



AGENDA

PRIORITIES AND FINANCE COMMITTEE

July 2, 2019, 1:00 PM

IN THE COUNCIL CHAMBER

Members

Mayor N. Nenshi, Chair
Councillor S. Chu, Vice-Chair
Councillor D. Colley-Urquhart (CPS Chair)
Councillor J. Gondek (PUD Chair)
Councillor S. Keating (T&T Chair)
Councillor W. Sutherland (UCS Chair)
Councillor E. Woolley (Audit Chair)

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Priorities and Finance Committee, 2019 June 04
5. CONSENT AGENDA
 - 5.1 DEFERRALS AND PROCEDURAL REQUESTS
 - 5.1.1 Keeping Tabs on City Council, C2019-0795
Councillor Jeromy Farkas

Defer to the 2019 September 17 Regular Meeting of the Priorities and Finance Committee.
 - 5.1.2 Opportunity Calgary Investment Fund Governance Structure (PFC2018-0187) due 2019 Q2 defer to PFC 2020 June - PFC2019-0841

5.2 BRIEFINGS

5.2.1 Corporate Affordable Housing Strategy Q2 2019 Update, PFC2019-0872

5.2.2 Status of Outstanding Motions and Directions, PFC2019-0828

6. POSTPONED REPORTS

(including related/supplemental reports)

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Downtown Strategy and Focus Update, PFC2019-0664

7.2 Improving Governance and Efficiency of PFC Meetings – Final Report, PFC2019-0303

7.3 Pension and Governance Committee Annual Report, PFC2019-0803

7.4 2018 Audited Financial Statements for Business Revitalization Zones and Business Improvement Areas, PFC2019-0412
Attachments 1 to 14 held confidential pursuant to Section 16 (Disclosure harmful to business interests of a third party) of *FOIP*.

Review By: 2034 July 2

7.5 The City of Calgary Reserves and Long Term Liabilities Balances 2018, PFC2019-0825

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS
None

8.2 NOTICE(S) OF MOTION
None

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Naming of a City Cemetery, PFC2019-0802
Held confidential pursuant to Sections 23 (Local public body confidences) and 24 (Advice from officials) of *FOIP*.

Released By: Until Council rises and reports

10.1.2 Naming of a City Park , PFC2019-0801
Held confidential pursuant to Sections 23 (Local public body confidences) and 24
(Advice from officials) of *FOIP*.

Released By: Until Council rises and report.

10.2 URGENT BUSINESS

11. ADJOURNMENT



MINUTES

PRIORITIES AND FINANCE COMMITTEE

**June 4, 2019, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT:

Mayor N. Nenshi, Chair
Councillor S. Chu, Vice-Chair
Councillor J. Gondek (PUD Chair)
Councillor S. Keating (T&T Chair) [participated remotely]
Councillor W. Sutherland (UCS Chair)
Councillor E. Woolley (Audit Chair)
Councillor J. Davison
Councillor J. Farkas

ALSO PRESENT:

City Manager G. Cole
Deputy City Manager B. Stevens
Acting Chief Financial Officer C. Male
Acting City Clerk J. Dubetz
Legislative Advisor B. Williams

1. CALL TO ORDER

Councillor Chu called the Meeting to order at 9:34 a.m.

2. OPENING REMARKS

Councillor Chu provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by Councillor Woolley

That the Agenda for today's meeting be amended by bringing forward Item 6.8, Report PFC2019-0476, to be dealt with following Item 5.1, Report PFC2019-0384.

MOTION CARRIED

Moved by Councillor Davison

That the Agenda for the 2019 June 04 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, 2019 May 14

Moved by Councillor Farkas

That the Minutes of the Priorities and Finance Committee held on 2019 May 14, be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

- 5.1 Social Procurement Update, PFC2019-0384

Moved by Councillor Carra

That with respect to Report PFC2019-0384, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Approve the Social Procurement Advisory Task Force Terms of Reference, Scoping Report for the Pilot Projects and the Work Plan identified in Attachment 1; and
2. Direct Administration to return to the Priorities and Finance Committee with an update no later than Q1 2020.

Against: Councillor Chu and Councillor Farkas

MOTION CARRIED

6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

Mayor Nenshi assumed the Chair at 10:05 a.m. and Councillor Chu returned to his regular seat in Committee.

INTRODUCTION

Councillor Carra introduced a group of students from Ron Southern School in Ward 13, accompanied by their teacher, Kim Spiller.

Mayor Nenshi, on behalf of Council, thanked Shiela Bean, a Calgary Board of Education teacher, for managing the City Hall School program for the last three years.

- 6.1 Resilient Calgary, PFC2019-0617

By general consent, Committee agreed to receiving a verbal presentation from the following individuals with respect to PFC2019-0617:

1. Dr. Susan Skone, Associate Vice President, Research, The University of Calgary
2. Dr. Genevieve Fox, Education Director, Blackfoot Confederacy Tribal Council
3. Mr. Umair Pervez, Global Shapers Calgary (of World Economic Forum)

The following documents were distributed with respect to Report PFC2019-0617:

- A presentation entitled "Resilient Calgary", dated 2019 June 04;
- An infographic entitled "Resilient Calgary";
- A letter from Brian Hahn, CEO, BILD Calgary Region, dated 2019 June 04; and
- A letter from Court Ellingson, VP Calgary Economic Development, dated 2019 May 29.

Moved by Councillor Gondek

That with respect to Report PFC2019-0617, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Approve the proposed Resilient Calgary strategy, and
2. Direct Administration to report back with an update to the Priorities and Finance Committee no later than Q2 2020.

Against: Councillor Chu

MOTION CARRIED

6.2 Maximizing Value from City Assets - Update, PFC2019-0674

Pursuant to section 6(1) of the Procedure Bylaw, as amended, Council suspended Procedure Bylaw section 78(2)(a), by general consent, in order to finish the item prior to the scheduled recess.

Moved by Councillor Sutherland

That with respect to Report PFC2019-0674, the following be approved:

That the Priorities and Finance Committee recommends that Council approve the attached Asset Sale Review Strategy.

Against: Councillor Farkas

MOTION CARRIED

The Priorities and Finance Committee recessed at 12:11 p.m. and reconvened at 1:17 p.m.

6.3 Non-Residential Assessment Sub-Classes, PFC2019-0559

A presentation, entitled "Non-Residential Assessment Sub-Classes", dated 2019 June 04, was distributed with respect to Report PFC2019-0559.

Moved by Councillor Davison

That the Priorities and Finance Committee refer Report PFC2019-0559 to Administration to continue to solicit responses from the engagement group, determine the impact of the recently adopted legislation and return to the Priorities and Finance Committee in the next three months.

ROLL CALL VOTE

For: (4): Mayor Nenshi, Councillor Sutherland, Councillor Davison, and Councillor Farkas

Against: (2): Councillor Chu, and Councillor Gondek

MOTION CARRIED

6.4 Financial Task Force Terms of Reference, PFC2019-0707

A presentation entitled "Financial Task Force Terms of Reference", dated 2019 June 04, was distributed with respect to Report PFC2019-0707.

That with respect to Administration Recommendation 1, contained in Report PFC2019-0707, the Committee amended Attachment 1, by general consent, on page 1, under *Scope*, by:

- Deleting the word 'Addressing' in the second bullet, and replacing with the word 'Changing'; and
- Deleting the third bullet entirely.

Moved by Councillor Davison

That with respect to Report PFC2019-0707, the following be approved:

That the Priorities and Finance Committee recommends Council:

1. Approve the Terms of Reference of the Financial Task Force, **as amended**, and
2. Direct Administration to commence the setup of the Financial Task Force and report back no later than November 2019 with a status update.

MOTION CARRIED

6.5 Tax Shift Response Working Group Establishment, PFC2019-0751

Moved by Councillor Gondek

That with respect to Report PFC2019-0751, the following be approved:

That the Priorities and Finance Committee confirm a Tax Shift Response Working Advisory Group, with Councillor Gondek as Working Group Lead, Mayor Nenshi, Councillor Farkas and Councillor Farrell as Working Group members and Director Karpa for Administration.

MOTION CARRIED

6.6 Kensington Manor – Building Safety Status and Plan, PFC2019-0739

Moved by Councillor Davison

That the Priorities and Finance Committee move into Closed Meeting, at 2:38 p.m., in the Council Lounge, to consider Item 6.6, Kensington Manor – Building Safety Status and Plan, PFC2019-0739, 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*.

MOTION CARRIED

The Priorities and Finance Committee moved into Public meeting at 2:47 p.m. with Mayor Nenshi in the Chair.

Moved by Councillor Chu

That the Priorities and Finance Committee rise without reporting.

MOTION CARRIED

Administration in attendance during the Closed Meeting discussions with respect to Report PFC2019-0739

Clerk: J. Dubetz. Law: S. Belvedere. Advice: C. de Jong. Observer: G. Cole, C. Male, S. Dalgleish, B. Desjardins, M. Civitarese, J. Kwong.

Moved by Councillor Davison

That with respect to Report PFC2019-0739, the following be approved:

That the Priorities and Finance Committee recommend that Council approve:

1. The request of a 2019/2020 one-time Calgary Building Services Operating budget increase, as identified in Attachment 2, to fund the full cost of demolishing the building located at 321 10 Street NW;
2. The cost of the demolition to be interim financed by the City's 2019 Corporate Programs savings to date, with anticipated full recovery from the property tax roll of 321 10 Street NW;
3. That *the closed meeting discussion and Attachment 2* 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*, until six months after the transaction has closed; and
4. Directing Administration to report back to Council through the Priorities and Finance Committee, six months after demolition is complete, or if there is a material change on site but in any event, not later than September 2020.

MOTION CARRIED

6.7 ActivateYYC Community Microgrants: Findings, PFC2019-0230

Moved by Councillor Farkas

That with respect to Report PFC2019-0230, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Direct Administration to follow the recommendations from the three findings summaries attached to this report.

2. Direct Administration to continue to support citizen-led enhancement and activation projects through microgrants and other supports within existing budgets and resources, both internally and aligned with partner organizations offering support and grant funding.
3. Thank The Federation of Calgary Communities and all community applicants for their leadership and commitment to a more walkable and connected Calgary.

MOTION CARRIED

6.8 5 St SW Underpass Enhancement Project, PFC2019-0476

Moved by Councillor Woolley

That with respect to Report PFC2019-0476, the following be approved:

That the Priorities and Finance Committee recommends that Council:

For the purposes of capital construction of 5 Street SW Underpass Enhancements, approve a \$1.6M increase to the budget of Program 569, funded by a withdrawal of \$1,000,000 from the Beltline Community Investment Fund (BCIF), and appropriation of \$600,000 from the Public Art capital deposit.

MOTION CARRIED

6.9 Procedure Bylaw Amendments, PFC2019-0591

The following clerical corrections were made with respect to Report PFC2019-0591:

- In the Cover report, Page 1 of 4, in Administration Recommendation 1, replace the Bylaw number "25M2017" with "35M2017";
- In Attachment 2, Page 1 of 14, Section 3, replace "Appendix E" with "Appendix F" at the end of the sentence;
- In Attachment 2, Page 13 of 14, Section 32, in F.6, delete this section entirely, and renumber the remaining sections accordingly; and
- In Attachment 2, Page 13 of 14, Section 32, in F.10, delete the words "(e.g., to vote, except in a *Public Hearing* as indicated above)".

Moved by Councillor Farkas

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended on Page 11 of 14, Section 30 in the column marked "The process", add the following as the first bullet:

"The *Member* explains the basis for their request to appeal."

MOTION CARRIED

Moved by Councillor Chu

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended on Page 11 of 14, Section 30, in the column marked "The process", amend the second bullet to read "A *Two-thirds* vote against the *Chair's* ruling is required to override a ruling that requires a *Two-thirds* vote. A *majority vote* against the *Chair's* ruling is required for other rulings."

Against: Mayor Nenshi

MOTION CARRIED

Moved by Councillor Farkas

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended on Page 14 of 14, Section 32, in F.12 (b), delete the word "email" and replace with the word "message"

MOTION CARRIED

Moved by Councillor Gondek

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended on Page 11 of 14, Section 29(2), by inserting a new subsection B.8 (a) as follows, and re-lettering the remaining subsections of B.8:

"(a) make final decisions at the Committee level within their mandate where City of Calgary policy exists;"

MOTION CARRIED

Moved by Councillor Farkas

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended on Page 12 of 14, Section 32, in F.2 by deleting the Section entirely and replacing with the following:

"F.2 Remote participation is available when a *Member of Council* is unable to attend a *Council or Committee* meeting."

MOTION CARRIED

Moved by Councillor Davison

That with respect to Recommendation 1, contained in report PFC2019-0591, Attachment 2 be amended by deleting the words '*Councillor motions*' and replacing with the words '*Council Member motions*' in the following locations:

- Page 4 of 14 in Section 11,
- Pages 8 and 9 of 14, throughout Section 24,
- Page 9 of 14, at the end of Section 25,
- Page 10 of 14, in the third column at the top of the page,

- Page 12 of 14, in Section 31(1).

Against: Councillor Farkas

MOTION CARRIED

Moved by Councillor Chu

That with respect to **Corrected** Report PFC2019-0591, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Give three readings to the proposed bylaw (Attachment 2) to amend the Procedure Bylaw **35M2017, as amended**;
2. Direct Administration to record the reason of members' absences for Council and Council Committee meetings as either "Council Business" or "Personal".
3. Direct Administration to return to the Priorities and Finance Committee in Q3 with an accurate cost estimate and implementation timeline for a hardware solution for electronic voting, for approval.

MOTION CARRIED

6.10 Overview and Administration of Property Tax Relief Framework, PFC2019-0491

Moved by Councillor Sutherland

That with respect to Report PFC2019-0491, the following be approved:

That the Priorities and Finance Committee recommend that Council receive this report for information.

MOTION CARRIED

6.11 The Calgary Exhibition and Stampede Limited - 2018 Credit Facility, PFC2019-0685

Moved by Councillor Sutherland

That with respect to Report PFC2019-0685, the following be approved:

That the Priorities and Finance Committee recommends that Council:

1. Receive this report for information; and
2. Direct that Attachment 2 remain confidential pursuant to Sections 16 (*Disclosure harmful to business interests of a third party*), 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* and review of the report's confidential status by May 15, 2021.

MOTION CARRIED

6.12 Status of Outstanding Motions and Directions, PFC2019-0741

The following clerical corrections were noted with respect to Report PFC2019-0741, Attachment 1, Page 1 of 8, in the second Row:

- Under 'Date Due', by replacing the date 'June 2' with the date 'June 4'.
- Under 'Date of Request', by replacing the date '2019 December 17' with the date '2018 December 17'.

Moved by Councillor Chu

That with respect to **Corrected** Report PFC2019-0741, the following be approved:

That the Priorities and Finance Committee receive this report for information.

