voting:</p> <p>(a) Voting will follow the procedure outlined in the Procedure Bylaw.</p> <p>(b) The Clerk may administer the vote on behalf of the Remote Member, if necessary.</p> <p>(24M2019, 2019 June 17)</p>	<p>Delete F.11</p> <p>Delete F. 12</p>	

## Proposed Council Committee Structure

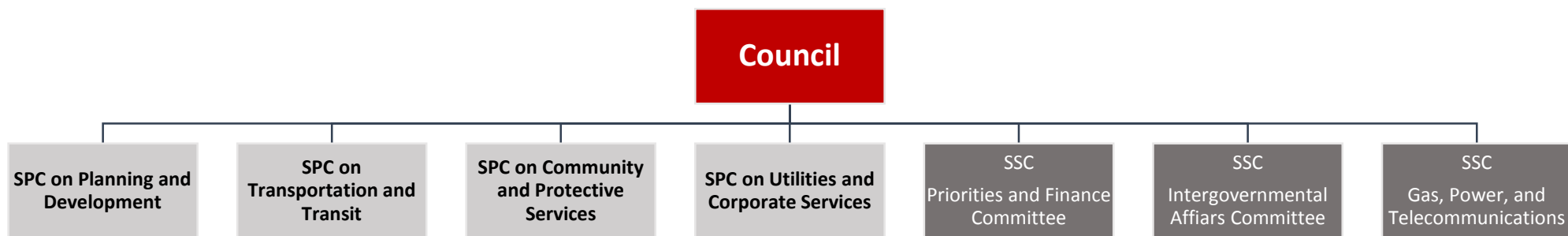


## Proposed Council Committee Mandates

<b>SPC</b> <b>Planning and Infrastructure</b>	<b>SPC</b> <b>Community and Economic Development</b>	<b>SSC</b> <b>Executive Committee</b>	<b>SSC</b> <b>Intergovernmental Affairs Committee</b>
<ul style="list-style-type: none"> <li>•Planning (inc. Transportation)</li> <li>•Development</li> <li>•Climate Impact</li> <li>•Environment Management</li> <li>•Infrastructure</li> <li>•Oversight of The City's involvement in property transactions and how land and assets are managed by Administration (<b>Note:</b> currently in SPC on Utilities and Corporate Services)</li> <li>•Recommending the naming of City-owned facilities (<b>Note:</b> currently in SPC on Utilities and Corporate Services)</li> <li>• Oversight in the fields of telecommunication regulation and City Rights-of-Way agreements and bylaws (<b>Note:</b> currently in Gas, Power, &amp; Telecommunications)</li> <li>•Green Line Committee</li> </ul>	<ul style="list-style-type: none"> <li>•Connecting (affordable housing; arts &amp; culture; community research &amp; strategy; recreation stewardship &amp; strategy; recreation, parks &amp; community program planning; neighbourhood supports; social programs &amp; supports; investing partnerships)</li> <li>•Protecting (bylaw education &amp; compliance; transit safety &amp; enforcement; Calgary 9-1-1; Emergency management &amp; business continuity; fire services; pet ownership &amp; Licensing; Taxi, limousine &amp; vehicles-for-hire)</li> <li>•Economic Development incl. Downtown Strategy</li> <li>•Local and Business Economy</li> </ul>	<ul style="list-style-type: none"> <li>•Financial Services (Finance, Assessment, Tax)</li> <li>•Corporate Planning</li> <li>•Directing Notices of Motion to Council</li> <li>•Recruitment, appointment and performance evaluations for the City Manager as required by the MGA sec. 205.1</li> <li>•Integrity and Ethics Office</li> <li>•Council Services and Governance</li> <li>•People, Innovation, Collaboration (excluding business and local economy) (<b>Note:</b> currently HR, IT and CSC are in SPC on Utilities and Corporate Services)</li> </ul>	<ul style="list-style-type: none"> <li>•Preparing representations on the impact of other governments' policies on The City of Calgary</li> <li>• Co-ordinating long term growth and development plans between The City and other municipalities</li> <li>• Developing strategies to address the needs for affordable housing in Calgary</li> <li>•Indigenous Relations</li> </ul>
<b>Membership:</b>  <b>7 Members of Council</b>	<b>Membership:</b>  <b>7 Members of Council</b>	<b>Membership:</b>  <b>Mayor</b>  <b>3 Chairs – 2 SPCs; Audit</b>  <b>3 Councillors-at-large</b>	<b>Membership:</b>  <b>Mayor</b>  <b>Representatives of AUMA; CMRB; FCM</b>  <b>3 Councillors-at-large</b>



## Current Council Committee Structure - For Reference



## Current Council Committee Structure - For Reference

<b>SPC</b> <b>Planning and Urban Development</b>	<b>SPC</b> <b>Transportation and Transit</b>	<b>SPC</b> <b>Community and Protective Services</b>	<b>SPC</b> <b>Utilities and Corporate Services</b>
<ul style="list-style-type: none"> <li>• Land use planning and policy</li> <li>• Development and building approvals</li> <li>• Urban Strategy</li> <li>• Community Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Planning, design and monitoring of transportation route;</li> <li>• Traffic operations</li> <li>• Parking facilities</li> <li>• Public Transit</li> </ul>	<ul style="list-style-type: none"> <li>• Parks, recreational, culture and social services</li> <li>• Civic partners</li> <li>• Affordable housing</li> <li>• Disaster Services</li> <li>• Bylaw Services</li> <li>• Fire Services</li> <li>• Grants related to services</li> <li>• Oversight of the ENMAX Legacy Parks Program by reviewing land acquisition opportunities, strategic program direction, and project selection</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental and safety management; environmental sustainability</li> <li>• Water resources and water services; waste and recycling services</li> <li>• Human resources; reviewing and making recommendations about corporate structure; corporate personnel issues; corporate policy;</li> <li>• Information technology and services; customer service and communications; facility management; supply; fleet services</li> <li>• Oversight of The City's involvement in property transactions and public policies and standards for land and assets managed by Administration</li> <li>• Recommending the naming of City-owned facilities.</li> </ul>

## Current Council Committee Structure - For Reference

<b>SSC</b> <b>Gas, Power, and Telecommunications Committee</b>	<b>SSC</b> <b>Intergovernmental Affairs Committee</b>	<b>SSC</b> <b>Priorities and Finance Committee</b>
<ul style="list-style-type: none"> <li>• Monitor and participate as necessary in regulatory proceedings only to protect the interests of the City of Clagary.</li> <li>• To provide oversight in the fields of telecommunication regulation and City Rights-of-Way agreements and bylaws.</li> </ul>	<ul style="list-style-type: none"> <li>• Preparing representations on the impact of other governments' policies on The City</li> <li>• Co-ordinating long term growth and development in the region</li> <li>• Affordable Housing strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Overseeing the City's property assessment and taxation process</li> <li>• Overseeing financial planning and reporting</li> <li>• Coordinating projects initiated by elected officials that require significant administrative resources</li> <li>• Directing notices of motion to Council or Council Committee for consideration</li> <li>• Coordinating cross-Departmental strategies, initiatives and projects</li> <li>• Overseeing Council's community sustainability strategy;</li> <li>• Coordinating the recruitment and appointment process for the City Manager for recommendation to Council and providing quarterly performance evaluations and ongoing monitoring of the City Manager as required by the <i>MGA</i> s. 205.1</li> </ul>





## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2021 May 10	C2021-0699	<p><b>Office of the Councillors: Governance Review and Proposal</b></p> <p>That with respect to Report C2021-0699, the following be adopted: That Council</p> <p>3. Direct the City Clerk's Office to review the mandate of the CCCO, returning to the Priorities and Finance Committee through the CCCO no later than July 2021 with a framework for Council governance over the accountability and transparency processes for matters related to the Office of the Councillors;</p>
2021 March 16	PFC2021-0226	<p><b>Deferral Request – Updates to the Procedure Bylaw due Q1 2021 to return on 20 July 2021</b></p>
2020 December 01	PFC2020-1374	<p><b>Deferral of Update on the Notice of Motion Process to 16 March 2021 with upcoming Procedure Bylaw Amendments</b></p>
2019 September 30	PFC2019-0913	<p><b>Notice of Motion Process Flow and Checklist</b></p> <p>That Council:</p> <p>4. Direct the City Clerk's Office to provide an update of this process to the Priorities and Finance Committee by Q4 2020.</p>



**Chief Financial Officer's Report to  
Priorities and Finance Committee  
2021 July 20**

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**Pension Governance Committee Annual Report**

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**RECOMMENDATION(S):**

That the Priorities and Finance Committee:

1. Recommends that Council receives this annual report for the Corporate Record.

**HIGHLIGHTS**

- This report is for information only and is intended to provide Council with assurances and information on all of The City's pension plans and activities.
- *What does this mean to Calgarians?* The City is providing oversight and sound management of The City's pension policies and plans. The City's responsibilities are detailed in Attachment 4.
- *Why does this matter?* Calgarians can be assured that The City is committed to managing The City's pension plans and retirement arrangements with transparency and full disclosure. The list of The City's pension plans and retirement arrangements is included as Attachment 3.
- The PGC complied with the PGC Terms of Reference and conducted four meetings in 2020. The Terms of Reference document was updated in March, 2021 to change the reference from ALT to ELT and is included as Attachment 2. The 2021 workplan is included as Attachment 7.
- The PGC complied with the PGC Code of Conduct and completed the PGC Self-Assessment questionnaire in 2020.
- The PGC complied with all legislative and reporting requirements for all applicable pension plans (including the Local Authorities Pension Plan (LAPP) and the Special Forces Pension Plan (SFPP).
- The City administered plan enrolments, retirements, terminations, and pensioner payments in accordance with the applicable plan provisions. Details on plan administration are included in Attachment 5.
- Council has received this report annually for information since 2004.
- Strategic Alignment to Council's Citizen Priorities: A well-run city. Background and Previous Council Direction is included as Attachment 1.
- Strategic Alignment to Council's Citizen Priorities: [Strategic Alignment](#).
- Background and Previous Council Direction is included as Attachment 1.

**DISCUSSION**

The City has responsibilities, of varying degrees, to the twelve pension plans and retirement arrangements (the "plans") in which City employees, and former City employees, belong. The responsibilities vary due to:

- Whether the plan is City-sponsored or whether The City is merely a participant or joint sponsor;
- Whether the plan is registered with Alberta Treasury Board & Finance and Canada Revenue Agency or whether it is not registered;
- Whether the plan is open to new entrants or whether it is closed to new entrants.

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## **Pension Governance Committee Annual Report**

Attachment 3 breaks down the plans into these categories and provides more detail about each one. Attachments 2 and 4 list who bears which responsibilities with respect to each of the twelve plans.

The internal service providers (Human Resources and Finance) and the external service providers (administrator, actuary, investment manager, custodian and auditor) have been delegated the day-to-day duties of administering the plans, except for the Local Authorities Pension Plan (LAPP), the Special Forces Pension Plan (SFPP) and the Calgary Firefighters Supplementary Pension Plan (FSPP). These service providers report regularly to the Pension Governance Committee (PGC) to provide updates on activities taken on The City's behalf.

In order to ensure that all PGC members are acting with integrity, the PGC has a Code of Conduct, which every PGC member must read and sign annually, attesting that they have complied with the PGC Code of Conduct. PGC members must also fill out a questionnaire annually which obliges PGC members to review how the plans were administered, service providers were monitored, and to assess their own level of knowledge and engagement.

The City has summarized the pension plan risks and mitigating strategies which have not been identified in previous reports, or which have changed since previous reports. For LAPP and SFPP, The City utilized information and data from LAPP and SFPP Corporations, as the applicable governing bodies, to develop the assessment below.

### **Local Authorities Pension Plan (LAPP)**

*Regulatory:* Effective 2021 January 1 the Government of Alberta enacted a ministerial order allowing the investment manager, AIMCo, to disregard a pension plan's investment policy. The ministerial order was enacted after LAPP Corporation and AIMCo failed to sign an investment management agreement before the December, 2020 deadline. LAPP Corporation has indicated on its website that the ministerial order is expected to be temporary until an investment management agreement is signed.

*Governance:* The City shares a triennially rotating seat on the Sponsor Board (representative) and the Corporate Board (fiduciary) with the City of Edmonton. The seats will rotate for the first time at the end of 2021. The City continues to actively work with the City of Edmonton on a Terms of Reference document which will include a requirement for the city who is on the Sponsor Board to communicate to the other city on a mutually acceptable basis.

*Funding:* LAPP is 98.1% funded as of the 2019 December 31 actuarial valuation. As of that date, the solvency ratio is 77.9%. Both these figures have decreased from the prior actuarial valuation report as at 2018 December 31, but contribution increases were not required due to the cushion embedded in the valuations.

In April of 2020, it was reported in the media that AIMCo lost billions of dollars due to a failed investment strategy (\$4 Billion: The Globe and Mail April 21, \$3 Billion: The Financial Post April 27). At its semi-annual stakeholder meeting on 2020 October 23, LAPP Corporation reported that the losses amounted to \$2.1 Billion, of which LAPP's share was approximately \$900 Million. At its semi-annual stakeholder meeting on 2021 April 8, LAPP Corporation reported that the investment strategy has been wound down and that AIMCO is changing its equity structure.



## **Pension Governance Committee Annual Report**

### **Special Forces Pension Plan (SFPP)**

*Regulatory:* Effective 2021 January 1 the Government of Alberta enacted a ministerial order allowing the investment manager, AIMCo, to disregard a pension plan's investment policy. The ministerial order was enacted after SFPP Corporation and AIMCo failed to sign an investment management agreement before the December, 2020 deadline. SFPP Corporation has indicated on its website that the ministerial order is expected to be temporary until an investment management agreement is signed.

On 2020 October 16, the Supreme Court of Canada issued its decision in a court case (Fraser v. Canada) involving RCMP officers who were not able to work full-time due to child caring responsibilities. Although a job-sharing arrangement was instituted in 1997, the Supreme Court agreed with the appellants that the restriction on buying back service in the pension plan for the time participating in the job-sharing program was discriminatory on the basis of sex. This decision may have implications for SFPP. SFPP reported on its website on 2021 February 12 that it is investigating these implications and will provide updates as they become available.

*Funding:* In April of 2020, it was reported in the media that AIMCo lost billions of dollars due to a failed investment strategy (\$4 Billion: The Globe and Mail April 21, \$3 Billion: The Financial Post April 24). On its website, SFPP Corporation reported that SFPP's share was approximately \$88 Million.

### **City of Calgary Supplementary Pension Plan (SPP)**

*Funding:* SPP is 111% funded as of the 2019 December 31 actuarial valuation. As of that date, the solvency ratio is 74%. Both these figures have increased from the prior actuarial valuation report as at 2016 December 31.

### **Supplementary Plan for Elected Officials of The City of Calgary (EOSP)**

On 2020 November 2, Council decided to accept the Council Compensation Review Committee's recommendation to close the EOSP to new entrants effective as at the 2021 election on 2021 October 18. The EOSP will become a "closed plan" as of that date.

## **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☒ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☒ Stakeholder dialogue/relations were undertaken

This report was provided to the PGC at the 2021 June 9 meeting for review.

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**IMPLICATIONS**

**Social**

Not applicable.

**Environmental**

Not applicable.

**Economic**

Not applicable.

**Service and Financial Implications**

Existing operating funding - base

The City includes its share of the pension contributions and operations of the Pension Governance Committee in the 4-year budget plans, as part of the Employee Benefits Program. Details of pension contributions for 2020 are included in Attachment 6.

**RISK**

Pension plan risks are detailed in the Discussion section of this report.

**ATTACHMENT(S)**

1. Background and Previous Council Direction
2. Terms of Reference for the Pension Governance Committee of The City of Calgary (2021 March 17)
3. 2020 Pension Plan Inventory
4. 2020 Pension Plan Governance and Administrative Update
5. 2020 Pension Plan Administration Report
6. 2020 Financial Report on the Position of the Pension Plans
7. The City of Calgary Pension Governance Committee 2021 Workplan

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform

## Attachment 1 - Background and Previous Council Direction

The Pension Governance Committee was established in 2002 for oversight of governance of pension plans and retirement arrangements in which City employees and Council participate. The Pension Governance Committee ensures compliance with the Alberta Employment Pension Plans Act and the Canadian Income Tax Act.

At the 2003 September 29 Special Meeting of Council regarding Pension Matters, Council directed "The Corporate Pension Governance Committee to bring forward an annual report, through the Accountability, Priorities and Agenda Committee to City Council on the state of Corporate Pensions based upon the reporting fundamentals of clarity, transparency and full disclosure, and further that this annual report be publicly available following acceptance by City Council."

The Pension Governance Committee consists of five members appointed by the City Manager and two Council members appointed by Council. The 2020 members were:

- Mark Lavallee, Chief Human Resources Officer
- Rebecca Andersen, Barrister & Solicitor, City Law Department
- Carla Male, Chief Financial Officer
- Michael Thompson, General Manager Green Line
- Laura Kennedy, Director/City Clerk (January to July)
- Rick Valdarchi, Director, Waste & Recycling Services (October To December)
- Councillor Diane Colley-Urquhart
- Councillor Ray Jones (January to October)
- Mayor Naheed Nenshi (October to December)

The 2020 attendance for current PGC members is as follows:

<b>PGC Member</b>	<b>Meetings Attended</b>	<b>Representative Sent</b>
Mark Lavallee	4/4	0/4
Carla Male	4/4	0/4
Michael Thompson	2/4	1/4
Rick Valdarchi	1/1	0/1
Rebecca Andersen*	0/4	4/4
Councillor Diane Colley-Urquhart	2/4	n/a**
Mayor Naheed Nenshi	1/1	n/a**

\* maternity leave in 2020

\*\* Councillors cannot send representatives





Terms of Reference for the Pension Governance  
Committee of the City of Calgary  
2021 March 17

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## 1. **Background**

1. The Pension Governance Committee (**PGC**) was established by the Chief Executive Officer of The City of Calgary (**The City**) as of July 8, 2002.
2. These terms of reference (**Terms of Reference**) outline the powers, responsibilities, and practices of the PGC.

## 2. **Mandate and Scope**

1. In accordance with the Municipal Government Act, R.S.A. 2000, Chapter M-26, “a chief administrative officer may delegate any of the chief administrative officer’s powers, duties or functions under this Act, including the chief administrative officer’s duties referred to in section 208(1), or under any other enactment or bylaw to a designated officer of an employee of the municipality.” The chief administrative officer of The City is the City Manager.
2. The PGC is responsible for oversight and/or reporting on matters relating to the pension plans in which City employees participate (**Plans**). A current list of Plans is in Appendix B, and the PGC’s responsibility as delegated by the City Manager for each is detailed in Appendix C.
3. Notwithstanding section 2(2), any decision of the PGC that significantly changes the financial or non-financial risk, the cost, or the strategic impact of the Plans must be reported to and approved by, The City’s City Manager (**City Manager**) or appropriate committee of Council.

## 3. **Responsibilities**

1. The PGC will report to the City Manager and Council, or the appropriate committee of Council, at intervals not to exceed 14 months. Information for each Plan as detailed in Appendix D.

2. At least once each year, the PGC will affirm to the City Manager that the PGC and The City have discharged their responsibilities in relation to the Plans in accordance with:
  - (1) applicable legislation;
  - (2) the Plans' provisions;
  - (3) these Terms of Reference; and
  - (4) any policies or other documents established by the PGC or The City and that pertain to the Plans.
3. If such affirmation cannot be made, the PGC will detail any shortcomings and the PGC's plans to address those shortcomings.
4. Members of the PGC are indemnified and held harmless under existing City policies. City employees are covered under Coverage E of the Employee Benefit Programs Liability. Councillors are covered under Council Policy CC010.

#### 4. **Membership**

1. Members of the PGC (**PGC Members**) will be appointed to the PGC as follows:
  - (1) the City Manager will appoint the chairperson of the PGC (Chair) and other PGC Members who are not Councillors and they will continue in office until removed by the City Manager; and
  - (2) Council will appoint PGC Members who are Councillors to the PGC and they will continue in office until removed by Council.
2. PGC Members will be removed from the PGC as follows:
  - (1) the City Manager may remove any PGC Member who is not a Councillor from the PGC at any time and without notice; and
  - (2) Council can remove any PGC Member who is a Councillor from the PGC at any time and without notice.
3. A PGC Member who has been removed (or the personal representatives of a deceased or incapacitated PGC Member) will convey any and all records, books, documents, and other property pertaining to the Plans to the Chair as soon as possible.
4. Appendix A is a list of current PGC Members and the Pension Advisor will update such list as soon as possible upon any change in the composition of the PGC.



## **5. Chair**

1. The Chair of the PGC is The City's Chief Human Resources Officer.
2. The Chair chairs any meeting of the PGC. If the Chair is absent, the Chair will designate an appropriate representative to chair the meeting and such representative will be entitled to exercise the Chair's voting rights. In the absence of such a designation, the PGC will designate one PGC Member or the Pension Advisor to chair the meeting and such designate will not be entitled to exercise the Chair's voting rights.

## **6. Meetings**

1. The PGC will meet at least four times per calendar year.
2. Regular or special meetings of the PGC may be called by the Chair acting alone or by any two PGC Members acting jointly, by giving at least five days' notice of the time and place of such meeting to each PGC Member.
3. Special meetings of the PGC may be held at any time without notice if all of the PGC Members are present at such meeting, or if those absent consent to the holding of a meeting and if there is quorum.
4. In lieu of meeting in person, the PGC may hold meetings by telephone conference call, electronically, or other comparable means, subject to the above notice requirements for meetings.
5. A notice of any meeting of the PGC will outline a draft agenda and will normally be given in writing by the Pension Advisor to each PGC Member at least five days before each meeting.
6. The minutes of a meeting of the PGC will be amended or ratified at the next PGC meeting.

7. If a PGC Member is absent from a PGC meeting for any reason other than a conflict of interest, the absent PGC Member may designate an appropriate representative to take any action or make any decision in connection with the absent PGC Member's powers and responsibilities on the PGC during such absence. If the Chief Financial Officer (CFO) is absent from a PGC meeting, the CFO must designate the City Treasurer or other Finance Manager.
8. The designated representative of a PGC Member may vote on behalf of the absent PGC Member. An absent PGC Member who is so represented will be deemed to have approved any decision made on his/her behalf by their designated representative.

#### **7. Quorum**

1. The quorum for any meeting of the PGC will be four PGC Members.

#### **8. Recommendation/Decision Making**

1. The decisions of the PGC will require the vote of four or more PGC Members present at the meeting. Each PGC Member or their designate has one vote.

#### **9. Dispute Resolution**

1. In the event that a dispute among PGC Members arises out of, or related to, these Terms of Reference or any aspect of the administration of the Plans and such dispute cannot be resolved by the PGC Members during PGC meetings, it must be referred to the City's City Manager for final determination.

#### **10. Pension Advisor**

1. The Pension Advisor will be appointed by the PGC and will continue in office hereunder until removed by the PGC. The Pension Advisor is not a PGC Member and has no voting or decision-making authority in respect of the PGC.

2. The Pension Advisor must:

- (1) keep the official records of the PGC's decisions and actions;
- (2) record the minutes of each PGC meeting and, where indicated by the Pension Governance Committee Code of Conduct, record declared conflicts of interest in the minutes;
- (3) ensure that minutes are distributed to each PGC Member within two weeks following each meeting;
- (4) ensure that records are kept that contain all documents, reports, and correspondence received by the PGC; and
- (5) arrange for new PGC Members to receive appropriate orientation and education with respect to the responsibilities of PGC Members and the PGC.

3. The PGC can remove the Pension Advisor from office hereunder, at any time and without notice.

4. A Pension Advisor who has been removed (or the personal representatives of a deceased or incapacitated Pension Advisor) will convey any and all records, books, documents, and other property pertaining to the Plans to the Chair as soon as possible.

**11. Reimbursement of Expenses**

1. The City will pay or reimburse PGC Members and the Pension Advisor for their normal and reasonable expenses incurred or incidental to the performance of their duties hereunder.

**12. Delegation**

1. The PGC may delegate to a suitably qualified delegate any of its powers and responsibilities under these Terms of Reference, including to the Pension Advisor. Such delegation will be documented by either:
  - (1) delegate-specific terms of reference established by the PGC; or
  - (2) a delegate-specific contract for services established between the delegate and The City and approved by the PGC.

2. Such delegation will contain appropriate provision with respect to reporting by the delegate to the PGC on such delegated powers and responsibilities.
3. The PGC will retain responsibility for the effective monitoring of the performance of delegates, liaising as appropriate with such delegates and their directors, managers, or supervisors.

### **13. Education**

1. PGC Members are responsible for developing proficient knowledge of their duties as PGC Members and the duties of the PGC.
2. On at least an annual basis, the Pension Advisor must investigate educational opportunities for PGC Members and report on such opportunities to the PGC. PGC Members are responsible for maintaining competency in relation to all matters over which the PGC has oversight.

### **14. Amending Terms**

1. The City Manager may amend these Terms of Reference at any time. Any amendment will be acknowledged by the adoption of a resolution at a meeting of the PGC and will be recorded in the minutes of the PGC.

### **15. Annual Review**

1. These Terms of Reference will be reviewed annually by the PGC and updated as necessary.



## 16. Delegation of Signing Authority

1. The City Manager hereby delegates the following authority:

Where agreements or contracts relating to the administration of the Plans have been approved in principle by the PGC in accordance with these Terms of Reference, such agreements or contracts may be executed by two members of the PGC of which at least one must be the City's Chief Human Resources Officer or Chief Financial Officer.

### Signatories

**THE CITY OF CALGARY**

By:  \_\_\_\_\_

Name: David Duckworth

Title: City Manager

Date:

## **Appendix A**

### **MEMBERS OF THE PENSION GOVERNANCE COMMITTEE**

As of March 2021, members of the Pension Governance Committee are the persons occupying the positions listed below:

Chief Human Resources Officer, Chair

Councillor Appointee 1

Councillor Appointee 2

Chief Financial Officer

Administrative Law Representative

Executive Leadership Team (ELT) Representative\*

Senior Management Team (SMT) Representative\*

## **Appendix B**

### **LIST OF PLANS**

#### Registered Plans - Multi-Employee/Employer

- Local Authorities Pension Plan (LAPP)
- Special Forces Pension Plan (SFPP)

#### Registered Plans – City Specific

- The City of Calgary Supplementary Pension Plan (SPP)
- Calgary Firefighters' Supplementary Pension Plan (FSPP)
- Calgary Police Supplementary Pension Plan (PSPP)

#### Non-Registered Retirement Arrangements – Active Employees

- The City of Calgary Overcap Pension Plan (OCPD)
- The City of Calgary Police Chief and Deputies' Overcap Pension Plan (PCDOPP)

#### Non-Registered Retirement Arrangements – Inactive Members

- The City of Calgary Fire Chief and Deputies Overcap Pension Plan (FCDOPP)
- The City of Calgary Executive Pension Plan (EPP)
- Contractual Obligations

#### Registered Plan – Council

- Pension Plan for Elected Officials of The City of Calgary (EOPP)

#### Non-Registered Retirement Arrangements – Council

- Supplementary Pension Plan for Elected Officials of The City of Calgary (EOSP)

## Appendix C

### RESPONSIBILITY MATRIX

<b>Pension Plan or Retirement Arrangement</b>	<b>LAPP</b>	<b>SFPP</b>	<b>SPP</b>	<b>FSPP</b>	<b>PSPP</b>	<b>EOPP</b>	<b>Non-Registered Retirement Arrangements</b>
<b>Trustee</b>	LAPP Corporate Board	SFPP Corporate Board	The City Manager or delegate	FSPP Board of Trustees	Board of Trustees	The City Manager or delegate	The City Manager or delegate
<b>Administrator</b>	LAPP Corporation	SFPP Corporation	The City Manager or delegate	FSPP Board	The City Manager or delegate	The City Manager or delegate	The City Manager or delegate
<b>City Manager or Delegate's Role</b>	Shared representation LAPP Corporate Board with the City of Edmonton	Representation on SFPP Corporate Board	Ongoing PGC monitoring	Trustees on FSPP Board of Trustees	Trustees on Board of Trustees	Ongoing PGC monitoring	Ongoing PGC monitoring
<b>City's Responsibility</b>	Establish / promote City position and interests, review performance, ensure compliance with administrative duties such as contributions, annual data reporting, and membership changes	Establish / promote City position and interests, review performance, ensure compliance with administrative duties such as contributions, annual data reporting, and membership changes	Perform all duties as required as trustee and administrator under the plan text and applicable pension legislation	Establish / promote City position and interests, review performance, ensure compliance with administrative duties such as contributions, annual data reporting, and membership changes	Establish / promote City position and interests, review performance, ensure compliance with administrative duties such as pension payments	Perform all duties as required as trustee and administrator under the plan text and applicable pension legislation	Perform all duties as required as trustee and administrator under plan texts

## Appendix D

### PGC REPORTING

<b>Pension Plan or Retirement Arrangement</b>	<b>LAPP</b>	<b>SFPP</b>	<b>SPP</b>	<b>FSPP</b>	<b>PSPP</b>	<b>EOPP</b>	<b>Non-Registered Retirement Arrangements</b>
<b>Funded status on an actuarial basis</b>	Yes	Yes	Yes	Yes	n/a	Yes	n/a
<b>Funded status on an accounting basis<sup>1</sup></b>	No	No	Yes	Yes	Yes	Yes	Yes
<b>Funding requirements (contributions)</b>	Yes	Yes	Yes	Yes	n/a	Yes	n/a
<b>Investment performance</b>	Yes	Yes	Yes	Yes	n/a	Yes	n/a
<b>Significant developments affecting the Plan since the previous report</b>	Yes	Yes	Yes	Yes	n/a	Yes	Yes
<b>Significant changes to the financial or non-financial risk, the cost, or the strategic impact of the Plan</b>	Yes	Yes	Yes	Yes	n/a	Yes	Yes

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<sup>1</sup> Matters relating to the accounting results presented in The City's financial statements do not form part of the PGC's responsibilities. They are included in the PGC Annual Report for comparison purposes and connection to The City's financial statements.



## REVISION HISTORY

Review Date	Description
2021/03/17	Updated name of Executive Leadership Team
2020/05/07	Updated mandate wording Section 2, clarification of roles and responsibilities, requirement for annual review, and housekeeping changes
2016/07/13	Updated Section 15 Delegation of Signing Authority
2016/03/09	Revised Document

## Attachment 3 – 2020 Pension Plan Inventory

This document provides an overview of the pension plans and retirement arrangements that employees of The City and Council participate in. Plan activities are reported quarterly to the Pension Governance Committee (PGC). Administrative, legal, funding and financial information are found in the subsequent attachments.

### Registered Plans - Multi-Employer

**Local Authorities Pension Plan (LAPP)** - is a defined benefit pension plan for the employees of local authorities in Alberta. The City of Calgary (The City) is one of over 400 employers who participate in the plan. LAPP is the largest pension plan in which The City participates. LAPP covers all permanent unionized and exempt employees (except for Police) at The City. Other employees may be eligible to join according to The City's Administration Policy HR-TR-002: *Participating in the Local Authorities Pension Plan*. LAPP Corporation is the legal trustee of LAPP. LAPP is governed by boards consisting of employee and employer representatives including a position on each board which is shared by the City of Edmonton and The City of Calgary.

**Special Forces Pension Plan (SFPP)** - is a defined benefit pension plan for sworn police officers in the province of Alberta. The City is the largest of seven employers who participate in the plan. SFPP covers all members of the Calgary Police Association, Senior Police Association, the Chief of Police and the Deputy Chiefs of Police. The SFPP is the second largest plan in which The City participates. SFPP Corporation is the legal trustee of SFPP. SFPP is governed by boards consisting of employee and employer representatives including a position on each board held by The City of Calgary.

### Registered Plans - City Specific

**The City of Calgary Supplementary Pension Plan (SPP)** - is a registered defined benefit pension plan and is available to all union-exempt City employees whose permanent positions are classified at exempt level F and above. The SPP provides benefits that supplement members' base LAPP benefit. The City is the plan sponsor of the SPP.

**Calgary Firefighters' Supplementary Pension Plan (FSPP)** - provides benefits which supplement firefighters' base LAPP benefit. The FSPP is a registered pension plan outlined in the collective agreement between The City and the International Association of Fire Fighters (IAFF). Local 255 and is mandatory for all eligible IAFF Local 255 members. The FSPP is administered by a joint Board of Trustees with representation from The City, IAFF, and an independent chair.

**The Calgary Police Supplementary Pension Plan (PSPP)** - is a defined benefit registered pension plan that provides benefits to Calgary Police Service members who retired from The City prior to 1979. At the end of 2020, the plan membership consists of 15 pensioners / beneficiaries. This is a closed plan and will terminate when the final pension payment is made. The PSPP is governed by the PSPP Board of Trustees which consists of representatives from the Calgary Police Association, Calgary Senior Police Association, The City and an independent chair. The PSPP meets on an annual basis. The City has sole responsibility for funding the plan.

The City is the sponsor of individual and group non-registered pension arrangements. These plans are not registered for Canada Revenue Agency purposes and provide defined-benefit pension benefits in excess of the limits of the *Income Tax Act (Canada)* supplemental to the registered plans. As such, there is no legislated requirement to pre-fund these plans through external trusts. Sufficient funds are held within The City's investments to cover the obligations of these plans.

#### Non-Registered Retirement Arrangements - Active Employees

***The City of Calgary Overcap Pension Plan (OCP)*** – covers eligible union-exempt employees whose permanent position is classified exempt level G and above, whose earnings are above the Canada Revenue Agency maximum pensionable earnings. The OCP is supplemental to LAPP and SPP.

***The City of Calgary Police Chief and Deputies Overcap Pension Plan (PCDOP)*** – covers the Police Chief and Deputies who participate in the SFPP.

#### Non-Registered Retirement Arrangements - Inactive Members

***The City of Calgary Fire Chief and Deputies Overcap Pension Plan (FCDOP)*** – is a closed plan for the Fire Chief and Deputies. There are no active members in the FCDOP.

***The City of Calgary Executive Pension Plan (EPP)*** – is a closed plan and provides a benefit for Executive Officers who were appointed to these positions prior to 2003. There are no active members in the EPP, and the plan will terminate when the final payment is made.

**Contractual Obligations** – The City had entered into individual compensation arrangements with key members of management that provide defined benefits upon retirement. There are no active employees with pension contracts.

#### Registered Plan - Council

**Pension Plan for Elected Officials of The City of Calgary (EOP)** - is a defined benefit registered pension plan that provides benefits for The City of Calgary Elected Officials. The City is the sponsor of the EOP.

#### Non-Registered Retirement Arrangement - Council

**Supplementary Pension Plan for Elected Officials of The City of Calgary (EOSP)** – is for the Elected Officials who have earnings above the Canada Revenue Agency maximum pensionable earnings. This plan provides pension benefits in excess of the EOP and will be closed to new entrants as of the 2021 October 18 municipal election.

## Attachment 4 – 2020 Pension Plan Governance and Administrative Update

### Governance Update

#### Registered Plans - Multi-Employer

<b>Pension Plan</b>	<b>LAPP</b>	<b>SFPP</b>
<b>Plan Trustee</b>	LAPP Corporation, overseen by the Corporate Board of Directors, is the administrator and trustee of the plan.	SFPP Corporation, overseen by the Corporate Board of Directors, is the administrator and trustee of the plan.
<b>Stakeholder Participation</b>	<p>The City shares representation on the Corporate Board of Directors and the Sponsor Board with the City of Edmonton.</p> <p>The City continues to participate in LAPP stakeholder consultation group meetings. There were two meetings held in 2020.</p>	The City has representation on the Corporate Board of Directors and the Sponsor Board.

#### Registered Plans - City Specific

<b>Pension Plan</b>	<b>SPP</b>	<b>FSPP</b>	<b>PSPP</b>
<b>Plan Trustee</b>	The City	Board of Trustees	Board of Trustees
<b>Stakeholder Participation</b>	Ongoing PGC monitoring	There are three City-appointed trustees on the Board (currently two retirees and one active employee)	There are two City-appointed trustees on the Board
<b>Amendments</b>	None	None	N/A
<b>Governance Documents</b>	Funding policy, governance policy and Statement of Investment Policy up-to-date		N/A

Registered Plan - Council

<b>Pension Plan</b>	<b>EOPP</b>
<b>Plan Trustee</b>	The City
<b>Stakeholder Participation</b>	Ongoing PGC monitoring
<b>Amendments</b>	None
<b>Governance Documents</b>	Funding policy, governance policy, and Statement of Investment Policy up-to-date

Non-Registered Retirement Arrangements

<b>Pension Plan</b>	<b>Non-Registered Retirement Arrangements*</b>
<b>Plan Trustee</b>	The City
<b>Stakeholder Participation</b>	Ongoing PGC monitoring
<b>Amendments</b>	The EOSP will be amended as at 2021 October 18 to close it to new entrants as of that date
<b>Governance Documents</b>	N/A

\*Refer to Attachment 3 for non-registered retirement arrangements

## Administrative Update

Registered Plans - Multi-Employer

<b>Pension Plan</b>	<b>Local Authorities Pension Plan (LAPP)</b>	<b>Special Forces Pension Plan (SFPP)</b>
<b>Plan Administration</b>	Alberta Pensions Services Corporation is responsible for administration	
<b>Representation</b>	The Plan Administrator has provided The City with an on-site resource to liaise between it and The City	



Registered Plans - City Specific

<b>Pension Plan</b>	<b>Supplementary Pension Plan (SPP)</b>	<b>Firefighters Supplementary Pension Plan (FSPP)</b>	<b>Police Supplementary Pension Plan (PSPP)</b>
<b>Administrative Services Provider</b>	Aon	LifeWorks (Morneau Shepell)	The City
<b>Representation</b>	The Provider reports quarterly to the PGC	The Provider reports quarterly to the Board of Trustees	City Administration reports annually to the Board of Trustees

Registered Plans – Council

<b>Pension Plan</b>	<b>Elected Officials Pension Plan (EOPP)</b>
<b>Administrative Services Provider</b>	Aon
<b>Representation</b>	The Provider reports quarterly to the PGC

Non-Registered Retirement Arrangements

<b>Pension Plan</b>	<b>Non-Registered Retirement Arrangements*</b>
<b>Administrative Services Provider</b>	Aon
<b>Representation</b>	The Provider reports quarterly to the PGC

\*Refer to Attachment 3 for the list of non-registered retirement arrangements



Multi-Employer Pension Plans		
Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
Total active City of Calgary members	12,838	2,215
2020 Cost-of-Living Adjustment (COLA) to Pension Payments	1.02%	* 1.02% / 0.51%

Due to the multi-employer nature of LAPP & SFPP, information specific to The City of Calgary member refunds and pension payments is not readily available.

Each year the pension payments increase at a rate of 60% of the change in the Alberta Consumer Price Index (ACPI) with the exception of COLA of the Special Forces Pension Plan post-2000 service which increases at a rate of 30% of ACPI.

\* The 1.02 % increase on base pension applies to pensionable service up to December 31, 2000. For pensionable service after December 31, 2000, a one-time increase of 0.51% on base pension will apply.

City Sponsored Pension Plans						
Pension Plan	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Elected Officials Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP) (Note 1)	Active Non-Registered Pension Arrangements (Note 2)	Inactive Non-Registered Pension Arrangements (Note 3)
Total active members reported to plan administrators as at 2020 Dec 31	774	1362	12	N/A	267	0
Number of refunds to members in 2020	50	26	-	N/A	8	0
Number of pensioners receiving monthly pensions as at 2020 Dec 31	179	984	23	15	94	23
2020 Cost-of-Living Adjustment (COLA) to Pension Payments (Note 4)	1.02%	1.02%	1.25%	1.02%	1.02%	1.02% / 1.25%

**Note 1:** The PSPP is deemed a closed plan as police officers who have retired after September 1, 1979 are covered under the special Forces Pension Plan. The plan will terminate when the final payment is made. Pension benefits under the PSPP are increased automatically when adjustments are made to pensions under the LAPP.

**Note 2:** Non-Registered Pension Arrangements with active members include OCPP and PCDOPP

**Note 3:** Non-Registered Pension Arrangements with no active members include EOSP, EPP, FCDOPP and Contracts

**Note 4:** Each year the pension increases at a rate of 60% of change in the Alberta Consumer Price Index (ACPI) with the exception of the COLA for the Supplementary Pension Plan for Elected Officials and the Elected Officials Pension Plan which increases at a rate of 66.67% of the change in the Canada Consumer Price Index.

## Attachment 6 - 2020 Financial Report on the Position of the Pension Plans

### Funded Status - \$ thousands

	Multi-Employer Pension Plans Actuarial Funded Position	
Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
Valuation Date	2019 Dec 31	2019 Dec 31
Next Valuation Date (not later than)	2022 Dec 31	2022 Dec 31
Assets	\$49,193,800	\$3,331,500
Liabilities	\$50,137,400	\$3,580,500
Unfunded Liability/ (Excess Assets)	\$943,600	\$249,000
Going Concern Funded Ratio	98.1%	93.0%

*Refer to graphs on page 4*

City employees are members of the multi-employer plans, LAPP or SFPP. The plans are funded through a combination of the contributions paid by members and The City and the investment returns earned on the assets of the plan.

An actuarial valuation is performed at least every three years to determine the financial position of the pension plan and the future contributions rates needed to ensure the long-term funding of the plans indefinitely. The funded ratio compares the value of the plan assets to plan liabilities while a plan is ongoing. An unfunded liability exists when the actuarial valuation determines the plan's liabilities exceed the plan's assets.

Due to the multi-employer nature of LAPP and SFPP, information is not available to determine The City's portion of the plans' obligations and assets. However, given that LAPP and SFPP have unfunded liabilities, an inherent unrecorded liability amount is attributable indirectly to The City and the plan participants.

Both LAPP and SFPP Boards have had long-term funding strategies in place for some time and over the past ten years the average funded ratio of the Plans have improved significantly. Plan deficiencies are resolved by a combination of elements: increased future employee and employer contributions, increased investment returns and interest rates, and management or amendment of future liabilities.

\* The going concern funded status of SFPP as of 2019 December 31 was 93.00% (2018 – 92.4%) based on the minimum level of indexing at 30% of CPI for post-2000 service.



**Funded Status - \$ thousands (continued)**

<b>City Sponsored Pension Plans Actuarial Funded Position</b>			
Pension Plan	Supplementary Pension Plan (SPP) (100%)	Firefighters Supplementary Pension Plan (FSPP) (100%)	Elected Officials Pension Plan (EOPP)
Valuation Date	2019 Dec 31	2018 Dec 31	2018 Dec 31
Next Valuation Date (not later than)	2022 Dec 31	2021 Dec 31	2021 Dec 31
Assets	\$61,944	\$188,676	\$13,982
Liabilities	\$55,949	\$185,026	\$10,443
Unfunded Liability/ (Excess Assets)	(\$5,995)	(\$3,650)	(\$3,539)
Going Concern Funded Ratio	110.72%	102.00%	133.88%

*Refer to graphs on page 4*

The SPP, FSPP and EOPP are registered pension plans that are funded through a combination of the contributions paid by members and The City and the investment returns earned on the assets of the plan.

Each plan holds its assets in an external trust fund solely for the members of the plan.

An actuarial valuation is performed at least every three years to determine the financial position of the plans and the future contributions rates needed to ensure the long-term funding and sustainability of the plans. The funded ratio compares the value of the plan assets to plan liabilities while a plan is ongoing.

The City and the members of SPP and FSPP share the cost of future service and future unfunded liabilities 55% by The City and 45% by the plan members. The EOPP is funded by members contributing a fixed rate of earnings and The City providing the balance of the funding.

**Funded Status - \$ thousands (continued)**

<b>City Sponsored Pension Plans Accounting Funded Position</b>						
Pension Plan	Supplementary Pension Plan (SPP) (55%)	Firefighters Supplementary Pension Plan (FSPP) (55%)	Elected Officials Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP)	Active Non- Registered Pension Arrangements (Note 1)	Inactive Non- Registered Pension Arrangements (Note 2)
Valuation Date	2020 Dec 31	2020 Dec 31	2020 Dec 31	2020 Dec 31	2020 Dec 31	2020 Dec 31
Assets	\$36,004	\$117,183	\$16,985	-	-	-
Benefit Obligation	\$50,199	\$176,580	\$15,585	\$1,562	\$46,778	\$10,105
Deficiency/ (Surplus)	\$14,196	\$59,397	(\$1,401)	\$1,562	\$46,778	\$10,105
Unrecognized Experience Gains/(Losses)	(\$8,711)	(\$11,966)	\$984	-	(\$15,680)	-
Liability/(Asset)	\$5,484	\$47,431	(\$416)	\$1,562	\$31,079	\$10,105

The City has full responsibility for funding the PSPP and the non-registered pension arrangements as the benefit payments become due. There is no legislated requirement to pre-fund these plans through external trusts and there are no member contributions. A valuation is performed annually for financial statement purposes. Information can be found in The City's Annual Report, Employee Benefit Obligation note.

**Note 1:** Non-Registered Pension Arrangements with active members include OCPP and PCDOPP

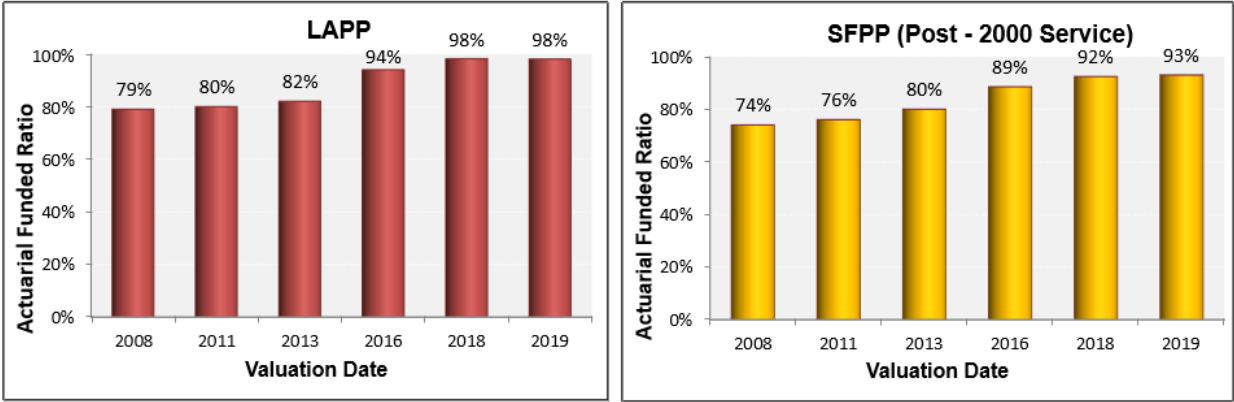
**Note 2:** Non-Registered Pension Arrangements with no active members include FCDOPP, EOSP, EPP and Contracts

The unrecognized experience gains and losses are recognized as a liability over the expected average remaining service life of the active members. The PSPP is a closed plan and will terminate when the final pension payment is made. As such any actuarial gains or losses are fully recognized in the year they arise.

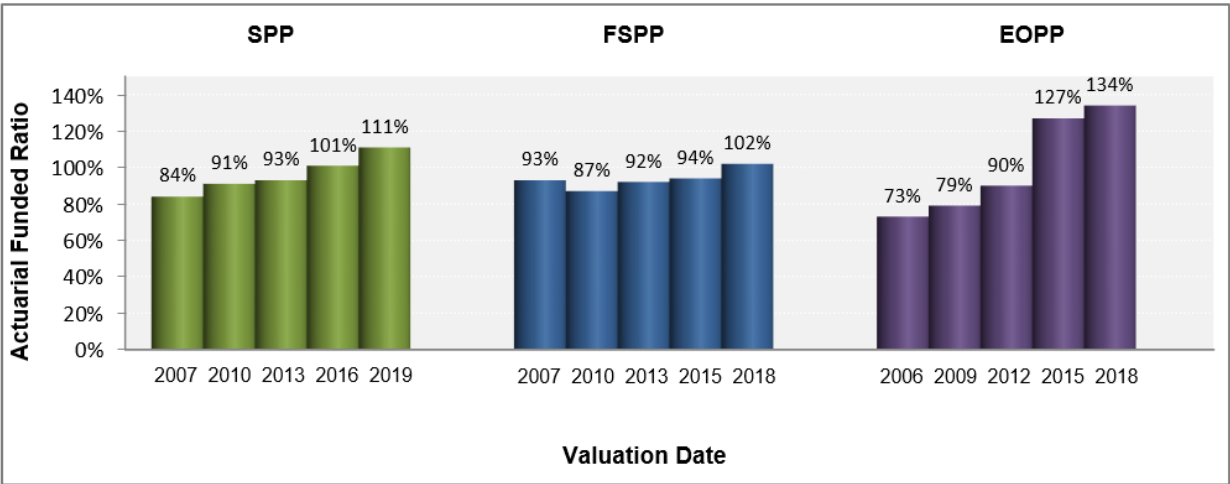
Sufficient funds are held within The City's investments to cover the unrecognized experience as determined by the most recent valuation for accounting purposes.

Funded Status (continued)

Actuarial Funded Ratio of Multi-Employer Pension Plans



Actuarial Funded Ratio of The City Sponsored Pension Plans



**2020 Contributions - \$ thousands**

Multi-Employer Pension Plans		
Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
City Contributions	\$133,829	\$36,729
Member Contributions	\$120,807	\$33,736
Contribution Remittance Cycle	Bi-weekly	Bi-weekly
Effective Date of Contribution Rates	2019 Jan 1	2010 July 1
Member Contribution Rate	8.39% up to YMPE 12.84% over YMPE & up to Annual Salary Cap	13.45% up to Annual Salary Cap
City Contribution Rate	9.39% up to YMPE 13.84% over YMPE & up to Annual Salary Cap	14.55% up to Annual Salary Cap
2020 YMPE	\$58,700	\$58,700
2020 Annual Salary Cap	\$172,221	\$172,221

*Refer to graphs on page 8*

The contributions are made in accordance with the terms of the LAPP and SFPP plan texts and the most recent actuarial valuation report. The City's contributes 1% of pay more than members for LAPP, and 1.1% more for SFPP. Local government also contributes an additional 1.25% to SFPP.

**2020 Contributions - \$ thousands (continued)**

City Sponsored Pension Plans						
Pension Plan	Supplementary Pension Plan (SPP) (Note 1, 7)	Firefighters Supplementary Pension Plan (FSPP) (Note 1)	Elected Officials Pension Plan (EOPP) (Note 1)	Police Supplementary Pension Plan (PSPP) (Note 2, 3)	Active Non-Registered Pension Arrangements (Note 3, 4, 5)	Inactive Non-Registered Pension Arrangements (Note 3, 4, 6)
City Contributions	\$3,031	\$4,588	\$281	\$167	\$4,891	\$547
Member Contributions	\$2,436	\$3,843	\$136	N/A	N/A	N/A
Pension Payments	\$ 642	\$ 8,864	\$460	\$167	\$1,482	\$547
Member Refunds	\$ 3,936	\$ 2,013	\$ 0	\$ 0	\$3,409	\$0
Contribution Remittance Cycle	Monthly	Bi-weekly	Monthly	N/A	N/A	N/A
Effective Date of Contribution Rates	2017 Sept 04	2019 Oct 1	2016 Jan 1	N/A	N/A	N/A
Member Contribution Rates	2.35% Up to Annual Salary Cap	2.32% Up to Annual Salary Cap	9.00% Up to Annual Salary Cap	N/A	N/A	N/A
City Contribution Rates	2.92% Up to Annual Salary Cap	2.83% Up to Annual Salary Cap	18.64% Up to Annual Salary Cap	N/A	N/A	N/A
2020 Annual Salary Cap	\$154,611	\$172,221	\$154,611			

*Refer to graphs on page 8*

**Note 1:** The contributions are made in accordance with the terms of the plan texts and the most recent actuarial valuation report as follows:

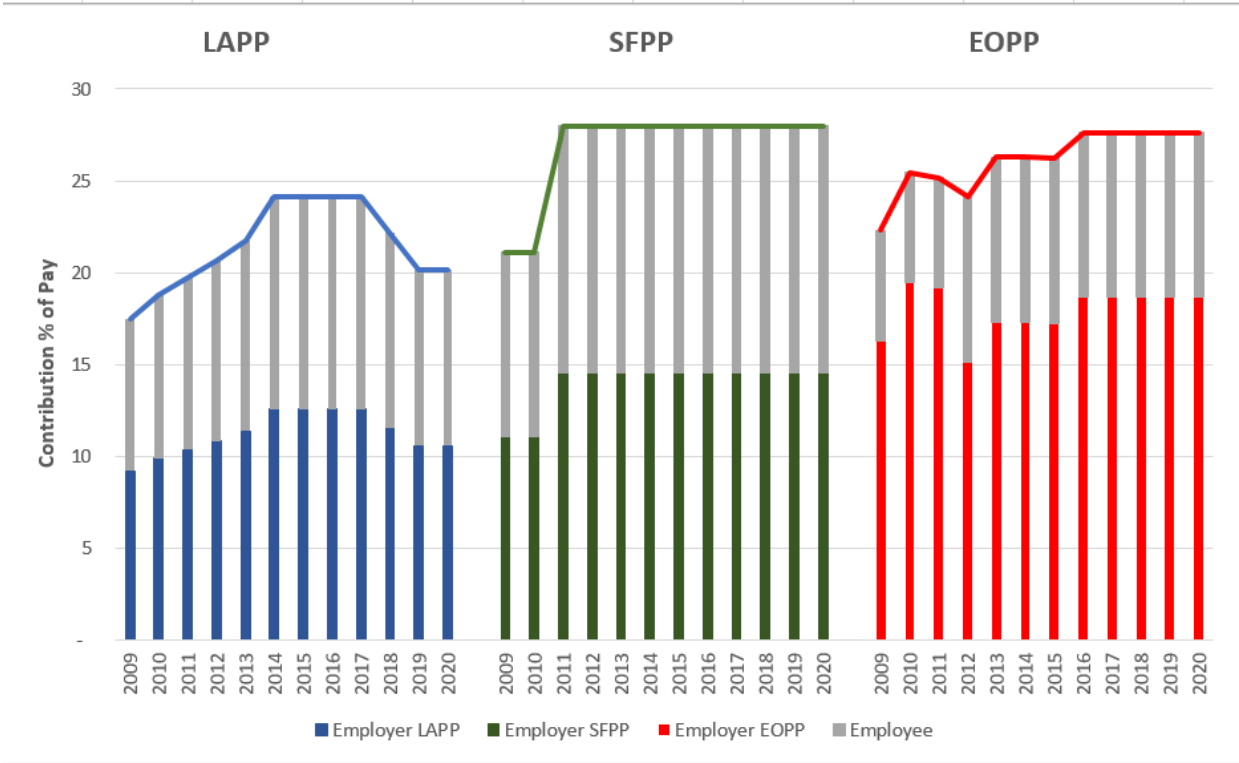
- SPP & FSPP: the current service costs and going concern unfunded liabilities are shared 45% by the members and 55% by The City.
- EOPP: members contribute a fixed rate of earnings with The City providing the balance of the funding.

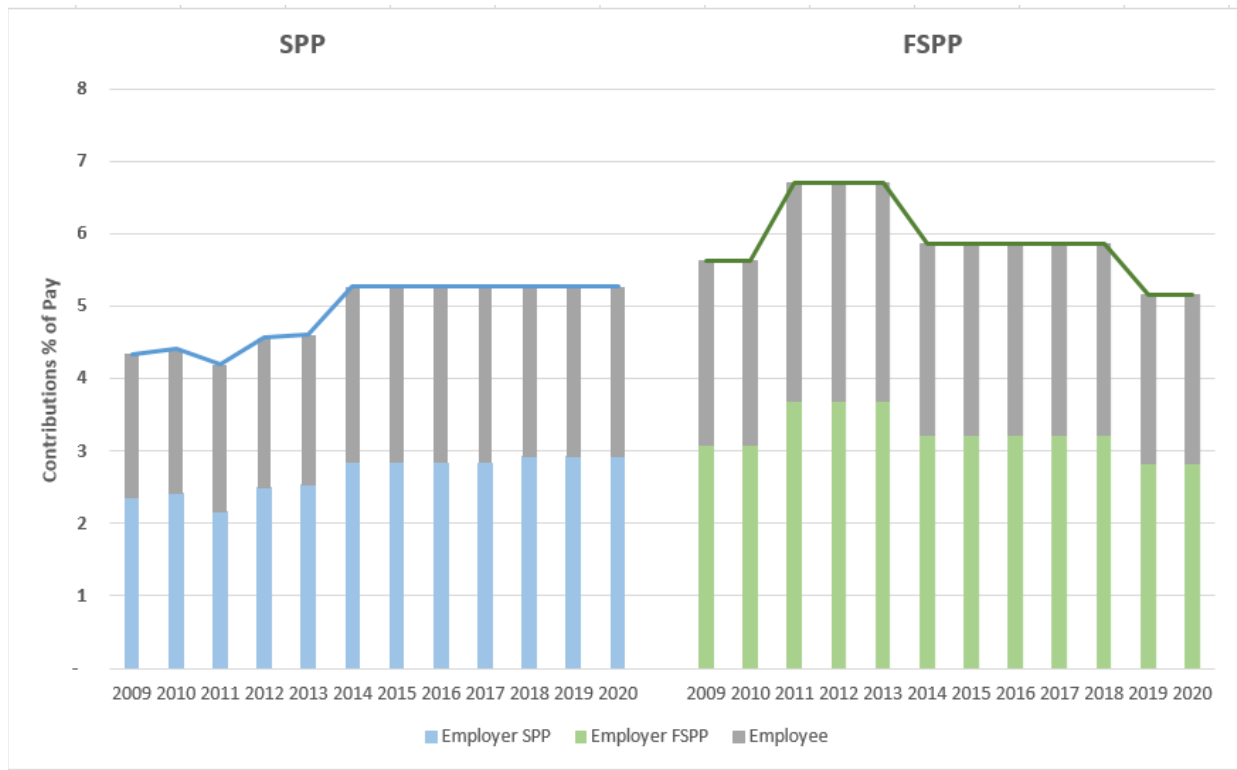


- Note 2:** The City has full responsibility for funding the PSPP as the benefit payments become due. The PSPP is a closed plan and will terminate when the final pension payment is made.
- Note 3:** The City Contributions for Non-Registered Pension Arrangements are comprised of the actual Pension Payments and Member lump-sum Refunds in lieu of a monthly pension.
- Note 4:** The City has full responsibility for funding the Non-Registered Pension Arrangements as the payments become due. There is no legislated requirement to pre-fund these plans and there are no member contributions
- Note 5:** Non-Registered Pension Arrangements with active members include OCPP and PCDOPP
- Note 6:** Non-Registered Pension Arrangements with no active members include FCDOPP, EOSP, EPP and Contracts
- Note 7:** SPP contribution rates will be changing to 2.37% Employee, 2.90% Employer as of Jan 1<sup>st</sup>, 2021

2020 Contributions (continued)

Contribution Rates (combined members and The City)

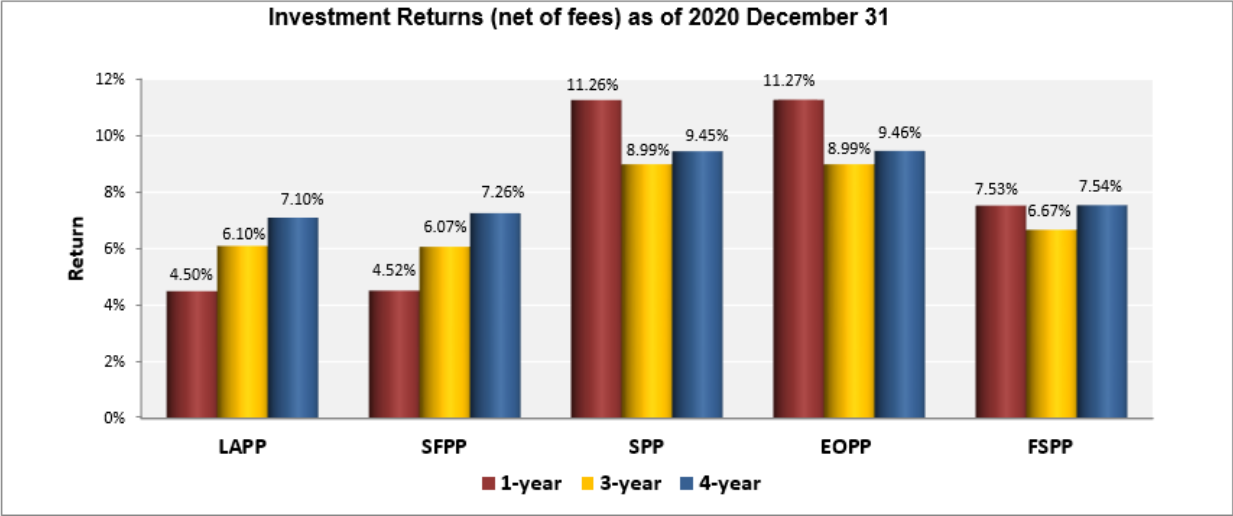




#### Investment Returns (net of fees) as of 2020 December 31

Investment Returns (annualized)	LAPP	SFPP	SPP	FSPP	EOPP	PSPP (Note 1)	Non- Registered Pension Arrangements (Note 1)
1 Year	4.5%	4.52%	11.26%	7.53%	11.27%	N/A	N/A
3 Year	6.1%	6.07%	8.99%	6.67%	8.99%	N/A	N/A
4 Year	7.1%	7.26%	9.45%	7.54%	9.46%	N/A	N/A

**Note 1:** Sufficient funds are held within The City's investments to cover the obligations of the PSPP and non-registered pension arrangements as determined by the most recent valuation for accounting purpose and as reported in The City's financial statements.



**Attachment 7**  
**The City of Calgary Pension Governance Committee**  
**2021 Workplan**

PFC2021-0782  
ATTACHMENT 7

<b>1<sup>st</sup> Quarter</b>		
<b>Time</b>	<b>Item</b>	<b>Action</b>
5 min	1) Items tabled or brought forward from 4 <sup>th</sup> quarter 2020	Information
10 min	2) Annual Code of Conduct Confirmation	Submission
10 min	3) PGC Annual Self-Assessment Declaration	Submission
15 min	4) PGC Self-Assessment (update)	Discussion
30 min	5) Investment Manager Annual Update (SPP & EOPP) – Mawer	Information
10 min	6) Investment education or pension education corner	Information
5 min	7) Review of actuary / third-party administrator (update)	Information
10 min	8) Investment Manager review	Discussion
5 min	9) Assemble and review the list of pension policies Corporation-wide and formalize a review timeline and process	Discussion
5 min	10) 2021 Workplan finalization	Approval

<b>2<sup>nd</sup> Quarter</b>		
<b>Time</b>	<b>Item</b>	<b>Action</b>
5 min	1) Items tabled or brought forward from 1 <sup>st</sup> quarter 2021	Information
20 min	2) Draft 2020 Pension Governance Committee Annual Report	Decision
15 min	3) 2020 Audited Financial Statements (SPP & EOPP)	Approval
15 min	4) 2020 Audit Results (SPP & EOPP)	Information
15 min	5) PGC self-assessment (update)	Discussion
10 min	6) Review of actuary - results	Discussion
120 min	CONTINUING EDUCATION SESSION from Aon to be scheduled separately from quarterly meeting	Training



**Attachment 7**  
**The City of Calgary Pension Governance Committee**  
**2021 Workplan**

PFC2021-0782  
ATTACHMENT 7

<b>3<sup>rd</sup> Quarter</b>		
<b>Time</b>	<b>Item</b>	<b>Action</b>
5 min	1) Items tabled or brought forward from 2 <sup>nd</sup> quarter 2021	Information
10 min	2) Annual Governance Policy review (SPP & EOPP)	Decision
10 min	3) Annual Funding Policy review (SPP & EOPP)	Decision
10 min	4) Annual Code of Conduct review	Decision
10 min	5) Annual PGC Terms of Reference review	Decision
20 min	6) Review of third-party administrator - results	Discussion

<b>4<sup>th</sup> Quarter</b>		
<b>Time</b>	<b>Item</b>	<b>Action</b>
5 min	1) Items tabled or brought forward from 3 <sup>rd</sup> quarter 2021	Information
10 min	2) Audit Plan & Engagement (SPP & EOPP) - Deloitte	Decision
20 min	3) Annual Statement of Investment Policies & Procedures review (SPP & EOPP)	Decision
10 min	4) Annual Asset Class Benchmark Report (SPP & EOPP)	Information
15 min	5) Self-Assessment Questionnaire review	Review
5 min	6) Annual Training - List of Conferences available in 2022	Information
5 min	7) Update on annual PSPP trustee meeting and FSPP stakeholder meeting	Information
10 min	8) 2022 PGC Workplan draft	Decision

**Pension Plan Acronyms**

- SPP: City of Calgary Supplementary Pension Plan
- EOPP: Pension Plan for Elected Officials of The City of Calgary
- PSPP: City of Calgary Police Supplementary Pension Plan
- FSPP: Calgary Firefighters Supplementary Pension Plan

## **Glossary of Common Terms**

### **Actuarial(Iy) Equivalent**

To be Actuarially Equivalent, the present value of the expected future pension payments for the different Forms of Pension are equal. The present value of all future pension payments is calculated with regard to life expectancy and is discounted to today using current interest rates.

### **Actuarial Valuation**

An Actuarial Valuation is an analysis performed by an Actuary that compares the assets and liabilities of a Pension Plan using economic and demographic assumptions to determine the funded status. An Actuarial Valuation for registered defined benefit pension plans in Alberta is required to be performed at least every three years.

### **Actuary**

An Actuary is a financial professional trained to calculate the value of pension payments using data about life expectancy, retirement ages, and interest rates and is a Fellow of the Canadian Institute of Actuaries.

### **Administrator and Third-Party Administrator**

The sponsor of the Pension Plan is the Administrator. The Administrator will contract certain administrative functions to a third-party provider. This Third-Party Administrator takes care of the Pension Plans on a day-to-day basis and is reviewed at regular intervals by the Administrator.

### **Annuity**

An Annuity is a series of specified monthly payments to a person purchased from a Canadian life insurance company. These payments are provided under a contract with the life insurance company in exchange for an up-front premium. The monthly amount paid differs based on the size of the original sum of money and the Form of Payment chosen.

### **Beneficiary - other than Pension Partner**

A Beneficiary is the person(s) named to receive a benefit if the member dies before retirement or to receive the remaining payments under a guaranteed term if the member dies after retirement. If the member does not have a Pension Partner and does not name a Beneficiary, the estate is the Beneficiary.

### **Commuted Value**

The Commuted Value is the amount of money paid in a lump sum that is equal to the Actuarially Equivalent value of future pension payments under the Normal Form of Pension, as determined by the plan Actuary. The Commuted Value is calculated using prescribed interest rates and probable life-span factors.

### **CRA (Canada Revenue Agency)**

CRA is the federal government agency responsible for administering the Income Tax Act including the provisions for registered pension plans.

### **Custodian**

The Custodian is an entity, usually a financial institution, that has the physical control to securely hold the Pension Plan assets in a separate trust for the beneficiaries of the plan. The Custodian accounts for the cash flows of the Pension Plan assets and does not make decisions regarding the assets.

### **Deferred Member**

A Deferred Member is a Vested member who terminated from The City but who has left his or her entitlement in the Pension Plan.

### **Defined Benefit Pension Plan**

A Defined Benefit Pension Plan pays a lifetime monthly pension defined by a formula that is used to calculate the benefit. The benefit is set at retirement and is independent of the Pension Plan fund's investment returns. All the Pension Plans in which the City of Calgary participates are Defined Benefit Pension Plans.

### **Defined Contribution Pension Plan**

A Defined Contribution Pension Plan does not promise a specific benefit at retirement. It is a type of retirement plan in which the employer, employee or both make contributions to a trust fund on a regular basis. The employee draws income from the trust fund account balance to provide income in retirement. The future monthly pension fluctuates based on the investment earnings.

### **Early Retirement Date**

Early Retirement Date refers to the earliest date at which a member may receive an immediate pension from the Pension Plan. Depending on the Pension Plan provisions, a reduction to the member's pension for early retirement may apply.

### **ERF (Early Retirement Factor)**

The ERF is the level of reduction applied to the benefit when a member retires before the Unreduced Retirement Date, which is different for each Pension Plan. The Income Tax Act also has a level of reduction, the ITA ERF, which is the earliest of 30 years of pensionable service, age 60 and 80 points (these levels are 25 / 55 / 75 for public safety occupations).

### **Form of Pension and Optional Form of Pension**

Form of Pension refers to the type of benefit provided to a member's Pension Partner and/or Beneficiary on death. When a member retires, the member will generally have a number of different Forms of Pension, called Optional Forms of Pension, to choose from.

### **Investment Manager**

The Investment Manager is a professional investment firm which invests the Pension Plan funds.

### **Joint and Survivor Pension**

A Form of Pension in which the member receives payments for the member's lifetime and the surviving Pension Partner receives a percentage of the payments for the remainder of his or her lifetime. The percentage of payments is chosen at time of retirement.

### **Life Guaranteed Pension**

A Form of Pension in which the member receives payments for the member's lifetime, with a stated number of payments guaranteed in any event. Should the retired member pass away before the end of the guarantee period, surviving Beneficiary or Pension Partner would receive the value of the remaining payment to the end of the guarantee period. Common guarantees are 5, 10, and 15 years, or no guarantee.

### **LIRA (Locked-In Retirement Account)**

A LIRA is a type of RRSP which does not allow the owner to withdraw the funds prior to Early Retirement Date. The LIRA must be converted into another type of account in order to provide income in retirement. LIRAs must be collapsed by the end of the year in which a person turns age 71.

### **LTDI (Long-Term Disability Income)**

LTDI is a type of disability insurance offered by The City for employees who become unable to perform their normal work because of a physical or mental disability. If a member becomes disabled and receives an income from the LTDI plan, the member will continue to earn pensionable service. The required pension contributions will be deducted from the member's LTDI payments.

### **Non-Registered Pension Plans and Non-Registered Retirement Arrangements**

A Non-Registered Pension Plan or Non-Registered Retirement Arrangement is a plan which has not been, and cannot be, registered with the Alberta pension regulator or CRA. There are no regulations which oversee these plans, other than general income provisions of the Income Tax Act.

### **Normal Form of Pension**

Normal Form of Pension refers to the Form of Pension specified as the default in the Pension Plan provisions.

### **Normal Retirement Date**

Normal Retirement Date refers to the date specified in the Pension Plan text whereby a member has the unconditional right to receive an immediate pension from the Pension Plan without reduction.

### **PGC (Pension Governance Committee)**

The City has an obligation to look after the interests of employees in all the Pension Plans in which City employees participate. The PGC has been delegated this responsibility.

### **Pending Member**

A Pending Member is a member who terminated from The City before becoming Vested and who has left his or her contributions in the Pension Plan, or a member who terminated from The City but whose benefit was still in process at the date of enumeration.

### **Pension Partner**

In order to qualify as a Pension Partner, a person must meet the description under Alberta pension legislation, as follows: “A Pension Partner is a person to whom a member is married and has not been separated from for more than 3 years. If no such person exists, a Pension Partner is a person who has lived with the member in a marriage-like relationship for 3 years before the pension starts, or a person in a relationship with the member of some permanence where there is a child from the relationship by birth or adoption.” If the member has a Pension Partner, Alberta pension legislation requires that the Pension Partner is the Beneficiary unless the Pension Partner has waived this right.

### **Pension Plan**

In this context, “Pension Plan” is a generic term designed to encompass the Registered Pension Plans, Non-Registered Pension Plans, and Non-Registered Retirement Arrangements in which employees of The City participate.

### **Pensionable Earnings**

Pensionable Earnings are the earnings used to calculate contributions and pension entitlement. The definition of Pensionable Earnings varies from Pension Plan to Pension Plan.

### **Pensionable Service**

Pensionable Service is the years of service used to calculate the pension benefit. Pensionable Service may be limited to a maximum number of years in some Pension Plans.

### **Registered Pension Plan**

A Pension Plan is “registered” when its defining documents have been submitted to, and accepted by, the Alberta pension regulator and CRA. A Registered Pension Plan must comply with the regulations of the two bodies.

### **RRSP (Registered Retirement Savings Plan)**

An RRSP is a type of tax-sheltered investment account that is registered with the CRA. Retirement savings within the plan are allowed to grow tax free and are taxed when withdrawn. RRSPs must be collapsed by the end of the year in which a person turns age 71.



**SIPP (Statement of Investment Policy and Procedures)**

The SIPP is required by Alberta regulation for registered pension plans. The SIPP establishes the guidelines for the investment of the Pension Plan fund, the objectives and risk tolerance of the parties involved, the risk characteristics of asset classes and; the actual selection of securities within the guidelines set out in the SIPP. The SIPP helps ensure the pension assets are invested in ways that protect the interests of the Pension Plan members.

**Suspended Member**

A Suspended Member is a member who is not currently accruing benefits nor is required to make contributions to the Pension Plan, but whose continuous service has not been broken.

**Unreduced Retirement Date**

Unreduced Retirement Date refers to the date at which a member may receive an immediate pension from the Pension Plan with no reduction to the member's pension for early retirement. This date differs from Pension Plan to Pension Plan depending on the provisions in the Pension Plan text.

**Vested**

A member is Vested in a Pension Plan when the member has the right to receive both the member's and the employer's portion of the pension benefit upon termination, retirement or death.

**YMPE (Yearly Maximum Pensionable Earnings)**

The YMPE is the year's maximum pensionable earnings for the Canada Pension Plan set by CRA. The YMPE changes every year.



## **The City of Calgary Reserves and Long Term Liabilities Balances 2020**

### **RECOMMENDATION(S):**

The Priorities and Finance Committee recommends that Council:

1. Receive The City of Calgary Reserves and Long Term Liabilities Balances 2020 for the Corporate Record and Discussion; and
2. Approve the operational reserve recommendations in Attachment 3 from the SAVE Reserves Optimization Business Case approved by the Executive Leadership Team (ELT).

### **HIGHLIGHTS**

- This report is presented in accordance with the requirements contained within Council Policy on Reserves CFO013 and provides financial information on The City of Calgary's (The City) reserves and long term liabilities balances as at 2020 December 31 and highlights the accountability systems with respect to The City's reserves established by Administration and in operation in 2020. This report supplements the information on reserves balances and disclosures contained in The City's annual financial statements.
- Business Units, through their designated Operational Leads and Financial Leads, are responsible for ensuring that the reserve funds are being used in accordance with the approved terms for the reserve, are recorded and reported in accordance with established practices and comply with the documentation standards defined within the Administration Policy and Procedures. This annual report on reserves is compiled by Corporate Financial Reporting in accordance with Administration's Policy and Procedures on financial reserves from these business unit's reports and documentation on reserves.
- The City of Calgary Reserves and Long Term Liabilities Balances 2020 report is provided for information to contribute to support the Priorities and Finance Committee and Council in fulfilling their governance responsibilities. Robust public information on reserves and long term liabilities is essential to ensure public confidence and fulfill the public's need for transparency and accountability.
- The 2020 SAVE Reserves Optimization Business Case approved by the ELT included operational reserve recommendations. As per Council Reserve Policy (CFO013), all reserve amendments require Council approval. The operational reserve recommendations for Council approval are outlined in Attachment 3.
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Background and Previous Council Direction is included as Attachment 1.

### **DISCUSSION**

Financial Reserves Policy FA-050 and the accompanying Procedures for Financial Reserves define the roles and responsibilities of all parties associated with administering financial reserves. Corporate Financial Reporting within the Finance business unit is responsible for ensuring that the reserve balances are accurately reported in The City's annual financial statements and in Attachment 2.

The City's reserves total \$3,066 million at 2020 December 31 (2019: \$2,737 million) and consist of operating, capital and sustainment reserves. The City had capital commitments of \$1,462

**Chief Financial Officer's Report to  
Priorities and Finance Committee  
2021 July 20**

**ISC: UNRESTRICTED  
PFC2021-1002  
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## **The City of Calgary Reserves and Long Term Liabilities Balances 2020**

million and operating commitments of \$61 million at 2020 December 31 as reported in Note 28 in The City's annual financial statements. These commitments will be partially funded from reserves in future years.

A summary of definition of these reserves categories and information on reserves within these categories at 2020 December 31 is as follows:

- **Operating reserve** – A reserve to fund operating expenditures for one-time projects, pilot programs, to stabilize operating budgets for unanticipated fluctuations in revenues or expenditures, to comply with a contractual agreement, or for contingency funds for operational emergencies. There are 16 operating reserves totalling \$715 million, of which \$638 million is held in the Fiscal Stability Reserve as an operating contingency fund and to provide for one-time funding as approved by Council.
- **Capital reserve** – A reserve to fund approved capital programs, projects and expenditures. There are 15 capital reserves totalling \$1,465 million and a majority of them are either fully committed or have substantial commitments against them to finance existing approved projects and these commitments will reduce the existing balances over time.
- **Sustainment reserve** – A reserve to fund both operating and capital expenditures for activities that are treated as self-sustaining. A total of \$886 million is held in 17 separate sustainment reserves, of which the majority of them are either fully committed or have substantial commitments to finance existing approved projects and these commitments will reduce the existing balances over time.

Attachment 2 The City of Calgary Reserves and Long Term Liabilities Balances 2020 provides detailed financial information on the reserves at The City and includes the reserves terms and financial details for each individual reserve as an appendix. Attachment 2 also identifies reserves closed within the last five years.

The 2020 SAVE Reserves Optimization Business Case included operational recommendations that require amendments to certain reserves. These operational recommendations are outlined in Attachment 3. As per Council Reserve Policy (CFO013), all reserve amendments must be approved by Council. Approval of these operational recommendations will improve the administration and transparency of reserves. Attachment 3 also includes excerpts from the 2020 SAVE Reserves Optimization Business Case approved by ELT that provides context for these recommendations.

### **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☒ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☐ Stakeholder dialogue/relations were undertaken

**Chief Financial Officer's Report to  
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**The City of Calgary Reserves and Long Term Liabilities Balances 2020**

**IMPLICATIONS**

**Social, Environmental, Economic**

Certain reserves support social programs, which assist in The City providing such services. Certain reserves support environmental programs and compliance with environmental regulations.

**Service and Financial Implications**

***Current and Future Operating Budget:***

Certain reserves support operating programs which assist The City in providing services. There is no current or future operating budget request as a result of this report.

***Current and Future Capital Budget:***

Certain Reserves support capital programs and capital commitments which assist The City in providing capital assets. There is no current or future capital budget request as a result of this report.

**RISK**

Administration manages The City's reserves in accordance with the reserve's purpose and any or all conditions and/or restrictions placed upon the reserve by Council. Administration also ensures that reserves continue to be aligned with Council's priorities. The reporting of reserves activity and balances in this report seek to demonstrate the proper management of reserves.

Maintaining adequate liquidity provides financial capacity and enables The City to respond quickly and effectively to shortfalls and unanticipated or uncontrollable events, improving corporate resiliency and reducing the risk that service levels might be adversely affected by economic trends and unforeseen circumstances. Strong reserves preserve Council and Administration's flexibility, and the vital role they play in preserving The City's fiscal stability is recognized by our credit rating agencies.

**ATTACHMENT(S)**

1. Attachment 1 - Previous Council Direction, Background
2. Attachment 2 - The City of Calgary Reserves and Long Term Liabilities Balances 2020 Plus Appendix
3. Attachment 3 - SAVE Reserves Optimization Business Case - Operational Reserve Recommendations Approved by ELT in 2020

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Carla Male	Chief Financial Officer's Department	Approve





# Background

The creation of a portfolio of financial reserves and the optimal funding and judicious management of these reserve funds is part of the long-term fiscal strategy at The City. Reserves are used to accumulate funds over time to replace capital assets, to provide a measure of financial flexibility to react to budget shortfalls and to manage the financial impact of significant unexpected issues in a timely manner. The City has a balanced approach to the planning and use of reserves and has an established policy framework in place for guiding the responsible stewardship of reserves and to ensure that these funds are managed prudently.

Council Policy on Reserves CFO013 was updated in 2010, with minor amendments in 2016 and the Administration Policy on Financial Reserves FA-050 was created in 2010, with minor revisions in 2016, and these policies reinforced and enhanced the annual reporting requirements on reserves. This report supplements the information on reserves balances and disclosures contained in The City's annual financial statements and is compiled by Corporate Financial Reporting within the Finance business unit in accordance with reserves policies and procedures.

Council Policy on Reserves CFO013 also defines the requirements for the periodic review of all reserves as part of the Triennial Review process. Administration Policy on Financial Reserves FA-050 defines the purpose of the review, which is to ensure that reserves are being managed properly and to evaluate the continued relevance of individual reserves. Every active reserve will be reviewed at least once every three years. The Administrative Review Committee is tasked with providing a report on the results of its review of the Council approved reserves to the Priorities and Finance Committee by the end of each year.

In 2020 July, Council approved the suspension of the 2020 Triennial Reserve Review (review of 2019 reserve balances) and the redirection of Administration resources in an alternate work scope, as recommended by the Executive Leadership Team (ELT), to the SAVE Program - Reserves Optimization review (PFC2020-0723). The SAVE Reserves Optimization review was completed in 2020 and the business case recommendations were approved by ELT. Subsequently Council was provided with only the budget savings recommendations and approved them through the November 2020 Mid-Cycle Adjustments to the One Calgary 2019-2022 Service Plans and Budgets (C2020-1215). The SAVE Reserves Optimization Business Case also included operational recommendations that require Council approval and are outlined in Attachment 3.

The 2020 SAVE Reserves Optimization Business Case also recommended additional reserve reviews to be conducted. In 2021 April, Council approved the suspension of the 2021 Triennial Reserve Review (review of 2020 reserve balances) and redirection of Administration resources to these additional reserve reviews (C2021-0446). A reserves review governance structure is currently being established for these reviews.

## Previous Council Direction

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As per the direction in Council Policy CFO013, Reserves information shall be reported to the Priorities and Finance Committee (PFC) and to Council in an annual Reserves Report for information purposes.

In 2020 July, Council approved the suspension of the 2020 Triennial Reserve Review (review of 2019 reserve balances) and the redirection of Administration resources in an alternate work scope, as recommended by the ELT, to the SAVE Program - Reserves Optimization review (PFC2020-0723).

In 2021 April, Council approved the suspension of the 2021 Triennial Reserve Review (review of 2020 reserve balances) and redirection of Administration resources to additional reserve reviews as a result of the 2020 SAVE Reserves Optimization Business Case recommendations (C2021-0446).

**THE CITY OF CALGARY**

**RESERVES AND LONG TERM LIABILITIES**

**BALANCES 2020**

July 2021

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# REPORT OVERVIEW

## INTRODUCTION

Finance presents a report on Reserves and Long Term Liabilities to the Priorities and Finance Committee (PFC) on an annual basis in accordance with the requirements contained within Council Policy on Reserves CFO013. This report is a supplement to The City of Calgary's Annual Report and provides detailed financial information on the reserves including the reserves terms and financial details for each individual reserve as an appendix. The financial information includes reserves balances, trending information, variances, conditions on balances, balances by reserve type, commitments and investment income allocations to reserves. Each reserve's appendix includes the approved terms for the reserve and financial details for the past five years. In addition to the information on individual reserves, the appendix includes details of capital deposit balances and employee benefit obligation balances categorized as long term liabilities in The City of Calgary's Annual Report. This report supports the Priorities and Finance Committee in the exercise of its mandate for oversight of financial planning and reporting in accordance with the duties and functions defined within Bylaw 35M2017.

## BACKGROUND

The creation, use and management of reserve funds through a formalized financial reserve policy is a best practice and consistent feature of municipal financial control in most large cities in Canada and the United States. Reserves are part of strong fiscal management that allow for funds to be spent judiciously over time. Reserves are used to accumulate funds to replace capital assets, and also to provide a measure of financial flexibility to react to budget shortfalls or the financial impact of significant unexpected issues in a timely manner. A properly balanced approach to the planning and use of reserves is considered strong financial management and is a key component of The City's strong credit rating.

## RESERVES MANAGEMENT AND REPORTING

Council Policy on Reserves CFO013 (Council Policy) defines how reserves are created, amended, closed, administered and reviewed. Council approves the creation, amendment and closure of all reserves. Administration is responsible for managing the reserves in accordance with the Council-approved purpose and any or all conditions and/or restrictions placed upon the reserve. Revenue sources and expenditures from reserves are included in the budget and any adjustments approved by Council. Council Policy also defines the annual reporting requirement for reserves and the triennial review process for every active reserve.

Administration Policy on Financial Reserves FA-050 establishes further guidelines and criteria for proper administration of financial reserves and defines the roles and responsibilities of all parties associated with administering financial reserves. Business Units through their designated Operational Leads and Financial Leads are responsible for ensuring that the reserve funds are being used in accordance with the approved terms for the reserve, are recorded and reported in accordance with established practices and comply with the documentation standards defined within the procedures in Administration Policy on Financial Reserves. Corporate Financial Reporting within the Finance business unit is responsible for ensuring that the reserve balances are accurately reported in The City's Annual Audited Financial Statements and in the Annual Reserves Report.

In accordance with the roles and responsibilities defined within these policies and procedures, Corporate Financial Reporting has established, managed and coordinated reserves processes, financial and reporting controls procedures for the review of each individual reserve, reconciliation of the reserves portfolio and developing The City of Calgary Reserves and Long Term Liabilities Balances 2020 report.

## OVERVIEW OF 2020 CHANGES

Following changes were noted during the compilation of the 2020 report:

- The Established Area Investment Fund was created and added to Capital Reserves as approved by Council on February 10, 2020. This reserve was funded by contributions from the Fiscal Stability Reserve, favourable budget variance from investment income and property tax allocation program in the North Hill Communities Local Area Plan associated with property tax increases related to growth.
- The 2020 report includes additional schedule on reserve commitments on page 12 of the report. In addition, each reserve template also includes supplementary information to describe the nature of these commitments.

## INVESTMENT INCOME ALLOCATIONS

The Treasury group within the Finance business unit is mandated with the management of the investments at The City. In accordance with this mandate, Treasury manages all of the reserve funds. An allocation of interest is made only to those reserves that have been approved to receive investment income in accordance with the terms of the reserve approved by Council. Investment income allocations are also made to eligible capital deposits and other eligible fund balances. In 2020, \$74.5 million in investment income was allocated to the reserves approved to receive investment income allocations. Investment income earned on reserves balances that are not approved to receive investment income allocations are transferred to general revenue.

## LONG TERM LIABILITIES

In addition to reserves, The City has commitments in the form of long term liabilities, such as, capital deposits and employee benefit obligations. Capital deposits are funds available for the purpose of capital spending and have specific restrictions and conditions around their usage. Employee benefit obligations is another significant liability held by City with specific purpose and contractual conditions. Due to the significant balance of these liabilities, these amounts are also included in this report for informational purposes.

# **RESERVES BALANCES**

## **FINANCIAL TABLES**

**5 YEAR TREND**  
AS AT DECEMBER 31, 2016 - 2020  
(\$000's)

**This report includes reserves balances information for the past five years and provides balance trends for each reserve. The reserves are grouped as operating, capital or sustainment and the reserve type is included for each reserve to provide more context in understanding the balance trends.**

	Type	Appx. Pg.	2020	2019	2018	2017 (Restated)	2016
<b>Operating Reserves</b>							
Calgary Heritage Authority Reserve	E	24	1,664	1,680	1,771	1,772	1,765
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	4,000	4,000	4,000	4,000	4,000
Calgary Police Service Helicopter Maintenance	CF	27	3,294	2,236	2,473	2,352	2,390
Children's Reserve Fund	E	28	5,021	4,844	4,702	4,723	4,693
ENMAX Dividend Stabilization Reserve	C	29	18,000	14,500	13,000	20,000	20,000
Family & Community Support Service (FCSS) Stabilization Fund	C	30	4,705	3,679	3,685	4,361	5,504
Fiscal Stability Reserve	C	32	637,997	536,284	656,282	573,721	556,561
Group Life Reserve	L	35	1,926	1,965	1,637	1,725	1,685
Health, Safety and Wellness Reserve	CF	36	17,136	17,276	17,799	18,813	15,984
Heritage Incentive Reserve	CF	38	1,527	1,229	1,242	1,205	965
Mall Programming Fund	C	40	845	865	835	813	788
Parking Revenue Reinvestment Reserve	CF	42	3,766	4,918	3,884	2,133	-
Parks Foundation Reserve	E	43	2,345	2,327	2,471	2,407	2,376
Self - Insurance Reserve	L	44	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control (SNIC) Reserve	C	46	6,260	-	5,426	12,482	15,000
Tax Loss Provision Reserve	C	48	-	-	37,398	37,398	37,398
			<b>715,486</b>	<b>602,803</b>	<b>763,605</b>	<b>694,905</b>	<b>676,109</b>
<b>Capital Reserves</b>							
911 Communications Centre Capital Financing Reserve	CF	49	23,259	25,377	25,055	26,243	24,141
Artificial Turf Field Lifecycle Reserve	C/CF	50	5,961	5,456	4,803	3,271	3,015
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	6,390	6,058	6,120	6,443	7,500
Calgary Police Service Capital Reserve	CF	54	44,062	37,825	40,868	40,209	40,254
Community Investment Reserve	CF	56	81,101	61,481	43,704	39,079	102,204
Debt Servicing Reserve	C	58	52,570	52,570	52,570	52,570	52,570
Downtown Improvement Fund	CF	60	2,819	2,800	2,777	3,050	3,684
Established Area Investment Fund	CF	62	52,326	-	-	-	-
Information Technology Reserve	CF	64	38,709	35,643	37,286	27,711	20,746
LED Street Light Re-Lamping Reserve	CF	67	2,070	4,802	5,414	4,537	5,688
Legacy Parks Reserve	CF	68	10,719	7,889	7,025	8,155	10,558
Lifecycle Maintenance and Upgrade Reserve	CF	70	313,207	245,554	248,660	171,056	116,122
Major Capital Project Reserve	CF	72	443,706	423,516	-	-	-
Parking Land Acquisition Reserve	CF	74	-	-	42,851	41,719	40,772
Reserve for Future Capital	C/CF	76	387,680	357,467	305,675	305,420	327,014
TELUS Convention Centre Reserve	L	78	393	213	200	20	242
			<b>1,464,972</b>	<b>1,266,651</b>	<b>823,008</b>	<b>729,483</b>	<b>754,510</b>
<b>Sustainment Reserves</b>							
(combined operating & capital reserves)							
Budget Savings Account Reserve	CF	80	134,736	91,251	135,198	157,334	130,103
Business License Sustainment Reserve	CF	83	7,981	11,966	10,234	9,583	7,249
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	44,028	42,477	-	-	-
Community Sustainability Reserve	L	86	5,399	1,856	2,062	2,119	2,123
Corporate Housing Reserve	L	88	36,573	33,952	31,622	30,383	29,885
Fleet Services Reserve (formerly Capital)	CF	91	6,736	8,338	9,766	10,933	14,326
Golf Course Levy Reserve	C/CF	92	4,484	3,744	2,763	2,777	1,712
Livery Transport Services	CF	93	5,001	5,834	4,818	4,145	3,737
Millican-Ogden Community Enhancement	CF	94	-	-	-	-	5
Opportunity Calgary Investment Fund	L	96	95,839	95,853	101,047	55,000	-
Parks Endowment and Sustainment Reserve	C/E	98	6,922	2,886	4,510	4,494	3,118
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	23,268	21,457	19,519	18,221	15,905
Planning & Development Reserve	C/CF	102	84,199	81,707	77,908	86,752	99,114
Public Art Reserve	CF	104	9,248	8,048	6,768	5,883	5,105
Real Estate Services	CF	106	83,098	98,202	82,935	70,795	63,969
Revolving Fund Reserve for General Land Purchases	C/CF	110	131,116	135,487	119,750	102,118	101,073
Utility Sustainment Reserve	C/CF	112	133,107	156,957	175,255	141,661	133,033
Waste and Recycling Sustainment Reserve	C/CF	114	73,878	67,312	63,083	64,802	48,019
			<b>885,613</b>	<b>867,327</b>	<b>847,238</b>	<b>767,000</b>	<b>658,476</b>
<b>Total Reserves</b>			<b>3,066,071</b>	<b>2,736,781</b>	<b>2,433,851</b>	<b>2,191,388</b>	<b>2,089,095</b>

**Reserve Type:**

**C - Contingency Reserve:** A reserve to fund approved actions during an unexpected event. Reserve is not expected to have a budget but will generally have conditions as to adequacy of balances.

**CF - Cashflow Reserve:** A reserve to fund planned future actions with the purpose of smoothing cash demands. These reserves will generally have a budget for expenditures.

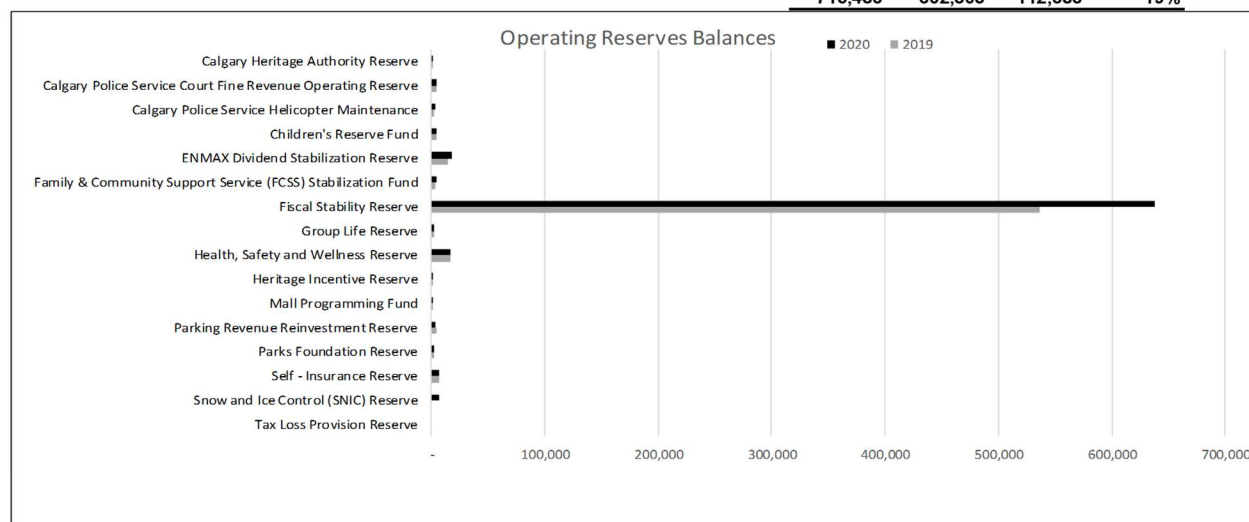
**E - Endowment (Type) Reserve:** A fund created to provide income for long-term ongoing purpose. Such funds are usually held in perpetuity and no encroachment on capital is allowed.

**L - Legislated/Contractual Requirement:** A reserve created and maintained by legislation or external agreements. The legislation or agreement defines the terms of the reserve.

**CURRENT YEAR CHANGE - OPERATING**  
AS AT DECEMBER 31  
(\$000's)

**This report provides explanations for the year-on-year change in reserve balances for the operating reserves. The threshold used for providing explanations is \$4,000 or 20% increase or decrease in reserves balances relative to the prior year.**

	Type	Appx. Pg.	2020	2019	Change \$	Change %	Change Note
<b>Operating Reserves</b>							
Calgary Heritage Authority Reserve	E	24	1,664	1,680	(16)	(1%)	
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	4,000	4,000	-	0%	
Calgary Police Service Helicopter Maintenance	CF	27	3,294	2,236	1,058	47%	1
Children's Reserve Fund	E	28	5,021	4,844	177	4%	
ENMAX Dividend Stabilization Reserve	C	29	18,000	14,500	3,500	24%	2
Family & Community Support Service (FCSS) Stabilization Fund	C	30	4,705	3,679	1,026	28%	3
Fiscal Stability Reserve	C	32	637,997	536,284	101,713	19%	4
Group Life Reserve	L	35	1,926	1,965	(39)	(2%)	
Health, Safety and Wellness Reserve	CF	36	17,136	17,276	(140)	(1%)	
Heritage Incentive Reserve	CF	38	1,527	1,229	298	24%	5
Mall Programming Fund	C	40	845	865	(20)	(2%)	
Parking Revenue Reinvestment Reserve	CF	42	3,766	4,918	(1,152)	(23%)	6
Parks Foundation Reserve	E	43	2,345	2,327	18	1%	
Self - Insurance Reserve	L	44	7,000	7,000	-	0%	
Snow and Ice Control (SNIC) Reserve	C	46	6,260	-	6,260	100%	7
Tax Loss Provision Reserve	C	48	-	-	-	0%	
			<b>715,486</b>	<b>602,803</b>	<b>112,683</b>	<b>19%</b>	



**Change Explanation (Threshold: Greater than 20% or \$4,000):**

**1. Calgary Police Service Helicopter Maintenance:** The reserve increased due to the Calgary Police Commission approving the strategy to provide for additional contributions to the reserve with the intent to not contribute to the reserves in 2021 and 2022 to offset anticipated losses in revenues due to COVID-19. This is done to counter the severe lagging impacts of COVID-19, such as delayed payments of fines and decrease in summonses, well into 2021 and 2022.

**2. ENMAX Dividend Stabilization Reserve:** The reserve increased due to higher ENMAX dividend received in 2020 as compared to the budgeted amount.

**3. Family & Community Support Service (FCSS) Stabilization Fund:** The reserve increased due to fewer FCSS funded programs being delivered due to COVID-19. This caused higher surplus which was returned to the reserve.

**4. Fiscal Stability Reserve:** The reserve increased primarily due to transfer of Municipal Operating Support Transfer (MOST) grant recognized, tax contingencies released and return of inter business unit loans and transfers, slightly offset by transfer to newly created Established Area Investment Fund, usage on Phased Tax Program, one-time budget items, and other operating and capital expenditures approved by Council.

**5. Heritage Incentive Reserve:** The reserve increased due to COVID-19 pandemic resulting in fewer funds being awarded and resulting in decrease in expenditures.

**6. Parking Revenue Reinvestment Reserve:** The reserve decreased due to zero operating contributions from CPA due to COVID-19 impacts combined with reserve usage for increased project activity.

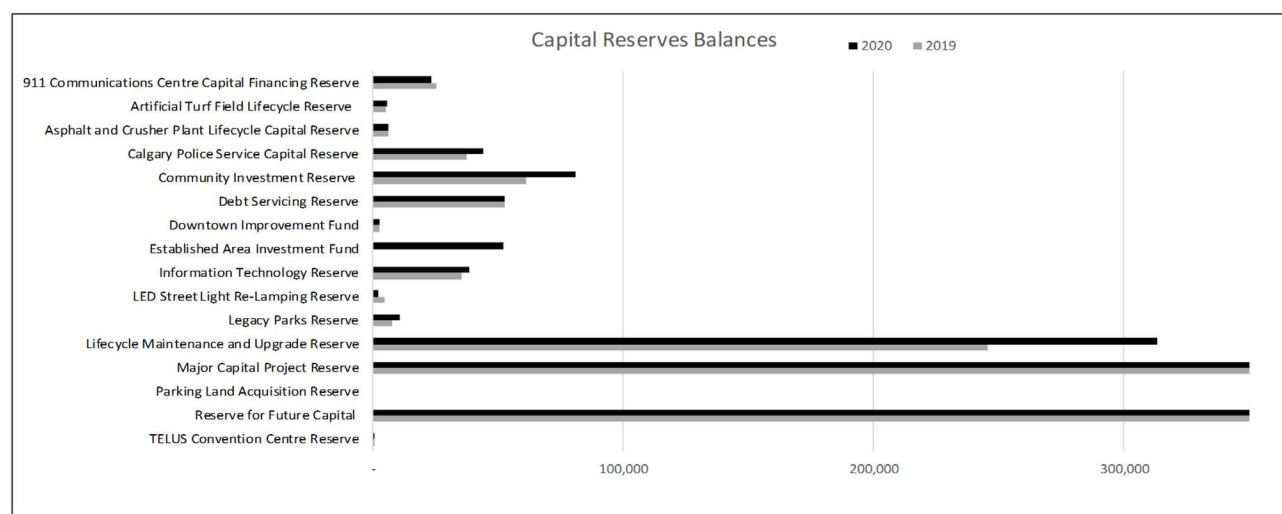
**7. Snow and Ice Control Reserve:** The reserve increased because in 2019 the reserve balance was completely depleted due to higher than average snowfall levels. 2020 experienced higher contributions from operations as there was a lower snowfall level resulting in lower usage of vehicle and equipment, sanding, salting, snow removal and plowing.



**CURRENT YEAR CHANGE - CAPITAL**  
AS AT DECEMBER 31  
(\$000's)

This report provides explanations for the year-on-year change in reserve balances for the capital reserves. The threshold used for providing explanations is \$4,000 or 20% increase or decrease in reserves balances relative to the prior year.