MOTION CARRIED

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

None

7.2 NOTICE(S) OF MOTION

None

8. URGENT BUSINESS

None

9. CONFIDENTIAL ITEMS

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

9.2 URGENT BUSINESS

None

10. ADJOURNMENT

Moved by Councillor Davison

That this meeting adjourn at 3:31 p.m.

THE FOLLOWING ITEMS HAVE BEEN FORWARDED TO THE 2019 JUNE 17
COMBINED MEETING OF COUNCIL:

CONSENT:

Social Procurement Update, PFC2019-0384

Resilient Calgary, PFC2019-0617

Maximizing Value from City Assets - Update, PFC2019-0674

Financial Task Force Terms of Reference, PFC2019-0707

Kensington Manor – Building Safety Status and Plan, PFC2019-0739

ActivateYYC Community Microgrants: Findings, PFC2019-0230

5 St SW Underpass Enhancement Project, PFC2019-0476

Overview and Administration of Property Tax Relief Framework, PFC2019-0491

The Calgary Exhibition and Stampede Limited - 2018 Credit Facility, PFC2019-0685

ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES:

Procedure Bylaw Amendments, PFC2019-0591

The next Regular Meeting of the Priorities and Finance Committee is scheduled to be held on 2019 July 02.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

REFERRED REPORT

Keeping Tabs on City Council, C2019-0795

Excerpt from the Minutes of the Combined Meeting of Council, held 2019 June 17:

Moved by Councillor Colley-Urquhart

Seconded by Councillor Farkas

That with respect to Notice of Motion C2019-0795 the following be adopted:

Refer Councillor Farkas' proposed Motion to Administration, to report back through the Priorities and Finance Committee on:

- a) A financial analysis on the direct and indirect costs of undertaking the work requested; and
- b) Work already underway by City Clerks with regard to Council voting practices, transcripts and publication to avoid duplication and redundancy in the spending of taxpayer dollars.

ROLL CALL VOTE

For: (6) Councillor Chahal, Councillor Chu, Councillor Colley-Urquhart, Councillor Davison, Councillor Farkas, and Councillor Gondek

Against: (7) Mayor Nenshi, Councillor Carra, Councillor Demong, Councillor Farrell, Councillor Keating, Councillor Magliocca, and Councillor Sutherland

MOTION DEFEATED

Moved by Councillor Gondek

Seconded by Councillor Colley-Urquhart

That with respect to Councillor Farkas' proposed Motion C2019-0795, the following be adopted:

Refer proposed Motion C2019-0795 to the 2019 July 02 Priorities and Finance Committee for discussion, debate, and direction, including but not limited to:

- a) A financial analysis on the direct and indirect costs of undertaking the work requested; and
- b) Work already underway by City Clerks with regard to Council voting practices, transcripts, and publication to avoid duplication and redundancy in the spending of taxpayer dollars.

Against: Councillor Farrell and Councillor Keating

MOTION CARRIED

Attachment 1 – Councillor Farkas' Notice of Motion, C2019-0795



**Report
Number:** C2019-0795

Meeting: Combined Meeting of Council

Meeting Date: 2019 June 17

NOTICE OF MOTION

RE: KEEPING TABS ON CITY COUNCIL

Sponsoring Council Member(s): JEROMY FARKAS

WHEREAS Calgarians' interest in knowing how their tax dollars are invested is on the rise and nearly half of Calgarians express that they receive 'too' little information from the City, as per the Citizen Satisfaction Survey;

AND WHEREAS through the course of a term of Council, many thousands of pages of documentation, records, and minutes are produced, but prove difficult for Calgarians to access and navigate;

AND WHEREAS a closed captioning transcript of Council proceedings is created for accessibility purposes, and deleted after the end of every meeting;

AND WHEREAS the uploading of popular content to social media sites such as Facebook and YouTube may unlock benefits to the City such as increased engagement, outreach, and new advertising revenue streams,

AND WHEREAS there continues to be a need for a clear accounting for how Calgary Council members have exercised their duties;

AND WHEREAS it is in the interest of Calgarians to have additional tools to monitor the effectiveness of the representation they receive;

AND WHEREAS recent investments in City technology and infrastructure have enabled significant opportunities for the public to better track the substance of what is being discussed by City Council, both in public session and behind closed doors;

NOW THEREFORE BE IT RESOLVED that Council directs administration to:

1. Publish, upon request by a member of Council, the text and results of a motion that they deem to be of exceptional public interest on the City of Calgary front webpage for a period of one week after the vote;
2. Compile such exceptional votes on a separate webpage, including a verbatim explanation by each member of Council if they so wish;
3. Provide this record of votes alongside candidate biographical profiles if any member of Council stands as a candidate for the 2021 municipal election.

AND FURTHER BE IT RESOLVED that Council directs Administration, as part of the on-going exploration of electronic voting, to consider the tagging and categorizing of all votes so that in the long-term, the complete record of any member of Council may be easily recalled based on issue and a citizen's topic of interest;

AND FURTHER BE IT RESOLVED that Council directs administration to explore the viability and potential costs of retaining a transcript of what is said in Council meetings;

AND FURTHER BE IT RESOLVED that Council directs administration to retain and provide for the public the video recordings of Council and Committee meetings for two Council terms (eight years), and explore the viability and costs of uploading the video of Council meetings to platforms such as YouTube and Facebook;

AND FURTHER BE IT RESOLVED that Council directs administration to endeavor to provide the aforementioned as part of the City's Open Data Catalogue, for free use by citizens;

NOTICE OF MOTION

Error! No text of specified style in document.

AND LASTLY BE IT RESOLVED that Council directs administration to report back to Council through the Priorities and Finance Committee as needed.

BRIEFING

Community Services Briefing to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0872

Corporate Affordable Housing Strategy Q2 2019 Update

PURPOSE OF BRIEFING

This briefing meets the direction as per PFC2018-0584 to provide a progress update by Q2 2019 on the *Foundations for Home: Corporate Affordable Housing Strategy 2016-2025* (the Strategy) and the accompanying Implementation Plan (the Plan). The City has met or exceeded all short-term 2018 targets and is on track to achieving the vision and objectives outlined in the Strategy. To ensure continued momentum, Administration will develop a refreshed Plan for 2021-2025, which will be completed in 2020.

The provision of affordable housing supports a strong local economy and advances the Citizen Priority for a Prosperous City. Only 3.6% of households in Calgary are supported by non-market housing, as compared to 6% of households across Canada's largest cities. Since adoption of the Strategy, the affordable housing sector is moving the needle towards meeting the 15,000-unit shortfall to get Calgary to the national average. Through a combination of City-led efforts and partnerships, over 2,300 new affordable homes are being delivered, with over 1,400 of these units at the development permit stage or beyond. The City's efforts are also beginning to change how affordable housing is delivered in Calgary. The City's investment is incentivizing and streamlining development, helping partners to scale up their operations and leverage additional resources, and encouraging collaboration across the sector, as well as across orders of government.

SUPPORTING INFORMATION

Progress Update

The following outlines key accomplishments under each of the Strategy's six strategic objectives. A progress summary for each objective can be found in Attachment 1 (Foundations for Home: Q2 2019 Progress Summary), and a detailed update can be found in Attachment 2 (Foundations for Home: 2019 Detailed Progress Report).

1. Get the Calgary Community Building

- Through the Housing Incentive Program, City funds are supporting the delivery of approximately 2,313 new affordable homes, with an average incentive of \$3,585/unit.
- The City is partnering with private sector developers to provide affordable housing in exchange for an increase in density. In 2019 April, the first of these initiatives was approved for a project in the Beltline, which will deliver 22 affordable homes.

2. Leverage City Land

- City investment of \$6.4M in land value for the 2017-2018 Non-Market Housing Land Disposition Program will deliver approximately 160 new homes and produce 370 direct and indirect jobs. This investment leveraged over \$30M in additional funding, resulting in a nearly 460% return on City dollars.

BRIEFING

- In 2019 May, Council adopted the Non-Market Housing Land Disposition Policy. This Policy replaces the former ad-hoc process of one-off sales with a predictable offering of land every two years, providing measurable results and accelerating the number of non-market units developed in Calgary.
- 3. Design and Build New City Units**
 - The City delivered 120 new homes by the end of 2018. Approximately 250 additional homes are currently in the planning, design, or development phases.
 - 4. Regenerate City-owned Properties**
 - Over 200 City-owned units have undergone critical maintenance repairs, and building condition assessments were completed for 47 City-owned properties.
 - Feasibility studies have been completed for two existing housing sites.
 - 5. Partnerships**
 - Under the new authority in the City Charter, Administration designed and executed housing agreements for the 2017-2018 Non-Market Housing Land Disposition Program, protecting The City's investment for up to 40 years.
 - Administration is in discussions with the Government of Alberta to ensure long-term funding stability for City-owned social housing units.
 - The City continues to participate in the Provincial Government and Big City Housing Collaboration Table.
 - 6. Improve the Housing System**
 - The Foundations for Home Community Development Program (Home Program) provided seed funding for programs that successfully improved housing stability and self-sufficiency for residents of affordable housing. The Home Program reached more than 1,000 individuals, as detailed in Attachment 3 (Foundations for Home Community Development Program Highlights).
 - The City continues to participate in the Community Housing Affordability Collective. Through the collective, The City is leading the One Window initiative to design a coordinated intake process for non-market housing. A progress update from the Community Housing Affordability Collective is attached to this report (Attachment 4).

Upcoming Work

In the current economic climate and constrained budget environment, it is important that The City continues to fully leverage available resources to make Calgary's communities affordable, inclusive and accessible for all. With all 2018 targets achieved, Administration's work is now focused on implementing medium and long-term actions identified in the Plan, and developing a refreshed Plan for 2021-2025. The refreshed Plan will reflect the shifting landscape and capture emerging opportunities, such as a preliminary investigation of a made-in-Calgary approach for inclusionary housing, efforts to increase private sector involvement in affordable housing, and avenues to support affordable housing delivery for urban Indigenous Calgarians.













BRIEFING

ATTACHMENT(S)

1. Attachment 1 – Foundations for Home: Q2 2019 Progress Summary (one-pager)
2. Attachment 2 – Foundations for Home: Q2 2019 Detailed Progress Report
3. Attachment 3 – Foundations for Home Community Development Program Highlights
4. Attachment 4 – CHAC Update Summer 2019

The City of Calgary is supporting the affordable housing sector to collectively **increase the non-market housing supply** and **improve the housing system**. To meet the national average, Calgary would need to add 15,000 new affordable homes. **Affordable housing is integral to supporting a strong local economy and a prosperous city.**

Summary of 2018 Short-Term Targets

<p>1. Get the Calgary community building </p> <p>Target:</p> <ul style="list-style-type: none"> Development & building permit approvals within 6 months 1,500 units <p>Actual:</p> <ul style="list-style-type: none"> All development approvals have met customized timelines 2,313 units 	<p>2. Leverage City land </p> <p>Target:</p> <ul style="list-style-type: none"> 5 parcels per year (2017-2018) <p>Actual:</p> <ul style="list-style-type: none"> 3 parcels (2017) 7 parcels (2018) 	<p>3. Design & build new City units </p> <p>Target:</p> <ul style="list-style-type: none"> 160 units delivered 110 in development <p>Actual:</p> <ul style="list-style-type: none"> 120 units delivered ~250 units in planning/design/development 10-year capital plan 
<p>4. Regenerate City-owned properties </p> <p>Target:</p> <ul style="list-style-type: none"> 3 redevelopments 2 lifecycle projects <p>Actual:</p> <ul style="list-style-type: none"> 2 redevelopments undergoing feasibility studies 200+ units repaired/renewed 	<p>5. Strengthen intergovernmental partnerships </p> <p>Target:</p> <ul style="list-style-type: none"> Participate in 3 intergovernmental partnerships <p>Actual:</p> <ul style="list-style-type: none"> All levels of government partnering to implement affordable housing strategies 	<p>6. Improve the housing system </p> <p>Target:</p> <ul style="list-style-type: none"> 5 programs for affordable housing residents <p>Actual:</p> <ul style="list-style-type: none"> Program activities reached 1,000+ individuals One Window Initiative Participation in CHAC 

Recent Accomplishments

2017-2018 Non-Market Housing Land Disposition Program

City land value of \$6.4M will deliver ~160 new homes. This investment leveraged over \$30M in additional funding, capturing a 460% return.

Foundations for Home Community Development Program

The Home Program successfully improved outcomes for residents of affordable housing, reaching more than 1,000 individuals.

Affordable Housing Density Bonus

In 2019 April, the first affordable housing density bonus was approved for a project in the Beltline, which will deliver 22 affordable homes.



HomeSpace funding announcement.

New City-Owned Affordable Homes

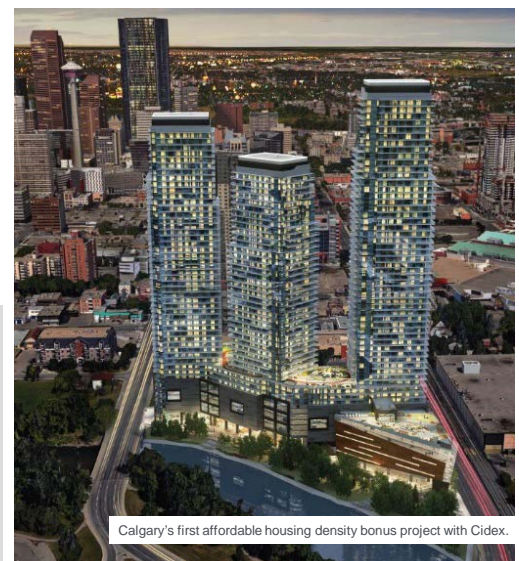
In 2018 October, The City delivered 48 new affordable homes in Wildwood. Future developments are progressing in Bridlewood, Rosedale, Mount Pleasant, and Varsity.

Non-Market Housing Land Disposition Policy

In 2019 May, Council approved this policy to replace the former ad-hoc process of one-off sales with a predictable offering of land every two years to help grow non-profits.

Housing Incentive Program

Predevelopment grants and fee rebates are committed to support 2,313 new affordable homes, at an average incentive of \$3,585/unit.



Calgary's first affordable housing density bonus project with Cidex.

How Affordable Housing Helps Calgarians

Affordable housing is about people. People with hopes, needs, dreams, and the drive to succeed.

However, with market rental rates among the highest in Canada, it's difficult for some Calgarians to pursue their dreams while affording a place to live.

Here is how affordable housing is helping some residents work towards their future. [Watch their stories.](#)

Meet Lori

Lori left a difficult relationship, along with her son and daughter. It wasn't easy. Lori and her children arrived at a Calgary shelter seeking help.

Lori applied for assistance with the Calgary Housing Company and received an offer of a place to live three months later. Today Lori works at a non-profit society, where she uses her experience to help other women leaving similar circumstances. She is also saving up for her forever home. Lori's kids are thriving, getting involved in community activities and making friends.

"The best thing about affordable housing is looking around in the morning with my coffee, and my kids aren't scared," says Lori.