	Type	Appx. Pg.	2020	2019	Change \$	Change %	Change Note
<b>Capital Reserves</b>							
911 Communications Centre Capital Financing Reserve	CF	49	23,259	25,377	(2,118)	(8%)	
Artificial Turf Field Lifecycle Reserve	C/CF	50	5,961	5,456	505	9%	
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	6,390	6,058	332	5%	
Calgary Police Service Capital Reserve	CF	54	44,062	37,825	6,237	16%	1
Community Investment Reserve	CF	56	81,101	61,481	19,620	32%	2
Debt Servicing Reserve	C	58	52,570	52,570	-	0%	
Downtown Improvement Fund	CF	60	2,819	2,800	19	1%	
Established Area Investment Fund	CF	62	52,326	-	52,326	100%	3
Information Technology Reserve	CF	64	38,709	35,643	3,066	9%	
LED Street Light Re-Lamping Reserve	CF	67	2,070	4,802	(2,732)	(57%)	4
Legacy Parks Reserve	CF	68	10,719	7,889	2,830	36%	5
Lifecycle Maintenance and Upgrade Reserve	CF	70	313,207	245,554	67,653	28%	6
Major Capital Project Reserve	CF	72	443,706	423,516	20,190	5%	7
Reserve for Future Capital	C/CF	76	387,680	357,467	30,213	8%	8
TELUS Convention Centre Reserve	L	78	393	213	180	85%	9
			<b>1,464,972</b>	<b>1,266,651</b>	<b>198,321</b>	<b>16%</b>	



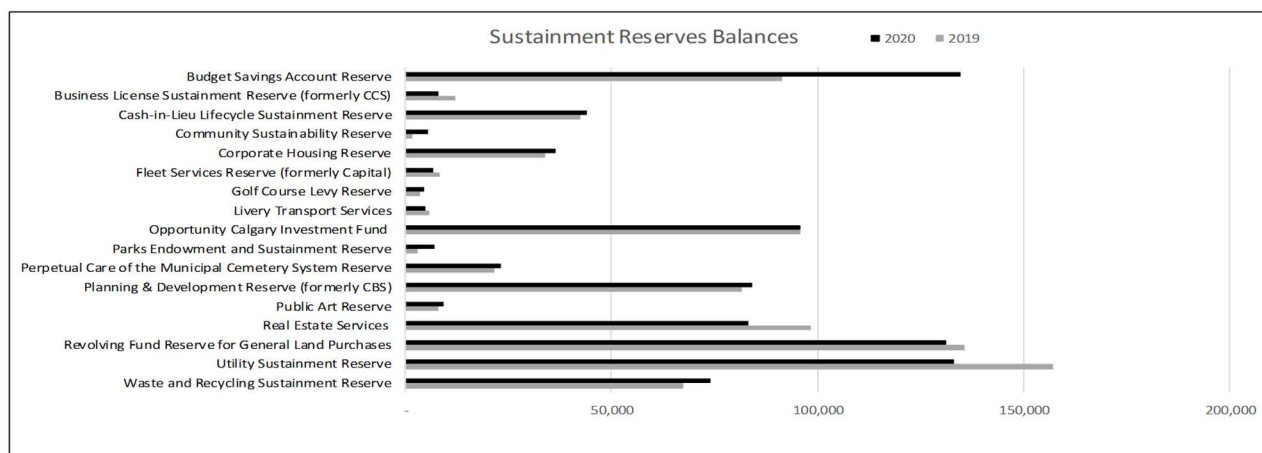
**Change Explanation (Threshold: Greater than 20% or \$4,000):**

- Calgary Police Service Capital Reserve:** The reserve increased due to the Calgary Police Commission approving the strategy to provide for additional contributions to the capital reserves with the intent to not contribute to the reserves in 2021 and 2022 to offset anticipated losses in revenues due to COVID-19. The largest impact to Calgary Police Service was the changes in court processes which delayed payments of fines and the large decrease in summonses issued as a result of less traffic on the road. The lagging effects are expected to have severe impact on revenues well into 2021 and 2022.
- Community Investment Reserve:** The reserve increased due to lower capital spend needs due to changes in capital project progress and timing.
- Established Area Investment Fund Reserve:** This is a newly created reserve in 2020, therefore there is no comparative balance.
- LED Street Light Re-Lamping Reserve:** The reserve decreased primarily due to more funding contributed to capital projects during 2020 because there was a Safety Initiative to replace streetlights that represented a safety risk. Additional funding was required due to accelerated timeline for replacing streetlights.
- Legacy Parks Reserve:** The reserve increased primarily due to higher dividends declared by ENMAX relative to The City's 2020 budget.
- Lifecycle Maintenance and Upgrade Reserve:** The reserve increased primarily due to lower contributions to capital for Green Line Fund and fewer transfers to other reserves.
- Major Capital Project Reserve:** The reserve increased primarily due to higher investment income and contributions from Budget Savings Account Reserve, along with lower contributions to capital.
- Reserve for Future Capital:** The reserve increased primarily due to the contributions to the reserve being higher relative to the expenditures and the reserve continued to grow primarily in the committed Pay As You Go (PAYG) area.
- TELUS Convention Centre Reserve:** The reserve increased as there was no draw of funds from this reserve in 2020.

**CURRENT YEAR CHANGE - SUSTAINMENT**  
AS AT DECEMBER 31  
(\$000's)

**This report provides explanations for the year-on-year change in reserve balances for the sustainment reserves. The threshold used for providing explanations is \$4,000 or 20% increase or decrease in reserves balances relative to the prior year.**

	Type	Appx. Pg.	2020	2019	Change \$	Change %	Change Note
<b>Sustainment Reserves</b> (combined operating & capital reserves)							
Budget Savings Account Reserve	CF	80	134,736	91,251	43,485	48%	1
Business Licence Sustainment Reserve	CF	83	7,981	11,966	(3,985)	(33%)	2
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	44,028	42,477	1,551	4%	
Community Sustainability Reserve	L	86	5,399	1,856	3,543	191%	3
Corporate Housing Reserve	L	88	36,573	33,952	2,621	8%	
Fleet Services Reserve (formerly Capital)	CF	91	6,736	8,338	(1,602)	(19%)	
Golf Course Levy Reserve	C/CF	92	4,484	3,744	740	20%	4
Livery Transport Services	CF	93	5,001	5,834	(833)	(14%)	
Opportunity Calgary Investment Fund	L	96	95,839	95,853	(14)	0%	
Parks Endowment and Sustainment Reserve	C/E	98	6,922	2,886	4,036	140%	5
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	23,268	21,457	1,811	8%	
Planning & Development Reserve	C/CF	102	84,199	81,707	2,492	3%	
Public Art Reserve	CF	104	9,248	8,048	1,200	15%	
Real Estate Services	CF	106	83,098	98,202	(15,104)	(15%)	6
Revolving Fund Reserve for General Land Purchases	C/CF	110	131,116	135,487	(4,371)	(3%)	7
Utility Sustainment Reserve	C/CF	112	133,107	156,957	(23,850)	(15%)	8
Waste and Recycling Sustainment Reserve	C/CF	114	73,878	67,312	6,566	10%	9
			<b>885,613</b>	<b>867,327</b>	<b>18,286</b>	<b>2%</b>	



**Change Explanation (Threshold: Greater than 20% or \$4,000):**

- Budget Savings Account:** The reserve increased due to higher contributions from business units, 2020 excess Tax Loss Provision and Municipal Operating Support Transfer grant. This was partially offset by contributions to operations for one time items.
- Business License Sustainment Reserve:** The reserve decreased due to Council's Relief Package to support businesses. Council waived the business license and fire inspection fees for one-year effective March 17, 2020. The loss in revenue on the operating side was covered by a draw from this reserve.
- Community Sustainability Reserve:** The reserve increased due to the COVID-19 Relief Package to support Community Associations and Social Recreation Groups as approved by Council. A \$6M contribution was made to the reserve and out of which \$2.5M were disbursed as at December 31, 2020.
- Golf Course Levy:** The reserve increased due to higher investment income, user surcharge and contributions from operations to the reserve due to golf operations being least affected with COVID-19 shutdown. Golf courses remained opened during the pandemic shutdown and increased their number of golfers.
- Parks Endowment and Sustainment:** The reserve increased primarily due to increase in tree compensation funds into the reserve.
- Real Estate Services:** The reserve decreased due to economic and market conditions that resulted in softer demand in land sales in 2020.
- Revolving Fund:** The reserve decreased due to overall reduced land sales transactions due to economic conditions and lower amounts of repayments by business units for land transactions.
- Utility Sustainment:** The reserve decreased due to higher capital financing costs relative to contributions from operations and allocation of investment income
- Waste and Recycling:** The reserve increased due to higher contributions from operations and investment income along with lower contributions to operations.

**INVESTMENT INCOME ALLOCATIONS**  
FOR THE YEARS ENDED DECEMBER 31, 2016 - 2020  
(\$000's)

**This report includes information on the eligibility for investment income allocations for each reserve. For reserves that are approved to receive investment income allocations, the report provides a five year history of the allocations for these reserves. Investment income not allocated to reserves is allocated to general revenue.**

	Type	Appx. Pg.	Investment Income Allocations	2020	2019	2018	2017	2016
							(Restated)	
<b>Operating Reserves</b>								
Calgary Heritage Authority Reserve	E	24	Y	59	59	47	55	40
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	N	-	-	-	-	-
Calgary Police Service Helicopter Maintenance	CF	27	N	-	-	-	-	-
Children's Reserve Fund	E	28	Y	177	167	129	150	105
ENMAX Dividend Stabilization Reserve	C	29	N	-	-	-	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	30	Y	148	125	106	149	92
Fiscal Stability Reserve	C	32	Y	17,694	15,765	15,215	16,651	12,319
Group Life Reserve	L	35	Y	70	57	46	53	36
Health, Safety and Wellness Reserve	CF	36	N	-	-	-	-	-
Heritage Incentive Reserve	CF	38	Y	57	47	35	-	-
Mall Programming Fund	C	40	Y	30	30	22	25	18
Parking Revenue Reinvestment Reserve	CF	42	N	-	-	-	-	-
Parks Foundation Reserve	E	43	Y	254	148	192	173	140
Self - Insurance Reserve	L	44	Y	-	-	-	-	-
Snow and Ice Control (SNIC) Reserve	C	46	N	-	-	-	-	-
Tax Loss Provision Reserve	C	48	N	-	-	-	-	-
				<b>18,489</b>	<b>16,398</b>	<b>15,792</b>	<b>17,256</b>	<b>12,750</b>
<b>Capital Reserves</b>								
911 Communications Centre Capital Financing Reserve	CF	49	N	-	-	-	-	-
Artificial Turf Field Lifecycle Reserve	C/CF	50	Y	204	181	109	97	59
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	Y	53	71	117	156	107
Calgary Police Service Capital Reserve	CF	54	P	37	34	16	30	19
Community Investment Reserve	CF	56	Y	1,947	1,748	1,336	3,348	5,860
Debt Servicing Reserve	C	58	Y	2,004	2,088	1,645	1,863	1,177
Downtown Improvement Fund	CF	60	Y	102	97	83	107	83
Established Area Investment Fund	CF	62	Y	730	-	-	-	-
Information Technology Reserve	CF	64	P	273	182	106	374	211
LED Street Light Re-Lamping Reserve	CF	67	N	-	-	-	-	-
Legacy Parks Reserve	CF	68	Y	271	234	192	255	335
Lifecycle Maintenance and Upgrade Reserve	CF	70	N	-	-	-	-	-
Major Capital Project Reserve	CF	72	Y	15,333	10,272	-	-	-
Parking Land Acquisition Reserve	CF	74	Y	-	-	1,132	1,308	876
Reserve for Future Capital	C/CF	76	N	-	-	-	-	-
TELUS Convention Centre Reserve	L	78	N	-	-	-	-	-
				<b>20,954</b>	<b>14,907</b>	<b>4,736</b>	<b>7,538</b>	<b>8,727</b>
<b>Sustainment Reserves</b>								
(combined operating & capital reserves)								
Budget Savings Account Reserve	CF	80	N	-	-	-	-	-
Business License Sustainment Reserve	CF	83	Y	375	406	295	299	146
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	Y	1,551	1,246	-	-	-
Community Sustainability Reserve	L	86	N	-	-	-	-	-
Corporate Housing Reserve	L	88	Y	1,021	936	655	754	645
Fleet Services Reserve (formerly Capital)	CF	91	N	-	-	-	-	-
Golf Course Levy Reserve	C/CF	92	Y	160	112	75	74	36
Livery Transport Services	CF	93	Y	191	185	117	119	86
Opportunity Calgary Investment Fund	L	96	Y	686	2,842	1,858	-	-
Parks Endowment and Sustainment Reserve	C/E	98	Y	176	148	112	131	61
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	Y	808	720	512	552	347
Planning & Development Reserve	C/CF	102	Y	2,773	2,844	1,961	3,159	2,131
Public Art Reserve	CF	104	N	-	-	-	-	-
Real Estate Services	CF	106	P	632	453	168	198	145
Revolving Fund Reserve for General Land Purchases	C/CF	110	Y	4,512	3,972	2,827	2,917	2,086
Utility Sustainment Reserve	C/CF	112	Y	16,594	9,042	5,164	4,469	2,774
Waste and Recycling Sustainment Reserve	C/CF	114	Y	5,582	5,186	3,821	3,974	2,575
				<b>35,061</b>	<b>28,092</b>	<b>17,565</b>	<b>16,646</b>	<b>11,032</b>
<b>Total Investment Income Allocations to Reserves</b>				<b>74,504</b>	<b>59,397</b>	<b>38,093</b>	<b>41,440</b>	<b>32,509</b>

**Investment Income Allocations:**

**Y** - Receives allocations

**N** - Does not receive allocations and investment income allocated to general revenue

**P** - A component receives an allocation

**BALANCE CONDITIONS**  
AS AT DECEMBER 31, 2020  
(\$000's)

**Council approved reserves conditions as to balances at the time reserves were created or subsequent to their creation. This report provides information on the balance conditions for each reserve that has an approved balance condition.**

	Type	Appx. Pg.	2020	Reserve Balance Conditions			
				Minimum	Maximum	Target	Principal
<b><u>Operating Reserves</u></b>							
Calgary Heritage Authority Reserve	E	24	1,664	-	-	-	1,338
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	4,000	-	-	-	-
Calgary Police Service Helicopter Maintenance	CF	27	3,294	-	-	-	-
Children's Reserve Fund	E	28	5,021	-	-	-	-
ENMAX Dividend Stabilization Reserve	C	29	18,000	-	20,000	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	30	4,705	-	-	-	-
Fiscal Stability Reserve	C	32	637,997	165,633	-	496,899	-
Group Life Reserve	L	35	1,926	1,926	-	-	-
Health, Safety and Wellness Reserve	CF	36	17,136	-	-	-	-
Heritage Incentive Reserve	CF	38	1,527	-	-	-	-
Mall Programming Fund	C	40	845	-	-	-	688
Parking Revenue Reinvestment Reserve	CF	42	3,766	-	-	-	-
Parks Foundation Reserve	E	43	2,345	-	-	-	2,000
Self - Insurance Reserve	L	44	7,000	2,000	7,000	-	7,000
Snow and Ice Control (SNIC) Reserve	C	46	6,260	-	15,000	-	-
Tax Loss Provision Reserve	C	48	-	-	33,402	-	-
<b><u>Capital Reserves</u></b>							
911 Communications Centre Capital Financing Reserve	CF	49	23,259	-	-	-	-
Artificial Turf Field Lifecycle Reserve	C/CF	50	5,961	-	-	-	312
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	6,390	-	7,500	-	-
Calgary Police Service Capital Reserve <sup>(1)</sup>	CF	54	44,062	-	2,500	-	-
Community Investment Reserve	CF	56	81,101	-	-	-	-
Debt Servicing Reserve	C	58	52,570	-	-	-	-
Downtown Improvement Fund	CF	60	2,819	-	-	-	-
Established Area Investment Fund	CF	62	52,326	-	-	-	-
Information Technology Reserve <sup>(2)</sup>	CF	64	38,709	7,512	9,390	-	-
LED Street Light Re-Lamping Reserve	CF	67	2,070	-	-	-	-
Legacy Parks Reserve	CF	68	10,719	-	-	-	-
Lifecycle Maintenance and Upgrade Reserve	CF	70	313,207	-	-	-	-
Major Capital Project Reserve	CF	72	443,706	-	-	-	-
Reserve for Future Capital	C/CF	76	387,680	-	-	72,899	-
TELUS Convention Centre Reserve	L	78	393	200	-	-	-
<b><u>Sustainment Reserves</u></b>							
(combined operating & capital reserves)							
Budget Savings Account Reserve	CF	80	134,736	-	-	-	-
Business License Sustainment Reserve	CF	83	7,981	-	-	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	44,028	-	-	-	-
Community Sustainability Reserve	L	86	5,399	-	-	-	-
Corporate Housing Reserve	L	88	36,573	-	-	-	-
Fleet Services Reserve (formerly Capital)	CF	91	6,736	-	10,000	-	-
Golf Course Levy Reserve	C/CF	92	4,484	-	-	-	1,000
Livery Transport Services	CF	93	5,001	-	-	-	-
Opportunity Calgary Investment Fund (formerly Economic Development)	L	96	95,839	-	-	-	-
Parks Endowment and Sustainment Reserve	C/E	98	6,922	-	-	-	419
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	23,268	-	-	-	-
Planning & Development Reserve	C/CF	102	84,199	-	-	62,220	-
Public Art Reserve	CF	104	9,248	-	-	-	-
Real Estate Services	CF	106	83,098	-	-	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	110	131,116	-	-	-	-
Utility Sustainment Reserve	C/CF	112	133,107	-	-	90,230	-
Waste and Recycling Sustainment Reserve	C/CF	114	73,878	-	-	14,363	-

(1) The maximum amount for Calgary Police Service Capital Reserve only relates to the Pay-As-You-Go portion of the reserve.

(2) The minimum and maximum amounts for Information Technology reserve only relate to the Hardware Replacement portion of the reserve.

**BALANCE BY RESERVE TYPE**  
AS AT DECEMBER 31, 2020  
(\$000's)

**This report categorizes the reserve balances as at December 31 by the reserves business type. This provides additional context in interpreting the reserves balances.**

	Type	Appx. Pg.	2020	Reserve Balance by Business Type			
				Contingency	Cashflow	Endowment	Legislated
<b><u>Operating Reserves</u></b>							
Calgary Heritage Authority Reserve	E	24	1,664	-	-	1,664	-
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	4,000		4,000	-	-
Calgary Police Service Helicopter Maintenance	CF	27	3,294	-	3,294	-	-
Children's Reserve Fund	E	28	5,021	-	-	5,021	-
ENMAX Dividend Stabilization Reserve	C	29	18,000	18,000	-	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	30	4,705	4,705	-	-	-
Fiscal Stability Reserve	C	32	637,997	637,997	-	-	-
Group Life Reserve	L	35	1,926	-	-	-	1,926
Health, Safety and Wellness Reserve	CF	36	17,136	-	17,136	-	-
Heritage Incentive Reserve	CF	38	1,527	-	1,527	-	-
Mall Programming Fund	C	40	845	845	-	-	-
Parking Revenue Reinvestment Reserve	CF	42	3,766	-	3,766	-	-
Parks Foundation Reserve	E	43	2,345	-	-	2,345	-
Self - Insurance Reserve	L	44	7,000	5,000	-	-	2,000
Snow and Ice Control (SNIC) Reserve	C	46	6,260	6,260	-	-	-
Tax Loss Provision Reserve	C	48	-	-	-	-	-
			<b>715,486</b>	<b>672,807</b>	<b>29,723</b>	<b>9,030</b>	<b>3,926</b>
<b><u>Capital Reserves</u></b>							
911 Communications Centre Capital Financing Reserve	CF	49	23,259	-	23,259	-	-
Artificial Turf Field Lifecycle Reserve	C/CF	50	5,961	312	5,649	-	-
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	6,390	-	6,390	-	-
Calgary Police Service Capital Reserve	CF	54	44,062	-	44,062	-	-
Community Investment Reserve	CF	56	81,101	-	81,101	-	-
Debt Servicing Reserve	C	58	52,570	52,570	-	-	-
Downtown Improvement Fund	CF	60	2,819	-	2,819	-	-
Established Area Investment Fund	CF	62	52,326	-	52,326	-	-
Information Technology Reserve	CF	64	38,709	-	38,709	-	-
LED Street Light Re-Lamping Reserve	CF	67	2,070	-	2,070	-	-
Legacy Parks Reserve	CF	68	10,719	-	10,719	-	-
Lifecycle Maintenance and Upgrade Reserve	CF	70	313,207	-	313,207	-	-
Major Capital Project Reserve	CF	72	443,706	-	443,706	-	-
Reserve for Future Capital	C/CF	76	387,680	147,072	240,608	-	-
TELUS Convention Centre Reserve	L	78	393	-	-	-	393
			<b>1,464,972</b>	<b>199,954</b>	<b>1,264,625</b>	<b>-</b>	<b>393</b>
<b><u>Sustainment Reserves</u></b>							
(combined operating & capital reserves)							
Budget Savings Account Reserve	CF	80	134,736	-	134,736	-	-
Business License Sustainment Reserve	CF	83	7,981	-	7,981	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	44,028	-	44,028	-	-
Community Sustainability Reserve	L	86	5,399	-	-	-	5,399
Corporate Housing Reserve	L	88	36,573	-	-	-	36,573
Fleet Services Reserve (formerly Capital)	CF	91	6,736	-	6,736	-	-
Golf Course Levy Reserve	C/CF	92	4,484	-	4,484	-	-
Livery Transport Services	CF	93	5,001	-	5,001	-	-
Opportunity Calgary Investment Fund	L	96	95,839	-	-	-	95,839
Parks Endowment and Sustainment Reserve	C/E	98	6,922	-	6,372	550	-
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	23,268	-	23,268	-	-
Planning & Development Reserve	C/CF	102	84,199	-	84,199	-	-
Public Art Reserve	CF	104	9,248	-	9,248	-	-
Real Estate Services	CF	106	83,098	-	83,098	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	110	131,116	77,360	53,756	-	-
Utility Sustainment Reserve	C/CF	112	133,107	46,026	87,081	-	-
Waste and Recycling Sustainment Reserve	C/CF	114	73,878	14,363	59,515	-	-
			<b>885,613</b>	<b>137,749</b>	<b>609,503</b>	<b>550</b>	<b>137,811</b>
<b>Total Reserves</b>			<b>3,066,071</b>	<b>1,010,510</b>	<b>1,903,851</b>	<b>9,580</b>	<b>142,130</b>

**BALANCE BY COMMITMENTS**  
AS AT DECEMBER 31, 2020  
(\$000's)

This report shows specific reserve commitments as at December 31, 2020. These commitments include budgeted reserve inflows/outflows for the remainder of the budget cycle (2021-2022), Council approved commitments, legislated and external commitments. These amounts are further supported by supplementary details in each respective reserve template. This summary table provides additional context in interpreting the reserve balances; which by their nature have been restricted by Council or externally mandated terms limiting the use of these reserve funds.

	Type	Appx. Pg.	2020	Reserve Balance by Commitments		
				Funding	Commitments	Remaining Balance
<b>Operating Reserves</b>			<b>A</b>	<b>B</b>	<b>C</b>	<b>A+B-C</b>
Calgary Heritage Authority Reserve	E	24	1,664	-	1,638	26
Calgary Police Service Court Fine Revenue Operating Reserve	C	26	4,000	-	-	4,000
Calgary Police Service Helicopter Maintenance	CF	27	3,294	1,617	-	4,911
Children's Reserve Fund	E	28	5,021	435	4,862	594
ENMAX Dividend Stabilization Reserve	C	29	18,000	-	18,000	-
Family & Community Support Service (FCSS) Stabilization Fund	C	30	4,705	-	750	3,955
Fiscal Stability Reserve	C	32	637,997	38,565	482,184	194,378
Group Life Reserve	L	35	1,926	-	1,926	-
Health, Safety and Wellness Reserve	CF	36	17,136	2,697	5,014	14,819
Heritage Incentive Reserve	CF	38	1,527	1,281	1,167	1,641
Mall Programming Fund	C	40	845	-	688	157
Parking Revenue Reinvestment Reserve	CF	42	3,766	-	-	3,766
Parks Foundation Reserve	E	43	2,345	-	2,345	-
Self - Insurance Reserve	L	44	7,000	-	2,000	5,000
Snow and Ice Control (SNIC) Reserve	C	46	6,260	-	-	6,260
Tax Loss Provision Reserve	C	48	-	-	-	-
			<b>715,486</b>	<b>44,595</b>	<b>520,574</b>	<b>239,507</b>
<b>Capital Reserves</b>						
911 Communications Centre Capital Financing Reserve	CF	49	23,259	2,300	6,279	19,280
Artificial Turf Field Lifecycle Reserve	C/CF	50	5,961	-	312	5,649
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	52	6,390	400	2,000	4,790
Calgary Police Service Capital Reserve	CF	54	44,062	10,192	23,993	30,261
Community Investment Reserve	CF	56	81,101	372,565	453,666	-
Debt Servicing Reserve	C	58	52,570	173,415	225,985	-
Downtown Improvement Fund	CF	60	2,819	316	1,000	2,135
Established Area Investment Fund	CF	62	52,326	-	30,000	22,326
Information Technology Reserve	CF	64	38,709	16,926	51,928	3,707
LED Street Light Re-Lamping Reserve	CF	67	2,070	1,428	3,498	-
Legacy Parks Reserve	CF	68	10,719	469	5,072	6,116
Lifecycle Maintenance and Upgrade Reserve	CF	70	313,207	286,571	545,780	53,998
Major Capital Project Reserve	CF	72	443,706	26,250	469,956	-
Reserve for Future Capital	C/CF	76	387,680	290,000	530,607	147,073
TELUS Convention Centre Reserve	L	78	393	360	753	-
			<b>1,464,972</b>	<b>1,181,192</b>	<b>2,350,829</b>	<b>295,335</b>
<b>Sustainment Reserves</b>						
(combined operating & capital reserves)						
Budget Savings Account Reserve	CF	80	134,736	-	52,975	81,761
Business License Sustainment Reserve	CF	83	7,981	1,038	3,664	5,355
Cash-in-Lieu Lifecycle Sustainment Reserve	CF	84	44,028	3,102	9,647	37,483
Community Sustainability Reserve	L	86	5,399	-	3,543	1,856
Corporate Housing Reserve	L	88	36,573	-	23,306	13,267
Fleet Services Reserve (formerly Capital)	CF	91	6,736	-	-	6,736
Golf Course Levy Reserve	C/CF	92	4,484	-	1,750	2,734
Livery Transport Services	CF	93	5,001	173	4,234	940
Opportunity Calgary Investment Fund	L	96	95,839	-	36,579	59,260
Parks Endowment and Sustainment Reserve	C/E	98	6,922	1,610	8,532	-
Perpetual Care of the Municipal Cemetery System Reserve	CF	100	23,268	4,760	8,889	19,139
Planning & Development Reserve	C/CF	102	84,199	3,632	50,128	37,703
Public Art Reserve	CF	104	9,248	-	-	9,248
Real Estate Services	CF	106	83,098	94,952	127,644	50,406
Revolving Fund Reserve for General Land Purchases	C/CF	110	131,116	91,891	108,298	114,709
Utility Sustainment Reserve	C/CF	112	133,107	531,760	562,834	102,033
Waste and Recycling Sustainment Reserve	C/CF	114	73,878	4,273	60,032	18,119
			<b>885,613</b>	<b>737,191</b>	<b>1,062,055</b>	<b>560,749</b>
<b>Total Reserves</b>			<b>3,066,071</b>	<b>1,962,978</b>	<b>3,933,458</b>	<b>1,095,591</b>



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RESERVE CONTACTS AND REVIEW SCHEDULE AS AT DECEMBER 31, 2020 (\$000's)						
	Appx. Pg.	2020	Business Unit	Financial Lead	Operational Lead	Last Reviewed
<b>Operating Reserves</b>						
Calgary Heritage Authority Reserve	24	1,664	Calgary Growth Strategies	C. Cote, Finance Lead	J. Mueller, Manager, City Planning and Policy Services	2018
Calgary Police Service Court Fine Revenue Operating Reserve	26	4,000	Calgary Police Services	L. Tochor, City Treasurer	B. Hutchins, Finance Manager	2017
Calgary Police Service Helicopter Maintenance	27	3,294	Calgary Police Services	B. Hutchins, Finance Manager	M. Neufeld, Chief of Police	2017
Children's Reserve Fund	28	5,021	Calgary Neighbourhoods	J. Salazar, Finance Lead	C. Christenson, Manager, Social Programs	2018
ENMAX Dividend Stabilization Reserve	29	18,000	Corporate Revenue & Costs	H. Amizola, Corporate Finance Lead	T. Nguyen, Finance Manager	2018
Family & Community Support Service (FCSS) Stabilization Fund	30	4,705	Calgary Neighbourhoods	J. Salazar, Finance Lead	P. Yung, Manager	2018
Fiscal Stability Reserve	32	637,997	Finance	T. Nguyen, Finance Manager	L. Tochor, City Treasurer	2018
Group Life Reserve	35	1,926	Finance	D. Andrews, Finance Leader, Benefits Finance	G. Wiebe, Finance Manager, Corporate Financial Reporting	2018
Health, Safety and Wellness Reserve	36	17,136	Human Resources	E. Galindo, Finance Lead	M. Lavallee, Director	2018
			Environmental & Safety Management	F. Tse, Finance Lead	C. Collier, Director	
Heritage Incentive Reserve	38	1,527	Calgary Growth Strategies	C. Cote, Finance Lead	J. Mueller, Manager, City Planning and Policy Services	2018
Mall Programming Fund	40	845	Calgary Growth Strategies	C. Cote, Finance Lead	J. Tang, Program Manager	2018
Parking Revenue Reinvestment Reserve	42	3,766	Transportation Planning	S. MacKenzie, Finance Lead	C. Blaschuk, Manager, Transportation Strategy	N/A
Parks Foundation Reserve	43	2,345	Calgary Parks	T. LePrieur, Finance Lead	K. Ripley, Director	2019
Self - Insurance Reserve	44	7,000	Law	B. Jia, Finance Lead	F. Ashraf, Manager, Risk Management & Claims	2018
Snow and Ice Control (SNIC) Reserve	46	6,260	Roads	S. MacKenzie, Finance Lead	C. Hewitt, Maintenance Manager	2018
TaxLoss Provision Reserve	48	-	Finance	H. Amizola, Corporate Finance Lead	C. Male, Chief Financial Officer	2019
<b>Capital Reserves</b>						
911 Communications Centre Capital Financing Reserve	49	23,259	Calgary Community Standards	T. LePrieur, Finance Lead	G. Sahlen, Commander	2017
Artificial Turf Field Lifecycle Reserve	50	5,961	Calgary Recreation	R. Turley, Finance Lead	F. Le Berre, Capital Development Manager	2019
Asphalt and Crusher Plant Lifecycle Capital Reserve	52	6,390	Roads	S. MacKenzie, Finance Lead	B. Poon, Manager Construction	2018
Calgary Police Service Capital Reserve	54	44,062	Calgary Police Services	B. Hutchins, Finance Manager	M. Neufeld, Chief	2017
Community Investment Reserve	56	81,101	Civic Partners	A. Szaflarski, Acting Finance Manager	K. Black, General Manager	2019
Debt Servicing Reserve	59	52,570	Finance	B. Rupert, Corporate Finance Leader	T. Nguyen, Finance Manager	2019
Downtown Improvement Fund	60	2,819	Calgary Growth Strategies	C. Cote, Finance Lead	J. Tang, Program Manager	2018

Established Area Investment Fund	62	52,326	Calgary Growth Strategies	C. Cote, Finance Lead	K. Campbell, Manager, Growth Funding & Investment M. Sheldrake, Manager, Growth & Strategic Services	N/A
Information Technology Reserve	64	38,709	Information Technology	E. Galindo, Finance Lead J. Kwong, Finance Manager	J. Bradley, Director	2017
LED Street Light Re-Lamping Reserve	67	2,070	Roads	S. MacKenzie, Finance Lead	R. Seera, Manager Traffic (Roads)	2018
Legacy Parks Reserve	68	10,719	Calgary Parks	T. LePrieur, Finance Lead	N. Bernard, Manager	2019
Lifecycle Maintenance and Upgrade Reserve	70	313,207	Finance	B. Rupert, Corporate Finance Leader	T. Nguyen, Finance Manager	2017
Major Capital Project Reserve	72	443,706	Finance	L. Tochor, City Treasurer/Director of Finance	C. Male, Chief Financial Officer	N/A
Reserve for Future Capital	76	387,680	Finance Facility Management Transportation Infrastructure	B. Rupert, Corporate Finance Leader C. Saravanapavananthan, Finance Lead Y. Foulston, Finance Lead	T. Nguyen, Finance Manager D. Bell, Director K. Fromherz, Director	2017
TELUS Convention Centre Reserve	78	393	Civic Partners	J. Salazar, Finance Lead	L. Kerr, Manager, Office of Partnerships	2019
<b>Sustainment Reserves</b> (combined operating & capital reserves)						
Budget Savings Account Reserve	80	134,736	Finance	T. Nguyen, Finance Manager	L. Tochor, City Treasurer	2018
Business License Sustainment Reserve	83	7,981	Calgary Community Standards	T. LePrieur, Finance Lead	C. Hindson, Manager	2019
Cash-in-Lieu Lifecycle Sustainment Reserve	84	44,028	Fleet Services Calgary Parking Authority	S. MacKenzie, Finance Lead J. Foulds, Controller	C. Blaschuk, Manager, Transportation Strategy M. Houssaini, Acting General Manager	N/A
Community Sustainability Reserve	86	5,399	Calgary Neighbourhoods	J. Salazar, Finance Lead	C. Joynt, Director	2019
Corporate Housing Reserve	88	36,573	Calgary Housing	J. Salazar, Finance Lead	B. Irvine, Manager	2019
Fleet Services Reserve (formerly Capital)	91	6,736	Fleet Services	J. Pieterse, Finance Lead	M. Belzile, Manager, Fleet Services	2017
Golf Course Levy Reserve	92	4,484	Calgary Recreation	R. Turley, Finance Lead	C. Steinraths, Centre City Region Manager	2017
Livery Transport Services	93	5,001	Calgary Community Standards	T. LePrieur, Finance Lead	C. Hindson, Manager	2019
Opportunity Calgary Investment Fund	96	95,839	Civic Partners	J. Salazar, Finance Lead	L. Kerr, Manager, Office of Partnerships	N/A
Parks Endowment and Sustainment Reserve	98	6,922	Calgary Parks	T. LePrieur, Finance Lead	N. Bernard, Manager G. Jones, Manager	2019
Perpetual Care of the Municipal Cemetery System Reserve	100	23,268	Calgary Parks	T. LePrieur, Finance Lead	N. Bernard, Manager	2019
Planning & Development Reserve	102	84,199	Calgary Building Services	J. Lee, Finance Lead	M. Tita, Chair of PD Financial Governance Oversight Committee	2019
Public Art Reserve	104	9,248	Calgary Recreation	R. Turley, Finance Lead	J. Thompson, Manager, Arts & Culture	2019
Real Estate Services	106	83,098	Real Estate and Development Services	K. Rajani, Finance Lead	J. Rumer, Manager	2018
Revolving Fund Reserve for General Land Purchases	110	131,116	Real Estate and Development Services	K. Rajani, Finance Lead	J. Halfyard, Manager, Land and Asset Management	2019
Utility Sustainment Reserve	112	133,107	Utilities	B. Drykstra, Finance Lead	N. Stalker, Director, Water Services F. Bouchart, Director, Water Services	2019
Waste and Recycling Sustainment Reserve	114	73,878	Waste & Recycling Services	L. Peng, Finance Lead	R. Valdarchi, Director	2019
<b>Total Reserves</b>		<b>3,066,071</b>				

### 2020 RESERVE DEPARTMENT OWNERSHIP SCHEDULE

**Note:** Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2020 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/20 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer to Equity in Land Inventory	Transfer between Reserves	Corp Financing (Investment Income)	Other	Dec. 31/20 Closing Balance
<b>Community Services &amp; Calgary Police</b>										
911 Communications Centre Capital Financing Reserve	c	(25,377)	-	(3,000)	5,118	-	-	-	-	(23,259)
Artificial Turf Field Lifecycle Reserve	c	(5,456)	-	(301)	-	-	-	(204)	-	(5,961)
Buisness Licence Sustainment Reserve	s	(11,966)	2,490	-	531	-	1,339	(375)	-	(7,981)
Calgary Police Service Capital Reserve	c	(37,825)	-	(18,146)	11,946	-	-	(37)	-	(44,062)
Calgary Police Service Court Fine Revenue Operating Reserve	o	(4,000)	-	-	-	-	-	-	-	(4,000)
Calgary Police Service Helicopter Maintenance Reserve	o	(2,236)	559	(1,617)	-	-	-	-	-	(3,294)
Children's Reserve Fund	o	(4,844)	-	-	-	-	-	(177)	-	(5,021)
Community Investment Reserve	c	(61,481)	-	(50,919)	34,746	-	(1,500)	(1,947)	-	(81,101)
Community Sustainability Reserve	s	(1,856)	2,457	(6,000)	-	-	-	-	-	(5,399)
Corporate Housing Reserve	s	(33,952)	748	(2,278)	6	-	(76)	(1,021)	-	(36,573)
FCSS Stabilization Fund	o	(3,679)	487	(1,365)	-	-	-	(148)	-	(4,705)
Golf Course Levy Reserve	s	(3,744)	-	(580)	-	-	-	(160)	-	(4,484)
Legacy Parks Reserve	c	(7,889)	-	-	941	-	(3,500)	(271)	-	(10,719)
Livery Transport Services Reserve	s	(5,834)	643	-	381	-	-	(191)	-	(5,001)
Opportunity Calgary Investment Fund	s	(95,853)	700	-	-	-	-	(686)	-	(95,839)
Parks Endowment and Sustainment Reserve	s	(2,886)	216	(4,304)	228	-	-	(176)	-	(6,922)
Parks Foundation Reserve	o	(2,327)	236	-	-	-	-	(254)	-	(2,345)
Perpetual Care of the Municipal Cemetery System Reserve	s	(21,457)	239	(1,409)	167	-	-	(808)	-	(23,268)
Public Art Reserve	s	(8,048)	-	-	-	-	(1,200)	-	-	(9,248)
TELUS Convention Centre Reserve	c	(213)	-	(180)	-	-	-	-	-	(393)
<b>Deputy City Manager</b>										
Fleet Services Reserve	s	(8,338)	877	(4,275)	5,000	-	-	-	-	(6,736)
Real Estate Services	s	(98,202)	-	(2,647)	19,177	-	150	(632)	(944)	(83,098)
Revolving Fund Reserve for General Land Purchases	s	(135,487)	1,909	-	18,219	-	4,694	(4,512)	(15,939)	(131,116)
<b>Utilities &amp; Environmental Protection</b>										
Utility Sustainment Reserve	s	(156,957)	-	(236,816)	277,826	-	(566)	(16,594)	-	(133,107)
Waste & Recycling Sustainment Reserve	s	(67,312)	4,199	(18,173)	12,990	-	-	(5,582)	-	(73,878)

### 2020 RESERVE DEPARTMENT OWNERSHIP SCHEDULE

**Note:** Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2020 supplementary schedule.

	Operating/ Capital Sustainment	Jan. 1/20 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer to Equity in Land Inventory	Transfer between Reserves	Corp Financing (Investment Income)	Other	Dec. 31/20 Closing Balance
<b>CFO &amp; Governance</b>										
Budget Savings Account Reserve	s	(91,251)	25,749	(93,862)	-	-	24,628	-	-	(134,736)
Debt Servicing Reserve	c	(52,570)	29,859	(94,752)	-	-	66,897	(2,004)	-	(52,570)
ENMAX Dividend Stabilization Reserve	o	(14,500)	-	(3,500)	-	-	-	-	-	(18,000)
Fiscal Stability Reserve	o	(536,284)	52,539	(39,660)	11,763	-	55,477	(17,694)	(164,138)	(637,997)
Group Life Reserve	o	(1,965)	109	-	-	-	-	(70)	-	(1,926)
Health, Safety and Wellness Reserve <sup>(1)</sup>	o	(17,276)	1,485	(1,345)	-	-	-	-	-	(17,136)
Information Technology Reserve	c	(35,643)	-	(12,872)	10,585	-	(506)	(273)	-	(38,709)
Lifecycle Maintenance and Upgrade Reserve	c	(245,554)	-	(126,968)	97,296	-	(37,981)	-	-	(313,207)
Major Capital Project Reserve	c	(423,516)	-	-	43	-	(4,900)	(15,333)	-	(443,706)
Reserve for Future Capital <sup>(2)</sup>	c	(357,467)	-	(122,472)	117,259	-	(25,000)	-	-	(387,680)
Self - Insurance Reserve	o	(7,000)	-	-	-	-	-	-	-	(7,000)
Tax Loss Provision Reserve	o	-	-	-	-	-	-	-	-	-
<b>Transportation &amp; Planning and Development</b>										
Asphalt and Crusher Plant Lifecycle Capital Reserve	c	(6,058)	-	(279)	-	-	-	(53)	-	(6,390)
Calgary Heritage Authority Reserve	o	(1,680)	75	-	-	-	-	(59)	-	(1,664)
Cash-in-Lieu Lifecycle Sustainment Reserve	s	(42,477)	-	-	-	-	-	(1,551)	-	(44,028)
Downtown Improvement Fund	c	(2,800)	-	(1)	84	-	-	(102)	-	(2,819)
Established Area Investment Fund	c	-	-	-	26	-	(51,622)	(730)	-	(52,326)
Heritage Incentive Reserve	o	(1,229)	429	(670)	-	-	-	(57)	-	(1,527)
LED Street Light Re-Lamping Reserve	c	(4,802)	-	(817)	3,549	-	-	-	-	(2,070)
Mall Programming Fund	o	(865)	50	-	-	-	-	(30)	-	(845)
Parking Land Acquisition Reserve	c	-	-	-	-	-	-	-	-	-
Parking Revenue Reinvestment Reserve	o	(4,918)	1,152	-	-	-	-	-	-	(3,766)
Planning & Development	s	(81,707)	-	(3,406)	3,687	-	-	(2,773)	-	(84,199)
Snow and Ice Control Reserve	o	-	-	(4,350)	-	-	-	-	(1,910)	(6,260)
<b>Total per 2020 Reserve Report</b>		<b>(2,736,781)</b>	<b>127,207</b>	<b>(856,964)</b>	<b>631,568</b>	<b>-</b>	<b>26,334</b>	<b>(74,504)</b>	<b>(182,931)</b>	<b>(3,066,071)</b>

(1) This reserve is owned by HR and ESM business unit. For presentational purposes, it is shown under the CFO & Governance department.

(2) This reserve is owned by Finance, Facility Management, and Transportation Infrastructure business units. For presentational purposes, it is shown under the CFO & Governance department.

# Glossary

**Capital Deposits** – Monies received for various capital projects from land developers, pursuant to development agreements or the Municipal Government Act, and from other governments, through grants and the provincial revenue sharing agreements

**Capital Reserve** – A reserve to fund approved capital programs, projects and expenditures

**Cashflow Reserve** – A reserve to fund planned future actions. The purpose is to smooth the cash demands of these planned future actions or to accumulate funds to ensure sustainability of these planned services and actions. These reserves will generally have a budget

**Commitments** – A planned future outflow from the Reserve balance, approved by Council or senior management, or required by legislation or contractual obligation, to be used for the purpose as defined within the specific Reserve, and in accordance with Conditions and Restrictions

**Condition** – Council or externally mandated terms on how funds are to be raised and/or maintained

**Contingency Reserve** – A reserve to fund approved actions during an unexpected event. These reserves may be business unit specific or corporately maintained. These reserves are not expected to have a budget but will generally have conditions as to adequacy of balances

**Funding** – Council approved budget and other expected inflows to the Reserve balance, from funding sources approved within the specific Reserve Conditions and Restrictions

**Endowment Fund** – A fund usually established through donations or third-party funding, created to provide income for a long-term ongoing purpose. Such funds are usually held in perpetuity and no encroachment on capital is allowed

**Investment Income Allocation** – The process for allocating investment incomes to reserves by Treasury based on specific criteria defined in the

Financial Reserves Procedures that support Administration policy FA-050 Financial Reserves. Only reserves that meet these criteria receive an allocation of investment income

**Legislated Reserve** – A reserve fund created and maintained by legislation or external agreements. This legislation or agreement defines the terms and conditions of the reserve

**Operating Reserve** – A reserve to fund operating expenditures for one-time projects, pilot programs, to stabilize operating budgets for unanticipated fluctuations in revenues or expenditures, to comply with a contractual agreement, or for contingency funds for operational emergencies

**Remaining Balance** – Funds available for future use within the specific Reserve Conditions and Restrictions as approved by Council

**Reserve** – Funds authorized by Council to be set aside for funding of future operating and/or capital expenditures

**Restriction** – Council or externally mandated terms limiting the use of reserve funds

**Review Schedule** – Schedule for the review of the reserve as part of the triennial reserve review program in accordance with Council Policy on Reserves CFO013

**Sustainment Reserve** – A reserve to fund both operating and capital expenditures for activities that are treated as self-sustaining

**Triennial Reserve Review Administrative Committee** – The Committee mandated with conducting the review of reserves as part of the triennial reserve review process, reporting on the review to PFC and Council and making recommendations based on the findings from the review



***APPENDIX***

***RESERVES AND***

***LONG TERM LIABILITIES***

***As at December 31, 2020***

**THE CITY OF CALGARY**  
**RESERVES AND LONG TERM LIABILITIES**  
**AS AT DECEMBER 31, 2016 - 2020**  
 (\$000's)

	Page	2020	2019	2018	2017	2016
					(Restated)	
<b><u>Operating Reserves</u></b>						
Calgary Heritage Authority Reserve	24	1,664	1,680	1,771	1,772	1,765
Calgary Police Service Court Fine Revenue Operating Reserve	26	4,000	4,000	4,000	4,000	4,000
Calgary Police Service Helicopter Maintenance	27	3,294	2,236	2,473	2,352	2,390
Children's Reserve Fund	28	5,021	4,844	4,702	4,723	4,693
ENMAX Dividend Stabilization Reserve	29	18,000	14,500	13,000	20,000	20,000
Family & Community Support Service (FCSS) Stabilization Fund	30	4,705	3,679	3,685	4,361	5,504
Fiscal Stability Reserve	32	637,997	536,284	656,282	573,721	556,561
Group Life Reserve	35	1,926	1,965	1,637	1,725	1,685
Health, Safety and Wellness Reserve	36	17,136	17,276	17,799	18,813	15,984
Heritage Incentive Reserve	38	1,527	1,229	1,242	1,205	965
Mall Programming Fund	40	845	865	835	813	788
Parking Revenue Reinvestment Reserve	42	3,766	4,918	3,884	2,133	-
Parks Foundation Reserve	43	2,345	2,327	2,471	2,407	2,376
Self - Insurance Reserve	44	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control (SNIC) Reserve	46	6,260	-	5,426	12,482	15,000
Tax Loss Provision Reserve	48	-	-	37,398	37,398	37,398
		<b>715,486</b>	<b>602,803</b>	<b>763,605</b>	<b>694,905</b>	<b>676,109</b>
<b><u>Capital Reserves</u></b>						
911 Communications Centre Capital Financing Reserve	49	23,259	25,377	25,055	26,243	24,141
Artificial Turf Field Lifecycle Reserve	50	5,961	5,456	4,803	3,271	3,015
Asphalt and Crusher Plant Lifecycle Capital Reserve	52	6,390	6,058	6,120	6,443	7,500
Calgary Police Service Capital Reserve	54	44,062	37,825	40,868	40,209	40,254
Community Investment Reserve	56	81,101	61,481	43,704	39,079	102,204
Debt Servicing Reserve	58	52,570	52,570	52,570	52,570	52,570
Downtown Improvement Fund	60	2,819	2,800	2,777	3,050	3,684
Established Area Investment Fund	62	52,326	-	-	-	-
Information Technology Reserve	64	38,709	35,643	37,286	27,711	20,746
LED Street Light Re-Lamping Reserve	67	2,070	4,802	5,414	4,537	5,688
Legacy Parks Reserve	68	10,719	7,889	7,025	8,155	10,558
Lifecycle Maintenance and Upgrade Reserve	70	313,207	245,554	248,660	171,056	116,122
Major Capital Project Reserve	72	443,706	423,516	-	-	-
Parking Land Acquisition Reserve	74	-	-	42,851	41,719	40,772
Reserve for Future Capital	76	387,680	357,467	305,675	305,420	327,014
TELUS Convention Centre Reserve	78	393	213	200	20	242
		<b>1,464,972</b>	<b>1,266,651</b>	<b>823,008</b>	<b>729,483</b>	<b>754,510</b>
<b><u>Sustainment Reserves</u></b>						
(combined operating & capital reserves)						
Budget Savings Account Reserve	80	134,736	91,251	135,198	157,334	130,103
Business License Sustainment Reserve	83	7,981	11,966	10,234	9,583	7,249
Cash-in-Lieu Lifecycle Sustainment Reserve	84	44,028	42,477	-	-	-
Community Sustainability Reserve	86	5,399	1,856	2,062	2,119	2,123
Corporate Housing Reserve	88	36,573	33,952	31,622	30,383	29,885
Fleet Services Reserve (formerly Capital)	91	6,736	8,338	9,766	10,933	14,326
Golf Course Levy Reserve	92	4,484	3,744	2,763	2,777	1,712
Livery Transport Services	93	5,001	5,834	4,818	4,145	3,737
Millican-Ogden Community Enhancement	94	-	-	-	-	5
Opportunity Calgary Investment Fund	96	95,839	95,853	101,047	55,000	-
Parks Endowment and Sustainment Reserve	98	6,922	2,886	4,510	4,494	3,118
Perpetual Care of the Municipal Cemetery System Reserve	100	23,268	21,457	19,519	18,221	15,905
Planning & Development Reserve	102	84,199	81,707	77,908	86,752	99,114
Public Art Reserve	104	9,248	8,048	6,768	5,883	5,105
Real Estate Services	106	83,098	98,202	82,935	70,795	63,969
Revolving Fund Reserve for General Land Purchases	110	131,116	135,487	119,750	102,118	101,073
Utility Sustainment Reserve	112	133,107	156,957	175,255	141,661	133,033
Waste and Recycling Sustainment Reserve	114	73,878	67,312	63,083	64,802	48,019
		<b>885,613</b>	<b>867,327</b>	<b>847,238</b>	<b>767,000</b>	<b>658,476</b>
<b>Total Reserves</b>		<b>3,066,071</b>	<b>2,736,781</b>	<b>2,433,851</b>	<b>2,191,388</b>	<b>2,089,095</b>

**THE CITY OF CALGARY**  
**RESERVES AND LONG TERM LIABILITIES**  
**AS AT DECEMBER 31, 2016 - 2020**  
**(\$000's)**

	Page	2020	2019	2018	2017	2016
					(Restated)	
<b>Amounts included in the Reserve Report but recorded in other funds (Operating or Capital Fund) or consolidated for financial reporting purposes</b>						
Total Reserves (per previous page)		3,066,071	2,736,781	2,433,851	2,191,388	2,089,095
<b>Less:</b>						
Unappropriated Surplus (Current year surplus)		(164,156)	(110,095)	(38,751)	(80,955)	(37,731)
Revolving Fund for General Land Purchases		(131,116)	(135,487)	(119,750)	(102,118)	(101,073)
CMLC Internally Restricted (Real Estate Services)		-	(4,964)	(4,964)	(4,964)	(4,964)
CMLC Internal Loan (Major Capital Project)		(59,072)	(23,506)	-	-	-
AHCC Internal Sale (Corporate Housing Reserve)		-	-	-	-	(326)
<b>Amounts not included in the Reserve Report but recorded in the Reserve Fund for financial reporting purposes</b>						
Attainable Homes Calgary Corporation operating fund		500	500	500	500	-
Calgary Arts Development Authority Ltd. operating fund		819	640	466	459	269
Calgary Housing Company surplus		29,770	28,726	27,653	27,349	27,448
Calgary Public Library operating fund		993	993	993	993	993
Other Adjustment		18	-	-	-	2,098
<b>Reserves per financial statements</b>		<b>2,743,827</b>	<b>2,493,588</b>	<b>2,299,998</b>	<b>2,032,652</b>	<b>1,975,809</b>

Note: The above schedule reconciles total reserves reported by business units to reserves reported per financial statements, by excluding items such as current year surplus, revolving fund for general land purchases, any internal sales, and including items, such as reserves held by related authorities.

	Page	2020	2019	2018	2017	2016
					(Restated)	
<b><u>Long Term Liabilities</u></b>						
<b><u>Capital Deposits</u></b>						
Basic Municipal Transportation Grant	117	-	-	-	-	-
Cash in Lieu of Parking Fund	118	2,523	2,405	7,799	15,686	15,098
Eau Claire Improvement Fund	119	943	910	879	856	829
Federal Gas Tax Fund	120	145,157	142,524	61,362	36,458	76,132
Miscellaneous Capital Deposits	122	210,390	213,909	246,131	228,364	241,435
Municipal Sustainability Initiative (MSI)	124	116,431	-	147,590	30,830	259,942
Off-site Levies and Centre City Levy	126	338,336	291,678	284,487	375,243	402,170
Plus 15 Cash in Lieu Fund	128	24,782	23,709	23,046	25,248	24,665
<b>Total Capital Deposits</b>		<b>838,562</b>	<b>675,135</b>	<b>771,294</b>	<b>712,685</b>	<b>1,020,271</b>
Utility Sustainment Adjustment (offset with reserves)		-	-	-	-	(2,098)
<b>Capital Deposits per financial statements</b>		<b>838,562</b>	<b>675,135</b>	<b>771,294</b>	<b>712,685</b>	<b>1,018,173</b>
<b><u>Employee Benefit Obligations</u></b>						
Defined Benefit Pension Plans (Registered & Non-Registered)	130	95,263	92,435	92,743	90,614	86,738
Funded Vacation and Overtime Liability	132	237,409	223,882	220,246	220,021	217,074
Other Retirement Benefits Liability	134	181,389	179,247	186,652	183,235	176,341
		<b>514,061</b>	<b>495,564</b>	<b>499,641</b>	<b>493,870</b>	<b>480,153</b>

**Supplementary Schedules**

Reserves Continuity	136
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Note: in addition to reserves, The City has commitments in the form of long term liabilities, such as, capital deposits and employee benefit obligations. Capital deposits are funds available for the purpose of capital spending and have specific restrictions and conditions around their usage. Employee benefit obligations is another significant liability held by City with specific purpose and contractual conditions. Due to the significant balance of these liabilities, these amounts are also included in this report for informational purposes.

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***OPERATING, CAPITAL  
AND SUSTAINMENT RESERVES***

**Calgary Heritage Authority Reserve**

Operating Reserve (\$000s)

\$	<b>1,664</b>
	(2020)

**Authorization:** PFC2012-0159, PFC2015-0917 and PFC2018-1125**Purpose:** Provide financial operating resources for the overall activities and responsibilities of the Calgary Heritage Authority ("CHA").**Conditions:** Reserve will maintain a minimum, protected balance of \$1,338. This is the value of the initial funding and establishing endowment principal amount for this reserve's predecessor, the Calgary Heritage Authority Legacy Endowment Fund; refer to Funding Sources for additional information.**Restrictions:** Funds are to be used at the sole discretion of the Calgary Heritage Authority to support their activities as mandated by the Calgary Heritage Authority Act.**Related Budget Program:** Operating Program: #610 Calgary Growth Strategies (formerly #610 City Wide Policy & Integration) on behalf of the CHA.

Capital Program(s): NA

**Funding Sources:** The opening balance of this reserve is funded through the transfers from the CHA Legacy Endowment Fund (original funding from sale of unused density from fire hall #1 site) and transfers from the Heritage Preservation Fund. Investment income earned on the balances in this reserve will provide future funding.

Reserve approved to record allocation of investment income:

 X  Yes          No**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Opening balance	1,680	1,771	1,772	1,765	1,770
Investment Income	59	59	47	55	40
Contributions to operations	(75)	(150)	(48)	(48)	(45)
Closing balance	<u>1,664</u>	<u>1,680</u>	<u>1,771</u>	<u>1,772</u>	<u>1,765</u>
Closing balance consists of:					
Principal	<u>1,338</u>	<u>1,338</u>	<u>1,338</u>	<u>1,338</u>	<u>1,338</u>
Accumulated net interest	<u>326</u>	<u>342</u>	<u>433</u>	<u>434</u>	<u>427</u>
Closing balance	<u>1,664</u>	<u>1,680</u>	<u>1,771</u>	<u>1,772</u>	<u>1,765</u>



**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	1,664
Principal restriction <sup>(1)</sup>	(1,338)
Other commitment <sup>(2)</sup>	<u>(300)</u>
Remaining balance	<u>26</u>

(1) The principal endowment balance of \$1,338 is restricted. Refer to Conditions section for more information.

(2) The other commitments are \$150 per year for the 2021 and 2022 fiscal year for the contributions to Calgary Heritage Authority.

**Calgary Police Service Court Fine Revenue Operating Reserve**

\$	<b>4,000</b>
	(2020)

Operating Reserve (\$000s)

**Authorization:** PFC2013-0084**Purpose:** To mitigate potential future revenue shortfalls in the Court Fine budgeted revenue portion of the Calgary Police Service (CPS) operating budget.**Conditions:** Contribute \$4,000 from the 2012 Court Fine revenue portion of the CPS operating budget.

Future year contributions are not scheduled unless recommended by the Calgary Police Commission or specifically approved by Council. If requesting permission from Council to contribute to the Operating Reserve, the Commission must first fund any operating shortfalls, as well as the CPS Pay-As-You-Go Reserve (to the maximum of \$2,500) before any remaining surplus will be contributed to the Operating Reserve. The CPS Operating and Capital budgets (including the Court Fine revenue portion of the Operating budget), will be approved by Council as part of the multi-year budget cycles and through the adjustment process when required.

**Restrictions:** The reserve is funded with a one-time contribution from the CPS in 2012, unless further Council direction is received. Withdrawals from the Operating Reserve to fund shortfall in the Court Fine revenue portion of the CPS Operating budget will require a written request from the Calgary Police Commission to the attention of the City Treasurer. Any other withdrawal requests from the reserve would require a similar written request, but would also require Council's approval of each specific request.**Related Budget Program:** Operating Program: #070 Calgary Police Service**Funding Sources:** \$4,000 from the 2012 Court Fine revenue portion of the CPS operating budget.Reserve approved to record allocation of investment income:  

___	Yes	<u>X</u>	No
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**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Opening balance	4,000	4,000	4,000	4,000	4,000
Contributions from operations	-	-	-	-	-
Closing balance	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	4,000
Commitments	<u>-</u>
Remaining balance	<u>4,000</u>

**Calgary Police Service Helicopter Maintenance Reserve**

<b>\$</b>	<b>3,294</b>
	<b>(2020)</b>

Operating Reserve (\$000s)

**Authorization:** FB96-48, FCS2006-29.

**Purpose:** To provide an operating reserve to stabilize maintenance costs for the Police Service helicopter (HAWCS), as costs vary dramatically from year to year depending on the life cycle of the various maintenance components. Reserve funds will be used to finance maintenance of the Calgary Police Service helicopters, minimizing major fluctuations in the Calgary Police Service Operating budget.

**Conditions:** Funds are to be used to finance maintenance of the CPS helicopters.**Restrictions:** As per purpose.**Related Budget Program:** Operating Program: #070 Calgary Police Service

**Funding Sources:** Reserve approved to record allocation of investment income:  
 \_\_\_\_ Yes                        X   No

**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	2,236	2,473	2,352	2,390	3,024
Contributions from operations <sup>(1)</sup>	1,617	808	808	809	808
Contributions to operations	(559)	(1,045)	(687)	(847)	(1,442)
Closing balance	<u>3,294</u>	<u>2,236</u>	<u>2,473</u>	<u>2,352</u>	<u>2,390</u>

(1) The 2020 contributions from operations are higher as on Jan 26, 2021, Calgary Police Commission approved the option to do additional contributions to the reserve with the intent to not contribute in 2021 and 2022 to offset anticipated losses in revenues due to COVID-19

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	3,294
Budgeted inflows <sup>(1)</sup>	1,617
Remaining balance	<u>4,911</u>

(2) Budgeted contributions from operations.

**Children's Reserve Fund**

\$	<b>5,021</b>
	(2020)

Operating Reserve (\$000s)

**Authorization:** C2000-07, FCS2004-22, CPS2008-87, FCS2010-19, FCS2011-34, PFC2012-0606, PFC2015-0917 and C2020-1215.

**Purpose:** To support access for low-income families and their children (up to 18 years of age) or directly for low income children, to programs which will enhance their social well-being (including arts, recreation and sports programs).

**Conditions:** Administration may use up to 100 per cent of the annual interest earned to help fund operating programs for children and youth. Interest earned not used in a year can be carried forward into future years.

**Restrictions:** None

**Related Budget Program:** Operating Program: #421 Calgary Neighbourhoods

**Funding Sources:** As per Report FCS2004-22 in 2004 all funds from the Emerging Social Issues Reserve have been transferred to a new Children's Reserve Fund. Other sources are at the discretion of Council.

Reserve approved to record allocation of investment income:

X  Yes                          No

**Special Reporting Requirements:** None

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	4,844	4,702	4,723	4,693	4,605
Investment Income	177	167	129	150	105
Transfers between/to/from reserves	-	(25)	(150)	(120)	(17)
Closing balance	<u>5,021</u>	<u>4,844</u>	<u>4,702</u>	<u>4,723</u>	<u>4,693</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	5,021
Budgeted inflows <sup>(1)</sup>	435
Council approved commitments <sup>(2)</sup>	(360)
Balance restriction <sup>(3)</sup>	<u>(4,502)</u>
Remaining balance	<u>594</u>

(1) Budgeted contributions from investment income.

(2) Council approved commitment relates to the SAVE Business Adjustment C2020-1215. The SAVE initiative cut the budget of Community Programs by \$120 and replaced it by a contribution from the Children's Reserve Fund. The amount in the table is for 2021, 2022 and thereafter.

(3) City Council, at its meeting of 1989 April 17, agreed that the proceeds from the sale or lease of a portion of the Children's Service Centre site be used to establish a special children's fund. The Children's Reserve was later created with this fund. The terms of the reserve restricted the use of the principal.

## ENMAX Dividend Stabilization Reserve

\$ 18,000  
(2020)

Operating Reserve (\$000s)

**Authorization:** NM 2012-05

**Purpose:** To provide an operating reserve to stabilize the ENMAX dividend for any budget shortfall, as ENMAX dividend varies from year to year.

**Conditions:** Fund balance cannot exceed \$20,000 in total.

**Restrictions:** Reserve is a contingency to fund shortfalls in the ENMAX dividend compared to budget.

**Related Budget Program:** Operating Program: #860 General Revenue

**Funding Sources:** 50 per cent of the ENMAX dividend received in excess of the annual budget, to be transferred to this reserve, to a maximum of \$20,000.

Reserve approved to record allocation of investment income:

     Yes   X   No

**Special Reporting Requirements:** None.

### Current Activity (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	14,500	13,000	20,000	20,000	20,000
Contributions from/(to) operations	3,500	1,500	(7,000)	-	-
Closing balance	<u>18,000</u>	<u>14,500</u>	<u>13,000</u>	<u>20,000</u>	<u>20,000</u>

### Commitments as at Dec 31, 2020 (\$000s):

Balance (as at Dec 31, 2020)	18,000
Internal restrictions <sup>(1)</sup>	18,000
Remaining balance	<u>-</u>

(1) As per NM2012-05, reserve balance is 100 per cent committed to fund any shortfall in the ENMAX dividend below \$47 million.

<b>Family &amp; Community Support Service (“FCSS”) Stabilization Fund</b>	<b>\$</b>	<b>4,705</b>
Operating Reserve (\$000s)		(2020)

**Authorization:** CS95-21, CPS98-12, CPS2003-26, FCS2004-22, CPS2009-09, CPS2011-19 and PFC 2015-0917.

**Purpose:** The reserve is used to:

- Cover any shortfalls in case the Provincial FCSS allocation of funds is less than expected at any given year;
- Respond to emerging social issues; and
- Support clearly defined capacity-building initiatives as per Council’s Policy of FCSS.

**Conditions:** Agencies wishing to access funds, must meet the requirements stated above under Purpose. In addition, they are required to complete an application. Administration will review the application and may consult with community partners to determine the project’s impact and viability.

**Restrictions:** None.

**Related Budget Program:** Operating Program: #421 Calgary Neighbourhoods

**Funding Sources:**

1. Unexpended or surplus funds from previously allocated ongoing and one-time contributions.
2. Any increase to the provincial or municipal portion of the FCSS budget announced after Council’s approval of allocation for the year.

Reserve approved to record allocation of investment income:  
☒ Yes      ☐ No

**Special Reporting Requirements:** None.



**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	3,679	3,685	4,361	5,504	5,704
Investment income	148	125	106	149	92
Contributions from operations	1,365	617	563	513	2,605
Contributions to operations(1)	(487)	(748)	(1,345)	(1,805)	(2,897)
Closing balance	<u>4,705</u>	<u>3,679</u>	<u>3,685</u>	<u>4,361</u>	<u>5,504</u>

(1) Contributions to operations:

2020: Council approved approximately \$500 for one-time capacity building and emerging issues projects as per CPS2019-1286.

2019: Council approved approximately \$750 for one-time capacity building and emerging issues projects as per CPS2018-1100.

2018: Council approved a \$750 withdrawal for one-time capacity building and emerging issues project as per CPS2017-1124. \$500 was also withdrawn to maintain the municipal contribution to the FCSS program budget as per CSP2016-0397. An additional \$95 were funds approved in prior years and extended for projects completed in 2018.

2017: As per CPS2016-0827 Council approved \$1,000 to be accessed from the FCSS Stabilization Fund in 2017 for the purpose of funding organizations for one-time capacity building projects and emerging issues. An additional \$500 was withdrawn as per CPS2016-0397 for the purposes of maintaining contribution to the FCSS program budget. \$305 in 2016 approved funds were extended and paid in 2017.

2016: Transfer of \$2,100 was approved by Council, as per CPS2016-0036, to be allocated to 72 funded agencies.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	4,705
Council approved commitments <sup>(1)</sup>	<u>(750)</u>
Remaining balance	<u>3,955</u>

(1) As per CPS2020-1221, Council approved \$750 for one-time capacity building and emerging issues projects in 2021.

**Fiscal Stability Reserve**

Operating Reserve (\$000s)

**\$ 637,997**  
**(2020)****Authorization:** Mill Rate bylaw 20M79, C2005-04, FCS2007-45 and PFC 2018-1125.**Purpose:** Prior to January 2005, the reserve was used to stabilize tax increases from year to year in order to balance operating budgets without large tax increases; planned contributions from the reserve were made as required and operating surpluses were returned to the reserve. After January 2005, the reserve has been mandated to serve the following purposes:

- A contingency fund for operational emergencies, urgent or contingency capital expenditures, and to compensate for unplanned revenue reductions with significant financial impacts; and
- Investment income from the reserve would be used to fund one-time operating budget expenditures.

**Conditions:** As per report FCS2007-45, the reserve must maintain a minimum balance of 5 per cent of The City's tax-supported gross expenditures (net of recoveries) and the Fiscal Stability Reserve ("FSR") target balance is set at 15 per cent of The City's tax supported gross expenditures (net of recoveries).**Restrictions:** None.**Related Budget Programs:** Operating Program: #856 Taxation  
#860 General Revenue**Funding Sources:** Council approved annual tax supported operating surpluses transferred to the reserve, and investment income earned on reserve funds. As per report FCS2007-45, Council approved previously committed one-time contingent funds that are no longer required for their original purpose, such as recoveries from provisions for tax losses, legal claims or environmental provisions.

Reserve approved to record allocation of investment income:

  X   Yes                             No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Opening Balance	536,284	656,282	573,721	556,561	547,811
Investment income	17,694	15,765	15,215	16,651	12,319
Contribution from operations <sup>(1)</sup>	39,660	114,262	63,558	16,793	10,945
Contribution to operations	(52,539)	(47,449)	(27,249)	(78,449)	(21,728)
Contribution (to) from capital <sup>(2)</sup>	(11,763)	(1,225)	(2,840)	(7,824)	(1,382)
Transfers between reserves <sup>(3)</sup>	(55,477)	(311,446)	(4,874)	(10,966)	(29,135)
Surplus (Current year)	164,138	110,095	38,751	80,955	37,731
Closing balance <sup>(4)</sup>	<u>637,997</u>	<u>536,284</u>	<u>656,282</u>	<u>573,721</u>	<u>556,561</u>

- (1) Contribution from operations came from corporate savings as per Council directions, inter-BU loan repayments from Roads and Corporate Analytics & Innovation ("CAI"), minimum 1 per cent of the favourable budget variance from investment income within Corporate Programs to be used for the Established Area Growth Strategy ("EAGS") per PFC2020-0131, flowing through Corporate FSR to transfer to Established Area Investment Fund ("EAIF"), and the transfer of various unspent contingency funds, for example, no longer required Property Tax and Business Tax contingencies..
- (2) Contribution to Capital as per report C2013-0668 for flood related projects.
  - 2020: Consists of \$251 for Genesis Centre Outdoor Artificial Turf project per C2018-1212, \$11,572 for Utilities flood expenditures, partially offset by \$60 no longer required accrual transferred back to FSR from City's resiliency projects.
  - 2019: Consists of \$1,249 for Utilities flood expenditures partially reduced by \$24 no longer required accrual transferred back to FSR from City's resiliency projects.
  - 2018: Consists of \$97 for City's resiliency projects and \$2,743 for Utilities flood expenditures
  - 2017: Consists of \$5,342 for City's resiliency projects and \$2,482 for Utilities flood expenditures.
  - 2016: Consists mostly of contribution to capital for Utilities flood expenditures.
- (3) Transfer (to)/from other reserve:
  - 2020: Transfer of \$479 from various business units' "FSR flow through reserves" on unspent one-time budget, to Established Area Investment Fund (EAIF) reserve (\$51,622) for Established Area Growth Strategy (EAGS) per PFC2020-0131, to various business units through "FSR flow through reserves" (\$4,212) for Mental Health and Addictions Strategy per C2018-0955, (\$118) for resiliency projects, and (\$4) for Extended Producer Responsibility per C2019-0129.
  - 2019: To fund Major Capital Projects ("MCP") Reserve per C2019-0525 (\$304,724) and C2019-0964 (\$3,000), to fund Mental Health and Addictions Strategy per C2018-0955 (\$3,311), to various business units' through "FSR flow through reserves" (\$370) for resiliency projects and to fund Extended Producer Responsibility per C2019-0129 (\$41)
  - 2018: As per 2018-06-25 report TT2018-0467, transfer funds from FSR to Roads Snow and Ice Control ("SNIC") for the 2018-2019 season (\$9,500); transfer funds to various business units' through "FSR flow through reserves" (\$2,804); transfer of \$6,443 from various business units through "FSR flow through reserves" on unspent one-time budget; transfer of \$600 from Economic Development and Policy Co-ordination ("EDPC") year-end surplus to fund future Council Innovation Fund; transfer of \$300 from PARKS for McHugh House Loan repayment; transfer of \$87 from Budget Savings Account ("BSA") Reserve due to ACE Daycare 2016 Flood Repayment, on bridge financing, being treated as LAW surplus and contributed to BSA in error.
  - 2017: As per report C2017-0370, transfer funds to Economic Development Investment Fund ("OCIF") of (\$10,000); transfer funds to various business units' through "FSR flow through reserves" (\$1,374); transfer of \$350 from EDPC year-end surplus to fund future Council Innovation Fund; transfer of \$58 from BSA reserve for 2016 over-contribution to BSA.
  - 2016: As per report C2014-0863, transfer of funds from FSR to Roads SNIC of (\$5,000); funding to capital budget program 639 of (\$900), for the Decidedly Jazz Dance Centre Project; transfer of funds from FSR to various business units' flow through FSR (\$23,235).
- (4) Committed amounts in the closing balance total \$292,714 at Dec 31, 2020 consisting of:
  - \$24,030 one-time approved council items,
  - \$88,761 of balance remaining for Flood and Resiliency Commitment,
  - \$1,000 for Shouldice Athletic Park Winter Utilization Shelter,
  - \$4,000 for New Community Growth Strategy,
  - \$17,966 for Community Action on Mental Health and Addiction,
  - \$1,899 for Genesis Centre Outdoor Artificial Turf Community Field,
  - \$5,000 for Urban Forestry Tree Canopy,
  - \$9 for Extended Producer Responsibility,
  - \$800 for Beltline and Inglewood Aquatic Centre for 2021
  - \$6,000 for 2021 property tax rebate,
  - \$18,000 for 2021 Non-Residential Phased Tax Program ("PTP"), and
  - \$125,249 for COFLEX Program per C2020-1362 - unspent balance on Municipal Operating Support Transfer ("MOST") grant for COVID-19 support.

Closing balance ratio to tax supported gross expenditures (net of recoveries) after committed amounts is 5.5 per cent before current year surplus and 10.4 per cent including current year surplus. The minimum level to be maintained in the reserve is \$165,633.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	637,997
Budgeted inflows <sup>(1)</sup>	38,565
Council approved commitments	
Operating budget for future years <sup>(2)</sup>	(26,667)
Operating items on a draw as needed basis <sup>(3)</sup>	(189,224)
Flood resiliency projects	(88,761)
Capital budget for future years <sup>(4)</sup>	(5,000)
Capital budget with no specific timeline <sup>(5)</sup>	(6,899)
Balance restrictions <sup>(6)</sup>	<u>(165,633)</u>
Remaining balance	<u>194,378</u>

(1) Budgeted contributions from investment income.

(2) Council approved one-time operating budget items.

(3) Operating items on a draw as needed basis consists of:

\$17,966 for Community Action on Mental Health and Addiction,

\$9 for Extended Producer Responsibility,

\$6,000 for 2021 property tax rebate,

\$18,000 for 2021 Non-Residential Phased Tax Program ("PTP"), and

\$125,249 for COFLEX Program per C2020-1362 - unspent balance on MOST grant.

\$22,000 for relief to businesses impacted by COVID-19 (Item approved on 2021 March 01).

(4) Capital budget: \$2,500 per year for Urban Forestry Tree Canopy for 2021-2022.

(5) Capital budget with no specific timeline consists of:

\$1,000 for Shouldice Athletic Park Winter Utilization Shelter,

\$4,000 for New Community Growth Strategy, and

\$1,899 for Genesis Centre Outdoor Artificial Turf Community Field.

(6) Restricted minimum balance of 5 per cent The City's tax-supported gross expenditures (net of recoveries).

**Group Life Reserve**

Operating Reserve (\$000s)

\$	<b>1,926</b>
	(2020)

**Authorization:** FB95-92, Group Policy No. 127 and PFC2012-0606.

**Purpose:** To satisfy contractual obligations under the Group Life benefit contract between The City and The Canada Life Assurance Company (Canada Life).

**Conditions:** Under the terms of the contract, The City must maintain a reserve balance comprised of two activities: 1) Incurred but Not Reported ("IBNR") for claims incurred by employees in the current year but not reimbursed by the plan until the following year. The IBNR portion of the reserve is equal to 12 per cent of the annualized Refund Billed Premium based on the last month of the policy year; and 2) a Claims Fluctuation reserve ("CFR") balance equal to 25 per cent of the Refund Billed Premium for the last complete policy year.

**Restrictions:** Externally restricted by the contractual obligations under the Group Life benefit contract between The City and Canada Life.

**Related Budget Program:** Operating Program: #787 Employee Benefits

**Funding Sources:** Operating Budget Program: #787 Employee Benefits

Reserve approved to record allocation of investment income:

X  Yes                          No

**Special Reporting Requirements:** Quarterly financial reports and annual Core Plan financial statements for the City management and MEBAC executive. The financial statements are subject to an external audit every four years effective 2014.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	1,965	1,637	1,725	1,685	1,580
Investment income	70	57	47	53	36
Contributions from/(to) Operations	(109)	271	(135)	(13)	69
Closing balance	<u>1,926</u>	<u>1,965</u>	<u>1,637</u>	<u>1,725</u>	<u>1,685</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	1,926
External restriction <sup>(1)</sup>	<u>(1,926)</u>
Remaining balance	<u>-</u>

(1) The complete reserve balance is externally restricted by the contractual obligations under the Group Life benefit contract between The City and Canada Life.

## Health, Safety and Wellness Reserve

\$ 17,136  
(2020)

Operating Reserve (\$000s)

**Authorization:** FB94-126, FB98-64, FCS2006-32, FCS2010-10, and PFC2018-1125.

**Purpose:** To fund preventive and proactive health, safety and wellness programs as part of The City's ongoing commitment to the safety, health and wellness of employees.

**Conditions:** Future Workers Compensation Board ("WCB") rebates and dividends will be allocated 75 per cent to the Health, Safety and Wellness ("HSW") Reserve and 25 per cent to Employee Benefits program. The Human Resources and Environment & Safety Management business units share responsibility for the HSW Reserve. Each business unit manages and reports independently on its portion which is derived from half of the 2008 opening balances plus half of the annual contributions to the reserve.

**Restrictions:** None.

**Related Budget Program:** Operating Program: #787 Employee Benefits  
#221 Human Resources (HR)  
#817 Environmental and Safety Management (ESM)

**Funding Sources:** A portion of the \$1,600 received in 1994 from the Workers Compensation Board ("WCB") as a result of increased diligence in the management of WCB claims. Effective 1998, funding will be received (\$600 per year) through an increase to the employee benefit rate. 75 per cent of WCB rebates and dividends to The City are also transferred to the reserve.

Reserve approved to record allocation of investment income:  
\_\_\_ Yes      X No

**Special Reporting Requirements:** Environment & Safety to report semi-annually to the S.P.C on Utilities and Corporate Services on safety compliance and performance. Human Resources provides an annual report to the Human Resources Client Council ("HRCC") on health and wellness expenditures and outcomes.



**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	17,276	17,799	18,813	15,984	13,271
Contributions from operations:					
Employee benefits rate	600	600	600	600	600
WCB rebate	745	704	699	636	600
WCB return on investment	-	-	-	4,254	4,519
Contributions to operations					
Safety (ESM)	(1,457)	(1,809)	(1,021)	(1,779)	(1,977)
Health & Wellness (HR)	(8)	-	(1,200)	(882)	(1,029)
Transit Rsv (100875)	(20)	-	(9)	-	-
Utility Sustainment Rsv (100790)	-	(18)	(83)	-	-
Closing balance	<u>17,136</u>	<u>17,276</u>	<u>17,799</u>	<u>18,813</u>	<u>15,984</u>

**Closing balance attributable to:**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Safety (ESM)	5,972	6,776	7,950	8,744	7,778
Health & Wellness (HR)	11,164	10,500	9,849	10,069	8,206
Closing balance	<u>17,136</u>	<u>17,276</u>	<u>17,799</u>	<u>18,813</u>	<u>15,984</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	17,136
Budgeted inflows <sup>(1)</sup>	2,697
Budgeted outflows <sup>(2)</sup>	(4,950)
Other commitments <sup>(3)</sup>	<u>(64)</u>
Remaining balance	<u>14,819</u>

(1) Budgeted inflows from operations for employee benefits rate and WCB rebate.

(2) Budgeted outflows to operations for Safety (ESM) and Health and Wellness (HR).

(3) This is commitment for Job Demands Analysis program which supports employee accommodations

## Heritage Incentive Reserve

Operating Reserve (\$000s)

\$ 1,527  
(2020)

**Authorization:** FB2002-27, FCS2004-15, FCS2004-20, PFC2012-0159, PFC2015-0917, and PFC2018-1125

**Purpose:** To fund the implementation of the Heritage Incentive Program which began in 2003.

Grants are provided to non-city owned municipal historic resources to:

- Promote the rehabilitation and economic re-use of buildings designated as Municipal Historic Resources under the Historical Resources Act of Alberta ("HRA").
- Address inequities that property owners assume when rehabilitating buildings designated under the HRA.
- Revitalize and rehabilitate derelict or underutilized heritage buildings.
- Revitalize older communities and commercial districts.

**Conditions:** Specific Conditions relating to use of the reserve with respect to the grant application process, payment process, and sign requirements are detailed in report PFC2012-0159.

**Restrictions:** There shall be a maximum expenditure of 50 per cent of the approved project costs or 15 per cent of the current assessed value of the property; whichever is the lesser, except for special circumstances approved by Council. All grants may be paid out in a single payment or over the course of a 5-year period.

Applications may be accepted every five years but the total grant amount cannot exceed 50 per cent of the approved project costs or 15 per cent of the current assessed value of the property; whichever is the lesser, every 15 years except for special circumstances approved by Council.

**Related Budget Program:** Operating Program: #610 Calgary Growth Strategies (formerly #610 City Wide Policy & Integration)

**Funding Sources:** To be funded annually from operating budget #610 Calgary Growth Strategies (formerly #610 City Wide Policy & Integration). Prior to 2014, it was funded by operating budget #616 Land Use Planning & Policy (formerly #611 Planning & Transportation Policy).

Reserve approved to record allocation of investment income:

  X   Yes                           No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	1,229	1,242	1,205	965	1,087
Investment income	57	47	35	-	-
Contributions from operations	670	225	225	525	225
Contributions to operations	(429)	(285)	(223)	(285)	(347)
Closing balance	<u>1,527</u>	<u>1,229</u>	<u>1,242</u>	<u>1,205</u>	<u>965</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	1,527
Budgeted inflows <sup>(1)</sup>	1,281
Budgeted outflows <sup>(2)</sup>	<u>(1,167)</u>
Remaining balance	<u>1,641</u>

(1) Budgeted inflows from operations and investment income.

(2) Budgeted outflows to operations.

## Mall Programming Fund

Operating Reserve (\$000s)

\$ 845  
(2020)

**Authorization:** OE2001-03, PFC2012-0606, PFC2015-0917, PFC2018-1125, PFC2019-1385 and ALT2019-1389

**Purpose:** To maintain and supplement activities and programs on Stephen Avenue Mall, specifically in the 300 west block between Bankers Hall and Toronto Dominion Square.

**Conditions:** Funds are to be managed by the Mall Programming Fund Management Committee ("MPFMC") comprising of a representative from Gentra/Brookfield, Oxford Properties, the Calgary Downtown Association, and The City, with The City representative as chairman.

**Restrictions:** The MPFMC is authorized to approve expenditures that utilize the investment income earned by the Fund while any expenditure involving the principal of the Fund is subject to Council approval.

**Related Budget Program:** Operating Program: #610 Calgary Growth Strategies (formerly #651 Urban Strategy and #612 Community Planning)

Capital Program: #616 Centre City Initiatives

**Funding Sources:** The developer of Bankers Hall was required to pay \$850 to establish the Fund. The interest earned on the initial contribution will be used for programming activities on the 300-west block on Stephen Avenue. Interest income can be carried forward if not spent in the year which it was earned.

Reserve approved to record allocation of investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	865	835	813	788	770
Investment income	30	30	22	25	18
Contributions to operations	(50)	-	-	-	-
Closing balance	<u>845</u>	<u>865</u>	<u>835</u>	<u>813</u>	<u>788</u>

**Closing balance consists of:**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Principal Amount	688	688	688	688	688
Accumulated Net Investment Income	157	177	147	125	100
Closing balance	<u>845</u>	<u>865</u>	<u>835</u>	<u>813</u>	<u>788</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	845
Balance restrictions <sup>(1)</sup>	<u>(688)</u>
Remaining balance	<u>157</u>

(1) The principal of the fund is subjected to Council approval.

**Parking Revenue Reinvestment Reserve**

\$	<b>3,766</b>
	(2020)

**Authorization:** PFC2017-0223

**Purpose:** To hold monies generated from surplus returns from Calgary Parking Authority (“CPA”) parking revenues to The City. The money is to be used for investment in public realm improvements and services in paid parking areas. The intent of the policy is to improve infrastructure in paid parking areas to improve streetscapes, urban design and improve the success of the area. It provides a line of sight between the collection of paid parking and area reinvestment. The complete policy is defined in section 5.3 of Council Policy TP017.

**Conditions:** The funds should be restricted to uses that support public realm improvements only. These are generally identified in Attachment 3 of Report TT2017-0044. Funds are internally restricted but the reserve may fund other improvements at The City’s discretion. Projects will be proposed by the business areas generating revenues and by The City. The projects will be approved jointly.

**Restrictions:** None.

**Related Budget Program:** Operating Program: #617 Transportation Planning

**Funding Sources:** 50 per cent of the surplus amount above approved budget from CPA net revenue contributions to The City. Council Policy TP017, section 5.3, provides the complete policy detailing the calculations.

Reserve approved to record allocation of investment income:

\_\_\_ Yes      X No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	4,918	3,884	2,133	-	-
Contributions from CPA	-	1,557	2,201	2,168	-
Contributions to operations	(1,152)	(523)	(450)	(35)	-
Closing balance	<u>3,766</u>	<u>4,918</u>	<u>3,884</u>	<u>2,133</u>	<u>-</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	3,766
Commitments	<u>-</u>
Remaining balance	<u>3,766</u>



**Parks Foundation Reserve**

\$	<b>2,345</b>
	(2020)

Operating Reserve (\$000s)

**Authorization:** CS90-17-01, FB99-48, FCS2004-22, Memorandum of Agreement – April 15, 2004, FCS2007-09 and PFC2016-0796.

**Purpose:** Create an Endowment fund and use the investment income to fund the administrative costs of Parks Foundation Calgary – a City of Calgary Civic Partner and to eliminate the annual contribution from The City to Parks Foundation Calgary's operating budget.

**Conditions:** Should Parks Foundation Calgary remove the funds from the Endowment Fund, except as outlined in the Restrictions below, The City will request the return of the funds in the Parks Foundation Calgary's Operating Endowment Fund.

**Restrictions:** Only investment earnings as outlined in the Memorandum of Agreement may be withdrawn to be used for administrative services of Parks Foundation Calgary.

**Related Budget Program:** Operating Program: #449 Civic Partners (Liaison: Community Services)

**Funding Sources:** The City contributed \$200 to the operating endowment for every \$300 Parks Foundation Calgary raised for capital endowment, up to a maximum contribution by The City of \$2,000, which was reached in 1998.

Reserve approved to record allocation of investment income:

X  Yes                          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	2,327	2,471	2,407	2,376	2,395
Investment income	254	148	192	173	140
Contributions to operations	(236)	(292)	(128)	(142)	(159)
Closing balance	<u>2,345</u>	<u>2,327</u>	<u>2,471</u>	<u>2,407</u>	<u>2,376</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	2,345
External restrictions <sup>(1)</sup>	<u>(2,345)</u>
Remaining balance	<u>-</u>

(1) The reserve is an endowment fund, where funds are segregated and being managed by Parks Foundation via an external investment manager.

## Self-Insurance Reserve

Operating Reserve (\$000s)

\$ 7,000  
(2020)

**Authorization:** FB86-130, FB94-26, FCS2010-19, PFC2012-0606 and PFC2015-0917.

**Purpose:** All activities undertaken by The City are covered under the Civic Insurance Program using common insurance industry principles. This program is comprised of purchased insurance coverage as well as a self-funded component for any losses not covered by the purchased policy. This reserve is utilized to offset any large claim against The City either in excess of a purchased policy limit or a loss that is not covered by any insurance policy.

The City is self-insured pursuant to section 825 of the Insurance Act of Alberta for auto.

Outside insurance coverage exists for claims exceeding established self-insurance retention levels for:

- a) Auto and general liabilities
- b) Property – insured on statement of value approximately \$11,585,431

**Conditions:** To be compliant with regulatory requirements a minimum of \$2,000 with the Self-Insurance Reserve must be allocated specifically to address auto liabilities.

In order to self-insure auto liability, The Alberta Insurance Act requires The City to maintain a separate fund.

Interest is only earned up to the amount required to maintain a reserve balance of \$7,000.

**Restrictions:** The reserve only funds losses in excess of \$500.

**Related Budget Programs:** Operating Program: #858 Investment Income  
#810 Law Program

**Funding Sources:** Contributions from operations, subject to Council's budget approval.

Reserve approved to record allocation of investment income:  
X Yes      \_\_\_\_ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	7,000	7,000	7,000	7,000	7,000
Contributions to operations	-	-	-	-	-
Investment income	-	-	-	-	-
Closing balance	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>

In addition to the closing balance above, a liability has been accrued to help cover the cost of various claims and lawsuits brought against The City in the ordinary course of business.

Administration provides an annual report to the Audit Committee on the Risk Management and Claims Division's information on the number of claims per year and claims paid per year. This confidential report is presented to the Audit Committee every year.

The reserve is only used when necessary and has not been used for the periods reported above.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	7,000
External commitments <sup>(1)</sup>	<u>(2,000)</u>
Remaining balance	<u>5,000</u>

- 1) To be compliant with regulatory requirements a minimum of \$2,000 must be allocated specifically to address auto liabilities.

## Snow and Ice Control (“SNIC”) Reserve

Operating Reserve (\$000s)

\$ 6,260  
(2020)

**Authorization:** PFC2012-0045, C2014-0863 and PFC2018-1125.

**Purpose:** Council directed Administration to establish a Snow and Ice Control (“SNIC”) reserve during the 2012-2014 Business Plan and Budget debates. The reserve shall be used by business units to supplement their annual SNIC budgets in order to maintain Council’s approved SNIC policy during years with above average severity (the number of snow events and a combination of snow, temperature and wind). The eligible expenditures are those activities as defined in the Council Policy on Snow and Ice Control (LPT2011-57).

Calgary Transit’s contribution to this reserve may be used by Transit or Roads for eligible expenditures, in accordance with the Memorandum of Understanding between Calgary Transit and Roads dated 2018 October 1 and as defined in the Council Policy on Snow and Ice Control (LPT2011-57), to ensure the safety and mobility of Calgary Transit customers, pedestrians, cyclists and vehicles.

**Conditions:** If the reserve fund is depleted to zero in a future year, Administration will advise Council.

Fund balance cannot exceed \$15,000 per C2014-0863.

**Restrictions:** Withdrawals from the Roads-funded portion of this reserve by business units other than Roads require approval by the Reserve Operational Lead.

**Related Budget Program:** Operating Program: #132 Roads  
#110 Calgary Transit  
#445 Parks

**Funding Sources:** The reserve will be replenished from any surplus in Roads’ SNIC budget in winters with below average severity. Contributions of \$5,000 per year for 2015 - 2016 and \$9,500 in year 2018 to the reserve from the Fiscal Stability Reserve (FSR) was approved in Action Plan 2015-2018.

The reserve may be replenished from any surplus from Calgary Transit’s snow removal priority accessibility budget.

In situations where a full contribution from both the Roads and Calgary Transit budget surpluses would cause the reserve to exceed its maximum balance, Roads’ surplus shall be contributed to the reserve first.

Roads will work with Finance at the end of April and December of each year to determine the required draw or replenishment of funds to the SNIC Reserve. Roads’ SNIC budget will not be adjusted in order to maintain the established baseline budgets.

Reserve approved to record allocation of investment income:

     Yes   X   No

**Special Reporting  
Requirements:**

The terms of reference will be reviewed prior to the beginning of each business planning and budget cycle.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	-	5,426	12,482	15,000	8,940
Contributions from (to) operations	4,350	(5,426)	(17,177)	(3,437)	1,060
Contribution from Calgary Transit	1,910	-	621	919	-
Contribution from FSR	-	-	9,500	-	5,000
Closing balance	6,260	-	5,426	12,482	15,000

**Closing balance attributable to:**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Roads	4,350	-	4,805	11,563	15,000
Calgary Transit	1,910	-	621	919	-
Closing balance	6,260	-	5,426	12,482	15,000

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	6,260
Commitments	-
Remaining balance	<u>6,260</u>

**Tax Loss Provision Reserve**

\$ -  
(2020)

**Authorization:** FCS2007-45, PFC2013-0812, PFC2016-0796 and PFC2019-1385

**Purpose:** In the event of a substantial unanticipated adverse outcome from Assessment complaints and appeals, this reserve has been established to provide for such losses.

**Conditions:** The reserve balance shall be determined by the Chief Financial Officer with input from the Tax Provision Steering Committee. The reserve balance shall not exceed the current year's Tax Loss Provision Contingency Liability balance.

**Restrictions:** Contributions and withdrawals relating to specific tax loss related circumstances are authorized by the Chief Financial Officer. Any other contributions or withdrawals require Council approval.

**Related Budget Program:** Operating Program: #856 Taxation

**Funding Sources:** Initial funding source in 2007 is \$27,000 transferred from the Assessment and Tax Contingency Provision Liability fund. Any unused funds from the Tax Loss Provision Contingency Liability will be contributed to this reserve up to the balance determined per the reserve conditions.

Reserve approved to record allocation of investment income:  
☐ Yes ☒ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	-	37,398	37,398	37,398	37,398
Transfers between reserves <sup>1</sup>		(37,398)	-	-	-
Closing balance	-	-	37,398	37,398	37,398

(1) Transfer of \$37,398 to Major Capital Projects Reserve as per PFC2019-0525.



# 911 Communications Centre Capital Financing Reserve

\$ 23,259  
(2020)

Capital Reserve (\$000s)

**Authorization:** GP98-21, FCS2004-59, FCS2010-10, CPS2014-0255, PFC2014-0847 and C2017-1123.

**Purpose:** To fund future capital improvements and upgrades to the Calgary 911 Communications Centre.

**Conditions:** None.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #004 CCS – Calgary 911 (formerly #002 Public Safety Communications)

Capital Program: #045 Calgary 911 (formerly #045 Public Safety Communications)

**Funding Sources:** A portion of revenue generated from the monthly fee charged to citizens on both landlines and wireless phones.

Reserve approved to record allocation of investment income:

\_\_\_ Yes      X No

**Special Reporting Requirements:** None.

## Current Activity (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	25,377	25,055	26,243	24,141	18,577
Contributions from operations	3,000	3,437	4,511	5,149	6,769
Contributions to capital financing	(5,118)	(3,115)	(5,699)	(3,047)	(1,205)
Closing balance	<u>23,259</u>	<u>25,377</u>	<u>25,055</u>	<u>26,243</u>	<u>24,141</u>

## Commitments as at Dec 31, 2020 (\$000s):

Balance (as at Dec 31, 2020)	23,259
Budgeted inflows <sup>(1)</sup>	2,300
Budgeted outflows <sup>(2)</sup>	<u>(6,279)</u>
Remaining balance	<u>19,280</u>

(1) Budgeted inflows from operations.

(2) Budgeted outflows for capital improvements and upgrades projects.

**Artificial Turf Field Lifecycle Reserve**

\$	<b>5,961</b>
	(2020)

Capital Reserve (\$000s)

**Authorization:** FCS2010-19, CPS2011-15, CPS2012-24, PFC2013-745, PFC2016-0796, CPS2016-0807 and PFC2019-1385

**Purpose:** Per FCS2010-19, expenditures associated with artificial turf field replacement. In 2018, funds for the Genesis Environmental Contingency were added to the reserve.

**Conditions:** None.

**Restrictions:** The Genesis Centre Environmental Contingency of \$312 plus accrued interest is externally restricted for potential environmental events at the Genesis Centre.

**Related Budget Program:** Capital Program: #507 Calgary Recreation, Facilities

**Funding Sources:** Beginning in 2010, annual contribution from Recreation's actual net revenue generated by artificial turf field rentals fees.

Reserve approved to record allocation of investment income:

X  Yes                          No

**Special Reporting Requirements:** Administration will be closely monitoring field revenues, expenses and the annual reserve balances and report back to Council if the yearend reserve balance deviates by 25 per cent from projection in any year. Any significant modifications in contribution amounts will be identified through the annual budget process as necessary.

**Current Activity (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Artificial Turf Reserve</b>					
Opening balance	5,157	4,511	3,271	3,015	2,221
Investment Income	191	174	102	97	59
Contributions from operations	301	472	879	668	908
Contributions (to)/from capital	-	-	259	(509)	(173)
Closing balance	5,649	5,157	4,511	3,271	3,015
<b>Genesis Centre Environmental Contingency</b>					
Opening balance	299	292	-	-	-
Investment Income	13	7	7	-	-
Contributions from operations	-	-	285	-	-
Component closing balance	312	299	292	-	-
<b>Total Reserve closing balance</b>	<u>5,961</u>	<u>5,456</u>	<u>4,803</u>	<u>3,271</u>	<u>3,015</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	5,961
Balance restriction <sup>(1)</sup>	<u>(312)</u>
Remaining balance	<u>5,649</u>

- (1) The Genesis Centre Environmental Contingency of \$312 including accrued interest is externally restricted for potential environmental events at the Genesis Centre.

## Asphalt and Crusher Plant Lifecycle Capital Reserve

Capital Reserve (000's)

\$ 6,390  
(2020)

**Authorization:** FCS2010-10, PFC2012-0606 and PFC2018-1125.

**Purpose:** To finance capital expenditures relating to Roads – Plants Operations as budgeted through The City's annual capital budget process or a specific Council approval.

**Conditions:** Funds must be used to finance capital expenditures relating to Roads - Plant Operations only.

As per report FCS2004-22, in 2004 this reserve will reflect only the funds available for capital improvement and not the inventory.

**Restrictions:** None.

**Related Budget Program:** Operating Program: #132 Roads  
Capital Program: #128-136 Plants Capital

**Funding Sources:** Proceeds from sale of surplus Roads – Plants assets, interest income, and any excess of Roads – Plants revenues or recoveries over expenditures after other fund transfers. Where the reserve has reached its maximum balance, or if the balance of the reserve is deemed sufficient by the Director of Roads to fund Plants upgrade work within the four-year business cycle, Roads may elect to withhold all or a portion of the contributions to this reserve.

Reserve approved to record allocation of investment income:

X Yes      \_\_\_ No

**Special Reporting Requirements:** None.

### Current Activity (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	6,058	6,120	6,443	7,500	6,367
Investment Income	53	71	117	156	107
Contributions from operations	279	-	-	-	1,936
Contributions to capital	-	(133)	(440)	(1,213)	(910)
Closing balance	<u>6,390</u>	<u>6,058</u>	<u>6,120</u>	<u>6,443</u>	<u>7,500</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	6,390
Budgeted inflows <sup>(1)</sup>	400
Budgeted outflows <sup>(2)</sup>	<u>(2,000)</u>
Remaining balance	<u>4,790</u>

(1) Budgeted inflows from investment income.

(2) Budgeted outflows for capital financing.

# Calgary Police Service Capital Reserve

Capital Reserve (\$000s)

\$ 44,062  
(2020)

**Authorization:** FB93-80, FB2000-12, FB2000-24, FCS2004-22, FCS2004-61, FCS2011-34, PFC2014-0847 and C2016-0632

Per FCS2011-34, this is a consolidation of the Calgary Police Services Pay-As-You-Go Capital Reserve, the Calgary Police Services Capital Financing Reserve and the red light camera funds from the Reserve for Future Capital.

**Purpose:**

- 1) To provide for the capital financing of Police Vehicles.
- 2) To provide for the capital financing of Police Automated Fingerprint Identification System (AFIS) upgrades. AFIS is a joint venture with the Edmonton Police Service.
- 3) To assist with financing Calgary Police Service (CPS) capital assets (Pay-As-You-Go).
- 4) To provide for the capital financing of the Red Light Camera program and other CPS infrastructure requirements.

**Conditions:** Pay-As-You-Go (see restrictions).

**Restrictions:** Maximum annual contribution for the Pay-As-You-Go fund cannot exceed \$2,500 and the Pay-As-You-Go year-end balance cannot exceed \$2,500.

2016 - Allow a contribution of \$10,500 to the Pay-As-You-Go fund of the Calgary Police Service Capital Reserve in 2016 only.

**Related Budget Program:**

Operating Program: #070 Calgary Police Service

Capital Programs: #031 Police Equipment  
#037 Police Vehicles  
#034 Automated Fingerprint System  
#038 Police Facilities  
#039 Police Computer Systems

**Funding Sources:** Vehicles – Police operating funds;  
AFIS upgrades – All user fees received from AFIS operations;  
Pay-As-You-Go – Police operating funds and proceeds from disposal of capital assets;  
Red Light Camera Surplus Funds.

Reserve approved to record allocation of investment income:  
 X  Yes (AFIS only)          No

**Special Reporting Requirements:** None



**Current Activity (000's): Vehicles**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	22,139	22,382	20,019	22,329	22,319
Contributions from operations	11,819	9,021	11,002	4,314	5,750
Contributions to capital	(2,983)	(9,264)	(8,639)	(6,624)	(5,740)
Closing balance	<u>30,975</u>	<u>22,139</u>	<u>22,382</u>	<u>20,019</u>	<u>22,329</u>

**Current Activity (000's): AFIS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	992	939	898	851	819
Investment Income (AFIS only)	37	34	16	30	19
Contributions from operations	18	19	25	17	13
Closing balance	<u>1,047</u>	<u>992</u>	<u>939</u>	<u>898</u>	<u>851</u>

**Current Activity (000's): Pay-As-You-Go**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	2,500	4,256	8,050	9,238	2,500
Contributions from operations	2,500	2,289	-	-	8,272
Contributions to capital	(2,500)	(4,045)	(3,794)	(1,188)	(1,534)
Closing balance <sup>(1)</sup>	<u>2,500</u>	<u>2,500</u>	<u>4,256</u>	<u>8,050</u>	<u>9,238</u>

(1) Per FCS2004-22, a maximum amount of \$2,500 to be held in the reserve (at December 31). The 2016 balance is in excess of this maximum because of an additional transfer (C2016-0632) approved by Council in 2016. The Police Commission planned for the funds to be expended by Q1 2019. The ending 2020 balance is now aligned with the reserve maximum

**Current Activity (000's): Red Light Camera**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	12,194	13,291	11,242	7,836	8,711
Contributions from operations	3,809	1,338	3,913	4,033	2,796
Contributions to capital	(6,463)	(2,435)	(1,864)	(627)	(3,671)
Closing balance	<u>9,540</u>	<u>12,194</u>	<u>13,291</u>	<u>11,242</u>	<u>7,836</u>

**Consolidated Closing Balance<sup>(2)</sup>**

<b>44,062</b>	<b>37,825</b>	<b>40,868</b>	<b>40,209</b>	<b>40,254</b>
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(2) Per FCS2011-34, the above balances were consolidated and the above values represent a consolidation of reserve balances from prior years for illustrative purposes only. The reserves consolidated into this are Red Light Camera Funds and the Calgary Police Service Pay-As-You-Go Reserve.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	44,062
Budgeted inflows <sup>(1)</sup>	10,192
Budgeted outflows <sup>(2)</sup>	<u>(23,993)</u>
Remaining balance	<u>30,261</u>

(1) Budgeted inflows from operations.

(2) Contributions for capital financing.

## Community Investment Reserve

Capital Reserve (\$000s)

\$ 81,101  
(2020)

**Authorization:** C2004-60, NM2004-17, CPS 2005-24, NM2006-05, LAS2008-101, CPS2011-39, FCS2011-18, LAS2011-59, PFC2012-0248, C2014-0863, CPS2015-0647, PFC2016-0796, PFC2017-0615 and PFC2019-1385.

NM2004-17 and CPS2005-24 established a Community Investment Reserve Fund in the amount of \$102,100 (GST) for five specified community capital infrastructure projects.

NM2006-05 increased the Community Investment Reserve Fund by \$100,000 (GST).

CPS2011-39 directed that \$42,000 annually Vacated Tax Room ("VTR") be transferred to the Community Investment Reserve and funding for 2011-2016 be allocated.

PFC2012-0248 approved allocation of VTR and GST funding for the debt servicing of four New Recreation Facilities.

C2014-0863 approved allocation of VTR funding for 2017-2018 and the remaining GST funding.

CPS2015-0647 directed Administration to use the proposed guiding principles to allocate the VTR funding over the course of the next two business plan and budget cycles (to 2026).

PFC2017-0615 directed \$240 from the Community Investment Reserve to fund Memorial Park Library maintenance and upgrade.

PFC2019-1385 Attachment 2 to correct the effective date for 2014-2023 Federal GST rebate from Feb 01, 2004 to Feb 13, 2006.

**Purpose:**

- 1) To invest in priority community capital infrastructure and address emerging community needs.
- 2) To target the reduction of the growing infrastructure gap as identified through the Community Services capital infrastructure investment strategy.

**Conditions:** None.

**Restrictions:**

CPS2011-39 approves a new ongoing program for investment in community infrastructure.

PFC2012-0248 approved allocation of VTR and GST funding for the debt servicing of four New Recreation Facilities (until 2034).

CPS2015-0647 approves administration to use the proposed guiding principles to allocate the VTR funding over the course of the next two business plan and budget cycles (to 2026).