Meet Lana

Lana lives in affordable housing with her service dog MacGyver. Lana trained as a nurse and worked in Calgary as a real estate agent until Multiple Sclerosis forced her to stop. She uses a wheelchair to get around and is also legally blind. However, these challenges are no match for the tenacious spirit she developed playing basketball on Yugoslavia's junior national team, and her desire to make a difference.

Lana started knitting with her grandmother when she was five and continues to work her needles by muscle memory. She puts this skill to good use by knitting hats, scarves and mittens for homeless people, and giving them away around downtown Calgary. She also works with the Affordable Housing – Foundations for Home Community Development Program to get yarn and teach others. In her spare time, she plays wheelchair basketball, rugby and tennis.



Meet Tarek

Tarek immigrated to Canada from Lebanon in 2011 with his wife and two children, seeking a life where he can "have some peace and raise my kids in a good way." Tarek is a former banker who is unable to work due to Multiple Sclerosis. By 2014, Tarek's family could no longer afford to pay rent for a furnished apartment. They faced the real possibility of having to move back to Lebanon.

Tarek's family applied for affordable housing through Calgary Housing Company (CHC). CHC was able to find the family a comfortable townhouse with recently upgraded windows. In the future, Tarek hopes to own a house with a yard where his kids can play.

FOUNDATIONS FOR HOME

CALGARY'S CORPORATE AFFORDABLE HOUSING STRATEGY & IMPLEMENTATION PLAN:
Q2 2019 DETAILED PROGRESS REPORT

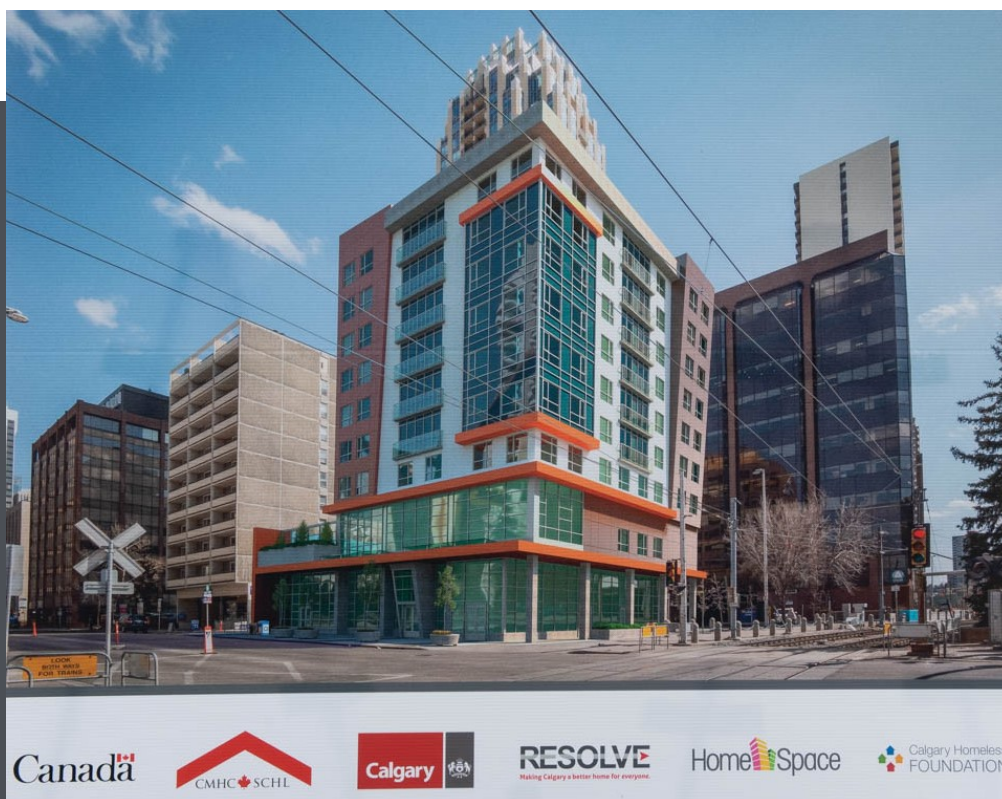


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Introduction

Corporate Affordable Housing Strategy (2016 – 2025)

The City's Corporate Affordable Housing Strategy defines a 10-year strategic direction for The City across six objectives. It formalizes affordable housing as a Council Priority, positions The City to leverage federal and provincial capital funding to support internal and community development of units, and guides City actions to create safe, affordable homes that support individual success and well-being. An Implementation Plan that identifies short, medium and long-term actions accompanies the Strategy. Short-term targets were to be achieved by the end of the 2015-2018 business cycle.

Since Council approval in 2016, both the Strategy and Plan have seen tremendous progress, with 2018 targets met or exceeded. With all short-term targets achieved, Administration's upcoming work will focus on implementing medium- and long-term actions identified in the Plan, as well as capturing emerging opportunities.

This document is a detailed progress report on all objectives, targets, initiatives and actions contained in the Implementation Plan.

Six Strategic Objectives

The Corporate Affordable Housing Strategy focuses on six objectives:

1. Get the Calgary community building
2. Leverage City land
3. Design and build new City units
4. Regenerate City-owned properties
5. Strengthen intergovernmental partnerships
6. Improve the housing system

Meet Lori

Lori left a difficult relationship, along with her son and daughter. It wasn't easy. Lori and her children arrived at a Calgary shelter seeking help.

Lori applied for assistance with the Calgary Housing Company and received an offer of a place to live three months later. Today Lori works at a non-profit society, where she uses her experience to help other women leaving similar circumstances. She is also saving up for her forever home. Lori's kids are thriving, getting involved in community activities and making friends.















"The best thing about affordable housing is looking around in the morning with my coffee, and my kids aren't scared."

[Hear more about Lori's story.](#)

Overview of Targets & Progress

Dashboard

<p>1. Get the Calgary community building </p> <p>Target:</p> <ul style="list-style-type: none"> Development & building permit approvals within 6 months 1,500 units <p>Actual:</p> <ul style="list-style-type: none"> All development approvals have met customized timelines 2,313 units 	<p>2. Leverage City land </p> <p>Target:</p> <ul style="list-style-type: none"> 5 parcels per year (2017-2018) <p>Actual:</p> <ul style="list-style-type: none"> 3 parcels (2017) 7 parcels (2018) 	<p>3. Design & build new City units </p> <p>Target:</p> <ul style="list-style-type: none"> 160 units delivered 110 in development <p>Actual:</p> <ul style="list-style-type: none"> 120 units delivered ~250 units in planning/design/development 10-year capital plan 
<p>4. Regenerate City-owned properties </p> <p>Target:</p> <ul style="list-style-type: none"> 3 redevelopments 2 lifecycle projects <p>Actual:</p> <ul style="list-style-type: none"> 2 redevelopments undergoing feasibility studies 200+ units repaired/renewed 	<p>5. Strengthen intergovernmental partnerships </p> <p>Target:</p> <ul style="list-style-type: none"> Participate in 3 intergovernmental partnerships <p>Actual:</p> <ul style="list-style-type: none"> All levels of government partnering to implement affordable housing strategies 	<p>6. Improve the housing system </p> <p>Target:</p> <ul style="list-style-type: none"> 5 programs for affordable housing residents <p>Actual:</p> <ul style="list-style-type: none"> Program activities reached 1,000+ individuals One Window Initiative Participation in CHAC 



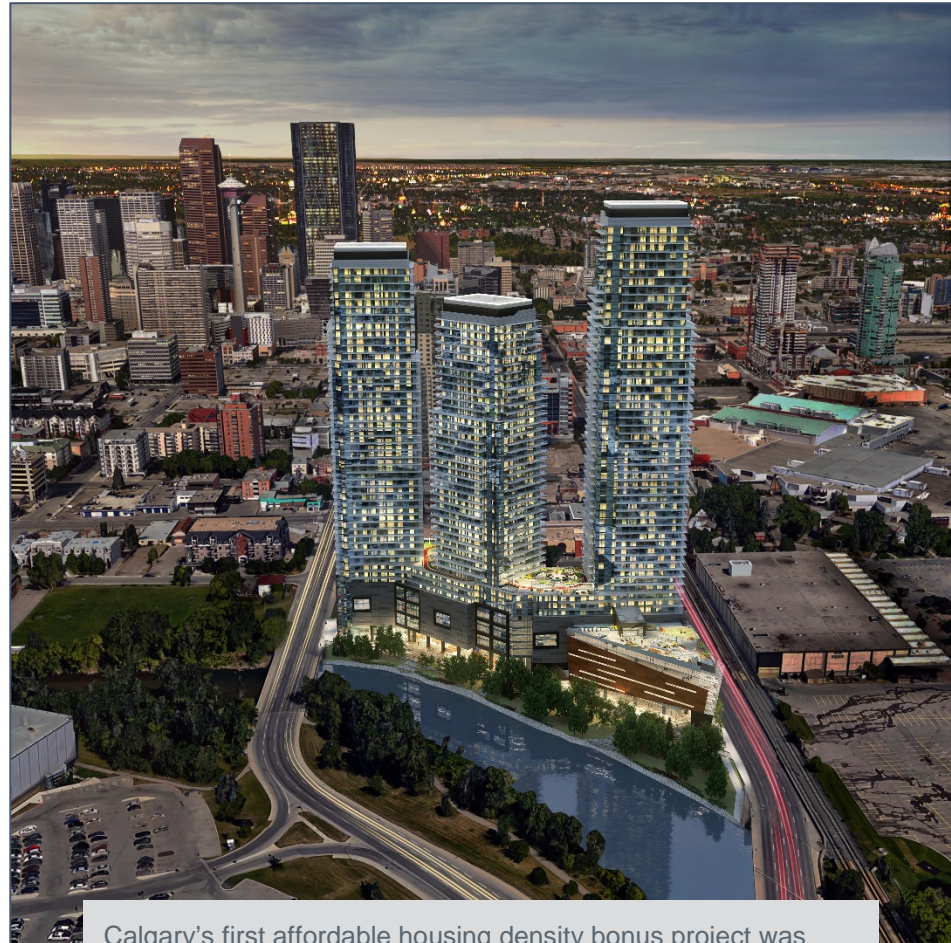
1. Get the Calgary Community Building

2018 TARGETS:

- All qualifying affordable housing projects move to development permit and building permit approval within 6 months, 80% of the time by 2018.
- 1,500 units supported by City programs by 2018.

TARGETS EXCEEDED:

- All development approvals have met customized timelines for all affordable housing projects, in some cases as quick as 6 months.
- Since 2016 June, The City has committed funding to support the delivery of approximately 2,313 affordable housing units, contributing to the sector's target of delivering 15,000 new units.



Calgary's first affordable housing density bonus project was approved in 2019 April.

Through this private development, Cidex will deliver 22 units of affordable housing in the Beltline. By delivering these units, Cidex can increase density and maximize their return on investment.

INITIATIVE: A. Streamline the planning process for non-market housing development to create new homes		
Actions	Timing	Progress
<ul style="list-style-type: none"> • Provide increased customer service and support to affordable housing clients through a dedicated resource, active from the predevelopment stage, in order to facilitate a shorter and easier planning approval process. • Build on existing information gathered through the Community Housing Affordability Collective to understand the long-term community plans and needs to position Corporate support and develop a community pipeline. • Assign priority status for non-market affordable housing development in the planning approval process. 	Short-term	<ul style="list-style-type: none"> • The Customer Coordinator, Affordable Housing role in Calgary Approvals Coordination was created in 2016 September. This role ensures prioritized service is provided to non-market housing applications. Since creation of the role: <ul style="list-style-type: none"> ➢ Priority status has been assigned to all affordable housing development applications. All projects have been processed within the customized timeline established for each affordable housing project, in some cases as quick as six months. ➢ 27 new development permit applications have been submitted to support an estimated 932 new non-market units. • The City continues to receive significantly positive feedback from non-profits regarding the improved, streamlined process. A customer satisfaction survey was administered in 2018 December and reported a 91% satisfaction rate.
<ul style="list-style-type: none"> • Implement \$6.9 million Housing Incentive Program (HIP) to reimburse the following fees for non-profit affordable housing development: <ul style="list-style-type: none"> ➢ Pre-application fees ➢ Land use re-designation fees ➢ Development site servicing plan fees ➢ Building permit fees ➢ Off-site levies ➢ Acreage assessments ➢ Re-development levies ➢ Demolition permit fees 	Short-term	<ul style="list-style-type: none"> • The Housing Incentive Program (HIP) was implemented in 2016 June, with an initial budget of \$6.9M. This budget was fully allocated by fall 2017, supporting approximately 2,000 units across 13 projects and 11 organizations. • HIP has become integrated into the affordable housing development process. The City coordinates the provision of HIP with planning support and land disposition, which helps to leverage funding from other levels of government.
<ul style="list-style-type: none"> • Evaluate the existing Housing Incentive Program (HIP), and based on findings, create a program and work with Calgary 	Medium-term	<ul style="list-style-type: none"> • Through the Affordable Housing 2019-2022 Service Plan and Budget, The City committed \$1.5M of annual base operating funding to continue delivery of the Housing Incentive Program.

Building Services, Calgary Growth Strategies, Council and other City stakeholders to identify a dedicated funding source to permanently offset fees and levies for non-market housing development.		<ul style="list-style-type: none"> As of Q2 2019, the Housing Incentive Program has approved 19 pre-development grant applications and 44 City fee rebate applications to support an anticipated total of 2,313 units of affordable housing, at an average incentive of \$3,585/unit. In addition to the originally approved \$6.9M budget, the full 2019 budget of \$1.5M has also been committed. There is a wait list with a request to support an additional 40 units. In 2018 December, a survey was conducted of all HIP applicants and other non-market housing providers. The survey revealed that the program received positive reception and members of the non-market housing sector are eager to see the program continued.
<ul style="list-style-type: none"> Participate in the next engagement process regarding development levies to ensure affordable housing impacts are considered and mitigation strategies are developed. 	Long-term	<ul style="list-style-type: none"> No update at this time. This action is currently in Calgary Housing's work plan.
INITIATIVE: B. Increase private sector involvement in affordable housing		
Actions	Timing	Progress
<ul style="list-style-type: none"> Investigate voluntary channels for private developers to develop, manage, or contribute to affordable housing. For example, this could include: <ul style="list-style-type: none"> ➤ Examining opportunities to market supporting vulnerable citizens through a mixed-income model to attract tenants and/or home buyers (i.e. using a TOMS model); ➤ Incorporating affordable housing as a condition of land transactions (for example, Sunnyside development or Parkdale site); ➤ Exploring options to incentivize development to increase financial feasibility; or, 	Short-term	<ul style="list-style-type: none"> The City is partnering with private sector developers to provide affordable housing in exchange for an increase in density (i.e. density bonusing). In 2019 April, the first of these initiatives was approved by the Calgary Planning Commission for a project in the Beltline, which will deliver 22 units of affordable housing. The City expects to have the Sunnyside and Bridges developments in progress by 2020. Both developments meet the actions in this initiative through incorporating affordable housing as a condition of land transactions and involving the private sector.