**Related Budget Program:** Numerous Community Services Capital Programs

- Funding Sources:**
- 1) Investment income generated from the reserve: to fund the cost of project management and other associated program costs.
  - 2) Federal GST rebate effective Feb 01, 2004: \$102,100 (2004-2013 approx.)
  - 3) Federal GST rebate effective Feb 13, 2006: \$100,000 (2014-2023 approx.)
  - 4) VTR: \$42,000 annually (effective 2011)

Reserve approved to record allocation of investment income:

X Yes                             No

**Special Reporting Requirements:**      None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Opening balance	61,481	43,704	39,079	102,204	152,379
Investment Income <sup>(1)</sup>	1,947	1,748	1,336	3,348	5,860
Contributions from Federal GST rebate	8,919	8,919	8,919	8,919	8,919
Contributions from Reserve for Future Capital - GST	1,500	1,500	1,500	1,500	1,500
Contribution to capital - GST <sup>(2)</sup>	(4,230)	(4,726)	(10,284)	(6,741)	(8,196)
Contributions from VTR	42,000	42,000	42,000	42,000	42,000
Contributions to capital - VTR <sup>(2)</sup>	(30,516)	(31,664)	(38,846)	(112,151)	(100,258)
Closing balance <sup>(3)</sup>	<u>81,101</u>	<u>61,481</u>	<u>43,704</u>	<u>39,079</u>	<u>102,204</u>

(1) Includes GST funds, VTR funds and Regional Recreation Centres debt.

(2) Includes debt servicing payments for Regional Recreation Centres.

(3) Committed amounts included in the closing balance total \$81,101 for future projects

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	81,101
Budgeted inflows <sup>(1)</sup>	104,838
Budgeted outflows <sup>(2)</sup>	(77,585)
Other contribution from operations <sup>(3)</sup>	267,727
Council approved commitments <sup>(4)</sup>	(185,081)
Other commitments <sup>(5)</sup>	<u>(191,000)</u>
Remaining balance	<u>-</u>

(1) Budgeted contributions from operations and Reserve for Future Capital.

(2) Budgeted contributions for capital financing and debt repayments.

(3) Four Regional Recreation Centers debt repayment - VTR until 2033 as per original debt repayment schedule; Additional \$14 Million is required in 2034 to complete debt repayment.

(4) Commitment include 2023 Capital Parks - Pathway Lifecycle 503-933: 1,000; Debt repayment on four Regional Recreation Centers (VTR and GST): 184,100

(5) Per PFC2021-0748 and C2021-0911, these amounts are committed for Major Corporate Capital Projects (Foothills Fieldhouse \$70,000, Repsol \$45,000, Soccer Centre and Glenmore Arena \$51,000, Saddleridge \$25,000).

## Debt Servicing Reserve

Capital Reserve (\$000s)

\$ 52,570  
(2020)

**Authorization:** FCS2004-22 combined three reserves Sinking Fund (C98-18), Major Project Reserve (C96-15, C98-93) and Transportation Capital Reserve (C98-16), FCS2006-42, UE2007-07, C2007-14, FCS2008-28, PFC2016-0796, PFC2019-1385 and C2020-1215.

**Purpose:** For principal and interest payments of tax-supported debt.

FCS2006-42, the reserve may be used as a source to cover for potential short-fall of funds for self-sufficient tax supported debt.

On C2007-14 for Calgary Municipal Land Corporation ("CMLC") – for operating expenditures up to \$10,000.

FCS2008-28, Contribute to Lifecycle Maintenance and Upgrade Reserve ("LMUR") and Reserve for Future Capital ("RFC").

**Conditions:** The reserve will be reviewed annually by the Corporate Budget Office and any available funding not committed for tax supported debt will be transferred to the LMUR. (FCS2006-42)

Transfer a minimum of \$10 million per year from the reserve to the LMUR, provided no new tax-supported debt is issued, and funds are not needed for the interest payment for MSI-related bridge financing. (FCS2008-28)

**Restrictions:** None.

**Related Budget Program:** Operating Program: #840 Capital Financing Costs

**Funding Sources:** The reserve is funded \$94,752 annually from property taxes. This amount is an allocation of 84 per cent of a pre-1996 tax-supported debt servicing budget of \$112,800.

Per C2020-1215, the annual tax supported funding contribution to the debt servicing reserve is reduced by \$10,000 effective from 2021.

Reserve approved to record allocation of investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	52,570	52,570	52,570	52,570	52,570
Investment Income	2,004	2,088	1,645	1,863	1,177
Contributions (to)/from operations:					
Debt Charge Savings	94,752	94,752	94,752	94,752	94,752
Principal Payment	(24,204)	(27,466)	(30,994)	(34,634)	(36,733)
Interest Payment	(5,655)	(6,819)	(8,142)	(9,660)	(11,317)
Contributions to other Reserves:					
Contributions to LMUR <sup>(1)</sup>	(36,897)	(32,555)	(27,261)	(22,321)	(17,879)
Contributions to RFC <sup>(2)</sup>	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Closing balance	<u>52,570</u>	<u>52,570</u>	<u>52,570</u>	<u>52,570</u>	<u>52,570</u>

(1) As per report FCS2006-42 and FCS2008-28, the amounts transferred to LMUR are:

- Fixed amount of \$10,000 annually: since 2007
- Funding not committed to tax supported debt: \$26,897 for 2020, \$22,555 for 2019, \$17,261 for 2018, \$12,321 for 2017, and \$7,879 for 2016.

(2) As per report FCS2008-28 contribution to RFC from Debt Servicing Reserve of \$10,000 in 2009, escalating by \$5,000 per year to \$30,000 by 2013.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	52,570
Budgeted inflows <sup>(1)</sup>	173,415
Budgeted outflows <sup>(2)</sup>	<u>(173,415)</u>
Remaining balance	<u>52,570</u>

(1) Budgeted contributions from investment income and debt charge savings.

(2) Budgeted contributions for principal and interest payments, contribution to LMUR, and contribution to PAYG.

**Downtown Improvement Fund**  
**Excluding Stephen Avenue Heritage Area Society Fund**  
Capital Reserve (\$000s)

**\$ 2,819**  
**(2020)**

**Authorization:** OD85-120, OD87-113, FB94-93, M2007-009, LPT2008-74, PUD2012-03, PFC2012-0606, PFC2015-0917 and PFC2018-1125.

**Purpose:** The Downtown Improvement Fund assists in the implementation of public improvement projects in the Centre City. Reserve funds may be used to help fund operating maintenance costs of specialty assets in the Centre City.

**Conditions:** Funds are to be used for high priority downtown improvement projects through the capital budget process. The annual maximum the reserve may fund is \$300. Unused capacity from a year may be accrued and carried forward for up to four years, including the year in which it was accrued.

**Restrictions:** Centre City is defined in the May 2007 Centre City Plan (page 33) and includes the Beltline.

**Related Budget Program:** Operating Program: #610 Calgary Growth Strategies (previously #651 Urban Strategy)  
Capital Programs: #152 Downtown Improvement  
#126 – 176 Industrial Sidewalk Retrofit

**Funding Sources:** License fees charged to commercial users of public rights-of-way (OD84-45).  
  
Funds included in approved capital projects set aside for extraordinary maintenance of specialty assets.

Reserve approved to record allocation of investment income:  
 X  Yes          No

**Special Reporting Requirements:** None.



**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	2,800	2,777	3,050	3,684	3,629
Investment Income	102	97	83	107	83
Contributions from operations (P 651)	1	7	75	121	255
Contributions to capital	(84)	(81)	(371)	(362)	(283)
Transfer to the Reserve for Future Capital	-	-	(60)	(500)	-
Closing balance	<u>2,819</u>	<u>2,800</u>	<u>2,777</u>	<u>3,050</u>	<u>3,684</u>

**Carry-forwards available:**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening carry-forward	219	-	71	633	616
Annual spending limit	300	300	300	300	300
Annual expenditures	(84)	(81)	(371)	(862)	(283)
Accrued year-end carry-forward	<u>435</u>	<u>219</u>	<u>-</u>	<u>71</u>	<u>633</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	2,819
Budgeted inflows <sup>(1)</sup>	316
Budgeted outflows <sup>(2)</sup>	<u>(1,000)</u>
Remaining balance	<u>2,135</u>

(1) Budgeted contributions from operations.

(2) Budgeted contributions to capital financing.

## Established Area Investment Fund

Capital Reserve (\$000s)

\$ 52,326  
(2020)

**Authorization:** PFC2020-0131 and PFC2020-0381.

**Purpose:** To fund public realm improvements in the Established Area Growth and Change Strategy (EAGCS). The reserve will fund approved capital spending for public realm improvements in established areas, and one-time programming in public realm, as outlined in the Established Area Growth and Change Strategy.

**Conditions:** Funds are internally restricted, but the reserve may fund other public realm improvements at The City's discretion.

**Restrictions:** None.

**Related Budget Programs:** Capital Programs: #481650 Public Realm (EAGCS)

**Funding Sources:**

1. Phase 1: \$30M one-time funding from Fiscal Stability Reserve.
2. Phase 2:
  - Minimum of 1 per cent of the favourable budget variance from investment income within Corporate Programs annually until 2026 (PFC2020-0131).
  - Pilot program in 2021 and 2022: property tax allocation program in the North Hill Communities Local Area Plan associated with property tax increase related to growth.
  - Others, to be determined.
3. Investment income on reserve balance.

Reserve approved to record allocation of investment income:

X Yes

       No

**Special Reporting Requirements:** None.

### Current Activity (\$000s):

	<u>2020</u>
Opening balance	-
Transfer from FSR	51,622
Investment Income	730
Contributions to capital	<u>(26)</u>
Closing balance	<u>52,326</u>

### Commitments as at Dec 31, 2020 (\$000s):

Balance (as at Dec 31, 2020)	52,326
Budgeted outflows <sup>(1)</sup>	<u>(30,000)</u>
Remaining balance	<u>22,326</u>

(1) Budgeted contributions to capital financing.

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## Information Technology Reserve

\$ **38,709**  
(2020)

Capital Reserve (\$000s)

**Authorization:** FB96-101, C98-74, FCS2007-45, FCS2010-10, FCS2011-34, PFC2014-0847 and C2017-1123.

**Purpose:** To fund Information Technology projects and infrastructure, fibre optics projects; and lifecycle replacement of City hardware and software.

**Conditions:** The reserve will be used to fund systems costing \$50 or more. The target balance for the lifecycle portion of the reserve is between two times and two and a half times the three year average forecast of capital spending for hardware lifecycle replacement.

**Restrictions:** None.

**Related Budget Programs:** Capital Programs: #803 IT Development Projects  
#741 Information Technology Infrastructure  
#751 Fibre Network

**Funding Sources:** Initial funding – 1996 Operations

Future funding – replenished on an ongoing basis by annual operating budget contributions, personal computer replacement contributions, network account recoveries from business units, telecommunication projects and proceeds from sales of replaced computer equipment.

Reserve approved to record allocation of investment income:  
☒ Yes (Fibre Optics only) ☐ No

**Special Reporting Requirements:** None.

<b><i>Current Activity (\$000s): IT initiatives</i></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	3,181	8,902	7,303	7,018	4,754
Investment Income	-	-	-	225	122
Contributions from operations	1,537	3,900	1,599	60	2,886
Proceeds from asset disposal	-	-	-	-	164
Contributions to capital	(775)	(9,621)	-	-	(908)
Contribution adjustment	265	-	-	-	-
Closing balance	4,208	3,181	8,902	7,303	7,018

<b><i>Current Activity (\$000s): IT Projects Pool</i></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	8,745	7,927	4,939	3,902	5,138
Contributions from operations	3,413	3,530	5,000	5,000	3,000
Contributions to capital	(2,608)	(2,712)	(2,012)	(3,963)	(4,236)
Closing balance	9,550	8,745	7,927	4,939	3,902

<b><i>Current Activity (\$000s): Corporate Telecom - Fibre Optics</i></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	6,873	4,967	3,794	3,210	3,160
Investment Income	273	182	106	98	53
Contributions from operations	2,005	3,378	1,718	1,306	3,300
Contributions to capital	(2,637)	(1,654)	(651)	(820)	(3,303)
Contribution adjustment	491	-	-	-	-
Closing balance	7,005	6,873	4,967	3,794	3,210

<b><i>Current Activity (\$000s): Hardware Replacement</i></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	8,288	7,623	6,317	4,894	4,014
Contributions from operations	4,517	4,104	2,996	3,160	2,827
Contributions to capital	(3,165)	(3,439)	(1,690)	(1,737)	(1,947)
Contribution adjustment	(250)	-	-	-	-
Closing balance	9,390	8,288	7,623	6,317	4,894

<b><i>Current Activity (\$000s): Enterprise Software Growth</i></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	8,556	7,867	5,358	1,722	1,592
Investment Income	-	-	-	51	36
Contributions from operations	1,400	2,089	3,839	4,985	1,400
Contributions to capital	(1,400)	(1,400)	(1,330)	(1,400)	(1,306)
Closing balance	8,556	8,556	7,867	5,358	1,722

<b>Consolidated Closing Balance</b>	<b>38,709</b>	<b>35,643</b>	<b>37,286</b>	<b>27,711</b>	<b>20,746</b>
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**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	38,709
Budgeted inflows <sup>(1)</sup>	16,926
Budgeted outflows <sup>(2)</sup>	(28,196)
Other commitments <sup>(3)</sup>	(16,220)
Balance restriction <sup>(4)</sup>	<u>(7,512)</u>
Remaining balance	<u>3,707</u>

(1) Budgeted contributions from operations.

(2) Budgeted contributions to capital financing.

(3) Other commitments include ELT approved amounts for Microsoft Licenses, SAVE business cases, Corporate Asset management system approved by CTC, and Fibre Strategy.

(4) The reserve must maintain a minimum balance restriction of \$7,512 for lifecycle replacement of hardware.



## LED Street Light Re-Lamping Reserve

(formerly LED Traffic Signal Display Re-Lamping Reserve)  
Capital Reserve (\$000s)

\$ 2,070  
(2020)

**Authorization:** TTP 2002-44, PFC 2012-0606 and PFC2015-0917.

**Purpose:** To help finance initial capital expenditures for streetlight Light Emitting Diode ("LED") units and future lifecycle replacement of streetlights.

**Conditions:** None.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #132 Roads  
Capital Program: #128-100 LED Streetlights

**Funding Sources:** Annual operating budget surpluses from Roads – Street Lighting budget.

Reserve approved to record allocation of investment income:  
\_\_\_ Yes      X No

**Special Reporting Requirements:** None.

### Current Activity (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
				(Restated)	
Opening balance	4,802	5,414	4,537	5,688	5,528
Contributions from operations	817	678	1,664	4,500	1,750
Contributions to capital	(3,549)	(1,290)	(787)	(5,651)	(1,590)
Closing balance	<u>2,070</u>	<u>4,802</u>	<u>5,414</u>	<u>4,537</u>	<u>5,688</u>

### Commitments as at Dec 31, 2020 (\$000s):

Balance (as at Dec 31, 2020)	2,070
Budgeted inflows <sup>(1)</sup>	1,428
Budgeted outflows <sup>(2)</sup>	<u>(3,498)</u>
Remaining balance	<u>-</u>

(1) Budgeted contributions from operations.

(2) Budgeted contributions to capital financing.

## Legacy Parks Reserve

Capital Reserve (\$000s)

\$ 10,719  
(2020)

**Authorization:** LPC2003-17, NM2003-36, NM2003-40, C2003-67, C2006-62, NM2007-35, C2008-76, LPC2008-02, CPS2009-36, M2010-08, NM2012-05, LPC2012-0809, LPC2013-0428, LPC2014-0172, LPC2014-0823, LPC2016-0626 and PFC2019-1385.

**Purpose:** To create new park space and enhance existing parks for the benefit of Calgarians, now and in the future.

**Conditions:** Allocation of funds are as follows:

- \$30,000 to fund the purchase and development of lands to comprise three new regional parks.
- \$20,000 to fund upgrading and/or development of parks within The City limits.
- Per C2006-62, Council approved an additional \$10,400 to fund the purchase of Bearspaw District.
- Per LPC2008-02, Council approved an additional \$75,000 of new funding to fund Legacy Parks projects.
- Per CPS 2009-36, reallocated \$7,000 of funds from Legacy to Devonian Gardens Redevelopment.
- Per NM2012-05, Council approved \$75,000 of new funding to fund Legacy Parks projects.
- Per LPC2012-0809 Council approved \$200 one-time operating budget (expenditures) from 2013 to 2017 for Parks Foundation Calgary, offset by a corresponding increase of \$200 operating budget (revenue) in General Revenue (Program 860) to be funded by the Legacy Parks Reserve.
- Per LPC2014-0823 Council approved specific projects to be funded by \$75,000 from NM2012-05.
- Per LPC2016-0626, the Legacy projects underway were reprioritized and strategically phased and high priority projects were identified.

**Restrictions:** Funds are to be used as per the conditions outlined above.

**Related Budget Programs:** Capital Programs: #499 Legacy Parks (2016 and prior only)  
#500 Parks (previously known as Parks and Natural Areas)

**Funding Sources:** ENMAX dividends received in excess of the annual budgeted dividend amount are contributed to the Legacy Parks Reserve less any dividends contributed to the ENMAX Dividend Stabilization Reserve.

Reserve approved to record allocation of investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Opening balance	7,889	7,025	8,155	10,558	18,450
Investment Income	271	234	192	255	335
Contributions to capital	(941)	(870)	(1,322)	(3,458)	(11,107)
Transfer from Reserve for Future Capital	3,500	1,500	-	800	2,880
Closing balance	<u>10,719</u>	<u>7,889</u>	<u>7,025</u>	<u>8,155</u>	<u>10,558</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	10,719
Budgeted inflows <sup>(1)</sup>	469
Budgeted outflows <sup>(2)</sup>	<u>(5,072)</u>
Remaining balance	<u>6,116</u>

(1) Budgeted contributions from operations.

(2) Budgeted contributions for capital financing.

## Lifecycle Maintenance and Upgrade Reserve

\$ 313,207  
(2020)

Capital Reserve (\$000s)

**Authorization:** C2002-82, CPS2005-03, FCS2006-42, FCS2008-28, FCS2011-34, M2012-0828, C2013-0330, C2013-0668, NM2015-33 and C2017-1123.

**Purpose:** The Lifecycle Maintenance and Upgrade Reserve ("LMUR") was established to maintain and upgrade capital assets (C2002-082).

**Conditions:** None.

**Restrictions:**

1. Net proceeds from sale of surplus fire capital assets and future funds received from Alberta Health Services ("AHS") are to be used exclusively for fire protective equipment (FCS2011-34).
2. Net proceeds from the sale of surplus transit capital assets are to be used exclusively for transit capital purchases (FCS2011-034).
3. Funds of the Property Tax Room to be used as per Council approval (M2012-0828, C2013-0330 and C2017-0288).

**Related Budget Programs:** Operating Program: #840 Capital Financing Costs  
Capital Programs: Capital programs in various business units.

**Funding Sources:** Funding Sources include:

- 2.6 per cent of annual property taxes (FCS2008-28);
- \$10,000/year from Debt Servicing Reserve (FCS2008-028), provided no new tax-supported debt is issued and funds are not required for the interest payments for Municipal Sustainability Initiative related bridge financing;
- The Debt Servicing Reserve will be reviewed annually and any available funding not committed for tax supported debt will be transferred to the LMUR (FCS2006-42);
- Net proceeds from sale of surplus transit and fire assets, and funds received from AHS (FCS2011-34);
- Net proceeds from sale of surplus transit asset (FCS2011-34);
- Tax Room funds (M2012-0828, C2013-0330 and C2017-0288); and
- Transfer of \$475 on 2014 from City Clerk Operating Budget to LMUR to fund capital projects (C2014-0608).

Reserve approved to record allocation of investment income:

☐ Yes ☒ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
<b>Lifecycle Maintenance &amp; Upgrade</b>					
Opening balance	137,441	131,775	119,124	98,111	106,372
Contributions from operations <sup>(1)</sup>	49,759	51,082	47,267	45,128	42,031
Contributions from Debt Servicing Reserve	36,897	32,555	27,261	22,321	17,879
Contributions from Property Tax Room <sup>(2)</sup>	1,431	1,431	1,431	10,231	10,231
Contributions to capital	(66,996)	(61,924)	(63,446)	(58,943)	(81,323)
Transfers between Reserves <sup>(3)</sup>	(507)	(18,652)	-	150	-
Transfer from Misc. Capital - Fire <sup>(4)</sup>	2,070	1,213	527	2,139	1,940
Transfer (to)/from Misc. Capital - Transit <sup>(4)</sup>	(479)	(39)	(389)	(13)	981
Closing balance	<u>159,616</u>	<u>137,441</u>	<u>131,775</u>	<u>119,124</u>	<u>98,111</u>
<b>Green Line Fund</b>					
Opening balance	108,113	116,885	51,932	18,011	43,019
Contributions from Property Tax Room <sup>(2),(5)</sup>	75,778	75,778	75,778	52,115	52,115
Contributions to capital	(30,300)	(84,550)	(10,825)	(18,194)	(77,123)
Closing balance	<u>153,591</u>	<u>108,113</u>	<u>116,885</u>	<u>51,932</u>	<u>18,011</u>
<b>Total Reserve Closing Balance<sup>(6)</sup></b>	<b><u>313,207</u></b>	<b><u>245,554</u></b>	<b><u>248,660</u></b>	<b><u>171,056</u></b>	<b><u>116,122</u></b>

(1) 2.6 per cent of annual property taxes

(2) As per report M2012-0828 and C2013-0330, the Property Tax Room funds are transferred to LMUR annually.

(3) Transfer was made to the following reserves:

- Budget Saving Account: Allocated but unspent funds from capital projects financed by LMUR funding can be transferred to the capital Budget Savings Account upon project completion. In 2017, amounts were transferred back from the capital Budget Savings Account to the LMUR due to changes in project funding sources.

- Major Capital Project Reserve: As per VR2019-0013 and C2019-0525, \$18,652 was contributed from LMUR to the Major Capital Project Reserve in 2019 to provide a funding source long term capital projects.

- Information Technology Reserve: To replenish funding in the Information Technology Reserve that was transferred to the LMUR in error in the prior year.

(4) As per report FCS2011-34, the Misc. Capital Fire and Transit reserves are transferred into LMUR.

(5) C2013-0668 and NM2015-33 dedicated \$52,100 from 2015 to 2044 to be used toward the Green Line Fund. As per C2017-1123 and PFC2019-0040, \$23,663 from 2017 Property Tax Room is retained in 2018 and future years and used to fund costs for Green Line.

(6) Committed amounts included in the closing balance total \$259,209 for approved capital projects.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	313,207
Budgeted inflows <sup>(1)</sup>	286,571
Budgeted outflows <sup>(2)</sup>	(414,211)
Council approved commitments <sup>(3)</sup>	<u>(131,569)</u>
Remaining balance	<u>53,998</u>

(1) Budgeted contributions from operations, debt servicing reserve, and property tax room.

(2) Budgeted contributions for capital financing.

(3) The council commitments include:

Various capital projects funded by LMUR

Fire and Transit Misc. Capital Reserves per FSC2011-34

## Major Capital Project Reserve

\$ **443,706**  
(2020)

Capital Reserve (\$000s)

**Authorization:** VR2019-0013, ECA2019-0263, C2019-0341, C2019-0349, C2019-0525 and C2019-0964.

**Purpose:**

- 1) To provide a funding source for Long Term capital projects which includes:
  - BMO Centre expansion
  - Event Centre
  - Arts Commons Transformation
  - Multi-Sport Field House
- 2) To fund repayable internal loans to related authorities for the BMO Centre expansion project as per Council's direction (C2019-0349)

**Conditions:** None.

**Restrictions:**

The funds from the following sources are restricted within the Major Capital Projects Reserve to fund the event centre project (C2019-0964):

- \$12,400 from 2019 Corporate Program savings;
- \$3,000 from the Fiscal Stability Reserve from 2019 interest income earned; and
- \$10,000 from the Real Estate Services Reserve.

The funds from the following sources are restricted within the Major Capital Projects Reserve to provide a financial backstop in case the Community Revitalization Levy is insufficient to fund the BMO Centre expansion loan repayments and re-evaluated by Administration in 2028 (C2019-0964).

- The City's portion of the facility fee to be received under the event centre agreements; and
- The City's portion of naming rights revenue to be received under the event centre agreements.

**Related Budget Programs:**

Operating Program: #840 Capital financing costs

Capital Program: Various business units and related authorities

**Funding Sources:**

1. Through VR2019-0013, Council approved the following funding sources from uncommitted December 31, 2018 reserve balance as follows:
  - Fiscal Stability Reserve (FSR) - \$304,724
  - Lifecycle Maintenance and Upgrade Reserve - \$18,652
  - Budget Savings Account Reserve - \$37,440
  - Tax Loss Provision Reserve - \$37,398

Total \$398,214
2. Repayment of BMO Centre expansion internal loan principal and interest (VR2019-0013).
3. The City's portion of the facility fee to be received under the event centre agreements (C2019-0964).
4. The City's portion of naming rights revenue to be received under the event centre agreements (C2019-0964).
5. Future funding sources to be added to the fund other than investment income earned on the reserve balance will be based on Council's direction and approval (C2019-0525).

6. Council approved transfers to the Major Capital Projects Reserve from the following funding sources (C2019-0964):

- \$12,400 from 2019 Corporate Program savings;
- \$3,000 from the Fiscal Stability Reserve from 2019 interest income earned; and
- \$10,000 from the Real Estate Services Reserve.

Reserve approved to record allocation of investment income:

  X   Yes                             No

**Special Reporting**      None.  
**Requirements:**

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>
Opening balance	423,516	-
Reserves creation transfers <sup>(1)</sup>	-	423,614
Investment Income	15,333	10,272
Contributions to capital <sup>(2)</sup>	(43)	(10,370)
Contributions from other reserves <sup>(3)</sup>	4,900	
Transfer to CMLC restricted reserve <sup>(4)</sup>	(35,566)	(23,506)
CMLC restricted reserve <sup>(4)</sup>	35,566	23,506
Closing balance	<u>443,706</u>	<u>423,516</u>

(1) Reserve creation transfers are composed of:

- \$304,724 from Fiscal Stability Reserve (VR2019-0013)
- \$18,652 from Lifecycle Maintenance and Upgrade Reserve (VR2019-0013)
- \$37,440 from Budget Savings Account Reserve (VR2019-0013)
- \$37,398 from Tax Loss Provision Reserve (VR2019-0013)
- \$3,000 from Fiscal Stability Reserve from 2019 interest income earned (C2019-0964)
- \$10,000 from the Real Estate Services Reserve (C2019-0964)
- \$12,400 from 2019 Corporate Program savings (C2019-0964)

(2) Contribution to capital relates to the Event Centre project.

(3) Contributions from Capital Budget Savings Account Reserve.

(4) CMLC restricted reserve comprises the funds internally loaned to CMLC in 2019 for the BMO Centre expansion with repayment expected over the term of 27 years.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	443,706
Budgeted inflows <sup>(1)</sup>	26,250
Budgeted outflows <sup>(2)</sup>	(53,088)
Council approved commitments <sup>(3)</sup>	<u>(416,868)</u>
Remaining balance	<u>          -</u>

(1) Budgeted contributions from investment income.

(2) Budgeted contributions for capital financing.

(3) The complete reserve balance is committed towards:

- Loan to CMLC for BMO Centre Expansion project (C2019-0349)
- Event Centre project (C2019-0964)



## Parking Land Acquisition Reserve - CLOSED

Capital Reserve (\$000s)

\$ -  
(2020)

**Authorization:** LPT2006-13, C2008-61, LAS2009-45, FCS2007-26, PFC2012-0606, C2013-0509, TT2013-0124, TT2016-0204, TT2017-0044 and PFC2018-1125.

PFC2018-1125 recommended that the reserve be closed and the balance funds transferred to the approved new Cash-in-Lieu Lifecycle Sustainment Reserve. This new reserve will fund the lifecycle operating and capital needs for the existing cash-in-lieu parking facilities managed by the Calgary Parking Authority. The reserve will no longer receive funding and the reserve will be used for the purpose identified above.

**Purpose:** Enable Calgary Parking Authority to access the funds to support lifecycle requirements for existing cash-in-lieu parking facilities.

Council approved the following special purposes:

1. Allocate \$500 in 2013 and \$4,000 in 2014 from this reserve to Roads Program #127 to be used for Hillhurst/Sunnyside Transit Oriented Development project in Investing in Mobility.
2. Allocate \$100 in 2013 from this reserve to Roads Program #127 to be used as seed money for the Catherine Avenue Woonerf project to facilitate further design and cost estimates, conduct engagement and address land issues.

**Conditions:** None.

**Restrictions:** None.

**Related Budget Programs:** Capital Programs: #851 Future Downtown Infrastructure Land  
#127-140 Various Street Improvements

**Funding Sources:** Prior to 2017, an annual allocation from monies received by The City from the Calgary Parking Authority to a cash-in-lieu of parking land acquisition fund. This allocation was \$500 per annum commencing in 2007 as well as any Calgary Parking Authority revenues received by the City in excess of budgeted levels plus any associated investment income earned on fund balances. Beginning in 2017, the reserve will no longer receive funding and the reserve will be used for the purpose identified above until the funds are exhausted.

Reserve approved to record allocation of investment income:

X Yes      \_\_\_ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	-	42,851	41,719	40,772	38,215
Investment Income	-	-	1,132	1,308	876
Contributions from Calgary Parking Authority	-	-	-	-	3,876
Contributions from Revolving Fund for General Land Purchases <sup>(1)</sup>	-	-	-	-	2,441
Contributions to Parking Revenue Reinvestment Reserve	-	-	-	(1,688)	-
Contributions from/(to) capital	-	-	-	1,327	(4,636)
Transfer to Cash-in-Lieu Lifecycle Sustainment Reserve	-	(42,851)			
Closing balance <sup>(2)</sup>	-	-	42,851	41,719	40,772

(1) Per C2008-61, this transfer was to purchase the portion of land not utilized by the District Energy Plant.

(2) The closing balance of \$42,851 at December 31, 2018 was transferred to the new Cash-in-Lieu Lifecycle Sustainment Reserve approved by Council (PFC2018-1125).

## Reserve for Future Capital (“RFC”)

Capital Reserve (\$000s)

\$ 387,680  
(2020)

**Authorization:** C85-66, C96-15, NM2004-17, FCS2004-62, FCS2006-42, FCS2008-24, FCS2008-28, LPT2008-38, CPS2010-24, FCS2010-27, CPS2010-41, FCS2011-34, LAS2011-66 (LAS2015-17), LAS2012-23, C2014-0744, C2014-0863, GP2015-0485 and C2017-1123.

**Purpose:**

1. To fund various capital projects as per Council approval;
2. To hold Pay-As-You-Go (“PAYG”) funding which helps to pay for City maintenance and upgrade projects, project producing assets with a useful life of five years or less, and, for grant-funded projects, costs ineligible to be paid using grant funding;
3. To hold contingency funds (for unforeseen projects or new emergency needs).

**Conditions:** A target balance for contingency purposes is 10 per cent of previous year’s capital spending less Municipal Sustainability Initiative (“MSI”) and less self-funded capital projects (FCS2011-034).

**Restrictions:** Facility Management (“FM”, formerly Corporate Properties & Buildings) lease/sales revenue be reserved for corporate accommodation facilities and sites managed by FM (FCS2010-027).

**Related Budget Programs:** Operating Programs: #840 Capital Financing Costs  
#694 Facility Management

Capital Programs: Capital programs are identified in various business units.

**Funding Sources:** Funding sources include:

1. FM lease/sales revenue and space provision funds for new employees (FCS2010-27)
2. Franchise Fee amounts in excess of budget (FCS2004-62)
3. Contribution from Debt Servicing Reserve (“DSR”) for (PAYG) funding (up to \$30,000 as of 2013)
4. PAYG funding from operations. Funding increase every 4-year planning period with population and non-residential construction inflation (FCS2008-028)
5. Transfer of Provincial Disaster Recovery reimbursement of 2013 Flood operating costs to RFC to fund resiliency capital projects (C2014-0774)
6. Heritage Building Preservation fund, one-time \$35,000 allocation of 2014 operating surplus to restore and preserve city-owned heritage buildings (C2014-0863)
7. Other funding sources as directed by Council.

Reserve approved to record allocation of investment income:  
☐ Yes ☒ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Opening balance	357,467	305,675	305,420	327,014	354,190
Net contributions from operations	121,694	127,682	77,238	68,826	65,606
Contributions from Calgary Parking Authority	778	1,000	1,000	1,000	1,000
Contributions to capital	(117,259)	(103,890)	(106,483)	(119,120)	(119,402)
Transfer from DSR	30,000	30,000	30,000	30,000	30,000
Transfer to Community Investment Reserve	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Transfer to Legacy Parks Reserve	(3,500)	(1,500)	-	(800)	(2,880)
Closing balance <sup>(1)</sup>	<u>387,680</u>	<u>357,467</u>	<u>305,675</u>	<u>305,420</u>	<u>327,014</u>
<b>Represented By:</b>					
<b>Allocated</b>					
RFC Flow Through <sup>(2)</sup>	54,152	44,159	36,650	35,084	32,436
Committed PAYG not spent	144,034	116,289	163,691	128,657	130,932
Committed RFC not spent	42,422	49,585	70,954	71,376	90,441
<b>Unallocated</b>					
RFC - contingency <sup>(3)</sup>	147,072	147,434	34,380	70,303	73,205
	<u>387,680</u>	<u>357,467</u>	<u>305,675</u>	<u>305,420</u>	<u>327,014</u>

(1) Committed amounts included in the closing balance net of budgeted contributions is \$240,608 (\$114,034 for PAYG, \$42,422 for RFC and \$54,152 for RFC Flow Through).

(2) Flow through funds include specific amounts committed to major projects typically spanning multiple years. These funds primarily relate to the management of corporate accommodation facilities.

(3) Per FCS2011-34 the target balance for contingency purposes is 10 per cent of previous year's capital less MSI and self-funded capital projects. The target balance for the end of 2020 was \$72,899.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	387,680
Council approved commitments <sup>(1)</sup>	<u>(240,608)</u>
Remaining balance	<u>147,072</u>

(1) Council approved commitments include the following projects:

Various capital projects funded by RFC and PAYG

- Committed PAYG funding to capital projects in various business units: \$138,634
- Committed RFC funding to capital projects in various business units: \$42,422

Community Investment Reserve, to fund community amenities: \$3,000

Contributions to Public Art Reserve: \$2,400

Balances of flow-through reserves

- #100141 - FM-Reserved for Future Capital: \$33,903
- #100155 - FM-Fac General Reserve: \$254
- #110110 - TR-Transportation Infrastructure Reserve: \$19,250
- #110115 - TR-Reserve CPA: \$745

**TELUS Convention Centre Reserve**  
Externally Restricted Capital Reserve (\$000s)**\$ 393**  
**(2020)****Authorization:** C97-83 and C2000-70.**Purpose:** In 1985 the reserve was created to finance carpeting and other major replacement items with a useful life of five years or less. Commissioners' Report C97-83 amended the use of this reserve for capital purchases regardless of their useful life.**Conditions:** In order to cover emergencies, a minimum balance of \$200 must be maintained in the combination of this reserve and TELUS Convention Centre's operating reserve. C2000-70 approved the reduction in the minimum balance from \$500 to \$200.**Restrictions:** Expenditures are approved by the Calgary Convention Centre Authority.**Related Budget Programs:** Operating Program: #449 Civic Partners, Convention Centre

Capital Program: #626 Calgary Convention Centre

**Funding Sources:** Annual contribution of \$180 from City operations.

Reserve approved to record allocation of investment income:

☐ Yes ☒ No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	213	200	20	242	213
Contributions from operations	180	180	180	180	180
Contributions to capital	-	(167)	-	(402)	(151)
Closing balance <sup>(1)</sup>	<u>393</u>	<u>213</u>	<u>200</u>	<u>20</u>	<u>242</u>

(1) In 2017, the combined balance of this reserve (\$20) and the TELUS Convention Centre's operating reserve (\$5,064) exceeded the minimum balance of \$200.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	393
Budgeted inflows <sup>(1)</sup>	360
Budgeted outflows <sup>(2)</sup>	(553)
Balance restriction <sup>(3)</sup>	<u>(200)</u>
Remaining balance	<u>-</u>

(1) Budgeted contributions from operations.

(2) Budgeted contributions for capital financing.

(3) A minimum balance of \$200 must be maintained in the combination of this reserve and the Telus Convention Centre's operating reserve. Up until 2019, the Telus Convention Centre's operating reserve had consistently exceeded \$200, therefore no minimum balance was required for this reserve.

## Budget Savings Account Reserve

Combined Operating and Capital Reserve (\$000s)

\$ 134,736  
(2020)

**Authorization:** PFC2015-0181 and PFC2015-0959.

**Purpose:** Regular Budget Savings Account ("BSA"): To encourage and provide incentives for business units to seek annual savings, innovation and efficiencies, within their operating and capital budgets, including, but not limited to the use of "savings accounts".

Community Economic Resiliency Fund ("CERF") Budget Savings Account: As per Council directive, to set aside funding from Corporate surplus / intentional savings to Community Economic Resiliency Fund within the Budget Savings Account for initiatives that support Calgarians and local businesses affected by the challenging economic conditions in Calgary. The Community Economic Resiliency Fund provides the opportunity to respond to the needs of the community in three ways; citizens see the direct benefit of the fund through frozen fees for key City services, non-profits and business units are able to maintain service levels and meet the increasing demand through the emergency fund and can be used as a direct stimulus to the economy by investing in initiatives for economic development and affordable housing.

**Conditions:** None.

**Restrictions:** To remain responsive to current economic conditions The City will retain flexibility in the uses of these funds in the short-term.

Any savings generated by business units may fund the Budget Savings Account. Funds will be allocated 50 per cent to initiatives at the business unit level and 50 per cent to initiatives at the corporate level; or, at 100 per cent to Corporate to mitigate the impacts of economic downturns.

Any savings generated in Corporate Programs, unless as directed by Council, will be directed to the Fiscal Stability Reserve as per Council's current direction.

**Related Budget Programs:**

Operating Program:	All impacted City Business Units.
Capital Program:	All impacted City Business Units.

**Funding Sources:** Funding for the savings account will be generated by favorable budget variances identified by business units through the management of their operating and capital budgets, and by Corporate as directed by Council.

Capital funding sources are subject to restrictions which potentially limit the uses of any funds saved. Any potential capital savings identified would require disposition in a manner consistent with the terms and conditions of any governing policies or agreements.

Reserve approved to record allocation of investment income:  
 \_\_\_ Yes                       X  No



**Special Reporting**     None.  
**Requirements:**

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	91,251	135,198	157,334	130,103	60,905
Contributions from operations <sup>(1)</sup>	93,312	17,939	39,122	34,295	24,246
Contributions from operations to CERF <sup>(2)</sup>	550	-	3,369	45,000	58,800
Contributions to operations	(18,905)	(6,302)	(4,101)	(15,866)	(269)
Contributions to operations from CERF	(6,844)	(19,585)	(37,640)	(37,536)	(16,971)
Contributions from capital <sup>(3)</sup>	-	-	-	-	3,392
Transfer (to)/from other operating reserves <sup>(4)</sup>	(18,406)	(35,999)	(22,886)	422	-
Transfer (to)/from other capital reserves <sup>(5)</sup>	(4,900)	-	-	916	-
CERF transfer to other reserves <sup>(6)</sup>	(1,322)	-	-	-	-
Closing balance	<u>134,736</u>	<u>91,251</u>	<u>135,198</u>	<u>157,334</u>	<u>130,103</u>

**Breakdown of Closing Balance:**

Operating BSA <sup>(7)</sup>	116,915	60,914	85,276	73,141	54,290
Operating BSA-CERF <sup>(8)</sup>	17,821	25,437	45,022	79,293	71,829
Capital BSA <sup>(9)</sup>	-	4,900	4,900	4,900	3,984
Closing Balance	<u>134,736</u>	<u>91,251</u>	<u>135,198</u>	<u>157,334</u>	<u>130,103</u>

- (1) Operating savings and return of unspent one-time budget from various business units and Corporate Costs. 2020: Operating savings of \$67,212, release of \$10,000 excess Tax Loss Provision from Taxation program to reduce Tax Loss Provision in 2021, and \$16,100 from Municipal Operating Support Transfer ("MOST") grant to replenish funding provided to non-profit partners during COVID-19 from the Community Sustainability Reserve ("CSR") and Emergency Resilience Fund ("ERF") originally funded by BSA and CERF per C2020-0526 and C2020-0527.
- (2) 2020 & 2018: Return of unspent one-time budget on Affordable Housing Initiative.  
2017: Contribution for 2018 Municipal Non-Residential Phased Tax Program ("PTP").  
2016: Contribution for 2017 PTP, Calgary Neighborhoods Emergency Resilience Fund, and user fees freeze for Calgary Transit, Recreation and pet licensing.
- (3) Capital savings from various business units.
- (4) 2020: Transfer of (\$6,000) to the Community Sustainability Reserve to support community associations and social recreation groups per C2020-0526, (\$12,100) to CERF to fund Emergency Resilience Fund ("ERF") (C2020-0527), and (\$306) to various business units for HR Accommodations Costs (PFC2019-0193).  
2019: Transfer of \$1,557 from Calgary Parking Authority ("CPA") net revenue, offset by (\$37,440) to Major Capital Projects ("MCP") Reserve, and (\$116) to various business units for HR Accommodations Costs.  
2018: Transfer of \$2,201 from CPA net revenue, offset by (\$25,000) to Opportunity Calgary Investment Fund ("OCIF"), previously known as Economic Development Investment Fund Reserve ("EDIF"), and (\$87) to Fiscal Stability Reserve ("FSR") due to ACE Daycare Flood Repayment, on bridge financing, being treated as LAW surplus and contributed to BSA in 2016.  
2017: Transfer of \$480 from CPA net revenue, partially offset by (\$58) to FSR due to an over-contribution to BSA in Planning & Development department which resulted in an unfavourable variance in 2016.
- (5) 2020: Transfer to Major Capital Projects ("MCP") Reserve for Event Centre.
- (6) 2020: Transfer of \$12,100 from Operating BSA for ERF and (\$13,422) to Calgary Neighbourhoods and Civic Partners to support the immediate financial needs of non-profit partners per C2020-0527
- (7) Committed amount in the closing balance of Operating BSA total \$35,743 consisting of: Up to \$11,606 for 2019-2022 one-time budget (C2018-1158) if required, \$160 for Social Procurement (C2018-1379), \$8,109 for Solutions for Achieving Value and Excellence ("SAVE") one-time implementation costs, \$6,291 to reduce tax loss provision in the 2021 Property Tax Bylaw (C2020-1215 Att. 7a), and \$9,577 for HR Accommodations Costs (PFC2019-0193).

- (8) Committed amounts in the closing balance of Operating BSA-CERF total \$17,232 consisting of: \$1,226 for Affordable Housing (C2018-1158), \$1,073 for 2017 PTP (C2017-0057), \$2,021 for 2018 PTP (C2017-1123, PFC2018-0045), \$733 for 2019 PTP (C2019-0782), \$7,601 for 2020 PTP (PFC2020-0015), \$3,000 for 2021 PTP (C2020-1215), and \$1,578 for ERF (C2020-0527).
- (9) The previous capital BSA closing balance was committed to Event Centre per C2019-0964. At the end of 2020, there is no outstanding commitment in capital BSA.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	134,736
Budgeted outflows <sup>(1)</sup>	(27,392)
Council approved commitments <sup>(2)</sup>	<u>(25,583)</u>
Remaining balance	<u>81,761</u>

(1) Budgeted contributions to operations for 2021.

- (2) Council approved commitments consist of:  
 \$9,577 for HR Accommodations Costs (PFC2019-0193)  
 \$16,006 CERF contributions to operations on a draw as needed basis  
 \$1,073 for 2017 PTP (C2017-0057),  
 \$2,021 for 2018 PTP (C2017-1123, PFC2018-0045),  
 \$733 for 2019 PTP (C2019-0782),  
 \$7,601 for 2020 PTP (PFC2020-0015),  
 \$3,000 for 2021 PTP (C2020-1215), and  
 \$1,578 for ERF (C2020-0527)

**Business Licence Sustainment Reserve**

\$	<b>7,981</b>
	(2020)

Combined Operating &amp; Capital Reserve (\$000s)

**Authorization:** FB2003-49, PFC2013-0745, PFC2016-0796, PFC2017-1081, PFC2019-1385 and C2020-0542.

**Purpose:** The Calgary Community Standards (Business Licence) Reserve will be used to stabilize the budget during fluctuations in the business sector to ensure consistent, sustainable, self-supporting customer and regulatory services.

The reserve will be used for the following specific uses:

- Stabilize the operating budget
- Fund one-time operating expenditures
- Fund the capital expenditures

**Conditions:** None.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #004 Calgary Community Standards  
Capital Program: #048 Calgary Community Standards, Bylaw Capital

**Funding Sources:** Business Licence annual operating surplus as of 2014 and future years.

Reserve approved to record allocation of investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	11,966	10,234	9,583	7,249	4,701
Investment Income	375	406	295	299	146
Contributions (to)/from operations	(2,490)	1,495	1,210	2,103	2,439
Contributions to capital	(531)	(169)	(88)	(68)	(37)
Transfers between reserves	(1,339)	-	(766)	-	-
Closing balance	<u>7,981</u>	<u>11,966</u>	<u>10,234</u>	<u>9,583</u>	<u>7,249</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	7,981
Budgeted inflows <sup>(1)</sup>	1,038
Budgeted outflows <sup>(2)</sup>	(1,156)
Council approved commitments <sup>(3)</sup>	<u>(2,508)</u>
Remaining balance	<u>5,355</u>

(1) Budgeted contributions from operations and investment income.

(2) Budgeted contributions for capital financing.

(3) The Council Approved Commitments includes budgeted commitments and Council report C2020-0542 approving the 2020-2021 COVID-19 Relief Package to Support Businesses.

**Cash-in-Lieu Lifecycle Sustainment Reserve****\$ 44,028**  
**(2020)**

Sustainment Reserve (\$000s)

**Authorization:** TT2016-0204, TT2017-0044 and PFC2018-1125**Purpose:** The purpose of this reserve is to fund the lifecycle operating and capital needs for existing cash-in-lieu parking facilities managed by the Calgary Parking Authority.**Conditions:** As per purpose.**Restrictions:** Funds are to be used at the sole discretion of the Calgary Parking Authority to support their lifecycle activities for the cash-in-lieu parking facilities. Expenditures are approved by the Calgary Parking Authority through the approval of the budget by the Calgary Parking Committee.

For Parking facilities that have both cash-in-lieu and other financing, this reserve may fund a percentage of work equal to the proportion of cash-in-lieu stalls to the total stalls within the facility.

**Related Budget Program:** Operating Program: #104 Calgary Parking Authority  
Capital Program: #106 Calgary Parking Authority**Funding Sources:** The balance in the Parking Land Acquisition Reserve of \$43,276 (\$42,851 opening balance plus \$425 investment income) in Year 2019 was transferred to this newly created reserve to fund the purpose per Council direction in TT2016-0204

Reserve approved to record allocation of investment income:

 X  Yes     No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	42,477	-	-	-	-
Investment Income	1,551	1,246	-	-	-
Contributions to operations	-	(1,620)	-	-	-
Transfer from Parking Land Acquisition Reserve	-	42,851	-	-	-
Closing balance	<u>44,028</u>	<u>42,477</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	44,028
Budgeted inflows <sup>(1)</sup>	3,102
Budgeted outflows <sup>(2)</sup>	<u>(9,647)</u>
Remaining Balance	<u>37,483</u>

(1) Budgeted contributions from investment income.

(2) Budgeted outflows for the maintenance of the five parkades built using the Cash-in-Lieu reserve funds.

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**Community Sustainability Reserve**

Combined Operating &amp; Capital Reserve (\$000s)

\$ **5,399**  
(2020)

**Authorization:** CPS2008-39, C2008-76, CPS2009-06, FCS2009-26, FCS2010-28, PFC2013-0745, PFC2016-0796, C2017-1123 and C2020-0526.

**Purpose:** The purpose of the Community Sustainability Reserve is to provide interim support to assist community organizations in need of short term assistance to address operational shortfalls, as determined by Calgary Neighbourhoods. This Reserve is intended to assist organizations so that they may continue to operate and meet the needs of their community, and/or the citizens of Calgary at large. Funding is available to provide financial support, and if applicable, resources such as consultation support, in order to maximize the capacity and sustainability of an organization to contribute to inspiring neighbourhoods. Funding is provided for:

- a. Stabilization and redevelopment assistance to organizations that encounter unexpected financial circumstances or have been dealing with organizational or governance issues for more than a year.
- b. Professional consulting services support to organizations in any area that may impact sustainability to deliver improved programs and services to citizens, whether in crisis or not.

**Conditions:** In order to qualify for funding, Community Associations and social recreational organizations must have an active lease or license of occupation with The City through the Community Association or Social Recreation Leasing Policy CSPS011 – Lease/License of Occupation to Community Organizations.

Qualifying organizations must agree to work with Administration to develop and implement recommendations resulting from professional reviews, where possible and reasonable.

The maximum funding amount for operational use is \$200 over a 5 year period of time, and approved by the Director of Calgary Neighbourhoods. The maximum funding amount includes both stabilization and redevelopment assistance.

**Restrictions:** As per purpose and conditions.

**Related Budget Programs:** N/A

**Funding Sources:** The Community Sustainability Reserve received a one-time transfer of \$580 from the Lifecycle Assistance and Energy Reserve (CPS2008-39) for operating purposes and \$3,000 from corporate in 2008 (C2008-76) for capital purposes. The purpose of the reserve was amended in 2016 so that the remaining reserve balance at Dec 31, 2015 of \$2,270 could only be used for operational purposes. Funds can only be used for capital projects if the funds were approved prior to the 2016 reserve purpose amendment.

Reserve approved to record allocation of investment income:

\_\_\_ Yes      X No

**Special Reporting**      None.  
**Requirements:**

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	1,856	2,062	2,119	2,123	2,270
Contributions from other sources <sup>(1)</sup>	6,000	-	-	-	-
Contributions to other sources	(2,457)	(206)	-	-	-
Transfer to reserves	-	-	(57)	(4)	(147)
Closing balance	<u>5,399</u>	<u>1,856</u>	<u>2,062</u>	<u>2,119</u>	<u>2,123</u>

(1) Per C2020-0526, Council approved an addition of \$6,000 to this reserve as a COVID-19 Relief Package to support Community Associations and Social Recreation Groups.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	5,399
Council approved commitments <sup>(1)</sup>	<u>(3,543)</u>
Remaining balance	<u>1,856</u>

(1) The committed amounts are associated with the 2020 Council approved COVID-19 relief funds, Report #2020-0526. The relief program to community association and social recreational groups will continue through 2021.



## Corporate Housing Reserve

\$ **36,573**  
(2020)

Combined Operating & Capital Reserve (\$000s)

**Authorization:** FB99-62, CPS2002-57, LA2000-206, CPS2004-55, FCS2004-58, FCS2010-10, PFC2012-0606, LAS2013-06, C2018-1158 and PFC2019-1385. Grant Funding Agreement 2007, 2008-2009 and 2009-2010, One Window Project Agreement 2017-2019.

**Purpose:** To support the development of affordable rental, social and special needs housing infrastructure and operating costs associated with affordable housing initiatives. Starting 2019, the reserve also accumulated the unspent portion of the Housing Incentive Program budget for later use, under circumstances where an entire incentive cannot be paid out in a single year.

**Conditions:** In accordance with the terms of reference established for the reserve, the reserve will be used to support development initiatives that enhance or increase the supply of affordable rental and social/special needs housing. Municipal, non-profit, public and private organizations may be considered for funding, individually or as part of partnership/joint venture.

Funds contributed by a grant will be managed and used in accordance with the terms of the applicable grant agreement.

Per PFC2019-1385, funds contributed for the Housing Incentive Program are to be tracked and used separately from other funds in this Reserve.

**Restrictions:** External - \$ 13,408      Internal - \$ 7,605

2 per cent of reserve (up to \$50 maximum) is designated as an emergency fund for unanticipated costs related to The City's Homeless Strategy.

Unless approved by Council or as part of the Housing Incentive Program, funding cannot be used to support operating and social support services associated with affordable housing.

**Related Budget Program:**

Operating Program:	#495 Calgary Housing (previously #488 Land Servicing & Housing)
Capital Program:	#489 Affordable Housing (previously #489 Public Housing)

**Funding Sources:**

- 1) The sale proceeds from selected City-owned properties that are surplus to the City's needs; sales proceeds from other City-owned properties not being used for affordable housing purposes and that are surplus to the City's needs shall be subject to Council approval through the Utilities and Corporate Services Committee (previously Land and Asset Strategy Committee – "LASC"); 5 per cent of gross industrial land sales proceeds.
- 2) Lease revenues generated from the City-owned properties being utilized for current and future affordable housing initiatives.
- 3) Contribution of City funding (mill rate) for an amount equal to the amount previously paid in municipal subsidy agreements for provincially-owned public housing units.

- 4) Third party donations, grants and contributions from individuals, public and private organizations or agencies.
- 5) As approved in LA2000-206, 20 per cent of net eligible revenues generated from Real Estate & Development Services (previously Corporate Properties) Residential Portfolio be transferred annually to Corporate Housing Capital Reserve to fund municipally operated housing initiatives.
- 6) Base operating funds budgeted for the Housing Incentive Program that are unspent at year-end and anticipated to be disbursed in future years, and
- 7) Investment income.

Reserve approved to record allocation of investment income:

X  Yes                          No

**Special Reporting Requirements:**      None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	33,952	31,622	30,383	29,885	38,504
Investment Income	1,021	936	655	754	645
Contributions from operations	2,278	1,424	2,165	1,595	2,235
Contributions to operations <sup>(1)</sup>	(748)	(756)	(2,083)	(1,026)	(8,242)
Contributions to debt repayment	-	-	-	(244)	(245)
Contributions to capital <sup>(2)</sup>	(6)	(982)	(566)	(2,539)	(3,335)
Transfer to reserve <sup>(3)</sup>	76	1,708	1,068	1,958	323
Closing balance	<u>36,573</u>	<u>33,952</u>	<u>31,622</u>	<u>30,383</u>	<u>29,885</u>

(1) Contributions to operation: 2020: Includes funds used to fund Transformation Affordable Housing (\$748); 2019: Includes funds used to fund Transformation Affordable Housing (\$756); 2018: Includes funds used to fund the increased service around Implementation of The City of Calgary Corporate Affordable Housing Strategy (\$1,636), Provincial grant for One Window (\$442K), Secondary Suites (\$5K); 2017: Includes funds used to fund the increased service around Implementation of The City of Calgary Corporate Affordable Housing Strategy (\$861); and 2016: Includes funds transferred to Calgary Housing Company - purchase of East Village (\$8,000).

(2) Contributions to capital: 2020: Kingsland (\$1), AH Pre-development (\$5); 2019: Kingsland \$13, Bridgeland (\$128) AH Pre-development (\$171), Lifecycle Maintenance (\$696); 2018: Kingsland (\$407), Bridgeland (\$27) AH Pre-development (\$32), Lifecycle Maintenance (\$100); 2017: Kingsland (\$699), Bridgeland (\$1,693), AH Pre-development (\$147); and 2016: Demolition at Louise Station (\$1,000), Kingsland (\$1,204), Bridgeland (\$1,080), AH Pre-development (\$51).

(3) 5 per cent of the Industrial Land sale revenue was contributed from operations which amount to \$76 in 2020, \$1,708 in 2019, \$1,068 in 2018, \$1,957 in 2017 and \$297 in 2016.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	36,573
Council approved commitments <sup>(1)</sup>	(9,898)
Other commitments <sup>(2)</sup>	<u>(13,408)</u>
Remaining Balance	<u>13,267</u>

(1) Council approved commitments include the following:

BAHS restricted reserve - \$5,952  
HIP restricted reserve - \$1,653  
Lifecycle Maintenance Capital Budget - \$500  
Predevelopment capital budget - \$1,793

(2) Other commitments include the Block Funding restricted reserve amount of \$13,408.

<b>Fleet Services Reserve (Formerly Fleet Services Capital Reserve)</b>	<b>\$ 6,736</b>
Combined Operating & Capital Reserve (\$000s) (Formerly Capital Reserve)	(2020)

**Authorization:** Commissionaires Report, FCS2010-10, FCS2011-34, PFC2014-0847, C2017-1123 and PFC2019-1385.

**Purpose:** The Fleet Services Reserve will be used to stabilize the budget during fluctuations in the external market value of retired assets. This will help Fleet Services ensure consistent sustainable services as well as provide its clients the most efficient services possible.

The Fleet Services reserve will also be used to fund Capital Expenditures.

**Conditions:** The maximum balance of this reserve is \$10,000.

**Restrictions:** The reserve may only contribute to Fleet's operating program to fund net asset disposal losses, and only to the amount of any net asset disposal loss in the year. This reserve may not contribute any amount to operating that would create or increase a net favourable operating surplus for Fleet Services.

**Related Budget Program:** Operating Program: #870 Fleet Services  
Capital Program: #871 Acquisitions

**Funding Sources:** Allocation of operating proceeds from disposal of capital assets and operating budget surpluses.

Reserve approved to record allocation of investment income:

☐ Yes ☒ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	8,338	9,766	10,933	14,326	10,456
(Loss)/gain on asset disposals	(877)	(1,085)	530	(178)	961
Contributions from operations	4,275	4,657	3,303	1,685	2,909
Contributions to capital	(5,000)	(5,000)	(5,000)	-	-
Transfer to Budget Savings Account <sup>(1)</sup>	-	-	-	(4,900)	-
Closing balance	<u>6,736</u>	<u>8,338</u>	<u>9,766</u>	<u>10,933</u>	<u>14,326</u>

(1) The contribution to the Capital Budget Savings Account is a one-time contribution, which was made as per the recommendations noted in the 2017 Triennial Reserve Review Report, C2017-1123.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	6,736
Commitments	-
Remaining balance	<u>6,736</u>

**Golf Course Levy Reserve**

\$	<b>4,484</b>
	(2020)

Combined Operating &amp; Capital Reserve (\$000s)

**Authorization:** CS91-64-02, FB92-64, CS95-07, FCS2004-22, FCS2011-13, PFC2014-0847, PFC2017-1241 and PFC2019-0825.

**Purpose:** To fund golf course capital projects and to finance any golf course operating budget deficit.

**Conditions:** None

**Restrictions:** Funds are to be used as per the purpose outlined above.

Private contributions of \$1,000 were received in 2017 and will be used towards upgrade and maintenance projects at the Shaganappi Golf Course.

**Related Budget Programs:** Operating Program: #426 Recreation  
Capital Program: #505 Golf Courses

**Funding Sources:** Surcharge on all golf passes and green fees and additional budget surplus transferred from golf course and recreation operations.

Reserve approved to receive investment income:  
  X   Yes        No

**Special Reporting Requirements:** None

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	3,744	2,763	2,777	1,712	1,126
User surcharges	143	119	120	138	147
Investment income	160	112	75	74	36
Contributions from operations	437	750	11	13	403
Donation	-	-	-	1,000	-
Contribution to operations	-	-	(220)	(160)	-
Closing balance	<u>4,484</u>	<u>3,744</u>	<u>2,763</u>	<u>2,777</u>	<u>1,712</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	4,484
External restriction <sup>(1)</sup>	(1,000)
Other commitments <sup>(2)</sup>	<u>(750)</u>
Remaining balance	<u>2,734</u>

(1) Private contributions of \$1,000 were received in 2017 that will be used towards upgrade and maintenance projects at the Shaganappi Golf Course.

(2) Per PFC2021-0045, other commitments of \$750 include preliminary cost for phased approach to transition City golf Service to an external operator.

**Livery Transport Services Sustainment Reserve**

(Formerly Taxi Commission Operating Surplus Reserve)

Combined Operating &amp; Capital Reserve (\$000s)

\$ **5,001**  
(2020)**Authorization:** FCS2004-22, FCS2010-10, PFC2013-0745, PFC2016-0796, PFC2019-1385, CPS2019-0609 and C2020-540.**Purpose:** To stabilize livery fees and financing which would benefit the industry while achieving a balanced budget without tax rate support.

The reserve is used by Livery Transport Services to:

1. Stabilize the operating budget;
2. Fund one-time operating expenditures; and
3. Fund capital expenditures that directly support livery transport services

**Conditions:** None**Restrictions:** As per purpose.

**Related Budget Programs:** Operating Program: #004 Calgary Community Standards (LTS)  
Capital Program: #048 Calgary Community Standards (Bylaw Capital)

**Funding Sources:** The Livery Transport Services' operating surpluses.

Reserve approved to record allocation of investment income:

 X  Yes          No**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	5,834	4,818	4,145	3,737	4,076
Annual operating (deficit)/surplus	(643)	897	599	373	(354)
Investment income	191	185	117	119	86
Contributions to capital	(381)	(66)	(43)	(84)	(71)
Closing balance	<u>5,001</u>	<u>5,834</u>	<u>4,818</u>	<u>4,145</u>	<u>3,737</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	5,001
Budgeted inflows <sup>(1)</sup>	173
Budgeted outflows <sup>(2)</sup>	(1,974)
Council approved commitments <sup>(3)</sup>	<u>(2,260)</u>
Remaining balance	<u>940</u>

(1) Budgeted contributions from investment income.

(2) Budgeted contributions to capital financing and operations.

(3) Council Approved Commitments include budgeted commitments per Council report CPS2019-0609, approving a one-time draw from the reserve to fund an accelerated Livery Bylaw Review and per Council report C2020-0540, approving the 2020-2021 COVID-19 relief package to support Taxi and Limousine.

**Millican-Ogden Community Enhancement – CLOSED**

Combined Operating &amp; Capital Reserve (\$000s)

\$ -  
(2020)**Authorization:** C2005-80, E2012-20 and PFC2015-0917.

PFC2015-0917 recommended that the reserve be closed and funds transferred back to the Fiscal Stability Reserve should a plan not be approved by the community association by the end of 2016. If a plan is in place, then recommended that Council close the reserve by no later than 2017 December 31.

**Purpose:** The reserve will be used to fund local improvements to enhance the Millican-Ogden community as identified in the Millican-Ogden Area Redevelopment Implementation Plan. The identified local improvements including community entrance signs, park amenities, pedestrian crossing enhancements; parks revitalization, Community Read-a-Board, and other community improvement projects will allow for the implementation of the social development policies and improvement plans set forth in the Community Plan to address existing issues and needs in Millican-Ogden.

**Conditions:** As per purpose.**Restrictions:** Funds are to be used as per the purpose and conditions outlined above.

**Related Budget Programs:** Operating Program: #612 Community Planning (previously #616 Land Use Planning & Policy)

**Funding Sources:** One time funding from the Fiscal Stability Reserve.

Reserve approved to record allocation of investment income:  
☐ Yes ☒ No

**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	-	-	-	5	132
Transfers to operations	-	-	-	(5)	(127)
Closing balance	-	-	-	-	5

**Source Contacts:** **Business Unit –** **Community Planning**  
 Financial Lead – M. Fung, Finance Lead  
 Operational Lead – Director

**Review Schedule:** Last Review: 2017



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## Opportunity Calgary Investment Fund (“OCIF”)

Combined Operating & Capital Reserve (\$000s)

\$ **95,839**  
(2020)

**Authorization:** C2017-0370, PFC2017-1081, PFC2018-0187 and C2018-0966.

**Purpose:** 1) The Opportunity Calgary Investment Fund (OCIF) represents a commitment by municipal government to invest in catalyst projects to strengthen the local economy.

The goals of the OCIF include, but are not limited to:

- Help create the right conditions for growth
- Diversify the local economy
- Leverage municipal funds for additional private and public sector investments
- Create employment lands and stimulate employment
- Create a return on investment (both direct and indirect)
- Support The City’s downtown vacancy challenges
- Increase The City’s property tax assessment base

2) Per PFC2018-0187, OCIF will earn interest according to City procedures. The amount of interest may be used to cover direct cost of administrating the OCIF subject to the prior approval of the Chief Financial Officer and the City Manager of The City of Calgary.

**Conditions:** Per PFC2018-0187, fund allocation must go through the evaluation and approval process as outlined in the terms of reference.

Per C2018-0966, agreement between The City of Calgary and OCIF sets out the terms and conditions for the management of the fund.

**Restrictions:** Per Alberta’s Municipal Government Act (MGA) municipalities are restricted from providing the following:

- municipal tax relief
- loans with the exception as per s.264

Per the authorization document C2017-0370, the principal balance of the OCIF will not be used to fund communications, marketing, or public relations.

Per the authorization document PFC2018-0187, the investment income generated by the OCIF can be used to fund the direct operating costs of administrating the OCIF.

PFC2018-0187 defines decision making authority levels for access to the OCIF.

Per C2018-0966, agreement between The City of Calgary and OCIF sets out the terms and conditions for the management of the fund.

**Related Budget Programs:** Operating Program: #449 Civic Partners

Capital Program: NA

**Funding Sources:** 1) In 2017, Council approved the following funding sources to the OCIF:

- \$10,000 from the Fiscal Stability Reserve (FSR)
- \$20,000 from the Business License Sustainment Reserve
- \$25,000 from Corporate Programs

2) In 2018, an additional \$20,000 was transferred from the Business License Sustainment Reserve and \$25,000 from the Budget Savings Account Reserve.

Reserve approved to receive investment income:

  X   Yes                           No

**Special Reporting Requirements:** Per PFC 2018-1087, monitoring and accountability reporting will be completed annually to the Priorities & Finance Committee and Council and annually to Council as representatives of The City of Calgary as a Shareholder as part of the annual general meeting (AGM). In addition, ad hoc reporting can be completed as requested by Council.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	95,853	101,047	55,000	-	-
Contributions from other sources	-	-	45,000	55,000	-
Contributions to other sources <sup>(1)</sup>	-	(7,050)	-	-	-
Contributions to other sources <sup>(2)</sup>	(700)	(986)	(811)	-	-
Investment income	686	2,842	1,858	-	-
Closing balance	<u>95,839</u>	<u>95,853</u>	<u>101,047</u>	<u>55,000</u>	<u>-</u>

(1) Disbursements related to purpose 1) as defined in the purpose section.

(2) Disbursements related to purpose 2) as defined in the purpose section.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	95,839
Other commitments <sup>(1)</sup>	<u>(36,579)</u>
Remaining balance	<u>59,260</u>

(1) The other commitments include the funds specified in signed beneficiaries' agreements (\$35,660) and (\$919) for the 2021 outstanding portion of the operating grant.

## Parks Endowment and Sustainment Reserve

\$ **6,922**

Combined Operating & Capital Reserve (\$000s)

(2020)

**Authorization:** FB95-75, PFC2013-0745, LAS2014-04, LAS2015-52, UCS2017-0277, and PFC2019-1385

**Purpose:** This reserve is a temporary repository for contributions to the development and operations of City Parks from businesses, foundations, grants, individuals and internal revenues. The fund will be used to develop, enhance or maintain Parks operations specific to the funding agreements.

**Conditions:** None.

**Restrictions:** Endowment funds:  
The City entered into various donation agreements with third parties that restricts the withdrawal of the principal of the donation and provides for the expenditure of investment income only. These donations were provided to The City for the ongoing maintenance and sustainment costs of specific named Parks sites. Investment income earned on these endowment funds is transferred to reduce budget requests based on an as needed basis to support the ongoing commitment of the sponsor for the sustainment of the site.

The three endowment funds are:

- Petro-Canada endowment (Principal - \$200) - the investment income is available for maintenance/lifecycle of Wildland Parks; fund balance is \$235 (2019 - \$227),
- Variety Park Endowment Fund (Principal - \$100) - the fund is available for the maintenance and lifecycle for the spray park features and infrastructure. Fund balance is \$158 (2019 - \$153),
- Olympic Plaza endowment (Principal - \$119) - the fund is available for lifecycle maintenance and upgrades to Olympic Plaza. Fund balance is \$157 (2019 - \$152).

Other donation funds:

The City receives various donations, sponsorships and funds from third parties that restrict the use of these funds (both interest and principal) for the ongoing sustainment and education costs related to specific sites. Reserve funds are transferred to the budget of the specific named parks on an as needed basis to support the sustainment and/or the specific arrangement of the donation.

Restricted Funds contained within the Parks Endowment and Sustainment Reserve include:

- Clearwater Land Exchange \$390 (2019 - \$381)
- Thomson Family Park Maintenance \$740 (2019 - \$478)
- 936-16 Ave SW Land Exchange \$189 (2019 - \$300)
- Playfields \$284 (2019 - \$262)
- Play Project - \$190 (2019 - \$184)
- Caring for Our Watersheds \$189 (2019 - \$137)
- Nature Centres \$152 (2019 - \$147)
- Somerset Spray Park \$147 (2019 - \$0)
- Tree Planting \$3,502 (2019 - \$0)
- Remaining balance of \$589 (2019 - \$465) is made up of miscellaneous individual contributions under \$100.

**Related Budget**

**Programs:**

Operating Program: #445 Parks  
Capital Program: #500 Parks (formerly known as Parks and Natural Areas)

**Funding Sources:**

Contributions/payments received from various parties and net proceeds from sale or exchange of park land approved by Council to be contributed to this reserve.

Reserve approved to receive investment income:

X Yes      \_\_\_ No

**Special Reporting**

**Requirements:**

None

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	2,886	4,510	4,494	3,118	2,328
Investment Income	176	148	112	131	61
Contributions from operations	4,304	713	701	1,309	603
Contributions to operations	(216)	(615)	(1,583)	(473)	(446)
Contributions to capital	(228)	(1,870)	(670)	(1,016)	(86)
Contributions between reserves	-	-	1,456	1,425	658
Closing balance	<u>6,922</u>	<u>2,886</u>	<u>4,510</u>	<u>4,494</u>	<u>3,118</u>

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	6,922
Budgeted inflows <sup>(1)</sup>	1,610
Budgeted outflows <sup>(2)</sup>	(2,561)
Balance restrictions <sup>(3)</sup>	<u>(5,971)</u>
Remaining balance	<u>-</u>

(1) Budgeted contributions from investment income and operations.

(2) Budgeted contributions to operations and capital financing.

(3) The balance of this reserve is restricted as these are donation agreements with third parties as well as various donations, sponsorships and funds received from third parties for ongoing sustainment and education costs related to specific sites. Refer to Restrictions section for more details.

**Perpetual Care of the Municipal Cemeteries Reserve****\$ 23,268**  
**(2020)**

Combined Operating &amp; Capital Reserve (\$000s)

**Authorization:** CS96-59-02, CPS96-77, FCS2004-31, CPS2004-71, PFC2016-0796 and PFC2019-1385.**Purpose:** To fund operational activities associated with the perpetual maintenance and care of municipal cemeteries. Perpetual care includes mowing, trimming, irrigation and repair of graves, as well as general maintenance of the structures and buildings within the cemeteries.

Beginning in 2005, the fund may be accessed to cover annual operating deficits, capital lifecycle maintenance and upgrades, and the costs of land acquisition and development associated with Municipal Cemeteries.

**Conditions:** None.**Restrictions:** None.**Related Budget Programs:** Operating Program: #445 Parks  
Capital Program: #504 Cemeteries**Funding Sources:** Forty percent (40 per cent) of the funds received by The City from the sale of cemetery plots, mausoleum crypts, columbarium niches, grave monuments and cemetery memorialization products shall be deposited into the Fund along with any annual Cemetery operating budget surplus.

Reserve approved to receive investment income:

☒ Yes ☐ No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Opening balance	21,457	19,519	18,221	15,905	13,949
Investment Income	808	720	512	552	347
Contributions from operations <sup>(1)</sup>	1,409	1,630	1,692	1,974	2,020
Contributions to operations	(239)	(173)	(586)	546	(240)
Contributions to capital	(167)	(239)	(320)	(756)	(171)
Closing balance	<u>23,268</u>	<u>21,457</u>	<u>19,519</u>	<u>18,221</u>	<u>15,905</u>

(1) 40 per cent of the funds received by The City from the sale of cemetery plots, mausoleum crypts, columbarium niches, grave monuments and cemetery products.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	23,268
Budgeted inflows <sup>(1)</sup>	4,760
Budgeted outflows <sup>(2)</sup>	<u>(8,889)</u>
Remaining balance	<u>19,139</u>

(1) Budgeted contributions from investment income and operations.

(2) Budgeted contributions to operations and capital financing.



**Planning & Development Sustainment Reserve****\$ 84,199**

Sustainment Reserve (\$000s)

(2020)

**Authorization:** FB2003-49, C2005-60, C2005-68, FCS2005-33, FCS2006-37, FCS2007-45, LPT2008-67, LPT2011-30, PFC2013-0745, PFC2016-0796, PFC2017-1081 and PFC2019-1385.

**Purpose:** The reserve will be used to respond to market fluctuations and volatility in the level of development and building activity. The reserve will fund fee supported budgets for the continuity of development approvals and building safety services.

The reserve will have the following specific uses:

- Stabilize the operating budget
- Fund one-time operating expenditures
- Fund the capital expenditures

**Conditions:** The reserve has a target balance of 75 per cent of the annual budgeted fee based operating expenditures. Should the fund exceed the target, the excess would be used as a contribution from the reserve to fee supported operations in the following year to soften any required user fees increase.

**Restrictions:** None.

**Related Budget Programs:**

Operating Programs:	#610 Calgary Growth Strategies #611 Calgary Building Services #612 Community Planning #613 Calgary Approvals Coordination ##610 Calgary Growth Strategies (previously #651 Urban Strategy)
Capital Programs:	#061 Capital Asset Acquisition #063 Cash System Integration #064 Working Space Initiatives #065 Land Use Bylaw Implementation/Sustainment #067 Business Technology Sustainment #069 eService Portfolio

**Funding Sources:** Annual operating surpluses from fee supported operations from 2016 and future years. (Previously from annual CBS operating surpluses as of 2003 and future years.)

Reserve approved to record allocation of investment income:

  X   Yes                            No

**Special Reporting Requirements:** None.

<sup>1</sup> The name for the Development & Building Approvals business unit was changed to Inspections & Permit Services in 2014 due to reorganization and subsequently changed to Calgary Building Services in 2016

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	81,707	77,908	86,752	99,114	93,707
Investment Income	2,773	2,844	1,961	3,159	2,131
Contributions from operations	3,406	6,067	13,531	11,901	10,158
Contributions to capital <sup>(1)</sup>	(3,687)	(5,112)	(5,102)	(7,422)	(6,882)
Transfer from reserve	-	-	766	-	-
Transfer to Opportunity Calgary Investment Fund <sup>(2)</sup>	-	-	(20,000)	(20,000)	-
Closing balance	<u>84,199</u>	<u>81,707</u>	<u>77,908</u>	<u>86,752</u>	<u>99,114</u>

(1) Contributions to capital is a flow through transfer from Calgary Building Services to Calgary Approvals Coordination and it is recorded as capital expense funding in Calgary Approvals Coordination.

(2) Transfers to the **Opportunity Calgary Investment Fund ("OCIF")** as per Council's decision made on December 18, 2017 per PFC2017-1081.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	84,199
Budgeted inflows <sup>(1)</sup>	3,632
Budgeted outflows <sup>(2)</sup>	(35,143)
Council approved commitments <sup>(3)</sup>	<u>(14,985)</u>
Remaining balance	<u>37,703</u>

(1) Budgeted contributions from investment income.

(2) Budgeted contributions to operations and capital financing.

(3) Council approved commitments are for approved capital projects beyond 2021-2022 budget cycle, as follows:

Capital Asset Lifecycle - \$195

Business Technology Sustainment - \$11,000

DA Service Improvements - \$790

Working Space Initiative - \$3,000

## Public Art Reserve

\$ 9,248  
(2020)

Combined Operating & Capital Reserve (\$000s)

**Authorization:** FCS2010-28, PFC2013-0745, PFC2014-254, ALT2014-0153, ALT2014-0909, PFC2016-0796, PFC2017-1241 and PFC2019-0828.

**Purpose:** Per ALT2014-0909, the purpose of the Public Art Reserve is lifecycle and conservation, maintenance and programming, and pooling for iconic art pieces.

**Conditions:** None.

**Restrictions:** None.

**Related Budget Program:** Operating Program: #426 Recreation

**Funding Sources:** The annual amount transferred to the Public Art Reserve is approved by ALT before each multi-year budget cycle and is based on a calculation in accordance with the Corporate Public Art Policy.

Reserve approved to receive investment income:

☐ Yes ☒ No

**Special Reporting Requirements:** None.

### Current Activity (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	8,048	6,768	5,883	5,105	4,093
Contributions from operations	-	80	-	203	26
Contributions to operations	-	-	(391)	(700)	(290)
Transfer between reserves	1,200	1,200	1,276	1,275	1,276
Closing balance	<u>9,248</u>	<u>8,048</u>	<u>6,768</u>	<u>5,883</u>	<u>5,105</u>

### Commitments as at Dec 31, 2020 (\$000s):

Balance (as at Dec 31, 2020)	9,248
Commitments	-
Remaining Balance	<u>9,248</u>

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## Real Estate Services

\$ **83,098**  
(2020)

Combined Operating & Capital Reserve (\$000s)

**Authorization:** Notice of Motion 1997-May-26, CPS98-37, FCS2010-10, PFC2012-0606, PFC2013-0745, PFC2014-0847, PUD2016-0524 and PFC2018-1125.

**Purpose:** To finance land acquisitions and development of land holdings to advance economic development and diversification objectives by ensuring an available supply of industrial land through the development of industrial/business parks; and to advance achievement of other municipal objectives through land improvement of City owned Transit Oriented Development areas and other Council directed special projects.

This Reserve contains the funds allocated to the Calgary General Hospital Legacy Fund, established by CPS98-37 as an endowment generated from the revenues generated by the use, redevelopment and sale of the Calgary General Hospital, Bow Valley Centre lands ("Bridges Project").

**Conditions:** None.

**Restrictions:** Calgary General Hospital Legacy Fund monies are restricted by Terms of Reference set forth in CPS98-37 and PUD2016-0524. Funds shall be disbursed only for the continuation of the Bridges Project or, for healthy Calgary initiatives, with the recommendation of the Calgary General Hospital Legacy Review Committee and approval by City Council.

**Related Budget Programs:**

Operating Program: #488 Land Servicing & Housing

Capital Programs: #696 Commercial Land Developments  
#697 Land Developments  
#699 Land for Future Developments  
#703 Transit Oriented Development  
#705 Mixed Use Redevelopment

**Funding Sources:** Net proceeds of serviced land sales (Industrial, Business & Special Projects), proceeds of intra-city debt (principal and interest) and proceeds of commissions. In 1994 (and all subsequent years) the portion reinvested in land inventory is reclassified to Equity in Land Inventory.

Reserve approved to receive investment income:

X  Yes          No

(1) Interest income is allocated only to portions of the reserve balance that relate to the Calgary General Hospital Legacy Fund/Bridges Project. Other portions of this reserve are not allocated interest.

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Real Estate Services Reserve</b>					
Opening balance	80,979	76,587	64,517	57,608	62,005
Contributions from operations for land sales	593	10,263	1,422	25,093	3,795
Contributions from operations	2,054	4,386	3,837	7,885	3,440
Contributions to capital (financing capital projects)	(19,174)	(20,401)	(10,316)	(41,815)	(15,144)
Contributions from capital (land sales)	944	21,852	18,006	16,713	1,766
Transfer between reserves <sup>(1)</sup>	(75)	(11,708)	(879)	(967)	1,746
Closing balance <sup>(2)</sup>	65,321	80,979	76,587	64,517	57,608
<b>General Hospital Legacy Endowment Fund (Bridges Project)</b>					
Opening balance	17,223	6,348	6,278	6,361	6,391
Investment Income	632	453	168	198	145
Contributions from/(to) operations	-	5,262	-	-	(36)
Contributions to capital (financing capital projects)	(3)	(143)	(98)	(281)	(139)
Contributions from capital (land sales)	-	5,303	-	-	-
Transfer between reserves	(75)	-	-	-	-
Closing balance	17,777	17,223	6,348	6,278	6,361
<b>Total Closing Balance</b>	<b>83,098</b>	<b>98,202</b>	<b>82,935</b>	<b>70,795</b>	<b>63,969</b>

## (1) Transfer between reserves:

2020: Transfer to Corporate Housing Reserve of (\$76), equal to 5 per cent of gross Industrial Sales. Transfer to Calgary Neighbourhood business unit of (\$75) for payment to Bridgeland-Riverside Community Association per Report CPS2020-0765.

2019: Transfer to Corporate Housing Reserve of (\$1,708), equal to 5 per cent of gross Industrial Sales. Transfer to Major Capital projects reserve of \$(10,000) for the Event Centre per Report C2019-0964.

2018: Repayment of pre-development expenses related to R.B. Bennett School site - \$189 and a transfer to Corporate Housing Reserve of (\$1,068), equal to 5 per cent of gross Industrial Sales.

2017: Received a total of \$990 from the Revolving Fund Reserve for: General Land Purchase of \$131, repayment of pre-development expenses related to R.B. Bennett School site of \$347 and net proceeds for land sales to the Calgary Municipal Land Corporation of \$512. The balance of (\$967) also includes a transfer to the Corporate Housing Reserve of (\$1,957), which is equal to 5 per cent of its gross industrial land sales proceeds.

2016: Received \$1,571 from Treasury and \$472 from the Revolving Fund Reserve for General Land Purchases servicing and repayment of pre-development expenses related to R.B. Bennett School site. The balance also includes a transfer to Corporate Housing Reserve of (\$297), equal to 5 per cent of gross Industrial Sales

- (2) A balance of \$4,965 was classified for internal purposes as a restricted balance as at the end of December 31, 2019 (and prior years). This represented the receivables for land sales to Calgary Municipal Land Corporation (CMLC). Receipt of funds were the earlier of a) ten years from the advancement date, or b) in the event that CMLC disposed off the property, or any portion thereof, the date CMLC receives proceeds of the sale to the third party. The full balance of \$4,965 was repaid by CMLC in 2020.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	83,098
Budgeted inflows <sup>(1)</sup>	94,952
Budgeted outflows <sup>(2)</sup>	(68,728)
Council approved commitments <sup>(3)</sup>	(41,200)
Restricted balance <sup>(4)</sup>	<u>(17,716)</u>
Remaining balance	<u>50,406</u>

(1) Budgeted inflows from industrial land sales, loan principal payments and investment income.

(2) Budgeted outflows for contributions to capital financing and contributions between reserves.

(3) Per Council report C2020-1215 Att. #2 – 2021, these funds are for COVID-19 one-time impacts of \$41,200 for revenue loss items.

(4) Calgary General Hospital Legacy Fund monies are restricted by Terms of Reference set forth in CPS98-37 and PUD2016-0524. Funds shall be disbursed only for the continuation of the Bridges Project or, for healthy Calgary initiatives, with the recommendation of the Calgary General Hospital Legacy Review Committee and approval by City Council.



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## Revolving Fund Reserve for General Land Purchases

\$ 131,116  
(2020)

Combined Operating & Capital Reserve (000's)

**Authorization:** Commissioners' Report FB98-43, LAS2008-173, PFC2016-0796 and PFC2019-1385.

**Purpose:** Land required for City use must often be purchased well in advance of construction, but the capital budget has funds only for projects commencing within the current four year budget cycle. The purpose of this reserve is to acquire land required for City use in a timely manner for projects beyond the four year budget cycle, improvements to city-owned land and program administration.

**Conditions:** None.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #488 General Land Sales and Net Lease Revenue  
Capital Programs: #695 Land Acquisitions – Other Civic Departments  
#698 Miscellaneous Land Improvements

**Funding Sources:** Initial funding in 1998 was as follows:

- \$5,306 from the consolidation of all budgets for general land [1998-2002].
- \$2,500 from non-transportation project funding from the \$40,200 set aside for non-transportation capital projects in excess of the Envelope.

Ongoing funding:

- Income from existing net land leases. Revenue from existing leases may be routed to business units based on approval of business case to the Corporate Land Committee ("CLC").
- Acquisition fees received from business units for land purchases, net of related costs.
- Net proceeds from general land sales.
- Repayment of land purchases by business unit no later than year one of the next four year budget cycle or other alternate pay back arrangements as may be approved by CLC.

Reserve approved to record allocation of investment income:

X Yes      \_\_\_ No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	135,487	119,750	102,118	101,073	86,881
Investment Income	4,512	3,972	2,827	2,917	2,086
Contributions (to)/from operations	(1,909)	3,167	4,348	4,175	7,720
Contributions from land sales	8,335	12,170	14,609	71,318	32,854
Contributions from capital	7,604	20,515	8,149	1,684	2,223
Contributions to capital	(18,219)	(20,059)	(10,570)	(17,820)	(25,519)
Transfer to other reserves	(1,359)	(3,690)	(1,536)	(60,871)	(5,141)
Net transfer to restricted reserve <sup>(1)</sup>	(3,335)	(338)	(195)	(358)	(31)
Closing balance	<u>131,116</u>	<u>135,487</u>	<u>119,750</u>	<u>102,118</u>	<u>101,073</u>

## (1) Transfers to restricted reserves:

Funds are restricted sales of land sold to the Calgary Municipal Land Corporation ("CMLC") and the Attainable Homes Calgary Corporation ("AHCC"). Sales set up as receivables. Receipt of funds will be the earlier of a) ten years from the advancement date, or b) in the event that CMLC/AHCC had disposed of the property, or any portion thereof, the date CMLC/AHCC receives proceeds of the sale to the third party. These funds are restricted until receipt of the funds from CMLC/AHCC is deposited. Funds received in 2020 from CMLC were \$3,005 and from AHCC \$330. Total mortgage funds outstanding equal \$2,948.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	131,116
Budgeted inflows <sup>(1)</sup>	91,891
Budgeted outflows <sup>(2)</sup>	(41,154)
Council approved commitments <sup>(3)</sup>	(13,664)
Projections <sup>(4)</sup>	(28,480)
Restricted minimum balance <sup>(5)</sup>	<u>(25,000)</u>
Remaining balance	<u>114,709</u>

(1) Budgeted inflows from general land sales, Enhanced Rationalization Program (ERP), operations and investment income.

(2) Budgeted outflows for contributions to capital financing and contributions between reserves.

(3) Per Council report C2020-1215 (Att. #2), 2021 COVID-19 one time impacts of \$11,000 and \$2,664 balance payable to the Reserve for Future Capital (Parks Legacy Fund for RB Bennett purchase MRER-2014-90).

(4) Projected annual capital budget for land acquisitions (Program # 695) of \$15,000 and an estimated transfer to other business units as net proceeds from general land sales of \$6,740 per year for 2021 and 2022.

(5) The \$25,000 is the administrative floor that was approved by the Corporate Land Committee (CLC) for the current budget cycle as a reserve sustainability control.

## Utility Sustainment Reserve

\$ 133,107  
(2020)

Combined Operating & Capital Reserve (\$000s)

**Authorization:** FCS2011-32, PFC2013-0745, USC2018-0223, UCS2018-0230, and PFC2019-1385.

**Purpose:** This reserve has been set up to provide an operating contingency to offset revenue fluctuations and manage cash flow, thereby ensuring funds are available to meet both operating and capital requirements, and to provide for capital financing needs associated with capital expenditures.

**Conditions:** The targeted level for the sustainment portion of the reserve is 120 days of Utilities operating expenditures.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #270 Utilities (Water Resources and Water Services)

Capital Programs: Various capital programs.

**Funding Sources:** Utility rate revenues at planned contribution levels and annual operating budget variances.

Portion of offsite levies to be spent in future years.

Reserve approved to receive investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)	<u>2017</u>	<u>2016</u>
Opening balance	156,957	175,255	141,661	133,033	83,257
Investment Income <sup>(1)</sup>	16,594	9,042	5,164	4,469	2,774
Contributions from operations	236,816	234,930	233,907	213,619	200,219
Contributions to capital financing	(277,826)	(263,537)	(208,220)	(211,942)	(151,428)
Transfer from Fiscal Stability Reserve	566	1,267	2,743	2,482	310
Transfer to Real Estate Services Reserve	-	-	-	-	(2,099)
Closing balance	<u>133,107</u>	<u>156,957</u>	<u>175,255</u>	<u>141,661</u>	<u>133,033</u>
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Sustainment Funds	46,027	26,334	25,427	10,133	14,462
Offsite Levy Funds	34,185	27,923	81,202	60,615	85,257
Future Year Capital Funds	52,895	102,700	68,626	70,913	33,314
<b>Total Reserve</b>	<u>133,107</u>	<u>156,957</u>	<u>175,255</u>	<u>141,661</u>	<u>133,033</u>

- (1) Per council report C2020-1237, the 2020 investment includes approximately \$8,036 for off-site levy interest income earned during the period of 2004-2009 and transferred to reserve in current year.

**Commitments as at Dec 31, 2020 (\$000s):**

Balance (as at Dec 31, 2020)	133,107
Budgeted inflows <sup>(1)</sup>	531,760
Budgeted outflows <sup>(2)</sup>	(528,649)
Restricted balance <sup>(3)</sup>	<u>(34,185)</u>
Remaining balance	<u>102,033</u>

- (1) Budgeted inflows from operations and investment income.  
 (2) Budgeted outflows for contributions to capital financing.  
 (3) The restricted balance relates to off-site levy funds received from external developers and are to be used only for stipulated purposes as dictated by developer agreements and off-site levy bylaws.

## Waste and Recycling Sustainment Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 73,878  
(2020)

**Authorization:** FCS2011-33, PFC2013-0745, PFC2016-0796 and PFC2019-1385.

**Purpose:** This reserve has been set up to provide an operating contingency to offset revenue fluctuations and to manage cash flow, thereby ensuring funds are available to meet both operating and capital requirements, and to provide for capital financing needs associated with capital expenditures, as well as setting funds aside for the long-term landfill care and closure care landfill liability.

**Conditions:** A target balance for contingency purposes of 10 per cent of current year's annual revenue is to be maintained.

**Restrictions:** None.

**Related Budget Programs:** Operating Program: #252 Waste & Recycling Services  
Capital Programs: #256 Landfill/Treatment Infrastructure  
#258 Facilities & Equipment

**Funding Sources:** User fees at planned contribution levels and annual operating budget variances generated from self-supported programs.

Reserve approved to receive investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Activity (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)	<u>2017</u>	<u>2016</u>
Opening balance	67,312	63,083	64,802	48,019	48,809
Investment Income	5,582	5,186	3,821	3,974	2,575
Contributions from operations	18,173	17,743	20,926	28,282	5,809
Contributions to capital financing	(12,990)	(14,927)	(12,514)	(11,496)	(6,844)
Contributions to operations (Landfill Closure Liability, Debt repayment & CRD program)	(4,199)	(3,773)	(13,952)	(3,977)	(2,330)
Closing balance	<u>73,878</u>	<u>67,312</u>	<u>63,083</u>	<u>64,802</u>	<u>48,019</u>

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Funds set aside for Contingency purposes	14,363	13,990	11,068	9,054	8,947
Diversion	17,907	18,445	16,359	19,152	18,323
Landfill	5,625	(1,652)	1,003	7,205	338
Cash Requirement for Future Year Capital	35,983	36,529	34,653	29,391	20,411
<b>Total Reserve</b>	<u>73,878</u>	<u>67,312</u>	<u>63,083</u>	<u>64,802</u>	<u>48,019</u>

**Commitments 2021-2022 (\$000s):**

Balance (as at Dec 31, 2020)	73,878
Budgeted inflows <sup>(1)</sup>	4,273
Budgeted outflows <sup>(2)</sup>	<u>(60,032)</u>
Remaining balance	<u>18,119</u>

(1) Budgeted inflows from investment income.

(2) Budgeted outflows for contributions to operations and capital financing.



## ***LONG TERM LIABILITIES***

### ***Capital Deposits***

### ***Employee Benefit Obligations***

## Basic Municipal Transportation Grant (a.k.a. Fuel Taxes)

\$ -  
(2020)

Capital Deposit (\$000s)

**Purpose:** To establish a 'City Transportation Fund' to finance eligible expenditures incurred or to be incurred on Capital Transportation Projects under the Transportation Infrastructure Investment Program (TIIP). Effective April 1, 2014 Basic Municipal Transportation Grant (BMTG) is combined with the Municipal Sustainability Initiative (MSI) and the purpose of the grant is the same as the MSI. The BMTG under the previous agreement is fully expended and the BMTG will be reported as part of MSI.

**Conditions:** City Council and the Alberta Municipal Affairs must approve projects.

**Restrictions:** Projects must be deemed eligible as described in the Memorandum of Agreement dated 2000 March 13 and subsequently amended on 2013 March 20 and signed by the Minister of Transportation and Executive Officer of The City.

**Related Budget Programs:** Capital Programs throughout The City.

**Funding Sources:** The City's BMTG (Basic Municipal Transportation Grant) allocation by the Province of Alberta is calculated based on the City's share being 55 per cent of 43 per cent of the prior year's provincial taxable fuel sales volumes at 5 cents per litre as per provincial fuel deliveries provided by Alberta Treasury Board and Finance.

Capital deposit approved to receive investment income:

X Yes    No

**Special Reporting Requirements:** None

### Current Balance (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	-	-	-	-	8,817
Investment income	-	-	-	-	-
Contributions to Capital	-	-	-	-	(8,762)
Contributions to other sources	-	-	-	-	(55)
Closing balance	-	-	-	-	-

**Source Contacts:** **Business Unit – Finance**  
Financial & Operational Lead– K. Potts, CBO Sr. Corporate Financial Planner

**Cash in Lieu of Parking Fund**

**\$ 2,523**  
**(2020)**

Capital Deposit (\$000s)

**Purpose:** To provide parking structures or acquire land for parking.

**Conditions:** The deposits, including interest, are refundable if the developer subsequently provides the parking facilities.

**Restrictions:** Third party agreements:  
     - Obligation to use the funds for construction of parking facilities or land acquisitions outside the central business district.

**Related Budget Programs:** Operating Program: #104 Calgary Parking Authority  
     Capital Program: #106 Calgary Parking Authority

**Funding Sources:** Cash payments received by the Calgary Parking Authority, under terms of development agreements, in lieu of the developer providing sufficient parking stalls.

Capital deposit approved to receive investment income:  
       X   Yes                             No

**Special Reporting Requirements:** None.

**Current Balance (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Opening balance	2,405	7,799	15,686	15,098	14,697
Investment income	118	173	320	588	401
Contributions to capital <sup>(1)</sup>	-	(5,567)	(8,207)	-	-
Contributions from developers	-	-	-	-	-
Closing balance	<u>2,523</u>	<u>2,405</u>	<u>7,799</u>	<u>15,686</u>	<u>15,098</u>

(1) Contributions to capital:

- a) 2019: Loan of 5,567K to CMLC for the construction of 9th Ave Parkade. The loan is non-interest bearing and will be repaid by CMLC upon completion of the Parkade.
- b) 2018: Loan of \$8,207K to CMLC for the construction of 9th Ave Parkade. The loan is non-interest bearing and will be repaid by CMLC upon completion of the Parkade.

**Source Contacts:**      **Related Authority – Calgary Parking Authority**  
     Financial Lead – J. Foulds, Controller  
     Operational Lead – M. Houssaini, Acting General Manager

## Eau Claire Improvement Fund

Capital Deposit (\$000s)

\$ 943  
(2020)

**Purpose:** To provide capital funds for upgraded street level improvements in the Eau Claire community.

**Conditions:** The fund is for improvements to public lands and for public benefits only. The Executive Office must approve expenditures.

**Restrictions:** Third party agreements:  
- Obligation to provide capital in the future.

**Related Budget Programs:** Capital Program: #616 Centre City Initiatives

**Funding Sources:** All commercial development that requires a density bonus in Land Use District 20Z95, 21Z95, 22Z95 and 54Z95. Special contributions from the 'C' and 'B' blocks are also made to the fund prior to release of a Development Plan for these blocks.

Capital deposit approved to receive investment income:  
X Yes           No

**Special Reporting Requirements:** None.

### Current Balance (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Opening balance	910	879	856	829	2,296
Investment income	33	31	23	27	33
Contributions from operations	-	-	-	-	-
Financing capital projects	-	-	-	-	(1,500)
Closing balance	<u>943</u>	<u>910</u>	<u>879</u>	<u>856</u>	<u>829</u>

**Source Contacts:**

<b>Business Unit –</b>	<b>Calgary Growth Strategies</b>
Financial Lead –	C. Cote, Finance Lead
Operational Lead –	J. Tang, Program Manager

## Federal Gas Tax Fund

Capital Deposit (\$000s)

\$ 145,157  
(2020)

**Purpose:** The Federal Gas Tax Fund (formerly known as New Deal for cities and communities) is a program sponsored by the Federal Government commencing in 2005 to assist municipalities in addressing their sustainable municipal capital infrastructure needs. The program is supported through the allocation to Alberta Municipalities of a portion of the federal gasoline tax. Funding under this program is subject to the province receiving the funding from the federal government.

**Conditions:** City Council and the Minister of Infrastructure and Transportation must approve the projects.

**Restrictions:** Projects must be deemed eligible as described in the Memorandum of Agreement dated June 30th, 2005 signed by the Minister of Infrastructure and Transportation and the Mayor of The City. Subsequently this agreement was revised in October 2014 and signed by Minister of Municipal Affairs and the Mayor of The City.

**Related Budget Programs:** Capital Programs throughout The City.

**Funding Sources:** In the Federal Government's Budget 2008 document, the Gas Tax Fund was made a permanent measure to allow municipalities to better plan and finance their long-term infrastructure needs. Starting 2014 a new funding agreement with more flexible eligibility criteria was put in place.

Capital deposit approved to receive investment income:

X  Yes          No

**Special Reporting Requirements:** None.

### Current Balance (\$000s):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Opening balance	142,524	61,362	36,458	76,132	67,079
Investment Income	4,994	3,205	1,203	1,326	1,486
Contribution from federal government	73,545	143,211	68,741	66,809	66,362
Contributions to capital	(75,906)	(65,254)	(45,040)	(107,809)	(58,795)
Closing balance	<u>145,157</u>	<u>142,524</u>	<u>61,362</u>	<u>36,458</u>	<u>76,132</u>

**Source Contacts:** **Business Unit – Finance**  
Financial and Operational Lead– K. Potts, CBO Sr. Corporate Financial Planner

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## Miscellaneous Capital Deposits

\$ 210,390  
(2020)

Capital Deposit (\$000s)

**Purpose:** To finance capital only, as authorized through Council approval of capital budgets.

**Conditions:** Under City policy, a prepayment (deposit) may be requested from third parties before provision of services (including water and sewer connections, sidewalks, paving, grading, gravelling and transit shelters).

Portions of Roads, Transit, Water Resources and Water Services, Fire, Parks, Recreation, Civic Partners, Environmental and Safety Management and Facility Management deposit balances constitute unused Provincial/Federal capital grant funds that are to be spent on a cost-shared basis.

The deposits are refundable if the projects for which they were designated are not undertaken. The City may have an obligation to pay interest on any deposits refunded.

**Restrictions:** Third party agreements:  
- Obligation to undertake specific capital projects or deposits must be refunded.

**Related Budget Programs:** Various Programs.

**Funding Sources:** A prepayment (deposit) by third parties in provision of services (including water and sewer connections, sidewalks, paving, grading and gravelling); and portions of Roads, Transit, and Water Resources and Water Services, Fire, Parks, Recreation, Civic Partners, Environmental and Safety Management and Facility Management deposit balances constitute unused Provincial/Federal capital grant funds that are to be spent on a cost-shared basis.

Investment income:

**Units with no Investment Income Allocation:** Calgary Approvals Coordination, Recreation, Fire, Calgary Community Standards (formerly PSC), Facility Management (formerly Corporate Properties), Corporate Analytics & Innovation (formerly Infrastructure and Information Services)

**Units with an Investment Income Allocation:** Calgary Transit, Transportation Infrastructure, Parks, Calgary Housing, Calgary Growth Strategies (merged with Urban Strategy and Community Planning), Green Line, Roads and Water Resources and Water Services.

**Special Reporting Requirements:** None.



# **Current Balances (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Roads	59,349	56,948	53,516	55,901	53,474
Transit	8,775	15,503	9,300	8,837	9,046
Calgary Growth Strategies <sup>(1)</sup>	3,923	3,902	9,461	9,221	13,442
Calgary Approvals Coordination <sup>(2)</sup>	1,780	4,575	4,725	4,697	5,085
Transportation Infrastructure	28,156	47,936	63,861	44,969	51,915
Green Line	3,323	3,323	3,323	-	-
Calgary Housing	25,516	1,014	113	10	-
Corporate Analytics & Innovation	-	192	322	322	322
Parks & Recreation	44,727	41,640	38,822	33,495	42,559
Water Resources & Water Services	4,585	7,834	6,214	5,919	5,158
Facility Management	-	-	-	16	173
Corporate Revenue and Costs	32,720	31,273	52,674	56,498	54,416
Fire & Calgary Community Standards	1,807	4,868	7,198	8,910	9,350
Civic Partners	5,128	500	-	-	-
Calgary Emergency Management Agency	813	-	-	-	-
Interdepartmental Charge Elimination	(15,282)	(10,969)	(8,807)	(5,840)	(8,914)
	<u>205,320</u>	<u>208,539</u>	<u>240,722</u>	<u>222,955</u>	<u>236,026</u>
<b>Related Authorities:</b>					
Calgary Housing Company	5,070	5,370	5,409	5,409	5,409
<b>Closing balance</b>	<u>210,390</u>	<u>213,909</u>	<u>246,131</u>	<u>228,364</u>	<u>241,435</u>

- (1) As a result of the PDA re-organization that occurred in 2016, Local Area Planning & Implementation was dissolved and all balances prior to 2016 related to Local Area Planning & Implementation was transferred to Community Planning & Urban Strategy. In addition, during 2017, all balances in Community Planning was transferred to Urban Strategy. Urban Strategy was merged into Calgary Growth Strategies in 2020. Corresponding capital deposits are transferred.
- (2) As a result of the PDA re-organizations that occurred in 2016, City Wide Policy & Integration was dissolved and all balances prior to 2016 related to City Wide Policy & Integration was transferred to Calgary Approvals Coordination.