➤ Discussing opportunities for contributions to operations.		
<ul style="list-style-type: none"> Investigate and implement regulatory changes to enable lower-cost building forms, such as granny pods, laneway housing, ground-oriented multi-plexes, or secondary suites, that increase options for homes to households earning 65% of the median income and overspending on shelter. 	Medium-term	<ul style="list-style-type: none"> In 2018 March, Council adopted the Secondary Suite Process Reform which is a comprehensive program aimed at reducing barriers to developing a secondary suite. This program includes land use bylaw amendments, fee waivers and customer focused on-site inspections and applications, and is enabling opportunity for the development of secondary suites in residential areas across Calgary.
<ul style="list-style-type: none"> Investigate opportunities to increase percentage of households served by housing delivered in the market, with the objective of meeting the national average of 80%. This will include the identification of new housing types, designs, and forms to meet the needs of a greater spectrum of the population. 	Long-term	<ul style="list-style-type: none"> This long-term action is currently in Calgary Housing's work plan to be addressed by 2022.
INITIATIVE: C. Explore operating cost reductions for affordable housing		
Actions	Timing	Progress
<ul style="list-style-type: none"> Work with the Province to offer property tax exemptions for affordable non-market housing. Review exemption criteria to create level playing field for non-market housing providers in Calgary. 	Medium-term	<ul style="list-style-type: none"> The City continues to participate in the Government of Alberta's engagement process for Community Organizations Property Tax Exemption Regulation (COPTER), under the MGA. In the interim, Council has approved cancellation of the municipal portions of property tax for buildings operated by Silvera for Seniors and Calgary Housing Company. The City continues to advocate for cities to be able to grant exemptions for affordable housing through the Municipal Government Act.



2. Leverage City Land

2018 TARGETS:

- 5 parcels per year of City land disposed at below-market value for non-market housing projects in 2017 and 2018.

TARGETS MET:

- 10 parcels of City land disposed at below-market value for non-market housing projects by Q4 2018.



(L to R) Susan Sanderson, The City of Calgary; MP Kent Hehr; David Bissett, private donor; Bernadette Majdell, HomeSpace; Diana Krescy, Calgary Homeless Foundation; Elder Casey Eagle Speaker.

Through the 2017-2018 Non-Market Housing Land Disposition Program, The City invested \$3.8M in land value for an affordable housing project being developed by HomeSpace.

The City's investment helped the project leverage an additional \$17M in outside funding – an almost 450% return on The City's dollars. This project will provide 74 subsidized homes in the Beltline, housing some of Calgary's most vulnerable populations.

INITIATIVE: A. Support non-profit housing providers to build assets and increase operational capacity		
Actions	Timing	Progress
<ul style="list-style-type: none"> Provide increased customer service and support to non-market housing providers through a dedicated resource. Working with the resource that supports the planning process, this resource should understand the community pipeline, including land needs and development project requirements, and seek suitable options utilizing a GIS tool. 	Short-term	<ul style="list-style-type: none"> In 2017 March, The City created a new staff position focused on identifying suitable parcels of surplus City-owned land that might be offered in future land sales, as well as development of housing agreements recorded on title, and strategies to reduce barriers in transacting with non-market housing providers.
<ul style="list-style-type: none"> Dispose of land at below-market value to non-profit organizations with strong track records as affordable housing providers. Sell leased City-owned land at below market value to tenant non-profit organizations that operate affordable housing where feasible. 	Short-term	<ul style="list-style-type: none"> In 2017 April, Council approval was granted to sell six parcels of City-owned land to three non-profit affordable housing providers through the 2017-2018 Non-Market Housing Land Disposition Program. HomeSpace, Habitat for Humanity and Homes for Heroes were chosen after meeting the requirements of an RFP process. Using the new authority in the City Charter, The City worked with these housing providers to design and execute the housing agreements required to finalize and close these sales. These housing agreements will be recorded on title and have been designed to protect The City's investment in affordable housing for up to 40 years. They will serve as a template for future sales. To date, five of the six transactions have been closed. The final transaction will close on 2019 July 8. All purchasers have completed the development permit process and are expected to begin construction in summer 2019. For the 2017-2018 program, The City invested \$6.4M in land value. This investment: <ul style="list-style-type: none"> Leveraged more than \$30M in additional funding (including \$8M in private philanthropic funding)—resulting in an almost 460% return on The City's dollars; Created an additional 160 units of non-market housing committed to The City for up to 40 years, more than doubling the capacity of The City to provide non-market units; and

		<ul style="list-style-type: none"> ➤ Will produce approximately 370 direct and indirect jobs. • The next set of land parcels is being reviewed by Administration for approval to be released for the 2019-2020 Non-Market Housing Land Disposition Program.
<ul style="list-style-type: none"> • Determine longer-term land capacity based on results of the Corporate Land Management initiative. 	Medium-term	<ul style="list-style-type: none"> • The City's Non-Market Housing Land Disposition Policy will be integrated into the Corporate Land Management initiative.
INITIATIVE: B. Utilize City land to reward innovation and creativity and generate excitement for affordable housing		
Actions	Timing	Progress
<ul style="list-style-type: none"> • Organize an annual competition to provide City-owned surplus land at below-market value for an affordable housing project that applies innovative models in design or operations, or provides targeted supports to underserved populations. 	Short-term	<ul style="list-style-type: none"> • The City is preparing criteria for a competition to reward innovation in design for a future City-owned affordable housing development. The competition is anticipated to be launched in late 2020.
INITIATIVE: C. Adopt a proactive land strategy for affordable housing across Calgary		
Actions	Timing	Progress
<ul style="list-style-type: none"> • Create the affordable housing component for a Corporate Real Estate Strategy: <ul style="list-style-type: none"> ➤ Create clear, consistent criteria and process for disposing of land at below-market value to affordable housing providers. ➤ Develop a prioritized inventory of sites suitable for affordable housing, including City-owned surplus land. ➤ Work with large City infrastructure projects (for example, Transit Oriented Development and Integrated Civic Facilities) on opportunities for strategic acquisition of land for affordable housing. 	Short-term	<ul style="list-style-type: none"> • In 2018 June, Administration undertook a survey of non-profit housing providers to understand the demand for land and capital development plans of non-profit housing providers. Of the 72 future projects identified in the community pipeline, land has not been acquired or identified for over half of these projects. This survey is expected to be completed at least once every business cycle to help inform the need for land for non-market housing projects. • In 2019 May, Council approved the Non-Market Housing Land Disposition Policy. Developed through cross-corporate collaboration between Calgary Housing and Real Estate and Development Services, the policy guides and supports the Non-Market Housing Land Disposition Program, which disposes City-owned land at below-market value to non-profit affordable housing providers. The program is proposed to replace the former ad-hoc process of one-off sales with a predictable offering of

<ul style="list-style-type: none"> ➤ Investigate potential for locating affordable housing on surplus school sites, including consideration of project suitability and acceptance, for example, the opportunity to develop single-family residences to accommodate large families through five or six bedrooms. ➤ Investigate potential to utilize City-land with long-term development plans for interim use through temporary housing development. • Formalize principles to remove barriers when transacting with non-profits on land sales. 		<p>land every two years, providing measurable results and accelerating the number of non-market units which can be developed in Calgary.</p>
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3. Design and Build New City Units

2018 TARGETS:

- 160 new units delivered to Calgary Housing Company by 2018.
- 110 units in development by 2018.

TARGETS MET:

- The City delivered 120 new homes to Calgary Housing Company by end of 2018.
- Approximately 250 additional homes are currently in the planning/design/development phase.



In Q3 2018, The City delivered 48 new affordable housing units in Wildwood.

Completed on-budget, this is the fourth new development delivered by The City since 2016.

This property provides rental homes to individuals and families living on low and moderate incomes.

INITIATIVE: A. Develop units in The City's pipeline		
Actions	Timing	Progress
<ul style="list-style-type: none"> Build, partner, or acquire City units, leveraging federal and provincial funding: <ul style="list-style-type: none"> Stacked townhomes: <ul style="list-style-type: none"> Crescent Heights (16 units, summer 2016) Kingsland (32 units, fall 2016) Bridgeland (24 units, summer 2017) Wildwood (48 units, fall 2018) Pocket development/shipping containers: <ul style="list-style-type: none"> Rosedale (16 units, by 2018) Private sector partnerships: <ul style="list-style-type: none"> Bridges (26 units, by 2018) Mixed-use development: <ul style="list-style-type: none"> Sunnyside (in development by 2018) Pilots: <ul style="list-style-type: none"> Integrated Civic Facilities (in development by 2018) Heritage building (in development by 2018) Temporary housing (in development by 2018) 	Short-term	<p>Projects completed: 120 units</p> <ul style="list-style-type: none"> Crescent Heights (16 units, Q2 2017) Kingsland (32 units, Q3 2017) Bridgeland (24 units, Q3 2017) Wildwood (48 units, Q3 2018) <p>Under construction: 16 units</p> <ul style="list-style-type: none"> Rosedale (16 units, ground-breaking Q2 2020) <ul style="list-style-type: none"> 8 development permits approved in Q1 2019 <p>Projects in feasibility/planning stages: 230 units</p> <ul style="list-style-type: none"> Bridlewood (62 units, ground-breaking Q4 2019) <ul style="list-style-type: none"> Land use and development permit application submitted in Q4 2018 Mount Pleasant (16 units, ground-breaking Q4 2019) <ul style="list-style-type: none"> Land use redesignation approved in Q2 2019 Bridges (26 units, 2021) Sunnyside (30 units in development by 2021) Varsity Multi-Service Facility (48 units, ground-breaking 2020) <ul style="list-style-type: none"> Partnership with Calgary Fire Department is currently in design/development phase Symons Valley Multi-Service Facility (48 units in development by 2020) <ul style="list-style-type: none"> Partnership with Calgary Public Library and City of Calgary Arts and Culture

INITIATIVE: B. Adopt a ten-year plan for City-led development and redevelopment projects

Actions	Timing	Progress
<ul style="list-style-type: none"> • Create a long-term pipeline of prioritized projects, including new development and redevelopment of existing City owned properties based on feasibility and existing portfolio of built forms. Base plan on understanding of federal and provincial funding commitments, as well as principles of increasing cost certainty and incorporating lessons learned. This ten-year plan will be incorporated into the capital budget plans for the 2019-2022 Action Plan. • Incorporate a variety of built forms, such as: <ul style="list-style-type: none"> ➢ Pocket developments; ➢ Townhouses; ➢ Mixed-use buildings; ➢ Designs for culturally diverse tenant needs; ➢ Public space for community programming; and, ➢ Business space for resident entrepreneurs. ➢ Consider design partnerships with post-secondary institutions. • Consider opportunities for acquisition of units. • Plan integration of affordable housing units into new and existing City facilities. • Plan for longer-term integration of affordable housing along the Green Line and other Transit Oriented Development. 	Short-term	<ul style="list-style-type: none"> • In 2018 May, the Affordable Housing Capital Development Program (2016-2026) was adopted in principle by the Priorities and Finance Committee. The program: <ul style="list-style-type: none"> ➢ Will exhaust existing funding of \$45.5M from <i>Program 489 – Increase Affordable Housing</i>. ➢ Identifies need for additional funding to both maintain and increase the supply of affordable housing through: <ul style="list-style-type: none"> ○ Lifecycle maintenance ○ Redevelopment of existing units ○ New builds • In 2018 November, through One Calgary 2019-2022 Service Plans and Budgets, a capital budget of \$150.1M was approved to support the Affordable Housing Capital Development Program. The City will fund \$69.3M of this budget and the remaining funds are to be leveraged by the provincial and federal government. If fully funded, the program will deliver approximately 1,000 new units and The City's current stock of 2,175 units will be maintained/renewed. • The City has submitted a preliminary application into the National Housing Co-Investment fund under the New Construction stream for the delivery of new City-owned units.



4. Regenerate City-owned Properties

2018 TARGETS:

- Redevelopment initiated for 3 existing sites by 2018.
- 2 City-owned buildings with lifecycle improvements by 2018.

TARGETS MET:

- 2 redevelopments in feasibility.
- By end of 2018, over 200 City-owned units underwent critical maintenance repairs, and building condition assessments were completed for 47 City-owned properties.



BEFORE



AFTER

These photos represent typical critical maintenance repairs completed for City-owned units managed by Calgary Housing Company over 2017-2018.

INITIATIVE: A. Implement a portfolio-wide strategy for financial sustainability		
Actions	Timing	Progress
<ul style="list-style-type: none"> Analyze financial, operating, and asset management data for all units managed by Calgary Housing Company to anticipate long term capital and funding needs, guide strategic investment and redevelopment decisions, and improve overall quality of the housing stock. <ul style="list-style-type: none"> ➤ Position affordable housing for financial independence by implementing strategies for increased income generation, such as commercial leasing and/or changes to unit and tenant mixes. ➤ Identify and implement strategies to reduce operating expenses and achieve economies of scale, for example, the potential to reduce utility costs of City-owned properties through water audits and related conservation education programs or rebates. ➤ Develop methodology for asset management of City and CHC owned units. ➤ Investigate potential to consolidate portfolios managed by CHC including asset transfer to CHC. ➤ Investigate potential to finance redevelopment through leveraging of existing assets. 	Short-term	<ul style="list-style-type: none"> The City, in partnership with Calgary Housing Company, has begun working on a comprehensive asset management program. The program identifies the roles and responsibilities for the assessment of asset condition, prioritization of required capital investments, establishment of building condition assessments across all City-owned housing assets, and execution of approved capital projects. High level analysis has begun on all City-owned units managed by Calgary Housing Company to help support strategic investment and redevelopment decisions. This assessment builds on data and analytics collected through the sustainability project and is operationalized through an assessment tool. It includes an investigation of potential to finance redevelopment through leveraging of existing tools. For City-owned social units, The City is in discussions with the Government of Alberta regarding capital funding for forecasted lifecycle maintenance over the next 10 years. The City is exploring a potential application into the National Housing Co-Investment Fund under the Repair and Renewal stream for City-owned units operated by Calgary Housing Company.
<ul style="list-style-type: none"> Complete audit requirements for City-owned assets: 	Medium-term	<ul style="list-style-type: none"> In response to a 2016 City audit, Calgary Housing Company and The City worked collaboratively to implement an asset management plan for City-owned properties managed by Calgary Housing Company. The plan

<ul style="list-style-type: none"> ➤ Complete building condition assessments on all City-owned affordable housing assets by 2018. ➤ Complete capital plan to address deferred capital maintenance of City-owned social housing units by 2019. ➤ Complete capital maintenance and reserve review by 2019. 		<p>included the completion of building condition assessments (BCAs) for all City-owned affordable housing by 2018. This target has been met with BCAs completed for 24 City-owned social housing buildings and 23 City-partnership housing buildings.</p> <ul style="list-style-type: none"> • Over 2019-2020, Calgary Housing is completing BCAs for 53 provincially-owned social housing buildings on City-owned land. • A capital plan is in progress to address deferred capital maintenance of City-owned social housing buildings.
INITIATIVE: B. Pilot regeneration of City-owned social housing properties		
Actions	Timing	Progress
<ul style="list-style-type: none"> • Create a long-term pipeline of prioritized projects, including new development and redevelopment of existing properties based on feasibility. • Provide development services to deliver regeneration projects initiated by Calgary Housing Company to leverage federal and provincial funding. • Dispose of properties that no longer satisfy location, design, or lifecycle requirements for successful tenant outcomes and reinvest the revenue into affordable housing programs to deliver the strategy. • Improve energy efficiency for City-owned properties, leveraging provincial and federal dollars. 	<p>Medium-term</p>	<ul style="list-style-type: none"> • Administration is supporting a sustainability project that uses criteria to identify sites for redevelopment or regeneration. The project is operational and full assessments on City-owned properties to determine future best use are underway. • In 2017 April, PFC approved funding to provide critical lifecycle improvements and building condition assessments for City-owned properties. By Q4 2018, this funding was fully spent, supporting critical maintenance repairs for over 200 units and building condition assessments for 47 buildings. The building condition assessments indicated that over 60% of The City's properties would require additional funding for critical investments to reach a fair condition FCI (Facility Condition Index) rating. • Through One Calgary 2019-2022 Service Plans and Budgets, The City committed \$25.1M for lifecycle maintenance on City-owned units. For 2019, \$5.7M is budgeted to support 20 buildings that house 980 units. • The City and Calgary Housing Company are continuing to work together to conduct a pre-feasibility study for two existing housing sites. The work has produced a situational analysis, market analysis, housing needs assessment, financial analysis, initial architectural master plan for both sites, and communications and engagement plans.



5. Strengthen Intergovernmental Partnerships

2018 TARGETS:

- Participate in 3 significant intergovernmental projects by 2018.

TARGETS MET:

- The City is partnering with all levels of government on multiple intergovernmental projects to implement affordable housing strategies.



(L to R) Councillor Evan Woolley; Mayor Naheed Nenshi; Minister of Seniors and Housing Lori Sigurdson; MLA Deborah Drever; Director of Calgary Housing and President of Calgary Housing Company Sarah Woodgate. Photo: Government of Alberta

Provincial and municipal representatives attend the grand opening of The City's Wildwood affordable housing development. This project was delivered in partnership with the Government of Alberta.

INITIATIVE: A. Proactively participate and engage other orders of government in affordable housing needs for Calgary		
Actions	Timing	Progress
<ul style="list-style-type: none"> Continue recommending legislative changes to enable new City tools for affordable housing that may be available based on MGA and City Charter discussions. Collaborate to develop solutions for the expiry of federal and provincial operating agreements for social housing with a goal to maintain 6700 housing options for highest need households. Develop relationships with Indigenous leaders and look for opportunities for support or collaboration. Create a proactive intergovernmental relations strategy to clarify City priorities and advocate to other governments around upcoming initiatives: <ul style="list-style-type: none"> ➤ Participate in development of a National Housing Strategy. ➤ Participate in development of a Provincial Affordable Housing Strategy. ➤ Offer feedback to the province on its review of regulations under the Alberta Housing Act. ➤ Advocate for Calgary's share of affordable housing funding from federal and provincial budgets. Provide leadership on provincial and federal initiatives targeted toward progressive housing solutions. Continue to advocate for stable, predictable long-term funding for affordable housing. 	Short-term	<ul style="list-style-type: none"> Since Q4 2018, City representatives have been engaged in discussions with the Government of Alberta to renegotiate existing operating agreements for provincially-funded social housing, including for properties owned by The City. The discussions have been productive and are on track to complete and present for approval, a new, renegotiated agreement by Q1 2020. Administration continues to participate in the Provincial Government and Big City Housing Collaboration Table, which includes Canada Mortgage and Housing Corporation, The City of Edmonton, as well as provincial leadership across multiple ministries: Seniors and Housing, Community and Social Services and Health. The City completed recommendations regarding changes to enable new City tools in the Municipal Government Act and City Charter. The City continued to provide input into the Government of Alberta's review of regulations under the MGA on property tax exemptions, as well as to the introduction of new inclusionary housing authority under the City Charter. Since the release of the provincial and federal housing strategies, The City has continued to provide input to initiatives developed under these strategies while also proactively seeking opportunities for intergovernmental partnerships. The City: <ul style="list-style-type: none"> ➤ Provided input into the development of initiatives under the Provincial Affordable Housing Strategy, including a proposed Provincial program to support tenants of affordable housing. ➤ Provided input into the development of initiatives under the National Housing Strategy, including the proposed introduction of a human rights-based approach to housing and the Canada Housing Benefit proposed to be administered through the Government of Alberta. ➤ Made a submission to CMHC for Co-investment funding being offered through the National Housing Strategy for the Affordable Housing Capital Development Program, The City's 10-year capital development pipeline.

<ul style="list-style-type: none"> Integrate conversations about housing into broader policy discussions around combating poverty, empowering marginalized populations, and expanding access to opportunity. 		<ul style="list-style-type: none"> ➤ Is working across orders of government to seek efficiencies to streamline funding and development applications for project proponents by stacking applications and expertise for incentives, land, seed funding, and capital funding. The City collaborated with the Government of Alberta and Silvera for Seniors to develop and implement a sustainable funding and governance model for the seniors' lodge program in Calgary through a new and modernized Ministerial Order for Silvera. Through the "YYC Matters" campaign, The City surveyed political parties and highlighted affordable housing as a key issue that mattered to Calgarians in the 2019 Provincial election.
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INITIATIVE: B. Utilize new municipal tools enabled by changes to the MGA and City Charter

Actions	Timing	Progress
<ul style="list-style-type: none"> Create and implement a plan to utilize potential new City tools as appropriate to advance affordable housing objectives. 	Medium-term	<ul style="list-style-type: none"> The City received two new authorities in 2017 under the City Charter process: housing agreements to follow title and loans for affordable housing. In 2019, The City executed its first housing agreements as part of the Non-Market Housing Land Disposition Program. These agreements will guarantee the affordability of units created under this program for up to 40 years. Through The City of Calgary Charter, 2018 Regulation, the Government of Alberta granted The City the authority to establish an inclusionary housing program. The City has long advocated for this tool to be included in the charter regulation to ensure a made-in-Calgary approach. Preliminary planning and scoping is currently underway, co-led by Calgary Housing and Calgary Growth Strategies, to inform how and whether The City might utilize this tool in future years.



6. Improve the Housing System

2018 TARGETS:

- 5 programs to improve outcomes for tenants delivered by 2018.

TARGETS EXCEEDED:

- To improve tenant outcomes, the Foundations for Home Community Development Program provided a wide variety of program activities that reached more than 1,000 individuals by end of 2018.



The Community Mobile Food Market is one of a variety of projects supported by The City's Foundations for Home Community Development Program.

This community-driven initiative helps address food security issues for affordable housing residents living in underserved neighbourhoods in Calgary.

INITIATIVE: A. Expand City programs that support affordable housing residents toward greater self-sufficiency and community well-being

Actions	Timing	Progress
<ul style="list-style-type: none"> Expand City and CHC cross-departmental partnerships to deliver programs and services to support individual well-being of affordable housing residents, for example: <ul style="list-style-type: none"> Facilitate safety and emergency training programs for fire and emergency preparedness with tenants living in Calgary Housing Company. Strengthen child and youth crime prevention programs between Calgary Neighbourhoods, Calgary Police Services with Calgary Housing and Calgary Housing Company. Provide integrated design, services and programs that recognize the language and cultural preferences of affordable housing residents. Work with indigenous community leaders on support required for indigenous housing in Calgary. 	<p>Medium-term</p>	<ul style="list-style-type: none"> In 2016 November, City Council approved one-time funding (2017-2018) for The City to establish a program to support individual well-being of affordable housing residents. In response, Administration developed and implemented the Foundations for Home Community Development Program (Home Program) in 2017 June. The program is comprised of four modules, all aimed to improve the housing system: <ul style="list-style-type: none"> Two modules aimed at increasing self-sufficiency by improving housing stability and financial competency. Two modules aimed at improving community well-being by increasing access to community well-being services and to resident-led community development activities. United Way independently evaluated the Home Program and produced a final report in 2019 April. Through the evaluation, residents and housing providers indicated positive impact of the program – for example, residents improved individual skills and organizations were able to innovate to increase quality of life for residents. From 2017 June to 2018 December, the Home Program reached more than 1,000 individuals, partnered with 33 organizations and programs, and empowered resident volunteers to lead programming for over 3,000 hours. As part of the evaluation process, 97% of participants surveyed indicated they were satisfied with Home Program activities. To continue work with a community development approach, in 2019 April, the Home Program launched a grant stream to support the affordable housing sector in the delivery of programs aimed to improve outcomes for residents. Through the One Calgary 2019-2022 Service Plans and Budgets process, an Indigenous Affordable Housing Coordinator position was approved to start in 2020. To better understand the affordable housing needs of urban Indigenous Calgarians, an engagement framework is planned for implementation over 2019-2020. Through the Aboriginal Standing Committee on Housing and Homelessness, Calgary Housing is supporting a research study funded

		by Canada Mortgage and Housing Corporation to explore how cultural perspectives can inform Indigenous housing design across the housing continuum in the domains of accessibility, safety, community, identity and belonging, culture and affordability.
INITIATIVE: B. Participate in the Community Housing Affordability Collective to create systemic changes in affordable housing delivery		
Actions	Timing	Progress
<ul style="list-style-type: none"> Investigate feasibility of a coordinated intake process to be implemented across all non-market housing providers. Complete an update to the Non-Market Housing Survey to provide a baseline of non-market housing inventory. Facilitate the collaboration of community stakeholders through the Community Housing Affordability Collective Steering Committee. Participate in other CHAC initiatives that contribute to system change, such as research to encourage appropriate movement of residents through the housing spectrum and a real estate strategy for non-profit providers. 	Short-term	<ul style="list-style-type: none"> The City presented to Council in 2019 March on the recommended design of a coordinated intake process for non-market housing in Calgary. The City is leading the project, called One Window, as a member of the Community Housing Affordability Collective (CHAC). The recommendations were developed through a collaborative process by the One Window Steering Committee, the One Window Indigenous Collaboration, and the One Window Client Advisory Panel. The project is ready for implementation contingent on approval of funding by the Government of Alberta. Calgary Housing completed and published an updated Housing Needs Assessment Report in 2018 November. This is the most overarching research report on affordable housing need by The City of Calgary. It is a synthesis of relevant secondary data on demographic and economic trends, poverty and housing need. For the first time, this Housing Needs Assessment also examines other aspects of overall affordability, such as transportation and food costs. The City continues to support the collaboration of community stakeholders through facilitation and program management for the CHAC Steering Committee. In 2018 November, The City and CHAC supported the University of Calgary in hosting “Unlocking Doors: Affordable Housing Public Forum”. This event brought together experts, practitioners, stakeholders and community members to discuss best practices in London, New York, Amsterdam and Cleveland to strengthen and inspire support for affordable housing in Calgary. The City is a member of the working group for the CHAC Building a Sustainable Sector series, which provides educational and networking

		<p>opportunities for the local affordable housing sector. The City has presented on several initiatives and research relevant to the sector. The City continues to participate in other CHAC initiatives, including strengthening the common voice around housing affordability in Calgary, as well as critical research initiatives regarding gaps and challenges in the housing system.</p>
INITIATIVE: C. Foster increased public support for affordable housing		
Actions	Timing	Progress
<ul style="list-style-type: none"> Implement a proactive communications program for affordable housing, including: <ul style="list-style-type: none"> ➤ Identify opportunities to celebrate affordable housing successes with stakeholders and communities. ➤ Generate good news stories related to affordable housing. ➤ Increase online presence, through website updates and social media. ➤ Disseminate research to dispel myths related to affordable housing. 	Short-term	<ul style="list-style-type: none"> A communications campaign promoting awareness of the need for affordable housing was launched in 2018 September. Focusing on dispelling myths about affordable housing residents through telling the stories of actual residents, the campaign incorporated cinema and online video advertising, print and outdoor advertising, organic and paid social media, and a robust update to the Calgary Housing website. The campaign garnered over 40 million impressions, over 6,700 visits to a dedicated web page, as well as increased visits to Calgary Housing's main web page. A campaign extension and evolution is planned for 2019/2020. Messaging for community engagement events evolved over 2018 and 2019 to incorporate information about the need for affordable housing and the residents whose lives have been improved by access to housing, as well as information about how new housing sites are selected. The City continued its use of a quarterly e-newsletter to partners and stakeholders in the affordable housing sector, promoting the progress the business unit has made in the core commitments outlined in the Strategy. The e-newsletter was initiated in 2018. The opening of The City's Wildwood development was celebrated publicly in 2019 February, with the Mayor, area Councillor, Alberta Minister for Seniors and Housing, and news media in attendance. The City attended and participated in media events and celebrations for partner organizations, including those benefiting from the 2017-2018 Non-Market Housing Land Disposition Program.

		<ul style="list-style-type: none"> The City unit took advantage of good news stories throughout the course of 2019, via media release, social media and newsletters. An updated version of the Housing Needs Assessment was released in 2019 February, supported by a media release and interviews. This public-facing document quantifies housing need and underpins efforts to dispel myths related to affordable housing in Calgary.
<ul style="list-style-type: none"> Include an affordable housing category in the Mayor's Urban Design Awards. Generate research to address community concerns related to affordable housing. Identify opportunities to incorporate public art projects in affordable housing developments. 	Medium-term	<ul style="list-style-type: none"> For the Mayor's Urban Design Awards 2019, Calgary Housing worked with City Wide Urban Design and the Mayor's Office to further emphasize affordable housing as a key criterion of the Innovative Housing award category by adding social outcomes and community well-being components.

Highlights of the Foundations for Home Community Development Program

The Home Program aims to increase self-sufficiency and community well-being of affordable housing residents.

From June 2017 - December 2018, the Home Program reached **more than 1,000 unique individuals** and **more than 8,000 touch points** with residents. It supported initiatives to improve quality of life in four areas:

Housing Stability



Investment: \$111,868

Financial Competency



Investment: \$166,045

Access to community wellness services



Investment: \$157,165

Resident-led community wellness activities



Investment: \$166,121

Core Activities

Increase delivery of the RentSmart program to educate tenants on their rights and responsibilities, communication skills and personal budgeting

Increase resident access to financial empowerment services and supports like financial coaching and asset building programs

Support community wellness initiatives in five pilot communities in collaboration with CN and CHC

Implement a community grant program to build opportunities for residents to lead community wellness activities

Results

- 33 RentSmart facilitators trained across 13 agencies
- 36 RentSmart sessions delivered
- 198 participants graduated from the RentSmart course (86% graduation rate)

- 337 unique participants across 4 partner organizations received financial coaching services
- 4 matched savings programs reached 24 unique participants

- 32 partnerships and programs were leveraged
- 17 new initiatives delivered in 5 communities
- Programs reached 220 unique participants

- 7 partner organizations supported
- 174 resident leaders initiated activities that touched over 800 affordable housing residents

Success Stories and Value Added

- 100% of RentSmart participants indicated the course was useful to them
- 77% of participants improved knowledge in one or more areas related to housing stability

"I will change the way I talk with Maintenance."