## **Source Contacts:**

### **Business Unit:**

Roads  
Transit  
Transportation Infrastructure  
Calgary Growth Strategies  
Calgary Approvals Coordination  
Calgary Housing  
Corporate Analytics & Innovation  
Parks & Recreation  
  
Water Resources & Water Services  
Facility Management  
Corporate Revenue and Costs  
Fire & Calgary Community Standards  
Green Line  
Civic Partners

### **Financial Leads:**

S. MacKenzie, Finance Lead  
T. Johnson, Finance Lead  
Y. Foulston, Finance Lead  
C. Cote, Finance Lead  
J. Lee, Finance Lead  
J. Salazar, Finance Lead  
M. Moroz, Finance Lead  
T. LePrieur, Finance Lead  
R. Turley, Finance Lead  
B. Dykstra, Finance Lead  
C. Saravanapavananthan, Finance Lead  
H. Amizola, Corporate Finance Lead  
Michael MacDonald, Acting Finance Lead  
J. Martin, Finance Lead  
J. Salazar, Finance Lead

**Municipal Sustainability Initiative (MSI)  
Capital Deposit (\$000s)**

\$

**116,431**

**Purpose:** The Province of Alberta announced the MSI Program on April 24, 2007, which was initially setup as a ten year program, but has now extended by two years. The Program provides municipalities with sustainable funding to assist them in meeting the challenges of growth and enhancing their long-term sustainability.

**Conditions:** City Council and the Minister of Municipal Affairs must approve the projects.

**Restrictions:** Capital projects must be deemed eligible as described in the MSI Capital Project Funding Program Guidelines (effective January 1, 2008) Schedule 1 and Revised Schedules as amended subsequently on June 3, 2014 and April 20, 2017.

Operating Projects must be accepted by the Minister.

**Related Budget Programs:** Various Programs.

**Funding Sources:** The MSI funding incorporates two components calculated by incorporating: (1) 48 per cent on a per capita basis; 48 per cent on education property tax requisitions and 4 per cent based on kilometres of local roads, (2) municipal status in which Calgary receives 55 per cent of funding of 43 per cent total road-use taxable gasoline and diesel fuel sold in the province.

Capital deposit approved to receive investment income:

X  Yes          No

**Special Reporting Requirements:** None.

**Current Balance (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Opening balance	-	147,590	30,830	259,942	362,375
Investment income	3,376	2,896	4,854	6,496	7,455
Contributions from province	256,662	162,506	402,059	370,864	373,850
Debt repayment	-	(70,500)	(70,000)	(220,000)	(220,000)
Contributions to capital	(143,607)	(242,492)	(220,153)	(386,472)	(263,738)
Closing balance	<u>116,431</u>	<u>-</u>	<u>147,590</u>	<u>30,830</u>	<u>259,942</u>

**Source Contact:** **Business Unit – Finance**  
Financial and Operational Lead: – K. Potts, Sr. Corporate Financial Planner

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## Off-Site Levies and Centre City Levy

Capital Deposit (\$000s)

\$ 338,336  
(2020)

**Purpose:** To finance capital only, as authorized through Council approval of capital budgets. The funds are normally utilized as soon as possible after receipt. There is no obligation for specific project spending for Water Resources and Water Services, since underground and utility works are completed before commencement of site development. For Roads, The City's only obligation is to provide the services for future Road projects. For Fire, the funds are intended for fire infrastructure projects for new growth areas only. For Civic Partners, Recreation and Parks, the funds are intended to cover the capital construction, servicing and land costs of recreation facilities, and the New Central Library costs. The funds are intended for infrastructure projects for new growth areas only.

**Conditions:** Budget programs:  
- Funds are to be used in capital financing.

**Restrictions:** Third party agreements:  
- Obligation to provide capital in the future.

**Related Budget Programs:** Various Programs.

**Funding Sources:** Under the terms of development agreements, an assessment per acre is levied for expressways and freeways, and for drainage mains and trunks to service new areas. Charges are also levied for storm redevelopment in older areas and for emergency response stations, recreation facilities, and libraries to serve new development. Prior to 2001, acreage assessments were also collected for Waterworks and Wastewater.

Investment Income Treatment:  
- Transportation Units and Water Resources and Water Services – investment income is added to the capital deposit balance.  
- Fire, Parks, Recreation and Civic Partners, Calgary Police Services and Calgary Approvals Coordination – investment income is not added to the capital deposit balance.

**Special Reporting Requirements:** None.

**Current Balances: (\$000s)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>
Water Resources and Services	23,371	28,750	12,252	4,566	7,904
Roads	435	404	8,186	6,842	6,207
Transit	4,942	14,255	21,630	21,684	19,613
Parks & Recreation	119,030	82,276	77,316	87,534	83,331
Transportation Infrastructure	69,128	84,595	89,828	175,434	222,342
Civic Partners	26,474	19,690	18,796	18,465	19,603
Calgary Approvals Coordination	-	-	-	-	86
Fire	71,973	52,099	52,721	54,208	61,004
Calgary Police Services	39,187	29,993	32,490	32,298	30,899
Interdepartmental charge elimination	(16,204)	(20,384)	(28,732)	(25,788)	(48,819)
Total	338,336	291,678	284,487	375,243	402,170

**Source Contacts:**

**Business Unit:**

Water Resources & Water Services  
Roads  
Transit  
Parks & Recreation

Transportation Infrastructure  
Civic Partners  
Calgary Approvals Coordination  
Fire  
Calgary Police Services

**Financial Leads:**

B. Dykstra, Finance Lead  
S. MacKenzie, Finance Lead  
T. Johnson, Finance Manager  
T. LePrieur, Finance Lead  
R. Turley, Finance Lead  
Y. Foulston, Finance Lead  
J. Salazar, Finance Lead  
J. Lee, Finance Lead  
M. MacDonald, Finance Lead  
B. Hutchins, Finance Manager

## Plus 15 Cash in Lieu Fund

Capital Deposit (\$000s)

\$ 24,782  
(2020)

**Purpose:** To expand or improve the existing Plus 15 System.

**Conditions:** Capital budget:

- Expenditure approved through the capital budgeting process.
- Once received, the monies are not tied to any one location or project.
- Unless specifically stated in a Development Agreement, deposits are not refundable.

**Restrictions:** Third party agreements:

- Obligation to undertake Plus 15 construction in future.

**Related Budget Programs:** Operating Programs: #612 Community Planning (2016 and prior only)  
#132 Roads  
Capital Programs: Various (2016 and prior only)  
#128-885 Bridge Rehab and Protection  
#A481350 Plus 15 Rehab

**Funding Sources:** Monies received from developers paid, either in-lieu of the construction of a Plus 15 bridge, and/or as a direct contribution to the Fund required of all new developments by Bonus Standard A2(b) in the CM-2 Downtown Business District.

Interest is allocated to the Fund to ensure that inflation from rising construction costs does not undermine the ability of the Fund to expand the Plus15 System.

Capital deposit approved to record allocation of investment income:  
 X  Yes          No

**Special Reporting Requirements:** None.

**Current Balance (\$000s):**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Opening balance	23,709	23,046	25,248	24,665	24,364
Investment Income	867	799	651	610	515
Contributions from operations	-	-	382	-	-
Contributions to operations	(223)	(592)	(94)	(27)	(214)
Contributions to capital <sup>(1)</sup>	-	-	(3,251)	-	-
Contributions from other sources	429	456	110	-	-
Closing balance	<u>24,782</u>	<u>23,709</u>	<u>23,046</u>	<u>25,248</u>	<u>24,665</u>

(1) As per ALT recommendation and approval (ALT2017-1064) to use up to \$5,130 of Plus 15 funds in Program 128-885 Bridge Rehabilitation and Protection, Roads requested \$3,251 of budget and Plus 15 funds for projected work in 2018.

**Source Contacts:**

**Business Unit –**  
Financial Lead –  
Operational Lead –

**Roads**

S. MacKenzie, Finance Lead  
C. Buhler, Critical Infrastructure Coordinator



**Defined Benefit Pension Plans (Registered & Non Registered)**

\$	<b>95,263</b>
	(2020)

(\$000s)

**Purpose:** Estimated liability for future pension plan benefits. The City has various pension plans earned by employees and expected to be provided to them when they are no longer in active service. These future benefits are estimated and accrued for existing employees as they are earned. The City's contributions are made in compliance with the funding requirements pursuant to the most recent actuarial valuation for funding purposes. The valuation is carried out by an independent actuary and is based on a number of demographic and economic assumptions. More information on each of these plans is available in Note 13 of the 2020 consolidated financial statements contained in The City's 2020 Annual Report.

**Conditions:** As per purpose.

**Restrictions:** Funds to be used for purpose as described.

**Related Budget Program:** Operating Program: #787 Employee Benefits

**Funding Sources:** Operating Program: #787 Employee Benefits

**Special Reporting Requirements:** None.

**Current Balances (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Funded					
Registered defined-benefit pension <sup>(1)</sup>	54,061	52,483	52,446	53,235	51,714
Non-registered defined-benefit pension <sup>(2)</sup>	41,202	39,952	40,297	37,379	35,024
Total	<u>95,263</u>	<u>92,435</u>	<u>92,743</u>	<u>90,614</u>	<u>86,738</u>

(1) Includes The Calgary Firefighters' Supplementary Pension Plan, The City of Calgary Supplementary Pension Plan, Pension Plan for Elected Officials of The City of Calgary and Calgary Police Supplementary Pension Plan.

(2) Includes The City of Calgary Overcap Pension Plans, The City of Calgary Executive Pension Plan and Supplementary Pension Plan for Elected Officials of The City of Calgary and individual contractual pension obligations.

<b>Source Contacts:</b>	<b>Business Unit –</b>	<b>Finance</b>
	Financial Lead –	D. Andrews, Finance Leader
	Operational Lead –	G. Wiebe, Finance Manager

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**Funded Vacation and Overtime Liability**  
(\$000s)

**\$ 237,409**  
**(2020)**

<b>Purpose:</b>	Employee union and association agreements permit civic employees to defer a certain portion of their unused vacation and overtime to future years.
<b>Conditions:</b>	This liability is recognized on the statement of financial position, with annual earned and deferred amounts being accrued to the current year's operating budget.
<b>Restrictions:</b>	For the purpose as described above.
<b>Related Budget Program:</b>	Operating Program: #787 Employee Benefits, City Business Units (for banked overtime), Calgary Police Service, and consolidated related authorities.
<b>Funding Sources:</b>	Operating Program: #787 Employee Benefits, City Business Units (for banked overtime), Calgary Police Service, and consolidated related authorities.
<b>Special Reporting Requirements:</b>	None.

**Current Balances (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
				(Note 1)	
Deputy City Manager's Office	15,799	13,982	14,152	14,398	13,930
Chief Financial Office	28,420	25,268	25,192	25,604	24,801
Community Services Department	40,695	39,137	38,430	38,939	38,605
Corporate Administration	2,243	2,260	2,219	2,198	2,325
Law and Legislative Services	4,629	4,315	4,210	4,299	4,104
Planning & Development	7,820	7,224	7,604	8,450	8,707
Transportation Department	38,744	39,556	38,962	39,005	39,218
Green Line	1,020	664	577	-	-
Utilities & Environmental Protection	28,752	26,865	25,926	25,793	25,526
Calgary Police Service	64,276	59,033	57,219	55,729	54,849
RAWW Days	481	1,132	1,178	1,191	671
	<u>232,879</u>	<u>219,436</u>	<u>215,669</u>	<u>215,606</u>	<u>212,736</u>

**Related Authorities**

Calgary Parking Authority	395	632	701	776	887
Calgary Housing Company	2,437	2,183	2,195	2,041	1,813
Calgary TELUS Convention Centre	220	351	354	332	355
Calgary Municipal Land Corporation	97	65	68	60	61
Calgary Public Library	1,219	1,075	1,136	1,112	1,123
Attainable Homes Calgary Corporation	21	12	14	10	10
Calgary Arts Development Authority	29	7	5	-	-
Calgary Economic Development Ltd.	112	121	104	84	89
	<u>4,530</u>	<u>4,446</u>	<u>4,577</u>	<u>4,415</u>	<u>4,338</u>
	<u>237,409</u>	<u>223,882</u>	<u>220,246</u>	<u>220,021</u>	<u>217,074</u>

(1) Previous year figures have been categorized consistent with the re-organizations that occurred in 2016 and 2017. Prior year categorizations have been revised for comparability.

**Source Contacts:**

**Business Unit –**  
Financial Lead –  
Operational Lead –

**Finance**

D. Andrews, Finance Leader  
G. Wiebe, Finance Manager

**Other Retirement Benefits Liability**  
(\$000s)**\$ 181,389**  
**(2020)**

**Purpose:** The City sponsors extended health, dental and life insurance benefits to qualifying retirees and their surviving spouses from the date of retirement to the age of 65. The City and the retirees share equally in the cost of benefits. The City also sponsors a non-contributory retiring allowance of up to seven (7) weeks of salary for qualifying retirees as well as supplementary compensation benefits. The liability is determined through actuarial valuations that are prepared at least once every three years as per section 3250 of Public Sector Accounting Standards. Additional information is available in Note 13 of the 2020 consolidated financial statements contained in the City's 2020 Annual Report.

**Conditions:** As per purpose.

**Restrictions:** Funds to be used for purpose as described above.

**Related Budget Program:** Operating Program: #787 Employee Benefits

**Funding Sources:** Operating Program: #787 Employee Benefits

**Special Reporting Requirements:** None.

**Current Balance (\$000s):**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The City of Calgary	180,386	178,245	185,811	182,561	176,341
Calgary Parking Authority	1,003	1,002	841	674	-
	<u>181,389</u>	<u>179,247</u>	<u>186,652</u>	<u>183,235</u>	<u>176,341</u>

**Source Contacts:**

<b>Business Unit –</b>	<b>Finance</b>
Financial Lead –	D. Andrews, Finance Leader
Operational Lead –	G. Wiebe, Finance Manager

# ***SUPPLEMENTARY SCHEDULES***

**2020 RESERVE DEPARTMENT OWNERSHIP SCHEDULE****Note:** Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2020 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/20 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer to Equity in Land Inventory	Transfer between Reserves	Corp Financing (Investment Income)	Other	Dec. 31/20 Closing Balance
<b>Community Services &amp; Calgary Police</b>										
911 Communications Centre Capital Financing Reserve	c	25,377	-	3,000	(5,118)	-	-	-	-	23,259
Artificial Turf Field Lifecycle Reserve	c	5,456	-	301	-	-	-	204	-	5,961
Buisness Licence Sustainment Reserve	s	11,966	(2,490)	-	(531)	-	(1,339)	375	-	7,981
Calgary Police Service Capital Reserve	c	37,825	-	18,146	(11,946)	-	-	37	-	44,062
Calgary Police Service Court Fine Revenue Operating Reserve	o	4,000	-	-	-	-	-	-	-	4,000
Calgary Police Service Helicopter Maintenance Reserve	o	2,236	(559)	1,617	-	-	-	-	-	3,294
Children's Reserve Fund	o	4,844	-	-	-	-	-	177	-	5,021
Community Investment Reserve	c	61,481	-	50,919	(34,746)	-	1,500	1,947	-	81,101
Community Sustainability Reserve	s	1,856	(2,457)	6,000	-	-	-	-	-	5,399
Corporate Housing Reserve	s	33,952	(748)	2,278	(6)	-	76	1,021	-	36,573
FCSS Stabilization Fund	o	3,679	(487)	1,365	-	-	-	148	-	4,705
Golf Course Levy Reserve	s	3,744	-	580	-	-	-	160	-	4,484
Legacy Parks Reserve	c	7,889	-	-	(941)	-	3,500	271	-	10,719
Livery Transport Services Reserve	s	5,834	(643)	-	(381)	-	-	191	-	5,001
Opportunity Calgary Investment Fund	s	95,853	(700)	-	-	-	-	686	-	95,839
Parks Endowment and Sustainment Reserve	s	2,886	(216)	4,304	(228)	-	-	176	-	6,922
Parks Foundation Reserve	o	2,327	(236)	-	-	-	-	254	-	2,345
Perpetual Care of the Municipal Cemetery System Reserve	s	21,457	(239)	1,409	(167)	-	-	808	-	23,268
Public Art Reserve	s	8,048	-	-	-	-	1,200	-	-	9,248
TELUS Convention Centre Reserve	c	213	-	180	-	-	-	-	-	393
<b>Deputy City Manager</b>										
Fleet Services Reserve	s	8,338	(877)	4,275	(5,000)	-	-	-	-	6,736
Real Estate Services	s	98,202	-	2,647	(19,177)	-	(150)	632	944	83,098
Revolving Fund Reserve for General Land Purchases	s	135,487	(1,909)	-	(18,219)	-	(4,694)	4,512	15,939	131,116
<b>Utilities &amp; Environmental Protection</b>										
Utility Sustainment Reserve	s	156,957	-	236,816	(277,826)	-	566	16,594	-	133,107
Waste & Recycling Sustainment Reserve	s	67,312	(4,199)	18,173	(12,990)	-	-	5,582	-	73,878

## 2020 RESERVE DEPARTMENT OWNERSHIP SCHEDULE

**Note:** Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2020 supplementary schedule.

	Operating/ Capital Sustainment	Jan. 1/20 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer to Equity in Land Inventory	Transfer between Reserves	Corp Financing (Investment Income)	Other	Dec. 31/20 Closing Balance
<b>CFO &amp; Governance</b>										
Budget Savings Account Reserve	s	91,251	(25,749)	93,862	-	-	(24,628)	-	-	134,736
Debt Servicing Reserve	c	52,570	(29,859)	94,752	-	-	(66,897)	2,004	-	52,570
ENMAX Dividend Stabilization Reserve	o	14,500	-	3,500	-	-	-	-	-	18,000
Fiscal Stability Reserve	o	536,284	(52,539)	39,660	(11,763)	-	(55,477)	17,694	164,138	637,997
Group Life Reserve	o	1,965	(109)	-	-	-	-	70	-	1,926
Health, Safety and Wellness Reserve <sup>(1)</sup>	o	17,276	(1,485)	1,345	-	-	-	-	-	17,136
Information Technology Reserve	c	35,643	-	12,872	(10,585)	-	506	273	-	38,709
Lifecycle Maintenance and Upgrade Reserve	c	245,554	-	126,968	(97,296)	-	37,981	-	-	313,207
Major Capital Project Reserve	c	423,516	-	-	(43)	-	4,900	15,333	-	443,706
Reserve for Future Capital <sup>(2)</sup>	c	357,467	-	122,472	(117,259)	-	25,000	-	-	387,680
Self - Insurance Reserve	o	7,000	-	-	-	-	-	-	-	7,000
Tax Loss Provision Reserve	o	-	-	-	-	-	-	-	-	-
<b>Transportation &amp; Planning and Development</b>										
Asphalt and Crusher Plant Lifecycle Capital Reserve	c	6,058	-	279	-	-	-	53	-	6,390
Calgary Heritage Authority Reserve	o	1,680	(75)	-	-	-	-	59	-	1,664
Cash-in-Lieu Lifecycle Sustainment Reserve	s	42,477	-	-	-	-	-	1,551	-	44,028
Downtown Improvement Fund	c	2,800	-	1	(84)	-	-	102	-	2,819
Established Area Investment Fund	c	-	-	-	(26)	-	51,622	730	-	52,326
Heritage Incentive Reserve	o	1,229	(429)	670	-	-	-	57	-	1,527
LED Street Light Re-Lamping Reserve	c	4,802	-	817	(3,549)	-	-	-	-	2,070
Mall Programming Fund	o	865	(50)	-	-	-	-	30	-	845
Parking Land Acquisition Reserve	c	-	-	-	-	-	-	-	-	-
Parking Revenue Reinvestment Reserve	o	4,918	(1,152)	-	-	-	-	-	-	3,766
Planning & Development	s	81,707	-	3,406	(3,687)	-	-	2,773	-	84,199
Snow and Ice Control Reserve	o	-	-	4,350	-	-	-	-	1,910	6,260
<b>Total per 2020 Reserve Report</b>		<b>2,736,781</b>	<b>(127,207)</b>	<b>856,964</b>	<b>(631,568)</b>	<b>-</b>	<b>(26,334)</b>	<b>74,504</b>	<b>182,931</b>	<b>3,066,071</b>
<b>Amounts included in the Reserve Report but recorded in other funds (Operating or Capital Fund) or consolidated for financial reporting purposes Less:</b>										
Unappropriated Surplus		(110,095)	(164,156)	110,095	-	-	-	-	-	(164,156)
Revolving Fund Reserve for General Land Purchases		(135,487)	1,909	-	18,219	-	4,694	(4,512)	(15,939)	(131,116)
CMLC Internally Restricted (Real Estate Services)		(4,964)	-	-	-	-	-	-	4,964	-
CMLC Internal Loan (Major Capital Project)		(23,506)	-	-	-	-	-	-	(35,566)	(59,072)
<b>Amounts included not included in the Reserve Report but recorded in the Reserve Fund for financial reporting purposes Add:</b>										
Attainable Homes Calgary Corporation operating fund		500	-	-	-	-	-	-	-	500
Calgary Arts Development Authority Ltd. operating fund		640	-	-	-	-	-	-	179	819
Calgary Housing Company surplus (deficit)		28,726	-	-	-	-	-	-	1,044	29,770
Calgary Public Library operating fund		993	-	-	-	-	-	-	-	993
Other Adjustment		-	-	-	-	-	-	-	18	18
<b>Total per 2020 Annual Financial Report</b>		<b>2,493,588</b>	<b>(289,454)</b>	<b>967,059</b>	<b>(613,349)</b>	<b>-</b>	<b>(21,640)</b>	<b>69,992</b>	<b>137,631</b>	<b>2,743,827</b>

(1) This reserve is owned by HR and ESM business unit. For presentational purposes, it is shown under the CFO & Governance department.

(2) This reserve is owned by Finance, Facility Management, and Transportation Infrastructure business units. For presentational purposes, it is shown under the CFO & Governance department.



**Operational Reserve Recommendations<sup>1</sup> for Council Approval 2021 July 20:**

1. Re-direct property tax revenue of \$10M directly to the Lifecycle Maintenance Upgrade Reserve (LMUR) and \$30M directly to the Pay-As-You-Go (PAYG) held in the Reserve for Future Capital instead of flowing through the Debt Servicing Reserve;
2. Merge the Fiscal Stability Reserve (FSR) and Budget Savings Account (BSA); and
3. Merge the Lifecycle Maintenance Upgrade Reserve (LMUR) and Reserve for Future Capital (RFC), and separate the Green Line portion into a stand-alone reserve.

**Background Context for Operational Recommendations<sup>1</sup>:**

**Debt Servicing Reserve**

The Debt Servicing Reserve (DSR) is funded through a \$94.75M annual contribution from property taxes and maintains an ongoing balance of \$52.57M. Each year the DSR is used to pay principal and interest on tax-supported debt and contributes \$10M to the Lifecycle Maintenance and Upgrade Reserve (LMUR) and \$30M to Pay-As-You-Go (PAYG) held in the Reserve for Future Capital. Any additional amount not committed is transferred to the LMUR, to maintain a balance of \$52.57M in the DSR.

In 2021, the expected additional amount to be transferred to the LMUR is \$30.32M; in 2022 that amount will be \$31.38. It is proposed that the amount of funding to the LMUR from the DSR is reduced by \$5M annually; the funding will be transferred to the operating budget for 2021 onwards through the Mid-Cycle Adjustments process. *(This budget savings recommendation was approved by Council in November 2020 (C2020-1215))*

It is also proposed that adjustments are made so that the fixed amounts committed to other reserves (\$10M to the LMUR and \$30M to the Reserve for Future Capital for PAYG) flow directly from property taxes into those reserves, rather than through the DSR, in the interests of transparency.

**Fiscal Stability Reserve (FSR) and Budget Savings Account (BSA)**

Prior to 2015, all positive variances flowed into the Fiscal Stability Reserve (FSR). The Budget Savings Account (BSA) was created in 2015 with a longer-term vision to provide an incentive for Business Units (BU) to find savings by allowing them access to 50% of their favourable variance to fund their priority initiatives. However, the BSA has been used corporately since its inception due to the economic challenges faced by The City, while also having been used in Council communications, including the monthly Executive Information Report and Accountability reports, to emphasize BU savings. The FSR and BSA should be merged as the BSA has not been used to its long-term purpose. If potential savings incentive programs that replicate the intent of the

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<sup>1</sup> Excerpts from the Financial Reserves Optimization Business Case Approved by ELT in 2020

BSA are still desired, approaches can be considered as part of the work required to merge the reserves.

No savings are expected from merging the two reserves, but administrative efficiencies will be realized as productivity gains. There is an intangible benefit associated with greater transparency in terms of the total variance contributed, offset by reduced transparency in terms of the breakdown of variances contributed by BUs and corporately.

**Lifecycle Maintenance Upgrade Reserve (LMUR) and Reserve for Future Capital (RFC)**

The Lifecycle Maintenance and Upgrade Reserve (LMUR) and the Reserve for Future Capital (RFC) should be merged, as there is significant overlap between the two in their actual use. The Green Line Portion of the LMUR – which is a dedicated portion of the LMUR – should be separated out into its own reserve, better reflecting its intended purpose.

No initial savings are expected from merging the two reserves, but administrative efficiencies will be realized as productivity gains and there is an intangible benefit associated with greater transparency.

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<sup>1</sup> Excerpts from the Financial Reserves Optimization Business Case Approved by ELT in 2020

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**Calgary Municipal Land Corporation Project Development and Financing**

**RECOMMENDATIONS:**

That Priorities and Finance Committee recommend that Council;

1. Give first reading to Bylaw 9B2021, being a bylaw authorizing The City to incur indebtedness for financing the development of Phase 1 of the Arts Commons Transformation project (the "Project");
2. Give first reading to Bylaw 56M2021, being a bylaw authorizing a loan in the amount of up to \$135 million to the Calgary Municipal Land Corporation;
3. Direct Administration to amend and restate the existing Development Management Agreement among The City, Arts Commons, and the Calgary Municipal Land Corporation, assigning the Calgary Municipal Land Corporation as development manager for design and construction of the Project, Arts Commons as the project sponsor and operator, and The City as a primary funder and interested party; the agreement to contemplate the potential inclusion of a residential tower or other viable uses on the site subject to feasibility, and to delineate the funding requirements for the respective share of the Project capital costs among funders in a form and with terms acceptable to the General Manager Community Services, Chief Financial Officer and the City Solicitor and General Counsel; and
4. Direct Administration to amend, or amend and restate the existing credit agreement with the Calgary Municipal Land Corporation and any appropriate security for repayment of the indebtedness from Calgary Municipal Land Corporation. The form and terms of such amendments shall be in accordance with The City's Credit Documentation - Loans and Loan Guarantees policy and subject to approval of Loan Bylaw 56M2021;
5. Give first reading to Bylaw 58M2021, being a bylaw to amend 12M2019 by amending the interest rate charged on municipal loans made to Calgary Municipal Land Corporation; and,
6. Direct that Attachment 2 and Attachment 6 of Report PFC2021-1101 remain confidential pursuant to Sections 24(1) and 25(1) of the Freedom of Information and Protection of Privacy Act (Alberta) to be reviewed upon execution of finalized agreements.

And that the Priorities and Finance Committee:

7. Direct that this report be forwarded as urgent business to the 2021 July 26 Combined Meeting of Council.

**HIGHLIGHTS**

- The recent appropriation of the \$77 million of funding from the anticipated increase to the Canada Community Building Fund, along with \$3 million from the Budget Savings Account now provides the balance of funding that was needed to secure the remaining funding approvals and proceed with construction following completion of detailed design.
- The Community Revitalization Levy and the Municipal Sustainability Initiative funding will be used to fund the remaining two-thirds of the Project costs and represents The City's and the Government of Alberta's contributions to the Project.

## **Calgary Municipal Land Corporation Project Development and Financing**

- As a result of the timing difference between the Community Revitalization Levy and Project costs, The City is requesting authority to borrow for up to \$135 million with principal and interest to be repaid with future Community Revitalization Levy.
- The proposed Bylaw 9B2021 authorizes The City to incur indebtedness of up to \$135 million and in combination with \$105 million from other City approved sources will fund the design and construction of Phase 1 of the Arts Commons Transformation project.
- The proposed Bylaw 56M2021 authorizes The City to lend up to \$135 million to the Calgary Municipal Land Corporation for the Project.
- **What does this mean to Calgarians?** Arts Commons is a central community gathering place that serves Calgarians through our diverse artistic, education and community engagement programs. The Arts Commons Transformation project will enhance the financial resiliency and sustainability of Arts Commons and the resident companies, while contributing to the economic recovery of Calgary.
- There is direct alignment with the Greater Downtown Plan in exploring a residential tower on the site. If a residential tower is found to be feasible, it would animate the area, and bring revenue through the sale of land or air rights.
- The developer will make an application to The City for a subdivision approval for the land set aside for the theatre, and Administration will bring a disposition report to Council for the potential sale of land or air rights as and when necessary.
- The City will prepare a Method of Disposition Report to SPC on Utilities and Corporate Services to establish terms and conditions for the use of specified parcels on Olympic Plaza for the theatre and the authority to enter into an agreement with Arts Commons for the lease and operation of the new facility prior to occupancy.
- **Why does this matter?** The Arts Commons Transformation project will support the further development of the Arts Commons ecosystem by expanding the venues to attract a diverse community of artists, audiences and resident companies.
- Administration is also seeking Council's approval to amend Bylaw 12M2019 to reflect the revisions to the interest rate calculation as described in detail below, for the internal loan to the Calgary Municipal Land Corporation for the BMO Centre Expansion project.

## **DISCUSSION**

### **Arts Commons Transformation Financing**

On 2019 September 30, Council endorsed Phase I of the Arts Commons Transformation project, which included a preliminary functional program estimate of \$240 million. This estimate became the basis upon which the remaining Project development activities could occur, including accessing funding from other orders of government.

Following the Government of Canada's recent announcement of its intent to double the federal Gas Tax Fund for one year, as the newly renamed Canada Community-Building Fund, and if approved by Parliament, is expected to provide an additional \$77 million in federal funding for The City. In anticipation of receiving this funding, on 2021 April 26, Council approved the allocation of the \$77 million from the Canada Community Building Fund subject to receipt of the 2021 increase and \$3 million from the Budget Savings Account to fund one-third of the Project.

## **Calgary Municipal Land Corporation Project Development and Financing**

The remaining two-thirds will be funded through the Municipal Sustainability Initiative and future Community Revitalization Levy. The Calgary Municipal Land Corporation will borrow the funds through The City and from the Province to align with Project cash flow requirements during the construction period, which is anticipated to be between 2024 and 2027. The borrowing will be fully repayable by the Calgary Municipal Land Corporation with Community Revitalization Levy revenues during the extension period.

Calgary Municipal Land Corporation's Board of Directors has approved the appropriation of \$175 million of future Community Revitalization Levy revenues to fund The City's and Government of Alberta's portion of the Project (Attachment 6). This includes the \$135 million capital contribution and \$40 million in financing costs.

The existing credit agreement between The City and the Calgary Municipal Land Corporation will be amended to reflect the additional loans contemplated under this Bylaw, in accordance with The City's Credit Documentation - Loans and Loan Guarantees Policy and Procedures.

### **BMO Centre Expansion Financing**

The City and the Government of Alberta's portion (up to \$333 million) of the BMO Centre Expansion project is funded with the Community Revitalization Levy. Due to the timing difference between the Community Revitalization Levy and project costs, The City requested to provide financing to the Calgary Municipal Land Corporation for up to \$333 million as an internal loan during the construction period, which will be fully repayable with Community Revitalization Levy funds during the extension period (e.g. 2028 to 2047). Interest on the internal loan was set to recover The City's foregone investment income and combined principal repayments, replenish The City's Major Capital Projects Reserve throughout the life of the loan, as set out in Loan Bylaw 12M2019.

The proposed revision to the bylaw includes amending the interest rate calculation to better align the interest rate on the BMO Centre Expansion loan to reflect the structure for the majority of the Calgary Municipal Land Corporation's borrowing. The current interest rate is floating and will create a variable exposure for the debt holder. The proposed amendments will remove the relationship between loan interest costs and investment returns, to ease administration and to improve transparency. Amending the interest rate now aligns this major project borrowing with the newly anticipated borrowing for the Arts Commons Transformation project.

### **Next Steps**

Design development for the Arts Commons Transformation is ongoing, based on the the existing Management Development Agreement between The City, the Calgary Municipal Land Corporation and Arts Commons, and currently funded through the Municipal Sustainability Initiative. A functional program is near completion, and a Request for Proposal for the prime design consultant is planned to be issued in 2021 July.

A residential tower was considered during the design work prior to 2019. More studies are needed to understand the potential programmatic, financial, and schedule impact considerations, including a full risk and benefit analysis.

An amended and restated Development Management Agreement among The City, Calgary Municipal Land Corporation, and Arts Commons to complete the design and complete the construction of the Project is also required, and will be executed once Recommendation 3 has

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**Calgary Municipal Land Corporation Project Development and Financing**

been approved, and Bylaw 9B2021 and Bylaw 56M2021 contained in this report have been approved. The Agreement, will become effective only after the Canada Community Building Fund increase has been received by The City, and in accordance with Recommendation 3.

If Bylaw 9B2021, Bylaw 56M2021 and proposed revisions to Bylaw 12M2019 are approved by Council, Administration will amend or amend and restate the existing credit agreement with the Calgary Municipal Land Corporation.

**STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☒ Public Engagement was undertaken
- ☐ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☐ Stakeholder dialogue/relations were undertaken

Public communication and engagement was not required as part of this Council report, however through the Bylaw Approval Process set out in the MGA, and the City of Calgary, Bylaw 9B2021 and Bylaw 56M2021 will be included in a public hearing and receive three readings by Council. The borrowing or lending bylaw must be advertised at least once per week for two consecutive weeks prior to second reading to account for a 15 day petition period prior to second and third reading, for petitions from the public requiring a vote of electors on whether the proposed bylaw should be passed or not. Following three readings by Council the bylaw will be considered valid if no application has been made to the Court of Queen's Bench to have the bylaw declared invalid within 30 days after the bylaw has been passed.

Moreover, at various stages of development the Project will undergo a public engagement process, guided by the Engage Policy, Engage Framework and Process that aligns with its individual planning timelines. The Calgary Municipal Land Corporation has completed a review of program needs and Project goals through interviews with Arts Commons and each of its five other resident companies (Alberta Theatre Projects, Calgary Philharmonic Orchestra, One Yellow Rabbit, Downstage, and Theatre Calgary).

A Public Engagement survey closed on 2021 May 31 and received approximately 1,700 responses. A virtual 'Placemakers Event' about the Project reached people from around the globe (250 individuals with approximately 35% of participants outside of Canada). The results of area stakeholder, the arts community, and public at large comments, form the basis of the June 15, 2021 "Report: What we Heard". The themes arising provide valuable guidance and many actionable recommendations on making the space more practical, attractive, and welcoming.

Arts Commons, resident companies of the Arts Commons, Calgary Municipal Land Corporation, Calgary Arts Development Authority, the Convention District, Calgary Economic Development, Downtown Business Improvement Area, and City Business Units will continue to be engaged in the developmental work ahead.

**IMPLICATIONS**

**Social**

The Arts Commons Transformation project aligns with the Greater Downtown Strategy, the Greater Downtown Plan and the associated investments. The Project has been identified as a

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## **Calgary Municipal Land Corporation Project Development and Financing**

catalytic project for downtown vibrancy. The Project will be required to retain an accessibility consultant who is well-versed in The City's Access Design Standards, the Rick Hansen Foundation Accessibility Certification process, Alberta's Barrier-Free Design Guide, and CNIB's Clearing our Path, to produce an Accessibility Report to guide the design

### **Environmental**

The Project will meet or exceed The City's Minimum Sustainability Performance Requirements, and is targeting LEED Gold certification.

### **Economic**

A 2019 Deloitte Economic Contribution Analysis indicated that 3,155 jobs will be created in Calgary, with \$239 million in labour income, and \$386 million added to Calgary's GDP. Upon completion, Arts Commons (Phase 1 & 2) and its resident companies will collectively contribute \$53 million annually to Calgary's GDP, support 683 jobs and \$34 million in labour income.

### **Service and Financial Implications**

The long-term operations and maintenance costs for the new theatre are material recurring expenditures that are forecast to be self-supporting. Refinement of the operations and maintenance cost estimate will occur during the design and delivery of the Project. In the event that operations are not self-supporting, The City would bring a request for millrate support to a future budget cycle.

### **RISK**

The affordability of the Project could be impacted by scope, schedule, cost uncertainty and the timing of contributions, which will evolve through detailed design and construction. The Oversight Committee comprising The City, Arts Commons and the Calgary Municipal Land Corporation will monitor these changes during the development of the Project. The debt financing for up to \$135 million of the Project costs is over an extended design and construction period and could be impacted by interest rates, market conditions and available financing structures. Key stakeholders from all parties will actively monitor these market dynamics and maintain, and update detailed forecasts to ensure compliance with Council approvals.

The Calgary Municipal Land Corporation has estimated that there will be sufficient capacity within the Community Revitalization Levy to support the repayment of the financing for the Project. There is a risk that the remaining Community Revitalization Levy may be insufficient, in its entirety, to fund all capital projects identified within the Rivers District, including the repayment of the financing for the Arts Commons Transformation project, and additional sources of funding may be required in the event of any deficits experienced over the time horizon.

### **ATTACHMENT(S)**

1. Attachment 1 - Previous Council Direction
2. Attachment 2 - Financial Analysis (Confidential)
3. Attachment 3 - Proposed Borrowing Bylaw 9B2021
4. Attachment 4 - Proposed Loan 56M2021
5. Attachment 5 - Proposed Bylaw 58M2021 to amend Loan Bylaw 12M2019

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**Calgary Municipal Land Corporation Project Development and Financing**

6. Attachment 6 - Resolution in writing of The City of Calgary as the sole shareholder (the "Shareholder") of Calgary Municipal Land Corporation ("CMLC") dated June 15, 2021. (Confidential)

Department Circulation

General Manager	Department	Approve/Consult/Inform
Katie Black	Community Services	Approve
Carla Male	Chief Financial Officer	Approve
Stuart Dalglish	Planning & Development Services	Approve



## PREVIOUS COUNCIL DIRECTION

In 2021 April, Council approved C2021-0524 Realizing Calgary's Downtown Plan – Initial Investments and Incentives, including investment categories and allocations, and with the \$200 million initial investment funded by \$60 million from the Budget Savings Account, \$63 million from the Fiscal Stability Reserve and \$77 million from the Canada Community Building Fund subject to receipt of the 2021 increase; Attachment 3 further broke down the funding allocation to Arts Commons Transformation Phase 1 with \$77 million from the Canada Community Building Fund and \$3 million from the Budget Savings Account.

In 2020 December, Council approved Notice of Motion C2020-1439 Providing Incentive to Residential Development in the Downtown Core. That with respect to Notice of Motion C2020-1439, the following be adopted, as amended: NOW THEREFORE BE IT RESOLVED that Council direct City Administration to explore the potential creation of regulatory and financial investment incentives for the development of new high-density residential complexes and the conversion of office buildings to various forms of residential occupancy or other uses within the downtown generally, but with a focus on the Downtown Core, to coordinate with the work of the Real Estate Working Group and Urban Initiatives Downtown Strategy team. AND FURTHER BE IT RESOLVED that Administration report to the Priorities and Finance Committee with its findings no later than the end of 2021 April.

In 2019 April and July, Council approved the Downtown Strategy (C2019-0425 & PFC2019-0664) with a focus on vibrancy. To date, the Downtown Strategy has been prepared and delivered through existing resources. A great deal has been accomplished relative to organizational preparedness, stakeholder partnerships and delivering projects and programs within existing approved operating and capital budgets.

On 2019 September 30 Council approved ACA2019-0948 Arts Commons Transformation Project Update, and approved a capital appropriation to Capital Budget Program 639-010 by releasing \$22.5 million (2020-2021) of previously allocated funding from the Council-Approved and Committed Cultural Municipal Sustainability Initiative (CPS2011-48 Arts Commons Expansion & Renovation) for detailed design of the Arts Commons Transformation project, and further works. In addition to the \$2.5 million MSI approved in 2011, the total funding from MSI for the Arts Commons Transformation project is \$25 million.

On 2019 March 18 Council approved C2019-0349 the City to execute an internal loan of up to \$333.3 million to be provided to the Calgary Municipal Land Corporation representing The City and Government of Alberta's contributions towards the BMO Centre Expansion project. The loan would be sourced from the Major Capital Projects Reserve and required the execution of a Contribution Agreement and Loan Agreement between The City and the Calgary Municipal Land Corporation and an appropriate security for repayment of the indebtedness from the Calgary Stampede, subject to approval of Loan Bylaw 12M2019.

On 2019 March 4, Council approved VR2019-0013 Consideration of Long-Term Unfunded Projects (Verbal), and approved “the financial strategy for all four unfunded long term projects (BMO Centre expansion, Event Centre, one phase of Arts Common, and Multi-Sport Field House) on the terms and conditions discussed during the Closed Meeting.”

On 2019 February 25 Council approved C2019-0293 Arts Commons Advisory Committee Terms of Reference.

On 2019 January 28 Council received C2019-0135 Consideration of Unfunded Long Term Projects. The Arts Commons Transformation Project was identified as one of the four major unfunded projects for Council consideration.

On 2011 September 19 Council approved CPS2011-48 The Calgary Centre for Performing Arts – Seed Funding, where an MSI contribution of \$25 million towards the renovation of the Calgary Centre for Performing Arts was approved in principle, of which \$2.5 million was approved for release towards feasibility planning and design. In that report, Council also approved exploring the use of lots adjacent to Olympic Plaza for a new theatre.

On 2007 April 4, Council received for information CPS2007-20 the Calgary Arts Development Authority’s Cultural Spaces for the Arts Strategy and Capital Plan where research showed that Calgary lagged significantly behind other Canadian cities in performing arts seats per capita.

**BYLAW NUMBER 9B2021**

**BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO INCUR  
INDEBTEDNESS BY THE ISSUANCE OF ONE OR MORE  
DEBENTURES IN THE TOTAL AMOUNT OF \$135 MILLION FOR  
FINANCING THE DEVELOPMENT OF PHASE 1 OF THE ARTS  
COMMONS TRANSFORMATION CAPITAL PROJECT OF CALGARY  
MUNICIPAL LAND CORPORATION**

\*\*\*\*\*

**WHEREAS** Council of The City of Calgary ("**Council**") as shareholder, adopted and approved the 2021 Business Plan and 2020-2024 Strategic Plan Update (the "**Update**") from Calgary Municipal Land Corporation ("**CMLC**"), a controlled corporation of The City of Calgary ("**The City**");

**AND WHEREAS** the Update outlined new capital infrastructure projects for the Rivers District proposed by CMLC, including the Arts Commons Transformation Project (the "**Project**"), which has an estimated cost of \$240 million;

**AND WHEREAS** it is estimated that at least \$105 million of the cost of the Project will be funded through sources other than debenture borrowing;

**AND WHEREAS** Council has decided to pass a bylaw pursuant to Sections 251 and 258 of the *Municipal Government Act* (R.S.A. 2000 c. M-26) (the "**MGA**") to borrow the sum of \$135 million from the Province of Alberta (the "**Province**") or other financial institutions or capital markets by the issuance of debentures to finance the Projects;

**AND WHEREAS** the primary estimated lifetime of the Project financed under this Bylaw is equal to, or in excess of, twenty-five (25) years;

**AND WHEREAS** Bylaw 27M2007 (The Rivers District Community Revitalization Levy Bylaw) was amended pursuant to Bylaw 2M2019, which extended the term of The Rivers District Community Revitalization Levy until December 31, 2047;

**AND WHEREAS** the amount of the long term debt of The City as at 2020 December 31 is \$2,845 million with \$401 million being tax supported debt, \$214 million being self-sufficient tax supported debt and \$2,230 million being non tax supported debt and no part of the principal or interest is in arrears;

**AND WHEREAS** all required approvals for the Project will be obtained to ensure compliance with all laws in force in the Province of Alberta.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY ENACTS AS FOLLOWS:**

1. The proper officers of The City are hereby authorized to issue one or more debentures on behalf of The City to a maximum sum of \$135 million to finance the Project.
2. The City shall repay the indebtedness over a period not exceeding twenty-five (25) years, provided that in no event shall the repayment period for any of this indebtedness extend

beyond December 31, 2047, with interest being calculated at an interest rate fixed by the Province on the date of the borrowing, up to a maximum rate of 8% per annum.

3. The City shall obtain funds from CMLC to repay the said indebtedness under the terms of the Third Amended and Restated Credit Agreement between The City and CMLC dated as of July 4, 2019, as amended and restated from time to time. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
4. The indebtedness shall be contracted on the credit and security of The City.
5. The net amount borrowed under this Bylaw shall be applied only to the purposes specified by this Bylaw.
6. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

READ A SECOND TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

READ A THIRD TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

\_\_\_\_\_  
MAYOR  
SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

\_\_\_\_\_  
CITY CLERK  
SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

**BYLAW NUMBER 56M2021**

**BEING A BYLAW OF THE CITY OF CALGARY AUTHORIZING  
MUNICIPAL LOANS OF \$135 MILLION TO CALGARY MUNICIPAL  
LAND CORPORATION**

\*\*\*\*\*

**THE MUNICIPAL COUNCIL OF THE CITY OF CALGARY DULY ASSEMBLED  
ENACTS THE FOLLOWING:**

**Purpose**

1. The purpose of this Bylaw is to provide Loans from The City of Calgary to Calgary Municipal Land Corporation for financing the construction of Arts Commons Transformation Project, Phase 1, a capital infrastructure project to be undertaken by Calgary Municipal Land Corporation, pursuant to subsection 264(1)(b) of the *Municipal Government Act*, RSA 2000, c. M-26 (the "**MGA**"), as modified by subsection 4(11)(a) of the *City of Calgary Charter, 2018 Regulation*, Alta Reg 40/2018, and pursuant to section 265 of the MGA.

**Interpretation**

2. In this Bylaw:
  - (a) "**CMLC**" means Calgary Municipal Land Corporation, a controlled corporation of The City;
  - (b) "**Council**" means the council of The City;
  - (c) "**Credit Agreement**" means the Third Amended and Restated Credit Agreement between The City and CMLC dated as of July 4, 2019, as amended and restated from time to time.
  - (d) "**Loans**" means the lending of debenture funds from The City to CMLC as authorized by this Bylaw. The debenture funds are issued by the Province of Alberta (the "**Province**") under Borrowing Bylaw 9B2021; and,
  - (e) "**The City**" means The City of Calgary, a municipal corporation of the Province of Alberta.

**The Loans**

3.
  - (1) The City shall lend to CMLC the debenture funds issued under Borrowing Bylaw 9B2021 to a maximum sum of \$135 million. Such loan authorization is made on the condition that the Loans are in accordance with the terms and conditions outlined in the Credit Agreement.
  - (2) The Loans shall be advanced by The City to CMLC after:
    - (a) Council has given three readings to Borrowing Bylaw 9B2021;

- (b) Council has given three readings to this Bylaw; and,
  - (c) The existing Credit Agreement between The City and CMLC has been amended, or amended and restated, to reflect additional loans contemplated under this Bylaw, in accordance with The City's Credit Documentation - Loans and Loan Guarantees Policy and Procedures.
- (3) CMLC shall pay to The City amounts of interest and principal when due and as required on the indebtedness over a period not exceeding twenty-five (25) years, provided that in no event shall the repayment period for any of this indebtedness extend past December 31, 2047, with interest being calculated at an interest rate no less than the rate fixed by the Province on the date of such borrowing, up to a maximum of 8% per annum.
- (4) CMLC shall pay to The City the Administration Fee as defined and set out in the terms of the Credit Agreement.

**General Matters**

4. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

READ A SECOND TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

READ A THIRD TIME THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

\_\_\_\_\_  
MAYOR  
SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

\_\_\_\_\_  
CITY CLERK  
SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

**BYLAW NUMBER 58M2021**

**BEING A BYLAW OF THE CITY OF CALGARY  
TO AMEND BYLAW 12M2019 BY AMENDING THE  
INTEREST RATE CHARGED ON MUNICIPAL LOANS  
MADE TO CALGARY MUNICIPAL LAND CORPORATION**

\* \* \* \* \*

**WHEREAS** Council of The City of Calgary ("**Council**") did duly pass Bylaw 12M2019 on 2019 April 30, which bylaw did authorize The City of Calgary ("**The City**") to loan funds (the "**Loan**") to Calgary Municipal Land Corporation ("**CMLC**") for the expansion of the BMO Centre, as set out in Council Report C2019-0349 (the "**Project**");

**AND WHEREAS** The City and CMLC have agreed to amend the rate of interest to be charged by The City to CMLC for the Loan from a "floating rate" based on investment returns to a "fixed rate" of interest;

**AND WHEREAS** it is deemed expedient by Council to pass a bylaw pursuant to Sections 191, 264 and 265 of the *Municipal Government Act* (R.S.A. 2000 c. M-26) to amend Bylaw 12M2019 to extend the rate of interest to be charged for the Loan;

**NOW THEREFORE, THE MUNICIPAL COUNCIL OF THE CITY OF CALGARY, DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. Bylaw 12M2019 is hereby amended as follows:
  - a. Paragraph 4 is hereby deleted in its entirety and replaced with the following:

The interest rate for the Loan shall be subject to a minimum interest rate of 1% per annum.
2. In all other respects, Bylaw 12M2019 shall remain in full force and effect.
3. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS DAY OF 2021.

READ A SECOND TIME THIS DAY OF 2021.

READ A THIRD TIME THIS DAY OF 2021.

\_\_\_\_\_  
MAYOR

SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.

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CITY CLERK

SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.

DRAFT



**Chief Financial Officer's Report to  
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**Solutions for Achieving Value and Excellence (SAVE) Program Update and Results**

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**RECOMMENDATIONS:**

That the Priorities and Finance Committee recommends that Council:

1. Consider approving the two business case summaries presented in Attachment 3 for implementation and inclusion in the 2022 Budget Adjustments in 2021 November;
2. Direct that this report be forwarded as Urgent Business to the 2021 July 26 Combined Meeting of Council; and
3. Direct that Attachment 3 remain confidential pursuant to Section 24(1)(a), (d) and (g) of the Freedom of Information and Protection of Privacy Act to be reviewed by 2026 July 20.

**HIGHLIGHTS**

- **Reason for recommendations:** This represents the final report with the final information and recommendations on the last waves (waves 2 and 3) business cases. The Executive Leadership Team (ELT) has approved twelve cases which are already proceeding to implementation. Two additional business cases present savings options that require decisions by Council.
- **What does this mean to Calgarians?** The savings presented in this report will help Administration work towards a potential 0% tax rate increase in 2022 and allow options to be presented to Council at the 2022 Budget Adjustments.
- **Why does it matter?** The two business cases provided for Council deliberation have combined savings of \$3.5 million in 2022. Although approval of these business cases is not needed for the program to achieve its financial targets, Council approval would potentially free up funding to allow for implementation contingency, to further reduce the tax rate or to fund required investments.
- The SAVE program's robust analysis has allowed The City to achieve savings in a more strategic manner and prevented the need for across-the-board cuts to the services that citizens value.
- The program has exceeded its financial target of \$75.2 million in savings for 2022 by identifying a total of \$84.8 million in reductions to tax-supported budgets (not including the two business cases pending Council decision). The program has also helped drive modernization and cultural growth throughout the organization.
- This completes the SAVE program's opportunity identification. No additional new SAVE business cases are being contemplated at this time as the organization works on implementation and focuses on other priorities. A recommendation for a path forward on Administration's broader approach to service review and improvement will be brought forward in 2022.
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Background and Previous Council Direction is included in Attachment 1.

## **Solutions for Achieving Value and Excellence (SAVE) Program Update and Results**

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### **DISCUSSION**

The SAVE target of \$75.2 million in base savings for 2022 has now been met and exceeded. In combination with incremental savings identified from projects approved in 2020, the SAVE Program has identified a total of \$84.8 million in reductions to tax-supported budgets, which exceeds the \$83.9 million required to achieve a potential zero per cent tax rate change in 2022. The program has reviewed over 2500 suggestions that have been submitted in a variety of ways and has chosen 34 initiatives to achieve the targets provided by Council. There has been no stone left unturned, other than the Calgary Police Services (who are conducting their own Service Review), and no areas of service were considered out of scope.