– RentSmart graduate on what they will do differently as a result of this course

- Matched savings participants increased savings from \$0 to an average of \$62/month
- 94% of those accessing new financial coaching services improved their financial well-being scale score

"I didn't think I could save \$50 a month and I did it!"

– Matched Savings Participant

- 2926 volunteer hours leveraged, translating to \$48,133 of in-kind contributions
- Activities included beautifying space, sharing culture and food, learning English, and youth programs

"In a low income situation, you can start feeling bad – but our community group is making things better."

– Participant Quote

- Buying fresh produce through the Community Mobile Food Market, residents saved approx. \$6 per transaction
- By earning Calgary Dollars, 84 users increased their disposable income by \$7,916.

"[The market] has brought people from the neighborhood together."

– Customer Quote

The Community Housing Affordability Collective (CHAC) is a network of 55+ organizations focused on improving housing affordability in Calgary through collaboration and advocacy. CHAC shares resources to advance its goals. Steering Committee and Working Groups members volunteer their time and expertise while additional financial and human resources are secured through grants and contributions from member organizations.

CHAC continues to be guided by an action plan focused on delivering three key outcomes:

Our Outcomes:	1. Integrated Approach to Housing	2. Stable and Diverse Housing Mix	3. Predictable, Sustainable Funding
<p>What We've Accomplished</p>	<p>Common Voice Established a common voice to engage with all orders of government and the general public. We have:</p> <ul style="list-style-type: none"> Developed key messages and met with provincial election candidates Engaged elected officials post-election Secured member support for One-Window funding with GoA Conducted a broad member survey to establish key areas of focus for future policy positions Identified policy approaches and alternatives Promoted Sustainable Sector events with general public and members Engaged members and public through website, newsletter and social media Advocacy re: Land Disposition Policy <p><i>Lead: Policy Working Group with BILD and Horizon Housing support.</i></p> <p>One Window The system to coordinate intake with 60 non-market housing providers was led by a Steering Committee, representing 80%+ of Calgary's non-market housing, along with a Client Panel and the One Window Indigenous Collaboration. It is ready for implementation subject to funding. <i>Lead: One Window Working Group with The City of Calgary support.</i></p>	<p>Building a Sustainable Sector Continued to build sector capacity through a series of workshops and education sessions:</p> <ul style="list-style-type: none"> Sustainable Sector Workshop Series Launch Event – September 2018 Telling Your Story: How to Market Your Affordable Housing Development – December 2019 Funding Solutions: Capital Options for Financing Your Development – January 2019 Planning for Capital Upgrades: Repair and Renew – February 2019 Planning Your Affordable Housing Development – March 2019 ATCO Modular Home Factory Tour – March 2019 Housing Needs Assessment and Non-Market Housing Reports: City of Calgary – April 2019 Fostering a Future Oriented Board – June 2019 Workshop series wrap-up – June 2019 <p><i>Lead: Sustainable Sector Working Group with CHF and Horizon Housing support.</i></p> <p>makeCalgary Research Partnered on research into the experience of affordable housing residents to better understand the housing system. <i>Lead: University of Calgary's makeCalgary Initiative.</i></p>	<p>Identified promising and innovative financial products through the Housing Partnership Canada Housing Investment Corporation (HPC HIC), NewMarket Funds, and CMHC (National Housing Strategy).</p> <p>Hosted a well-attended workshop to increase awareness of the various funding options with representatives from HPC HIC, New Market Funds and CMHC. <i>Lead: CHAC Steering Committee</i></p>

At CHAC, we believe there continues to be an immediate and unprecedented opportunity before us: strategies and funding at all levels of government reflect an unparalleled level of alignment.

The past year, CHAC has focused on being a strong voice for one of the pillars of our **Common Vision**: to advocate for action and investment in order to add more than **15,000 units of affordable rental housing**, just to reach the national average of 6% of housing stock.

To capture this opportunity and address the growing need, CHAC will build on its continued successes by:

Our Outcomes:	1. Integrated Approach to Housing	2. Stable and Diverse Housing Mix	3. Predictable, Sustainable Funding
What's Next in 2019	Common Voice and Common Vision <ul style="list-style-type: none"> Advance our proactive government and public relations strategy and implementation. In advance of federal election, develop key messages to inform candidate meetings. Continue to advance our common vision, including securing Calgary's fair share of funding under the National Housing Strategy. <i>Grant: Enough for All (E4A) Implementation Catalyst Fund through Vibrant Communities Calgary and the Burns Memorial Fund</i> One Window <ul style="list-style-type: none"> Continued advocacy and identification of funding opportunities with the Government of Alberta to secure funding for implementation. 	Building a Sustainable Sector <ul style="list-style-type: none"> Continue to build sector capacity through learning and networking events that address the identified needs. By utilizing the resources of the Working Group, we have been able to stretch our resources and will continue to provide workshops for another year (Sept 2019 to June 2020). <i>Grant: Alberta Real Estate Foundation (AREF)</i> makeCalgary Research <ul style="list-style-type: none"> Share findings of makeCalgary research and identify opportunities for policy and systems improvements. 	Building a Sustainable Sector <ul style="list-style-type: none"> Increase the affordable housing sector's ability to leverage the promising financial products identified through continued awareness, education, and partnerships.

Since its formation in 2016, CHAC's member base has grown to include more than 55 organizations and 120 individual members who represent the spectrum of market and non-market affordable housing providers, public agencies, social service providers and all levels of government.

Together, we will find solutions to increasing housing affordability in Calgary.

BRIEFING

**Chief Financial Officer's Briefing to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0828**

Status of Outstanding Motions and Directions

PURPOSE OF BRIEFING

Outstanding items for the Priorities and Finance Committee as of 2019 June 21.

SUPPORTING INFORMATION

On 2012 April 3, 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. No specific risks are associated with this report. Any risks associated with specific directions or motions will be dealt with in the context of the report on that direction or motion.

ATTACHMENT(S)

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

DATE DUE	ITEM	DATE OF REQUEST	SOURCE	SUBJECT
2018 Q4	PROPOSED CODE OF CONDUCT FOR ELECTED OFFICIALS BYLAW26M2018	2018 May 28	PFC2018-0554	That with respect to PFC2018-0554, the following Motion arising be adopted: That Council direct the Ethics Advisor to investigate how to enhance reporter protection, including but not limited Councillors staff and Report back to the Priorities and Finance Committee no later than Q4 2018.
2019 Q2	CORPORATE AFFORDABLE HOUSING STRATEGY Q2 2018 UPDATE	2018 June 05	PFC2018-0584	That with respect to Report PFC2018-0584, the following be approved, as amended: That the Priorities and Finance Committee recommend that Council: 1. Direct that Administration return to Council, through the Priorities and Finance Committee, with an update on this work, no later than Q2 2019; and 2. Invite the Community Housing Affordability Collective to provide an update on their work to the Priorities and Finance Committee no later than Q2 2019.
2019 Q2	ECONOMIC DEVELOPMENT INVESTMENT FUND GOVERNANCE AND TERMS OF REFERENCE	2018 March 06	PFC2018-0187	7. As part of the proposed reporting process for the Wholly Owned Subsidiary, direct Administration to work with the EDIF Wholly Owned Subsidiary to bring a report to the Priorities & Finance Committee that reviews the pilot EDIF governance structure no later than 2019 Q2.

2019 July & October	DOWNTOWN STRATEGY FOCUS	2019 April 01	C2019-0415	<p>That Council:</p> <ol style="list-style-type: none"> 2. Direct Administration to provide an update on the further development of a Downtown Strategy to the Priorities and Finance Committee in 2019 July and October; and 3. For the July Priorities and Finance Committee, Administration further refine the Downtown Strategy to include: <ul style="list-style-type: none"> • heritage, • safety, and • competitive research.
2019 July 02	UPDATE ON FOUNDATIONAL RESEARCH FOR NOTICE OF MOTION C2019-0073	2019 April 02	PFC2019-0302	<p>That the Priorities and Finance Committee recommend that Council:</p> <ol style="list-style-type: none"> 1. Direct Administration to examine the options presented in Table 2 of Attachment 6 in place of those specified in motion C2019-0073; and 2. Defer the report back to the Priorities & Finance Committee from 2019 Q2 to 2019 July 02.
2019 July 02	NOTICE OF MOTION C2019-0795	2019 June 17	C2019-0795	<p>That with respect to Councillor Farkas' proposed Motion C2019-0795, the following be adopted:</p> <p>Refer proposed Motion C2019-0795 to the 2019 July 02 Priorities and Finance Committee for discussion, debate, and direction, including but not limited to:</p> <ol style="list-style-type: none"> a) A financial analysis on the direct and indirect costs of undertaking the work requested; and

				b) Work already underway by City Clerks with regard to Council voting practices, transcripts, and publication to avoid duplication and redundancy in the spending of taxpayer dollars.
2019 September	RELATED PARTY DISCLOSURE REPORT	2018 December 04	PFC2018-1391	Direct Administration to review the existing Disclosure Policy for Members of Council (CC044) to include the disclosure requirement in 2019 and send any recommendations for amendment to Council through the Priorities and Finance Committee no later than the end of September 2019.
2019 September	ESTABLISHMENT OF A WORKING GROUP (VERBAL)	2019 April 03	BAC2019-0444	That the Business Advisory Committee: 2. Report back to the Priorities and Finance Committee no later than 2019 September 17 on its Workplan.
2019 September	NON-RESIDENTIAL ASSESSMENT SUB-CLASSES	2019 June 04	PFC2019-0559	That the Priorities and Finance Committee refer Report PFC2019-0559 to Administration to continue to solicit responses from the engagement group, determine the impact of the recently adopted legislation and return to the Priorities and Finance Committee in the next three months.
2019 September	MOTION ARISING	2019 June 10	C2019-0782	That with respect to Notice of Motion C2019-0782, the following <u>Motion Arising be referred to the 2019 September Meeting of the Priorities and Finance Committee</u> for discussion in the context of business support initiatives: "That Council direct Administration to allocate from Corporate Savings for business friendly initiatives, \$1.045 M to enable marketing, communications and supporting research and engagement, during Q3

				2019 to Q4 2021 and report back to Council through the Business Advisory Committee quarterly.”
2019 Q3	INDEPENDENT REVIEW OF NON- RESIDENTIAL ASSESSMENT AND APPEAL SYSTEM	2018 October 30	PFC2018-1222	That the Priorities and Finance Committee recommend that Council direct the City Manager to assign a lead to monitor and report back on the implementation of the consultant’s recommendations as well as their impact on the non-residential assessment and complaint system, no later than 2019 Q3.
2019 Q3	PROCEDURE BYLAW AMENDMENTS	2019 June 17	PFC2019-0591	That with respect to Report PFC2019-0591, the following be adopted: That Council: 3. Direct Administration to return to the Priorities and Finance Committee in Q3 with an accurate cost estimate and implementation timeline for a hardware solution for electronic voting, for approval.
2019 November	FINANCIAL TASK FORCE TERMS OF REFERENCE	2019 June 04	PFC2019-0707	That the Priorities and Finance Committee recommends Council: 1. Approve the Terms of Reference of the Financial Task Force, as amended , and Direct Administration to commence the setup of the Financial Task Force and report back no later than November 2019 with a status update.
2019 November	ATTAINABLE HOMES CALGARY	2019 May 27	C2019-0708	2. Direct Administration to work with AHC to review AHC long term business plan when it is available and bring a progress update report back to Council through the Priorities and

				Finance Committee no later than 2019 November 05.
2019 November	ESTABLISHMENT OF WORKING GROUP, WITH RESPECT TO REPORT C2019-0352 DOWNTOWN TAX SHIFT RESPONSE (RECOMMENDATION 10 ONLY) PFC2019-0451	2019 May 27	PFC2019-0451	<p>That with respect to Report PFC2019-0451, the following be adopted: In accordance with the Procedure Bylaw 35M2017, as amended, Appendix B, B.9. (a), (c), (e) and (l):</p> <ol style="list-style-type: none"> 1. Council direct Priorities and Finance Committee (PFC) to form a tax shift response working group by June 30, 2019, with a mandate to assess the best options for greater tax parity between assessment classes, based on an analysis of root problems that include but are not limited to disparity in proportional share of operating budget and absence of zero-based budgeting on an annual basis. 2. Council direct that PFC add an agenda item to its June 4, 2019 meeting that allows committee to: a) appoint a PFC member to lead the working group, b) determine which other members of Council will be part of the working group, c) determine which members of Administration will be part of the working group, and d) enable the lead of the working group to reach out to external stakeholder groups and bring back a list of names for the working group to finalize by June 30, 2019. 3. The tax shift response working group shall provide updates to PFC at each meeting until November 2019, at which time final recommendations will be presented to inform Council's budget deliberations so that an informed tax shift decision can be made as part of the budget process, providing certainty and predictability for property owners by November 29, 2019.

2019 October	RICHMOND GREEN GOLF COURSE CLOSURE	2019 June 17	C2019-0790	<p>That with respect to Councillor Sutherland and Councillor Colley-Urquhart's Motion C2019-0790, as amended, the following be adopted:</p> <p>NOW THEREFORE BE IT RESOLVED that Council:</p> <p>2. Direct Administration to return to Priorities and Finance Committee (PFC) in October 2019 with: a. An interim update on the Golf Course Sustainability Strategy; b. An interim update on the Golf Course Real Estate and Development Assessment; and c. Options for future use of the Richmond Green land, considering the utilities and road requirements, as well as the Currie Barracks Master Plan.</p>
2019 Q4	COMPASSIONATE PROPERTY TAX PENALTY RELIEF	2018 June 05	PFC2018-0325	<p>That the Priorities and Finance Committee recommends that Council:</p> <p>Direct Administration to report back through Priorities and Finance Committee on the results of the proposed program, including cost and number of participants, no later than 2019 Q4.</p>
2019 Q4	NEW COMMUNITY GROWTH STRATEGY	2018 February 22	PFC2018-0200	<p>4. Direct Administration to bring a monitoring report on the implementation of the New Community Growth Strategy to the Priorities and Finance Committee no later than Q4 2019.</p>

2020 Q1	SOCIAL PROCUREMENT UPDATE	2019 June 3	PFC2019-0384	<p>That the Priorities and Finance Committee recommends that Council:</p> <ol style="list-style-type: none"> 1. Approve the Social Procurement Advisory Task Force Terms of Reference, Scoping Report for the Pilot Projects and the Work Plan identified in Attachment 1; and 2. Direct Administration to return to the Priorities and Finance Committee with an update no later than Q1 2020.
2020 Q1	GOLF COURSE REAL ESTATE AND DEVELOPMENT FEASIBILITY ASSESSMENT	2019 May 27	CPS2019-0475	<p>That with respect to Report CPS2019-0475, the following be adopted, after amendment:</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. Adopt the recommendation to proceed with Stage 1 of the proposed plan for a Real Estate and Development Assessment, leveraging The City's internal expertise to conduct an initial assessment of all golf course properties and return to the Priorities and Finance Committee no later than Q1 2020 with a recommendation on which properties should be included in Stage 2 of the analysis. The plan for Stage 2 will include Administration's recommendation on which golf course lands require further analysis as well as recommendations on timeline, scheduling and costs for Stage 2.
2020 Q2	CIF APPLICATION: ON DEMAND TRANSIT	2018 November 06	PFC2018-1291	<p>That the Priorities and Finance Committee direct Administration to report back to PFC indicating how the money was spent and outcomes of the projects no later than Q2 2020.</p>

2020 Q2	RESILIENT CALGARY	2019 June 17	PFC2019-0617	That with respect to Report PFC2019-0617, the following be adopted: 2. Direct Administration to report back with an update to the Priorities and Finance Committee no later than Q2 2020.
2020 September	KENSINGTON MANOR – BUILDING SAFETY STATUS AND PLANS	2019 June 04	PFC2019-0739	That the Priorities and Finance Committee recommend that Council approve: 4. Directing Administration to report back to Council through the Priorities and Finance Committee, six months after demolition is complete, or if there is a material change on site but in any event, not later than September 2020.
2020 Q3	CIF APPLICATION: ONE CALGARY POLICY REVIEW	2018 November 06	PFC2018-1300	That the Priorities and Finance Committee direct Administration to report back to PFC indicating how the money was spent and outcomes of the projects no later than Q3 2020.

Select a department Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0664

Downtown Strategy and Focus Update

EXECUTIVE SUMMARY

Downtown is Calgary's community. It is a key economic driver and employment centre. The Downtown Strategy and Focus is a top priority for The City of Calgary. On 2019 April 01, Council endorsed the direction of the Downtown Strategy and directed Administration to report back to the Priorities and Finance Committee in 2019 July and October. This report and the presentation provides an update on the Downtown Strategy.

Downtown is core to our city's vibrancy and economic resilience. Downtown is the economic and cultural heart of Calgary. When the downtown thrives, so does the rest of the city. The City of Calgary (The City) and its partners Calgary Economic Development (CED) and the Calgary Municipal Land Corporation (CMLC) are collectively focused on working together to help ensure downtown's ongoing success now and into the future. The current economic situation is expected to take several years to recover, requiring intentional management of a longer-term view, with near-term actions. The Downtown Strategy team will focus, align, and elevate the awareness of a coordinated strategy that leverages the collective efforts of The City and its public and private sector partners to respond to the prolonged economic challenges, and capitalize on opportunities that will create jobs, drive economic recovery, and revitalize the downtown.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council direct Administration to continue implementing the Downtown Strategy, as identified through this report.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2019 April 01 Strategic Council Meeting, Council approved the following recommendations:

1. Endorse the direction as presented (C2019-0415-Downtown Strategy and Focus);
2. Direct Administration to provide an update on the further development of a Downtown Strategy to the Priorities and Finance Committee in 2019 July and October; and,
3. For the July Priorities and Finance Committee, Administration further refine the Downtown Strategy to include: heritage, safety, and competitive research.

On the 2017 June 19 Strategic Council Meeting, Council approved the recommendation to receive C2017-0344 Report Back on the Downtown Economic Summit for information.

On 2017 January 23, Moved by Councillor Farrell, Seconded by Councillor Woolley, Council approved Notice of Motion NM2017-01, "Downtown Calgary and Economic Uncertainty: A Coordinated Response," directed Administration to work with Calgary Economic Development to organize a Downtown Economic Summit to identify emerging trends and opportunities to ensure The City uses its capacity to best position resources for the future.

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Downtown Strategy and Focus Update

BACKGROUND

Geopolitical circumstances and global commodity prices have had a major impact on the energy industry and consequently on many businesses and citizens in Calgary. Calgary's downtown is an economic driver and employment centre, historically generating 40 per cent of non-residential tax revenue and 25 per cent of city-wide employment.

The decline in oil prices, which started in early 2014, contributed to a five year decline in the demand for downtown office space. Gradually stabilizing and modestly rising oil prices has helped Calgary pull out of recession. However, the fact is the oil and gas industry has structurally and fundamentally changed. The business needs of companies have changed due to changes in the economy, lowering demand for downtown office space and creating a high downtown office vacancy rate.

Special Report: Conference Board of Canada – Calgary's Downtown Office Market Outlook and Impact, 2017

In 2017, the Conference Board of Canada (CBOC) was commissioned by CED to conduct a medium-and long-term forecast of Calgary's downtown office market, including its assessed and total tax values, in an effort to help shape strategies and solutions to address challenges posed by the high office vacancy rate. The research indicates that a near-term recovery for the downtown office market is unlikely. The combination of high vacancy rates and imminent office building completions suggests that it will take about a decade for the available space to be absorbed. Over the medium- and long-term, Calgary's economy is expected to post moderate growth as oil prices continue their gradual ascent. Rising employment will help fill the available office space in the downtown core. The vacancy rate is projected to drop below 20 per cent after 2023 and into single digits after 2032. Property assessments on these buildings also declined, which has consequences for The City's other taxpayers, and City finances. From 2016 to 2018, CBOC forecasted that \$7.5 billion will have been wiped out from the assessed value of the downtown office market.

As of 2018, the decline in property values of downtown office buildings was approximately \$14 billion.

The Canadian Urban Institute: Value of Investing in Canadian Downtowns, October 2013

"The study collected data from 17 cities across Canada, to illustrate the importance of investing in downtowns. The study documented the major contribution downtowns are making to the economic health of their respective cities, now and into the future. The downtowns featured in the report often take up as little as one percent of city-wide land area, but attract 10 or 20 times that in terms of contributing to The City's assessment base and generating property tax revenues. All of the downtowns featured in the report are making major contributions to their city's bottom line and economic prosperity. In most cases, downtowns serve as the engine for local economies and also represent the image and character of a city to the rest of the world. Downtowns are unique in that they are typically the only neighborhood that belongs to and is shared by everyone in the region. In today's global economy with competition between municipalities for jobs and talent, it is critical that cities have a shared vision centered on a redevelopment plan for their downtown." (Sources: Canadian Urban Institute; and Andy Kisinger, AIA, AICP)

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Downtown Strategy and Focus Update

Strategic Council Meeting on 2019 April 01

In 2019 March, Council requested Administration to schedule the Downtown Strategy and Focus as a priority topic at the 2019 April 01 Strategic Council Meeting. The City, CED, and CMLC worked closely together to develop the Downtown Strategy and Focus presentation at the Strategic Council Meeting on 2019 April 01.

On 2019 April 01, Council endorsed the direction of the Downtown Strategy as presented by The City, CED, and CMLC. The four focus areas of the Downtown Strategy are: Place, Work, Live and Connect. The common and summary strategies are: support and incentivize private investments in businesses and buildings; invest in physical infrastructure that complements private investment; invest in and align programming that generates new visits and spending; attract new and expand existing businesses that fit the strategy; provide amenities and services to enhance the quality of life for people living downtown; and engage, communicate and market.

Calgary's downtown is a great place to live, work and play. Downtown is the hub for culture, arts, sports, entertainment, events and a big tourism driver attracting residents, visitors and business travelers. The opportunities to leverage on these strengths are even more heightened now.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Update: 2019 July

This report provides an update on the work underway since 2019 April 01, including following through on Council direction. The work can be organized into the following areas and will be summarized in detailed in the presentation to PFC.

1. Follow-Up Directed by Council on Specific Elements

a) Competitive Research

- The team looked at competitive research for best practices, ideas, and strategies used in other jurisdictions in North America including but not limited to: Austin, Denver, Detroit, Houston, Pittsburgh, Sacramento, and London, Ontario.
- The team reviewed the Municipal Benchmarking Network Canada data for relevant downtown metrics. The metrics are city-wide and not downtown specific.
- Cities such as Denver, Pittsburgh, Sacramento, and London, Ontario prepare annual reports on the State of the Downtown.
- Calgary's Downtown Strategy is aligned with best practices, strategies, ideas, and reporting utilized in other cities.

b) Safety

- Safety has been included in the Place focus area: Align safety resources for optimal benefit.
- In 2019 May to June, team members participated in downtown safety walking tours with the Calgary Police Service.
- CMLC works closely with the Calgary Police Service, The City, social agencies, businesses, and the community on public safety in East Village. Ideas and initiatives will be leveraged.

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- The Downtown Strategy team is working closely with Community Services on safety considerations. An implementation plan has been developed and actions are currently underway to enhance community safety in the area around the supervised consumption services at the Sheldon M. Chumir Health Centre. The plan, in alignment with the Community Action on Mental Health and Addiction framework, details actions being implemented by The City, other orders of governments, non-profit organizations and community partners. The coordination of the actions will help improve the vibrancy of downtown.
- The perception of downtown safety and cleanliness will be measured and reported on the downtown scorecard.

c) Heritage

- Heritage has been included in the Place focus area: Work with Calgary Heritage Authority and Calgary Growth Strategies on downtown heritage priorities.

2. Further Development of Calgary's Downtown Strategy

a) Vision, beacon statement, and tagline.

- *Vision: A great place to make a living, a great place to make a life.*
- *Beacon Statement: Downtown is core to our city's vibrancy and economic resilience.*
- *Tagline: Downtown is Calgary's community.*

b) Time frames for work planning

The current economic situation is anticipated to require an extensive recovery period. This highlights the need for a long-term approach, coupled with nearer term strategies and actions, regular reporting, and the flexibility to course-correct when needed. In planning its work program, the downtown strategy's work program is being established with the following time frames for its actions, strategies, metrics and reporting, and outcomes.

- Short-term (1-3 years)
- Medium-term (~5 years)
- Long-term (~15 years)

c) Plans for each of the four focus areas

Significant effort has been put into establishing guidance and a work program, for each of the four focus areas. For each focus area, and for consistency, a common approach and format has been used. This includes determining and aligning outcomes, strategies, metrics and actions for each four focus area. Provided below are the outcomes and strategies for each focus area. Each focus area's metrics and actions will be highlighted and covered in the presentation to PFC.

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FOCUS AREA: PLACE
Outcome Downtown is a central setting and built form that's desirable to current and future businesses, residents and visitors.
Strategies <ul style="list-style-type: none">• Support private investment.• Invest in physical Infrastructure.• Provide amenities/services.• Align safety resources for optimal benefit.• Work with Calgary Heritage Authority and Calgary Growth Strategies on downtown heritage priorities.
FOCUS AREA: WORK
Outcome Downtown office spaces are re-energized with diverse and innovative businesses and jobs supporting the community's strategy, Calgary in the New Economy.
Strategies <ul style="list-style-type: none">• Grow existing and attract new companies that support high-potential innovative ecosystem and clusters.• Retain, retrain and recruit top talent to support Calgary in the New Economy.
Focus AREA: LIVE
Outcome Downtown is an inclusive and vibrant neighbourhood; a destination for unique experiences for visitors and all Calgarians.
Strategies <ul style="list-style-type: none">• Provide programming and services to enhance visitor and resident experiences.• Identify and prioritize programming that increases visits locally and from afar.
Focus Area: CONNECT
Outcome Our downtown is where people, goods, information and ideas connect.
Strategies <ul style="list-style-type: none">• Strengthen the resilience of our mobility, utility and digital networks.• Foster a future focused ecosystem that embraces disruptors and innovation.

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- d) Marketing and Communications
- CED will continue marketing efforts to position Calgary as the location of choice for the purpose of attracting business investment, fostering trade and growing Calgary's workforce.
 - The communications strategy is aimed at promoting general awareness of the Downtown Strategy; providing updates on activities and progress, and leveraging partnerships.
 - The communications approach will leverage resources from community partners including but not limited to CED, CMLC, Tourism Calgary, and external organizations (i.e. Downtown Calgary Association and others) for storytelling and marketing.
 - The Downtown Strategy will have a digital presence on Calgary.ca to draw connections to the work being done and to highlight the value and impact for citizens, businesses and the community.
 - In addition to formal reporting through PFC, the team will also provide ongoing and informal updates to Members of Council through emails and newsletters.

3. Team, Partners and Stakeholders

Since 2019 April 01, The City, CED, and CMLC have intentionally focused, aligned and prioritized existing resources with the relevant skills and experience to serve on the Downtown Strategy team. The leadership for the Downtown Strategy has been confirmed, and a current list of team members is provided in Attachment 1.

Sub-teams are being formed within each focus and support area. The team plans to be nimble and flexible to advance strategies, actions, and leverage ideas and opportunities.

The team will also work with external stakeholders and partners to leverage the strength of the network to maximize opportunities for success. These include but are not limited to: Civic Partners, post-secondary institutions, Downtown Calgary Association, Business Improvement Areas, Calgary Chamber of Commerce, the Financial Taskforce, and others.

In the coming months, the Downtown Strategy team will work on the continued implementation of the strategies and actions identified in this report and presentation, and will report back to Council through PFC in 2019 October.

Stakeholder Engagement, Research and Communication

The City and CED conduct research about the needs and changing priorities of Calgarians, gauging perceptions on quality of life, and the economy. The Downtown Strategy Team will review topics for further research and analysis as needed. The City will be conducting the bi-annual Centre City Perception Survey in 2019 Q3-Q4. The results of the survey will be presented to PFC.

To optimize efficiency and effectiveness, the Downtown Strategy will leverage existing stakeholder groups, networks and structures that are already in place to support various strategies and initiatives. For example, numerous businesses and community stakeholders (i.e. Calgary Chamber of Commerce, and Business Improvement Areas) were engaged in the development and implementation of Calgary in the New Economy: An economic strategy for

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Calgary and the Resilient Calgary strategy. Ongoing communications and updates on the Downtown Strategy will be provided to demonstrate leadership, collaboration, progress, and impact.

Strategic Alignment

The Downtown Strategy closely aligns with the following strategies and initiatives: One Calgary 2019-2022; Calgary in the New Economy: An economic strategy for Calgary; the Resilient Calgary strategy; imagineCALGARY; the Municipal Development Plan; the Route Ahead Plan; the Centre City Plan; the Green Line project; the Cultural Plan for Calgary; Foundations for Home: Calgary's Corporate Affordable Housing strategy; Enough for All poverty reduction strategy; the Mental Health and Addictions strategy; the Opportunity Calgary Investment Fund; Business Friendly & Local Economy; and the Financial Taskforce.

The Downtown Strategy also aligns with related Civic Partner strategies including: Tourism Calgary's Destination Strategy; Calgary Arts Development Authority's strategy- Living a Creative Life; the work on establishing a Convention/Arts/Olympic Plaza District, and CMLC's work in the East Village and the Rivers District.

Social, Environmental, Economic (External)

The social, environment and economic impacts are considered and reflected in the four focus areas of the Downtown Strategy: Place, Work, Live, and Connect.