Attachment 2 shows the breakdown of savings by “wave” and provides summaries of the twelve Wave 2 and 3 business cases approved by the ELT in 2020 June. These business cases are based on a combination of the remaining ELT-approved opportunities from 2020 and an additional round of idea generation, opportunity analysis and business case development initiated in 2021.

Attachment 3 summarizes an additional two business cases, with combined savings of \$3.5 million in 2022, which have been referred by the ELT to the Priorities and Finance Committee for deliberation. These cases present additional options for savings that may be considered by Council to allow for implementation contingency, to further reduce the tax rate or to fund required investments. If approved, these savings would increase the total savings identified by SAVE to \$88.3 million in 2022, which exceeds the SAVE program target by \$13.1 million and the target required for a potential zero per cent tax rate change by \$4.4 million.

The business cases were developed in collaboration with implicated service owners and their teams, who prioritized support for this work despite significant capacity constraints across the organization. This spirit of collaboration has continued into implementation.

There have been significant non-financial benefits of SAVE, including improved cross-Corporate accountabilities, enhanced planning to improve predictability, improved employee engagement, and alignment with cultural changes initiated through the Rethink to Thrive strategy.

SAVE’s communication, engagement and change management activities in 2021 have included a month-long re-opening of its internal engagement portal, three sessions devoted to feedback from managers, regular bi-weekly updates to the ELT, and frequent use of various corporate channels to communicate with staff. There have also been touchpoints with Council and Council members.

In order to enable successful implementation and to allow the organization to turn its focus to other priorities, the SAVE Program will not be pursuing any further business case development and will focus on supporting its Implementation Coordination Office (ICO). The ICO will facilitate, track and report to the ELT on implementation progress

## **Solutions for Achieving Value and Excellence (SAVE) Program Update and Results**

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and the realization of savings. It will also support the work required to bring related adjustments to the 2022 operating budget this November.

Administration will develop a future service review and improvement program which incorporates the learnings of the SAVE program as well as previous programs such as Zero-Based Reviews. A proposed path forward will be designed in conjunction with the next four-year planning and budgeting cycle and brought back in 2022.

### **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☒ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☐ Stakeholder dialogue/relations were undertaken

Consistent with Wave 1 in 2020, public engagement on Wave 2 and 3 business cases was considered for those that are citizen-facing and conducive to meaningful public input. Based on discussions between the program team and the Engagement Resource Unit, as well as the feedback received during Wave 1, public engagement on Wave 2 and Wave 3 business cases was not pursued.

### **IMPLICATIONS**

#### **Social**

The SAVE Program strives to find savings and make reductions with the “least harm” to citizens. Social considerations have been incorporated into business case analysis, and the twelve ELT-approved Wave 2 and 3 business cases have little to no impact on citizen-facing services. Refer to Attachment 3 for details on the two business cases being brought to Council for decision.

#### **Environmental**

Several business cases include elements that will reduce The City’s environmental impact, including reductions to fuel consumption and carbon emissions. For example, the Manchester Shuttle Service business case will reduce CO<sub>2</sub> emissions resulting from shuttle bus operations by over 67%. Refer to Attachment 3 for details on the two business cases being brought to Council for decision.

#### **Economic**

The savings identified through the SAVE program contribute to The City’s goal of working towards a potential zero per cent tax rate change for 2022, down from the previously approved 3.5% increase. This allows Calgarians to reduce the amount they pay for their municipal taxes. It also supports Calgary’s competitiveness, fiscal sustainability, and long-term economic resilience. Refer to Attachment 3 for details on the two business cases being brought to Council for decision.

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**Solutions for Achieving Value and Excellence (SAVE) Program Update and  
Results**

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**Service and Financial Implications**

**Cost savings**

\$3.5 million

\$3.5 million in potential savings identified in the two business cases being brought to Council for decision in Attachment 3. In addition, there are twelve ELT-approved business cases that achieve \$3.6 million in base budget savings largely through optimization and efficiency initiatives, leveraging improved processes and technology.

**RISK**

Analysis of individual business cases' risks shows that in general, the risks of inaction are higher than the operational risks associated with undertaking these projects. However, there are some important implementation risks:

1. Organizational capacity, as other competing priorities are impacting Administration's ability to effectively support the program.
2. Timeliness, as any delays in implementation can impact the amount of savings realization in 2022.

The program has helped manage these risks by incorporating these considerations into its analysis and business case development. The Implementation Coordination Office also helps to manage these risks by providing support in areas such as change management and organizational engagement. Visible and sustained ELT and Council support of implementation will help to further manage these risks.

**ATTACHMENTS**

1. Background and Previous Council Direction
2. SAVE Program Update
3. Additional SAVE Business Cases for Consideration - Confidential

**Department Circulation**

General Manager/Director	Department	Approve/Consult/Inform
Carla Male	Chief Financial Officer	Approve

# Background

Solutions for Achieving Value and Excellence (SAVE) Program Update and Results

## Context

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The SAVE Program was created in response to Council direction and has delivered high-profile updates and results. This program update marks the achievement of SAVE Program targets and a shift of focus to implementation.

## Previous Council Direction

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**SAVE Program Timeline of Council Direction**

DATE	REPORT NUMBER	DIRECTION / DESCRIPTION
07/29/2019	C2019-1011	<p><b>Delivering Modern and Affordable Municipal Services in an Environment of Economic Constraint</b></p> <p>Council unanimously directed Administration to release a Request for Qualifications to seek proposals from external experts about services available to assist Council and Administration with delivering on Citizen Priorities and Council Directives within an environment of economic constraint; mechanisms for reducing the cost of delivering municipal services while taking into account Administrative initiatives and projects already underway and intended to contribute to this objective; capitalizing on revenue generating opportunities available to The City; and developing solid business cases for short and longer-term efficiencies across the Corporation that advance the achievement of Citizen Priorities and Council Directives within an environment of economic constraint.</p>
11/29/2019	C2019-1052	<p><b>2020 Adjustments to the One Calgary Service Plans and Budgets</b></p> <p>Council directed the SAVE program to target a reduction in operating budgets of \$24 million in 2021 and \$50 million in 2022.</p>
11/26/2020	C2020-1215	<p><b>Mid-Cycle Adjustments to the One Calgary 2019-2022 Service Plans and Budgets</b></p> <p>Council approved budget adjustments related to the first wave of business cases which identified \$26 million in net base budget savings, surpassing the initial target of \$24 million. Council also increased the SAVE Program target for 2022 to \$56 million (an increase of \$6 million) in order to offset the projected cost of a residential tax rebate.</p>
3/22/2021	C2021-0329	<p><b>2021 Property Tax Related Bylaws</b></p> <p>Council approved a final residential tax rebate of only \$1.2 million (down from the anticipated \$6 million), which finalized the SAVE Program target for 2022 at \$51.2 million (or \$75.2 million total).</p>
5/31/2021	PFC2021-0655	<p><b>2022 Budget Update - Verbal</b></p> <p>Administration will target a potential zero per cent tax rate change using the SAVE program. This requires that an additional \$8.7 million in base budget reductions be found, increasing the overall target between 2021 and 2022 to \$83.9 million.</p>

## Bylaws, Regulations, Council Policies

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Other than the 2021 March property tax bylaw mentioned above, no bylaws, regulations or Council policies are directly applicable to this report.





# PFC2021-0787 Attachment 2

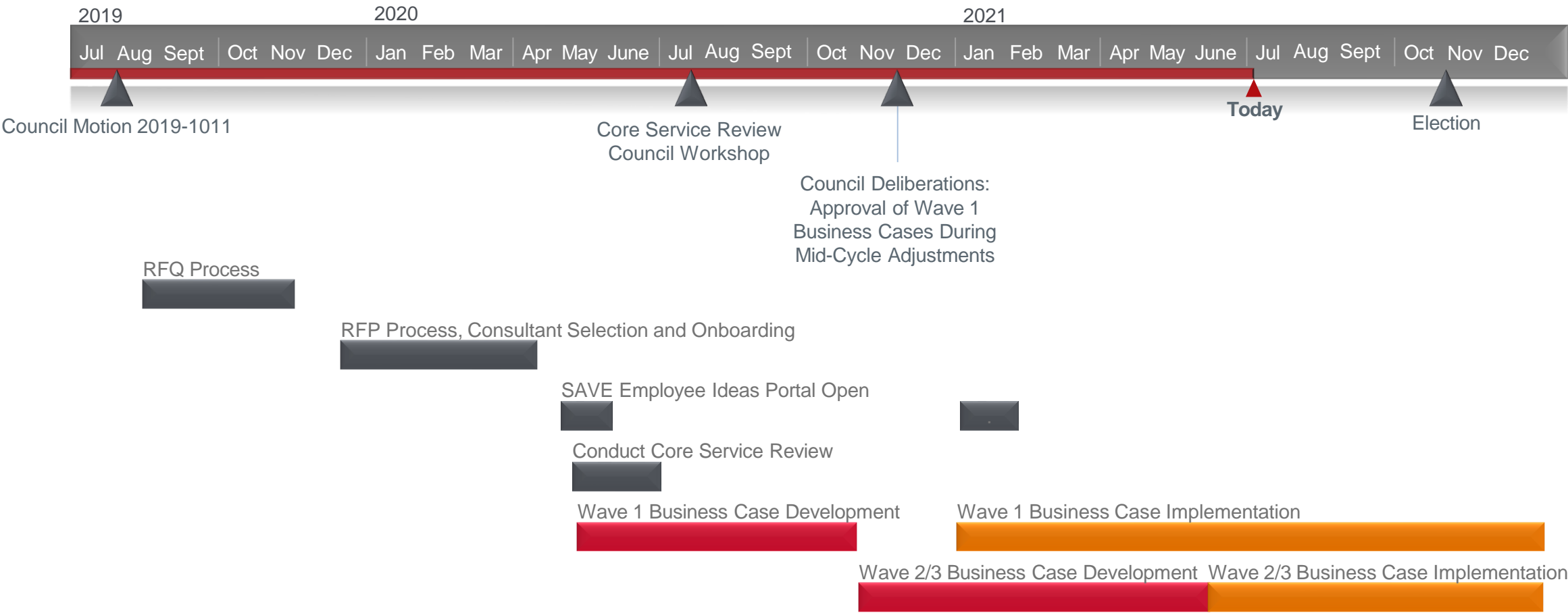
## SAVE Program Update

2021 July 20

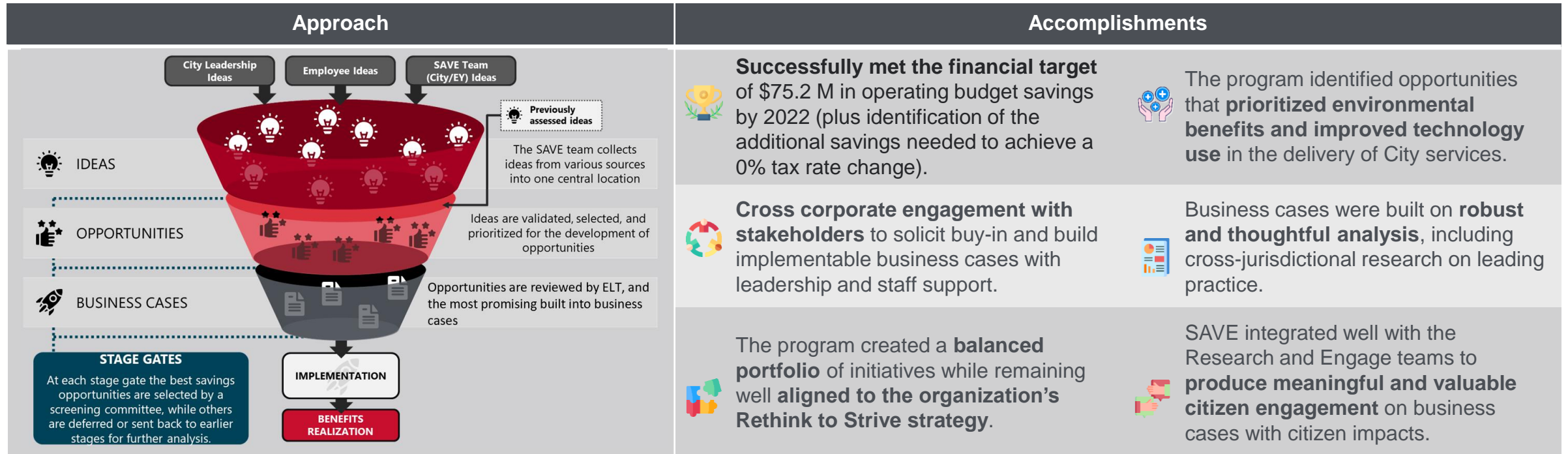
**Notice of Motion C2019-1011****Delivering Modern and Affordable Municipal Services in an Environment of Economic Constraint**

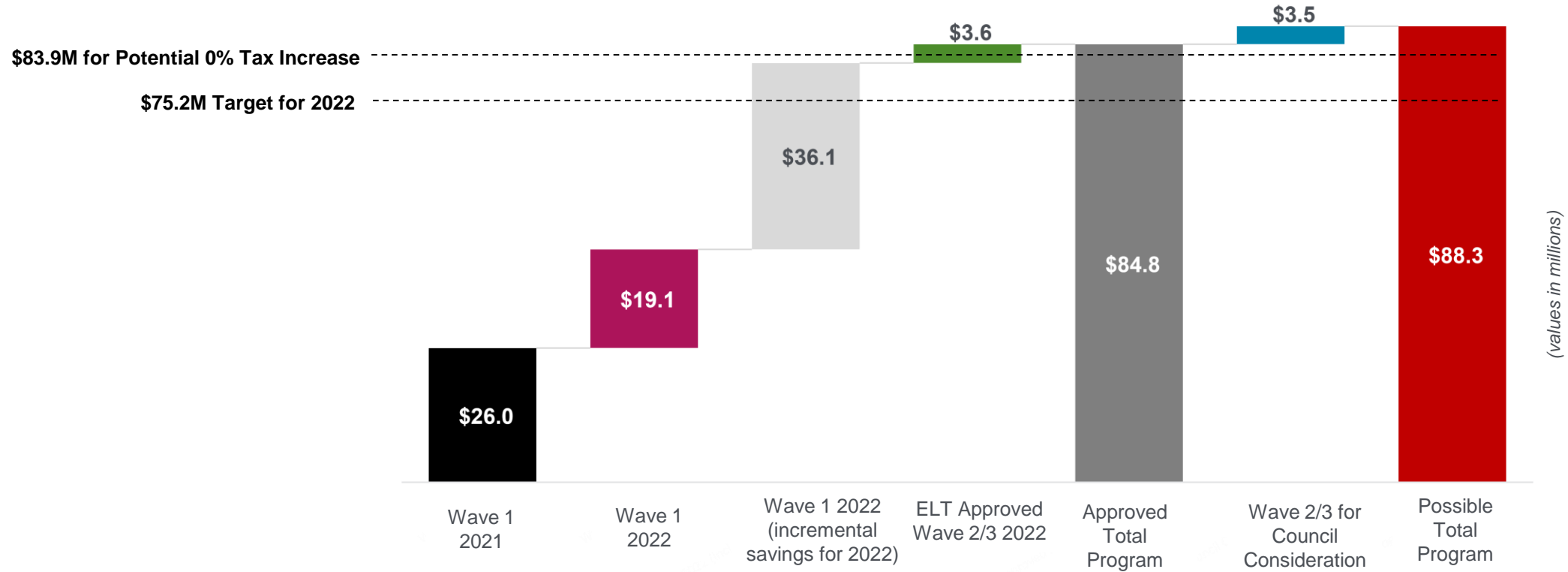
On 2019 July 29, Council unanimously directed Administration to release a Request for Qualifications to seek proposals from external experts about services available to assist Council and Administration with:

- a. Delivering on Citizen Priorities and Council Directives within an environment of economic constraint;
- b. Mechanisms for reducing the cost of delivering municipal services while taking into account Administrative initiatives and projects already underway and intended to contribute to this objective;
- c. Capitalizing on revenue generating opportunities available to The City; and
- d. Developing solid business cases for short and longer-term efficiencies across the Corporation that advance the achievement of Citizen Priorities and Council Directives within an environment of economic constraint.



- The SAVE program was designed to enhance The City’s financial sustainability and increase service efficiency and effectiveness. SAVE aims to modernize municipal government while improving the service value that citizens receive.
- To meet these objectives, SAVE adopted a “funnel approach” for considering and developing ideas from different sources. Below is a snapshot of this approach along with the overall accomplishments of the program.





- 2022 savings target was increased from \$74M to \$80M during the Mid-Cycle Adjustments, then decreased to \$75.2M as a result of the property tax bylaw passed by Council on 2021 March 22.
- Wave 1 business cases (\$26.0M +\$19.1M) are being implemented; some are complete, some are in progress and some will begin soon. The \$19.1M was part of the original business cases and reflects additional savings in 2022 as full implementation occurs and up-front costs incurred in 2021 are no longer applicable.
- Wave 1 incremental savings (\$36.1M) for 2022 were newly identified during implementation and will be presented during the November 2021 adjustments process.
- ELT's approval of Waves 2/3 (\$3.6M) business cases has secured the 2022 target. Council approval of additional contingency would ensure financial targets are met or would provide further financial options.



Business Cases Approved by the ELT	Estimated Savings for 2022
Corporate-wide Route Planning	\$290,000
Learning & Development	\$200,000
Reservoir Safety Funding Model	\$370,000
Scheduling and Time Tracking*	\$0
Public Art Program/Reserve	\$350,000
Reduced External Consulting	\$250,000
Manchester Shuttle Service	\$140,000
Centralized and Consistent Fuel Budgeting	\$920,000
Employee Kilometrage Expensing	\$710,000
Inventory Transformation – Calgary Transit	\$370,000
Cash and Liquidity Management	N/A
Management of Transit Parking	N/A
<b>TOTAL</b>	<b>\$3,600,000</b>

Business Cases for Council Consideration	Estimated Savings for 2022
<b>TOTAL</b>	<b>\$3,490,000</b>

Business Cases	Estimated Savings for 2022
Business Cases Approved by the ELT	\$3,600,000
Business Cases for Council Consideration	\$3,490,000
<b>TOTAL</b>	<b>\$7,090,000</b>

Business Case	Description
Corporate Wide Route Planning	<p><b>Review feasibility of adopting a corporate-wide route optimization solution for performing scheduled maintenance and maximize the number of appointments that can be completed by crews in the field using GIS based route optimization tools/GPS enabled systems.</b></p> <p>Route optimization technology is used daily in many areas of The City and recent advancements open the door for new City users with more complex needs. When combined, the top four fuel users use 95% of The City's fuel expenditure and the majority of kilometers driven are already aided by route optimization software – considering mill-rate support, an existing opportunity for The City is in Roads, where a pilot program, started in 2018, has already demonstrated the efficacy of the technology. Full implementation can be achieved for the Snow and Ice Control season starting in late 2021.</p>
Learning & Development	<p><b>Identify potential savings through a centrally guided approach to decision making on learning and development (L&amp;D) activities, specifically on professional development training opportunities available to employees.</b></p> <p>This business case presents the opportunities to optimize funding levels and process improvements for various types of professional development opportunities offered by the organization to its employees. Currently, each business unit across the City has the autonomy to decide and approve L&amp;D opportunities and training programs for its employees. Therefore, a primary benefit of the business case is that it is expected to ultimately empower the Corporate L&amp;D function and the organization as a whole to deliver a cohesive and efficient framework that will enable consistent professional development across the workforce. Technical training programs are excluded from this business case as there may be a need for reskilling due to the ongoing re-alignment work (i.e. only training programs that may be classified as 'professional development' are in scope). Professional memberships are also excluded as they were included in the previously approved External Memberships business case as part of Wave 1.</p>
Reservoir Safety Funding Model	<p><b>Review feasibility of eliminating or transferring cost of Recreation's water safety Boat Patrol on Glenmore Reservoir to the Water Utility. The Boat Patrol provides water safety education, environmental stewardship, and first response for water rescue operations throughout the boating season.</b></p> <p>Recreation runs the Boat Patrol from May to October, providing a direct contact, education-first approach to water and reservoir safety; proactive hazard identification and mitigation; on-water assistance to boaters; and, from a security perspective, maintaining an active presence on the drinking water asset. No directly comparable municipalities providing this service have been identified, nor any legislation that mandates boat patrol on the reservoir, deeming this service non-mandatory. Several unintended consequences have been recognized and are being investigated to consider the full implications of this case.</p>
Public Art Program/Reserve	<p><b>This business case documents completed work from an ongoing Arts and Culture service initiative to capture and track the cost savings tied to the transition of the Public Art Program to a third party.</b></p> <p>This initiative is a service project resulting in realized savings allocated to the SAVE program. On 2020 April 6, Council approved moving the Public Art Program to an external organization to ensure procurement and communication processes for new public art are simplified and more accessible to the arts community and the public. As of 2021 April, Calgary Arts Development was named the new operator of the Public Art Program and will be responsible for community programming, calls for artists, community engagement, and procurement of future public art. The savings from this business case will be realized in 2022. A savings of \$3.2M in one-time funding from the Public Art Reserve is also expected to be realized.</p>

Business Case	Description
Reduced External Consulting	<p><b>Determine options available to reduce expenditure on external consulting.</b></p> <p>This business case is focused on “management consulting” as opposed to technical, engineering or construction specialities. This case recognises the value external management consultants bring to The City and does not propose to completely replace this option; rather, it sought to evaluate options to displace portions of it. The approved proposals were: 1) Increase coordination of upcoming and existing internal policies and services, and 2) Explore options to displace some future external management consulting work with professional internal management consulting.</p>
Manchester Shuttle Service	<p><b>Review delivery of the Manchester Shuttle Service given the significant drop in ridership as a result of the pandemic which has led to increased adoption of virtual meetings and work from home policies.</b></p> <p>This is an internal efficiency business case. During the COVID-19 pandemic, the organization experienced a 90% reduction in usage for the Manchester shuttle as well as reduced demand for parking in the Manchester area. It is expected that most staff currently working remotely will continue to work remotely at least some of the time even after the pandemic. Therefore, this business case proposes elimination of the Manchester Shuttle service in 2022. It is also recommended that there should be review of implementation at the end of 2022 and present findings to ELT in Q4 2022.</p>
Scheduling and Time Tracking	<p><b>Modernizing the Time and Attendance process to reduce errors and time spent manually performing tasks and increase productivity.</b></p> <p>The Time and Attendance process involves scheduling, time capture, time processing, absence tracking, and time closure. For business areas with high scheduling and time management needs, it is an iterative process that requires agility and sometimes quick decision-making. Currently, this process is managed in an inconsistent manner across The City – some business units are performing these tasks manually, and some business units are using older versions of leading technology. This business case seeks to create a uniform adoption of an Ultimate Kronos Group (UKG) solution within all business areas with scheduling and time management needs. This software will drive efficiencies across the organization through reduced hours spent performing these tasks manually, and reduced errors.</p>
Centralized and Consistent Fuel Budgeting	<p><b>Create a centralized and consistent fuel budgeting system where business units forecast fuel expenditures in volume, and where a central office forecasts fuel prices and manages the fuel budget through a contingency account.</b></p> <p>This business case proposes a solution to the difficulties faced by different business units in preparing fuel budgets and managing the risk associated with fuel price volatility. Business units will be responsible for forecasting their fuel volume consumption within a framework developed by the Corporate Budget Office. It will also expand the fuel hedging program to allow better management of fuel price risk and budget certainty. This business case is consistent with the principles of the Budget Modernization and Energy Budgeting business cases developed in Wave 1 of the SAVE Program.</p>



Business Case	Description
Employee Kilometrage Expensing	<p><b>Implement new policy to reduce personal vehicle kilometrage expenses, and right size the budget for kilometers reimbursed.</b></p> <p>The policy will require employees to attend meetings virtually where possible. In the circumstances where business travel is necessary, the policy will require employees to take a FlexFleet vehicle. To be reimbursed for the use of personal vehicle kilometrage, it is proposed that employees will be required to provide business justification for travel, and evidence that a Fleet vehicle was not available.</p>
Inventory Transformation – Calgary Transit	<p><b>Modernize inventory management at Calgary Transit through improved planning and technology-driven process transformation that reduces manual touchpoints in handling inventory and helps the City avoid losses due to write-offs of obsolete materials and supplies.</b></p> <p>Improved maturity of forecasting inventory requirements based on maintenance schedules will enable supply management to stock garages with required materials at the right levels ahead of time instead of overstocking warehouses. The current method of forecasting is more backward-looking based on historical trends rather than forward-looking. Improved integration between Transit's M5 and Supply Management's PeopleSoft systems will enable seamless tracking and tracing of parts and supplies (currently done manually by inventory technicians). This also enables Transit technicians to pull supplies off shelves by themselves without relying on Supply Management staff.</p>
Cash and Liquidity Management	<p><b>Review The City of Calgary's cash and liquidity management strategy and processes.</b></p> <p>This business case considers two simultaneous approaches that can improve the ability of Treasury to forecast cash-flows, optimize cash balances and reallocate cash to longer-term investments that could potentially generate additional revenue. No budget adjustments are proposed due to the market-driven nature of potential increased revenue and uncertainty around how much additional cash Treasury will be able to move into longer-term investments.</p>
Management of Transit Parking	<p><b>Council directed Administration (2019 November 29) to consider new or improved revenue streams specifically referencing Calgary Transit park and ride fees.</b></p> <p>This business case investigated the opportunities presented through pay-for-parking at all Transit parking facilities. Linkages amongst parking usage and LRT and feeder bus ridership need to be further understood in terms of demand elasticity and anticipated Transit customer behaviour with the introduction of a new fee. As a result of the downturn in the local economy, downtown vacancy rates, existing parking surplus in the core and ongoing impacts of the pandemic severely impacting ridership, it has been determined that the environment is not appropriate for action at this time. Calgary Transit will monitor key criteria and evaluate to determine when conditions are appropriate for implementation of pay-for-parking in the future. As a return to full ridership is not anticipated for some time, this is unlikely to occur with the SAVE program's timeframe.</p>



That the Priorities and Finance Committee recommends that Council:

1. Consider approving the two business case summaries presented in Attachment 3 for implementation and inclusion in the 2022 Budget Adjustments in 2021 November;
2. Direct that this report be forwarded as urgent business to the 2021 July 26 Combined Meeting of Council; and
3. Direct that Attachment 3 remain confidential pursuant to Section 24(1)(a), (d) and (g) of the Freedom of Information and Protection of Privacy Act to be reviewed by 2026 July 20.

## **Resilient Roofing Rebate Program Amendment**

### **RECOMMENDATION(S):**

That the Priorities and Finance Committee direct that this report be forwarded to the 2021 July 26 Combined Meeting of Council as Urgent Business, and recommend that Council:

1. Direct Administration to bring forward a recommendation for funding for a weather resilient building material program to lessen the impact of climate change for consideration to the 2022 Budget Adjustments in 2021 November.

### **HIGHLIGHTS**

- In response to Notice of Motion PFC2020-0828 *Disaster Relief and Mitigation*, Administration launched the Resilient Roofing Rebate program on 2021 June 1. The purpose of the rebate program is to educate Calgarians on the benefits of resilient roofing materials and to support Calgarians in building a more resilient city against environmental risks. The rebate has been successful thus far with more than 500 applications received.
- The rebate program is one of a group of actions that support the three pillars for action from PFC2021-0194 *Mitigating the Impact of Severe Weather Events in Calgary*: education, incentives, and regulations. Due to the success of these initial efforts, Administration recommends returning to the 2022 budget adjustment in 2021 November for consideration of ongoing funding for a weather resilient building material program to lessen the impact of climate change.
- What does this mean to Calgarians? A weather resilient building material program will support Calgarians in adapting to the changing climate by building a more resilient city.
- Why does this matter? The program will raise awareness of resilient material options, support an informal partnership with the home insurance industry, and support local business and employment in Calgary among construction professionals. It will also help to reduce the release of embodied Greenhouse Gas (GHG) in construction materials and help to reduce construction waste.
- Year one of the rebate program runs from 2021 June 1 to 2022 May 31. Based on the number of applications received in the first six weeks of the program and the predicted usage of the funds, Administration projects that the program budget of \$2 million will be near depletion by the end of 2021 and there will be limited funds to continue the program for residents who experienced damage in 2021 hail events and for *Group B – eligible existing homes* applicants in 2022 January.
- Council approved the Resilient Roofing Rebate program at the 2021 May 10 Combined Meeting of Council and directed Administration to return to the Priorities and Finance Committee no later than Q2 2022 with a monitoring report on the program's progress, lessons learned, and approach for the subsequent years of the program.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

## **Resilient Roofing Rebate Program Amendment**

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### **DISCUSSION**

#### **Weather resilient building material program**

As per PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary*, Administration worked with external and internal stakeholders to develop a suite of actions under the following pillars:

- Education – to create public awareness of the benefits and options of resilient materials
- Incentives – to reduce the cost of adopting more resilient materials and to increase the demand and installation of those materials
- Regulations – to increase building resiliency for all new construction

A number of the actions have been successfully launched or completed, in particular, the launch of the Resilient Roofing Rebate program. Other successes include:

- Education:
  - Completed a series of industry engagement sessions on mitigating against climate hazards and the benefits of impact resistant materials
  - Released the *Climate Resilient Home Handbook*
  - Hosted a public webinar on hail and resilient roofing materials
  - Launched an extensive media campaign to educate Calgarians on the benefits of resilient roofing materials and the Resilient Roofing Rebate program
- Incentives:
  - Hosted a virtual symposium with the insurance industry, and work on initiating incentives is ongoing
  - Launched the Resilient Roofing Rebate program
- Regulations:
  - Administration is currently working with the provincial government on building code changes to support the use of impact resistant materials in new construction
  - Explored the introduction of a building envelope inspection

Engagement with external and internal stakeholders will continue to further refine and prioritize the identified actions to continue to proactively mitigate the increasing likelihood of climate disasters. Administration recommends bringing forward a recommendation for consideration to the 2022 Budget Adjustments in 2021 November for funding for a weather resilient building material program to lessen the impact of climate change.

#### **Rebate program budget and spend to date**

At the direction of Council, following the approval of PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary*, the Mayor wrote a letter to the Premier, requesting that the provincial government match The City's financial commitment to the Resilient Roofing Rebate program. The provincial government declined support for the program. Administration will continue to encourage insurance providers to match this rebate program.

The first year of the rebate program launched on 2021 June 1, which offers a \$3,000 rebate to eligible *Group A* homeowners who experienced hail damage in 2020 and replaced, or plan to replace, their roof with a Class 4 impact resistant product. The program then expands in 2022 January to include *Group B – eligible existing homes*. The first year program budget of \$2 million can support up to a maximum of 660 homes.

## **Resilient Roofing Rebate Program Amendment**

In the first six weeks of the program, over 500 rebate applications were received. With an overall budget to approve 660 rebates and expected approval rate of 80% or greater, Administration projects there will be limited funds available to continue the program for residents who experienced damage in 2021 hail events and for *Group B – eligible existing homes* applicants as the program budget will be near depletion by the end of 2021. Please see Attachment 2 for details on the uptake to date and resulting projections.

### **Rebate program success**

The success of the program is measured on the following:

- Building awareness: at least 200 participants at each of the resilient roofing webinars
- Increased public interest: average of 100 website visits per week on resilient roofing
- Usage: rebate awarded to 500 homes by the end of year one of the program

The first month of the program exceeded the program success measures. This is encouraging as it indicates the success in educating homeowners on the benefits of resilient materials. Please see Attachment 2 for details on the success measures.

Administration will still be returning to the Priorities and Finance Committee and Council before the end of 2022 Q2 on year one's lessons learned and recommendations for the second and third years of the rebate program. Recognizing that extreme weather events are an ongoing concern, this interim report is intended to solicit Council direction in advance of 2022 budget adjustments to ensure continuity of effort in light of the higher than anticipated uptake in the roofing rebate program.

## **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- ☐ Public Engagement was undertaken
- ☐ Public Communication or Engagement was not required
- ☒ Public/Stakeholders were informed
- ☒ Stakeholder dialogue/relations were undertaken

Internal and external stakeholders have continued to provide valuable support to the program, by sharing information about the program with citizens, and by sharing feedback from citizens and industry. Based on further consultation with industry partners, application processing adjustments were made within two weeks of the program launch to simplify the application process for homeowners, to help support local business, and to achieve a greater reach to help promote the improved resilience of Calgary.

A public webinar on *hail and how to improve the resilience of your home* was held in the evening of 2021 June 9 with special guest, Councillor Chahal. There were 282 total attendees and a total of 221 questions/comments.

The promotional campaign started on 2021 June 13 and includes a mixture of ethnic and English collateral including translated curbex signs, radio ads, static and animated digital media, YouTube ads, and social media. A City webpage was also created to provide citizens with

## **Resilient Roofing Rebate Program Amendment**

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information on hail and the Resilient Roofing Rebate program, including an online application form with translated sample application forms, and a self-help eligibility tool.

### **IMPLICATIONS**

#### **Social**

Repairing buildings after severe weather events resulting in damage is a source of considerable stress for citizens. The time to assess and action repairs, manage financial costs, and the potential disruption of daily schedules all negatively impact communities' long-term social well-being.

#### **Environmental**

Reducing the need for repairs after severe weather events has several positive environmental benefits, including reducing the release of embodied Greenhouse Gas (GHG) in construction materials and operational GHG reductions in shipping, material handling, and installation as identified in the Climate Resiliency Strategy. Avoided repairs also reduce landfill waste generation.

#### **Economic**

The effort to replace roofs in Calgary with resilient materials will support employment in Calgary among roofing professionals and help to support local business.

#### **Service and Financial Implications**

##### **Other:**

Administration recommends bringing forward a recommendation for consideration to the 2022 Budget Adjustments in 2021 November for funding for a weather resilient building material program to lessen the impact of climate change.

### **RISK**

If rebate funding is depleted earlier than anticipated and the program ends, there is a risk of negative public reaction from citizens who would have qualified for the rebate, and a risk that fewer people will choose more resilient roofing materials for repairs resulting from 2021 hail events or other planned maintenance.

### **ATTACHMENT(S)**

1. Previous Council Direction, Background
2. Resilient Roofing Rebate Tracking

#### **Department Circulation**

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development	Approve

## **Previous Council Direction and Background**

### **Previous Council Direction**

The *Resilient Roofing Rebate Program* (PFC2021-0575) report, in response to Notice of Motion PFC2020-0828 *Disaster Relief and Mitigation*, was approved at the 2021 May 10 Combined Meeting of Council with the following.

1. Approve \$2.175 million from the Fiscal Stability Reserve investment income for one time operating budget to fund year one of the Resilient Roofing Rebate Program.
2. Approve the Resilient Roofing Rebate Program as identified in Attachment 2, and direct Calgary Building Services to return to Priorities and Finance Committee no later than Q2 2022 with a monitoring report on the program's progress, lessons learned, and approach for the subsequent years of the program.

### **Background**

Because of the visibility of the damage from the 2020 June 13 hail event, it is often assumed that the majority of the damage was done to exterior walls of homes, when in fact, the greatest damage in terms of dollars was to the roofs. Of the \$1.4 billion in damages, \$800 million of the damage was on roofs.

Notice of Motion PFC2020-0828 *Disaster Relief and Mitigation* directed Administration to engage with development and building industry stakeholders to identify mitigation actions that will increase resiliency of residential buildings to severe weather events in Calgary, with the focus largely on exterior building components. Through the review of the information with stakeholders, hail was identified as the most immediate threat to residential buildings in Calgary; therefore, actions related to hail will be accelerated for immediate implementation, such as: education for citizens/stakeholders/City Administration, exploring the resilient roof rebate program, exploring additional incentives with the insurance industry, advocacy of code change requests with the province, and policy review.





## Resilient Roofing Rebate Tracking and Projections

The below table identifies the volume of applications received from 2021 June 1 – July 12 and the anticipated volume of applications for the remainder of year one (until 2022 May 31) of the program.

	Volume	Funding amount
Applications received for 2020 hail events – Group A (as of July 21, 2021)	501	\$1,503,000
Applications anticipated for 2020 hail event – Group A	249	\$747,000
<b>Group A total</b>	<b>750</b>	<b>\$2,250,000</b>
Applications anticipated for Group B – roof replacement	300	\$900,000
Applications anticipated for Group B – 2021 hail events	700	\$2,100,000
<b>Group B total</b>	<b>1000</b>	<b>\$3,000,000</b>
<b>Year 1 total</b>	<b>1750</b>	<b>\$5,250,000</b>

Given the overall rebate program budget of \$2 million, Administration projects that the program will not have sufficient funding to support any *Group B* applicants during year one of the program.

The table below illustrates the program's success based on the defined success measures.

PROGRAM SUCCESS MEASURES	
Measure	Program Year 1 YTD
<b>1. Building awareness</b> At least 200 participants at each of the resilient roofing webinars	282 attendees
<b>2. Increased public interest</b> Average of 100 website visits per week on resilient roofing	2,596 visits per week
<b>3. Usage</b> Rebate awarded to 500 homes by the end of Year 1 of the program	87 rebates awarded



**Report Number:** PFC2021-1113**Meeting:** Priorities & Finance Committee**Meeting Date:** 2021 July 20

## NOTICE OF MOTION

**RE: Problem Properties****Sponsoring Councillor(s):** Councillor Peter Demong

WHEREAS – The City of Calgary has the authority to regulate neighbourhood nuisance, safety and livability issues to create safe and inspiring neighbourhoods where all citizens feel secure;

AND WHEREAS – there are some properties in the city that have either become unsafe and/or uninhabitable, either by neglect, misuse, disrepair, construction activity, or non-compliant land use, and which pose risks to Calgarians, to the inhabitants, and can affect neighbouring properties;

AND WHEREAS – while The City and partnering agencies have made great strides in addressing many of the concerns associated with these properties through approaches such as the Coordinated Safety Response Team, there continue to be concerns on some properties which require additional resources or supports in order to respond more appropriately, efficiently, and effectively;

AND WHEREAS many of the concerns associated with these properties require disproportionate amounts of City resources and months or years to fully address;

AND WHEREAS there may be the opportunity to more effectively address concerns related to these properties by the amendment of legislation overseen by other orders of government;

AND WHEREAS in some instances the owners or residents of these properties may require social or mental health supports;

NOW THEREFORE BE IT RESOLVED that Administration conduct a review of municipal bylaws with a specific focus on gaps, including a provincial legislation review to determine opportunities to address concerns associated with problem properties and opportunities to advocate for changes;

AND FURTHER BE IT RESOLVED that Administration investigate the potential to define and identify “derelict properties” that could be taxed at varying rates;

AND FURTHER BE IT RESOLVED that Administration conduct a review of current teams, committees, programs, community partners, and social supports with the intent of identifying gaps and additional resourcing required for a collaborative approach to address concerns related to problem properties and to connect occupants to the services and supports they need;

AND FURTHER BE IT RESOLVED that Administration return to Council through the Standing Policy Committee on Community and Protective Services with bylaw amendments, recommended advocacy approaches, and operational changes intended to more effectively address concerns related to problem properties no later than 2023 Q2, returning sooner in stages if aspects can be addressed earlier.



### NOTICE OF MOTION CHECKLIST

The checklist is a tool intended to support the sponsor(s) of a Notice of Motion. The items listed below are important considerations when crafting and submitting a Notice of Motion. It is also intended to support other Members of Council, as the same considerations are important when reaching a decision on a Notice of Motion.

The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the  
Motion:

There are two classifications of a Notice of Motion (Check the one that applies):

☒

Regular

☐

Urgent (Include details in Urgency Rationale box below)

☐

Is this Notice of Motion Confidential? (Include details in Procedural box below)

Financial and Other Resource Capacity
There are portions of this direction which <i>may</i> require additional resources. This may include budget for adjustments to software, communications, research and engagement. Some potential changes, including changes to teams or bylaws may require additional resourcing as well. If and when additional resources are required that cannot be accommodated under existing budgets Administration will report back to the appropriate Committee or Council with the request.
Legal / Legislative
There is a high likelihood of City Legal resources being required for potential bylaw amendments. Law has been engaged in drafting the Notice of Motion and will be consulted throughout the processes identified.

Technical Content
Subject Matter Experts from all business units affected were contacted as part of the Notice of Motion and their input has been reflected accordingly. SMEs will continue to be engaged throughout the processes identified.
Procedural (Including reasons for confidentiality)
Other Considerations
There are aspects of this Notice of Motion which may accomplished in shorter timespans and others that may take longer. As a result the direction was drafted to allow ample time to complete all the direction with the understanding that Administration will report back as required on shorter timeframes to ensure that work is operationalized in appropriate timeframes.
Urgency Rationale



**Report Number:** PFC2021-1120

**Meeting:** Priorities & Finance Committee

**Meeting Date:** 2017 June 20

## NOTICE OF MOTION

**RE:** Supporting Hospitality Businesses By Enabling Permanent Patio Extensions

**Sponsoring Councillor(s):** Evan Woolley

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**WHEREAS** The economic downturn and the COVID-19 pandemic have had catastrophic effects on the hospitality industry, which includes restaurants, cafes, and bars;

**AND WHEREAS** During the COVID-19 pandemic, The City of Calgary has helped facilitate temporary patio extensions by waiving development permit fees and license of occupation fees and allowing patios on public property;

**AND WHEREAS** Restaurants, cafes, and bars have reported a significant boost from the temporary patio extensions, in many cases allowing businesses to remain operational rather than closing completely;

**AND WHEREAS** In a recent BIA survey, 96% of businesses have reported that their patio extension was successful and 98% want it to continue;

**AND WHEREAS** In the same survey, over 63% of businesses added additional employees to support the patio extensions;

**AND WHEREAS** The hospitality industry employs approximately 40,000 people in Calgary;

**AND WHEREAS** There are over 8,000 hospitality businesses in Calgary;

**AND WHEREAS** Hospitality businesses contribute \$3.52 billion in real GDP value;

**AND WHEREAS** Many hospitality businesses add to the cultural fabric of Calgary, providing spaces for music, food, and socializing;

**NOW THEREFORE BE IT RESOLVED** That Council direct Administration to support permanent seasonal patio extensions beginning in 2022 in Business Improvement Area zones and subsidize hoarding fees, daily street use permit, lane closure fees, and other associated fees.

**AND FURTHER BE IT RESOLVED** That Administration engage with stakeholders, including business improvement areas (BIAs), business owners, and hospitality industry organizations.

**AND FURTHER BE IT RESOLVED** That Administration create a multi-disciplinary team to deliver the program who are supported with resources and program funding.

**AND FURTHER BE IT RESOLVED** That all patio extensions should adhere to accessibility standards outlined in report number C2021-0990, "Improving the Accessibility of Calgary's Mobility Networks".





## NOTICE OF MOTION CHECKLIST

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- share key points about the advice received with their Council colleagues, to inform their deliberations.

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Title of the Motion: Supporting Hospitality Businesses By Enabling Permanent Patio Extensions

**There are two classifications of a Notice of Motion (Check the one that applies):**

☒ **Regular**

☐ **Urgent (Include details in Urgency Rationale box below)**

☐ **Is this Notice of Motion Confidential? (Include details in Procedural box below)**

Financial and Other Resource Capacity

The goal of this Notice of Motion is to allow patio extensions for hospitality businesses in a post-pandemic Calgary. Members of Administration were consulted in the drafting of this notice of motion.  
There will be an opportunity cost to implement the program as calculated by Roads.

Legal / Legislative

The current patio extension program is supported by Council but there are no plans to continue it.

Technical Content
Procedural <b>(Including reasons for confidentiality)</b>
Other Considerations
Urgency Rationale



Report Number: PFC2021-1121

Meeting: Priorities &amp; Finance Committee

Meeting Date: 2017 June 20

## NOTICE OF MOTION

**RE:** Petitioning Federal and Provincial Orders of Government for Overdose and Drug Poisoning Crisis Assistance

**Sponsoring Councillor(s):** Evan Woolley and Gian-Carlo Carra

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**WHEREAS** drug poisonings are the leading cause of death in people aged 15-59 in Alberta by a margin of 35-50%;

**AND WHEREAS** harm reduction measures save both lives and money;

**AND WHEREAS** combating the epidemic of drug poisonings will require a coordinated approach from Federal, Provincial, and Municipal governments;

**NOW THEREFORE BE IT RESOLVED** that Council requests the Mayor, on behalf of Council, write a letter to the Prime Minister asking for the following:

that the Federal Government officially recognize the overdose crisis as a national public health emergency; that the Federal Government fund and accommodate evidence-based responses to this public health emergency including community-based supervised consumption, overdose prevention, safe supply, drug checking, and expanded harm reduction supply distribution programs;

that the principles of decriminalization within the Government of Canada's proposed amendments to the Canadian Drug and Substances Act, as proposed in Bill C-22, be enacted by parliament immediately, with further steps taken to abolish conditional sentencing, eliminate all forms of mandatory sentencing, and erase criminal records of people convicted of drug offences;

**AND FURTHER BE IT RESOLVED** that Administration engage with the Government of Alberta to maintain the supervised consumption service at the Sheldon M. Chumir Health Centre in its existing form and expand the number of supervised consumption sites in Calgary to a minimum of three unique locations.

**AND FURTHER BE IT RESOLVED** that Administration engage with Calgary Police Commission to request Calgary Police 'stand down' on charges of possession and other low-level drug charges, as per the Government of Canada's recent resolution.



## NOTICE OF MOTION CHECKLIST

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The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the Motion: Petitioning Federal and Provincial Orders of Government for Overdose and Drug Poisoning Crisis Assistance

**There are two classifications of a Notice of Motion (Check the one that applies):**

☒ **Regular**

☐ **Urgent (Include details in Urgency Rationale box below)**

☐ **Is this Notice of Motion Confidential? (Include details in Procedural box below)**

Financial and Other Resource Capacity
Legal / Legislative

Technical Content
Procedural <b>(Including reasons for confidentiality)</b>
Other Considerations
Urgency Rationale



Report Number: PFC2021-1129

Meeting: Priorities &amp; Finance Committee

Meeting Date: 2020 July 20

## NOTICE OF MOTION

**RE: Increasing Accessibility to & Safety of Affordable Child Care in Calgary**

**Sponsoring Councillor(s):** Councillor Gondek, Councillor Carra, Councillor Farrell

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### WHEREAS:

- The federal government has dedicated \$30 billion over five years to create affordable child care programs in partnership with provincial governments, in an effort to increase women's labour force participation and reduce household expenditure on child care;
- Given the disproportionate impact of the pandemic on women, it is the responsibility of all orders of government to foster greater opportunity for women's labour force participation through the tools available in each jurisdiction;
- At a municipal level, there are planning tools like density bonusing and mixed-use districts that can encourage more affordable childcare options;
- Presently, families in Alberta have different options for child care, including home-based child care that is often more affordable for low income working parents;
- Because all orders of government have a responsibility for public safety (particularly for vulnerable populations like children), they must coordinate efforts around access to and regulation of businesses offering child care to the public;
- A recent review of provincial child care regulations shows no proactive oversight and no application requirements for home-based child care businesses that choose not to contract with a licensed family day home agency, despite the fact that a number of critical incidents including neglect, abuse, and even death have been reported in Calgary pertaining to these home-based child care providers;
- On November 26, 2018, Justice Hawkes composed 10 recommendations for the Alberta Minister of Justice and Solicitor General based on the tragic death of Mackenzy Jane Woolfsmith while in care at a private day home in Calgary, yet there has been no action on creating a safer child care system in the province for families and operators choosing the private day home option; and
- While the City of Calgary presently does not license home-based child care businesses, it has the ability to do so in the same manner it licenses other businesses to ensure standards for public safety and consumer protection.

### NOW THEREFORE BE IT RESOLVED THAT ADMINISTRATION:

- Explore the ability to increase accessibility to child care – with a focus on affordable child care options - in Calgary through measures like density bonusing, streamlined change of use, and more land use districts that can accommodate child care;
- Explore the opportunity for affordable child care funding to flow directly to cities from the federal government (similar to the Rapid Housing Initiative) to assist families and child care operators;
- Determine whether The City of Calgary has the legal and jurisdictional ability to license and set minimum requirements for home-based child care businesses, and create a publicly-accessible database of municipally licensed service providers;

- Conduct a review of current bylaws (including the Business Licence and Land Use Bylaws) and provincial legislation to identify existing gaps with respect to for-profit home-based child care, engaging with relevant stakeholders including the Government of Alberta, child care agencies, child care providers, and parents;
- That as part of the review, Administration carefully consider potential costs and barriers that could either drive these operators underground or out of business, in an effort to ensure marginalized or low-income Calgarians continue to have access to affordable child care;
- That Administration report back to Council through the Standing Policy Committee on Community and Protective Services no later than Q3 2022.

## References

### Government of Canada Early Learning and Child Care Plan (2021)

- Budget 2021: A Canada-wide Early Learning and Child Care Plan ([link](#))
- July 8, 2021 – News Release: Canada announces historic first early learning and child care agreement [British Columbia] ([link](#))

### Alberta Government of Alberta Childcare engagement (2020)

- Consultation report ([link](#))
- Subsequent legislative changes, Bill 39 ([link](#))

### Public inquiry into the death of Mackenzy Jane Woolfsmith (2018-2019)

- Report to the Minister of Justice and Solicitor General : public inquiry into the death of Mackenzy Jane Woolfsmith (2018)
- Ministry of Children’s Services’ Response to the Public Fatality Inquiry - Mackenzy Jane Woolfsmith (2019)

### Statistics Canada: Research on child care and parental labour force participation (2018-2019)

- Early Learning and Child Care for Children aged 0 to 5 years: A Provincial/Territorial Portrait (2019) ([link](#))
- Fertility rates and labour force participation among women in Quebec and Ontario (2018) ([link](#))

### Ombudsman and Auditor General of Ontario: Child care reports (2014)

- Ombudsman of Ontario: Investigation into how the Ministry of Education responds to complaints and concerns relating to unlicensed daycare providers (2014) ([link](#))
- Auditor General of Ontario: Child Care Program (Licensed Day Care) audit report (2014) ([link](#))



## NOTICE OF MOTION CHECKLIST

The checklist is a tool intended to support the sponsor(s) of a Notice of Motion. The items listed below are important considerations when crafting and submitting a Notice of Motion. It is also intended to support other Members of Council, as the same considerations are important when reaching a decision on a Notice of Motion.

The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the Motion: Increasing Accessibility to & Safety of Affordable Child Care in Calgary

There are two classifications of a Notice of Motion (Check the one that applies):

☒

Regular

☐

Urgent (Include details in Urgency Rationale box below)

☐

Is this Notice of Motion Confidential? (Include details in Procedural box below)

### Financial and Other Resource Capacity

There are portions of this direction which *may* require additional resources. This may include budget for adjustments to software, communications, research and engagement. Some potential changes, including changes bylaws may require additional resourcing as well. If and when additional resources are required that cannot be accommodated under existing budgets Administration will report back to the appropriate Committee or Council with the request.

### Legal / Legislative

There is a high likelihood of City Legal resources being required for potential bylaw amendments. Law has been engaged in drafting the Notice of Motion and will be consulted throughout the processes identified.

Technical Content
Subject Matter Experts from all business units affected were contacted as part of the Notice of Motion and their input has been reflected accordingly. SMEs will continue to be engaged throughout the processes identified.
Procedural (Including reasons for confidentiality)
Other Considerations
Urgency Rationale