Financial Capacity

Current and Future Operating Budget:

There are no impacts to current or future operating budgets as a result of this report. The City CED, and CMLC provide support to the Downtown Strategy by focusing, aligning and prioritizing existing resources and budget. There is no new budget allocated to the Downtown Strategy. The team will leverage existing budgets where possible. It is prudent to note that plans and actions may be limited by financial and resource capacity, and that pending budget reduction decisions could have an impact on the downtown strategy.

Current and Future Capital Budget:

There are no impacts to current or future capital budgets as a result of this report. There is no net new budget allocated to the Downtown Strategy. The team will leverage existing budgets where possible. It is prudent to note that plans and actions may be limited by financial and resource capacity.

Risk Assessment

One of the primary risks identified for the Downtown Strategy is managing expectations. Recent forecasts suggest that Calgary's economic recovery will be slow and the unemployment and downtown office vacancy rate will remain high, which will continue to have impacts on citizens and businesses. There is a need to emphasize that the downtown office vacancy rate is expected to remain high for the next ten to fifteen years.

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It is also prudent to recognize that there are key variables and factors that are outside the control and influence of municipalities and Downtown Strategy team. These external factors include: federal and provincial direction, legislation, regulation and policy changes, and the global geo-political environment. Doing nothing also poses a risk to the future of downtown. It is important that The City and its partners take deliberate steps to reduce the impact of the economic downturn on the downtown, citizens and businesses to help ensure Calgary's ongoing success into the future. The team is focused on taking actions that will have positive impacts on downtown vibrancy.

REASONS FOR RECOMMENDATION:

This report and the presentation provides an update on the Downtown Strategy including: the team, refined strategies, and work underway. The project team will focus, align, and elevate the awareness of a coordinated strategy that leverages the collective efforts of The City and its public and private sector partners to respond to the prolonged economic challenges and capitalize on opportunities that will create jobs, drive economic recovery, and revitalize the downtown. The team is focused on taking actions that will have positive impacts on downtown vibrancy.

This report recommends that PFC recommend that Council: Direct Administration to continue implementing the Downtown Strategy, as identified in this report and presentation. The Downtown Strategy team will report back to PFC in 2019 October.

ATTACHMENT

1. Attachment 1 - Downtown Strategy Leadership Team

Downtown Strategy Leadership Team

General	Specific	Name	Title and Affiliation
Overall Leadership and Coordination	Executive Sponsor	Stuart Dalglish	General Manager Planning & Development The City of Calgary
	Program Lead	Thom Mahler	Manager, Urban Strategy The City of Calgary
	Program Coordinator	Kristyna Ng	Corporate Strategist The City of Calgary
Focus Area Leads	Place	Michael Brown	Chair of the Place Committee President & Chief Executive Officer Calgary Municipal Land Corporation
	Work	Mary Moran	President & Chief Executive Officer Calgary Economic Development
	Live	James McLaughlin	Acting Director Calgary Recreation The City of Calgary
	Connect	Chris Arthurs	Director, Resilience & Infrastructure Calgary The City of Calgary
Enabling Roles	Financial Task Force Liaison	Sheryl McMullen	Departmental Strategic Advisor The City of Calgary
	Communications	Shannon Carignan	Client Liaison Leader The City of Calgary
	Data Analytics & Research	Lisa Sierra	Manager, Innovation, Data & External Access The City of Calgary

**Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0303**

Improving Governance and Efficiency of PFC Meetings – Final Report

EXECUTIVE SUMMARY

The purpose of this report is to provide update on the research and engagement activities undertaken and to make final recommendations to improve governance and efficiency of the Priority and Finance Committee (PFC) meetings. This report builds on the overall findings presented on 2019 April 02 in PFC2019-0302, Update on Foundational Research for Notice of Motion C2019-0073, which showed that extensive modifications to the mandate of PFC are not required at this time to achieve the desired improvements to governance and meeting efficiency.

Analysis of the feedback gathered through stakeholder engagement and research suggests that, in addition to the enhanced abilities of PFC through the changes to the Procedure Bylaw, governance could be improved through a process to assess Notices of Motions at PFC before coming to Council for vote. Additional suggestions regarding PFC meetings taken from stakeholder engagement have also been identified that may support the goals of good governance and meeting efficiency. These include: utilizing the meeting techniques set up by the Procedure Bylaw, aligning all Committee and Council agendas with Council approved plans and policies, and implementing administrative changes such as a timed agenda.

Although other municipalities, such as Edmonton, utilize a more cabinet approach model, few stakeholders engaged during this investigation expressed a desire to emulate that model. The benefits of the current system, which encourages equality by not having a “2 tier system”, would be disrupted by having specific Councillors take a formal lead role of specific matters.

Findings are outlined further in this report along with the recommendation and suggested approaches for improving governance and efficiency of PFC meetings. PFC may implement any of the suggestions the committee feels will support them in improving efficiency and effectiveness of the meetings.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council approves the procedure and criteria for Notices of Motions as described in Attachment 3.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2019 January 14 Council approved Motion C2019-0073, Achieving Good Governance through Optimizing Committee Mandates, which directed Administration to consult with Members of Council to examine options for revising the mandate of the Priorities and Finance Committee to evolve it into an executive committee.

On 2019 April 02 report PFC2019-0302, Update on Foundational Research for Notice of Motion C2019-0073, presented initial research and proposed Alternate Options to those in the Motion (Attachment 1) which were approved by Council. The PFC directed Administration to return to PFC on 2019 July 02 with a report following up on the recommendations.

On 2019 June 04 a revised version of Council's Procedure Bylaw was brought to PFC and subsequently approved by Council. The revised Procedure Bylaw addressed some of the Alternate Options listed in Table 1 below: specifically, it addressed subcommittees of PFC, Notices of Motions, PFC consent agendas and PFC decision making authority.

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Improving Governance and Efficiency of PFC Meetings - Final Report

BACKGROUND

The stakeholder engagement and research work completed to provide PFC with an initial background and scoping report was presented to PFC on 2019 April 02. This report presented options listed in the Table 1 as alternate opportunities than those presented in the initial motion.

Table 1: Approved Options for Further Examination

Approved Options for Further Examination
<ul style="list-style-type: none">Utilize the roles/powers of the PFC allowed in the Procedure Bylaw<ul style="list-style-type: none">Explore meeting management tactics as outlined in the Procedure BylawCreate and be responsible for sub-committees and working groups of PFC, within its mandate, and approve their Terms of Reference
<ul style="list-style-type: none">Clarify the PFC agenda setting process, including; how it's accomplished, who is involved and how alignment to stated priorities (as outlined in the One Calgary: 2019-2022 Service Plans and Budgets document) will be achieved.
<ul style="list-style-type: none">Utilize additional meeting management and workflow management tactics, including:<ul style="list-style-type: none">alignment of PFC, SPC and Council agendasuse of timed agendas for PFC
<ul style="list-style-type: none">Cultivate/recognize, informally, different areas of particular knowledge or expertise of Councillors (e.g. by compiling and referencing a self-determined skills matrix for both Council and Citizen Committee members, in addition to a workload matrix, to support decisions at the Organizational Council Meeting).
<ul style="list-style-type: none">Make minor modifications to the Procedure Bylaw to leverage the PFC's current mandate more effectively:<ul style="list-style-type: none">Review Notices of Motion from elected officials and direct them to Council or Committees for debate, ensuring each includes an estimated cost and explanation of alignment with stated priorities (as outlined in the One Calgary: Service Plans and Budgets 2019-2022 document)Accept any Committee's reports for information on behalf of Council (e.g. via a PFC consent agenda)Allow PFC to make final decisions at the Committee level within their mandate. (Note: this might apply also to SPCs)

INVESTIGATION: ALTERNATIVES AND ANALYSIS

In order to further develop and make recommendations based on the options listed above, municipal comparison research and stakeholder engagement occurred between April 02nd and

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early June. Following this engagement, each alternative was analyzed and pros and cons are presented (in Attachment 1).

Much of the feedback received from all stakeholders centered on:

- Identifying criteria to assess Notices of Motions,
- Aligning Council, PFC and SPCs with the Council-approved priorities and strategies within the One Calgary 2019-2022 Service Plans and Budgets, and
- Creating meeting efficiencies which benefit both Members of Council and Administration, and support effective working relationships between chairs and committee members.

Many of the options proposed have been resolved through PFC2019-0591, Amendments to the Procedure Bylaw, approved by Council on 2019 June 17. These include:

- PFC now has the authority to create and be responsible for subcommittees and approve their Terms of Reference,
- PFC will now use a consent agenda to receive briefing reports,
- PFC has the authority to make decisions within its mandate, and
- Notices of Motions will be directed to PFC.

Introducing Notices of Motions at the PFC, gives the committee the ability to assess these motions to ensure that they are well-crafted and have considered specific criteria before advancing to Council for vote. The criteria for vetting Notices of Motions being recommended for approval together with a proposed procedure, are found in Attachment 3, and include:

- Cost and resource requirement identified,
- Alignment with Council approved service plans and budgets and other Council approved policies,
- Technical accuracy,
- Within the legal authority of The City of Calgary, and
- Does not duplicate, or contradict, previously approved Council direction.

The results of stakeholder engagement and research also revealed several consistent ideas. These ideas are presented below and are highlighted as possible actions that may further support meeting efficiency and overall governance.

- Follow more closely the meeting protocols as described in the Procedure Bylaw.
- Continue the work of developing a strategic agenda setting process for PFC with a focus on One Calgary priorities and strategies.
- Implement a timed agenda.
- All Standing Policy Committees focus their agendas on One Calgary priorities and strategies.
- Identify budget for Councillors to attend conferences/courses in an area they wish to develop and share information learned with peers.
- Create (and use) a skills matrix to self-identify strengths/areas of development/areas of interest for increased Councillor training.
- Assess the skills required for each Committee, capture Councillor self-identified skillsets and use this information during committee selection.
- Create a one-page, quick tips summary for meeting timing for members of the PFC to support awareness of the flow and time limits laid out in the Procedure Bylaw.

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- Make amendments to the Procedure Bylaw so that the Chair of PFC is determined by the same method used to determine the chairs of all SPCs

Current Administration activities undertaken to support meeting efficiency and improved governance include the PFC agenda setting work currently being done to identify and group reports around Citizen Priorities and the recent changes to the PFC through the Procedure Bylaw.

Stakeholder Engagement, Research and Communication

To explore and develop the Alternate Options, stakeholder engagement occurred.

Engagement activities included meeting with:

- Various Members of Council
- Representatives from Administration

The feedback from stakeholders is presented in Attachment 2, and a brief summary of the key points is incorporated in the analysis of the options which is presented in Attachment 1.

Strategic Alignment

This report aligns with and supports the Citizen Priority of a Well-Run City. The exploration of the Options, intended to improve governance and optimize committee mandates, supports the continuous improvement approach The City of Calgary has taken to ensure a modern and efficient municipal government.

Social, Environmental, Economic (External)

Aligning the work of PFC and all other Council committees with the Council approved service plans and budgets can be used to focus the energy and talent of Members of Council and Administration, improving effectiveness at achieving agreed goals in all these areas.

Financial Capacity

Current and Future Operating Budget:

No budget has been identified at this time to support additional work on this topic; for example any assessment of the effect of implementing changes.

Current and Future Capital Budget:

None.

Risk Assessment

Council has the role to act in good faith and to adhere to the roles and responsibilities as set out through the *Municipal Government Act (MGA)*. Using criteria to assess Notices of Motions at the PFC before they are advanced to Council helps manage risks that could manifest and may keep Council from achieving the goal of maximizing value for citizens.

Good governance is enabled by informed and respectful discussion and debate. The suggestions put forward support: good governance by proposing methods that can be used to

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better inform Councillors, the strategic direction approved by Council in the One Calgary Plans and Budgets, and Councillors in meeting efficiency.

The risk of implementing the recommendations and ideas presented in this report is low. Further, implementation will reduce the overall risk of not achieving strategic goals.

REASON(S) FOR RECOMMENDATION(S):

The proposed procedure and criteria for vetting Notice of Motions comes from feedback gathered from engagement with Members of Council and Administration.

The recommendations and suggestions presented are intended to support good governance and meeting efficiency while respecting all stakeholder input.

ATTACHMENT(S)

1. Attachment 1 – Examination of Options
2. Attachment 2 – Summary of Engagement Results
3. Attachment 3 – Proposed Procedure for Notices of Motions

Examination of Options

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Examination of Options

Introduction

Stakeholder engagement to further develop the options for optimizing committee mandate has been undertaken. This work was done in concert with the concurrent work of amending the Procedure Bylaw. The engagement findings have been summarized below in Table 1.

Table 1: Summary of Engagement Findings

Topic	Summarized Findings
Subcommittees of PFC	<ul style="list-style-type: none"> • Priorities and Finance Committee (PFC) propose and vote, when necessary, if a subcommittee should be struck for a topic. • When struck, create Terms of Reference for the subcommittee detailing a clear purpose, Administration support and timelines.
PFC Meetings	<ul style="list-style-type: none"> • Implement a timed agenda system. • Implement and utilize a consent agenda. • Develop a strategic agenda-setting process with a focus on One Calgary priorities and strategies. • Follow the meeting protocols as described in the Procedure Bylaw.
Members of Council – Areas of Expertise	<ul style="list-style-type: none"> • Identify budget so Councillors may attend conferences/courses in an area they wish to develop. • Create (use) a skills matrix for Councillors to self-identify strengths/areas of development/areas of interest for increased Councillor training. • Assess the skills required for each committee, capture Councillor self-identified skillsets and use this information when self-selecting committees. • Councillors who take specific training or attend conferences share information with peers through lunch and learns, presentation, etc.
Notice of Motions (formerly Notices of Motions)	<ul style="list-style-type: none"> • Adopt criteria for assessing Notices of Motions • Create an assessment tool.
Other	<ul style="list-style-type: none"> • Create a one-page, quick tips for meeting timing for members of the PFC to support awareness of the flow and time limits laid out in the Procedure Bylaw. • Make amendments to the Procedure Bylaw so that the Chair of PFC is determined in the same method used to determine the chairs of all SPCs.

The Council approved changes to the Procedure Bylaw and an in-depth analysis of the remaining options is presented in this Attachment.

Approved Changes to the Procedure Bylaw

Through Council's approval of PFC2019-0591, Amendments to the Procedure Bylaw, many of the options put forward in PFC2019-0302 have been accepted. These changes include:

1. PFC can create and be responsible for subcommittees and approve their terms of reference,
2. Notice of Motions will be introduced at the PFC,
3. PFC has the authority to make final decisions within its mandate, and
4. PFC will use a consent agenda for briefing reports.

Other options for improving meeting management and efficiencies was also proposed. Stakeholder engagement explored these options.

Option 1: Utilize the roles/powers of the PFC allowed in the Procedure Bylaw

The current Procedure Bylaw, 35M2017, describes specific meeting protocols which, when followed, help to create a streamlined meeting. These protocols, as listed in Part 5 Section B, "Flow of Agenda Items" item 77, include:

- (c) questions of clarification from Members to Administration (three minutes per member, not including response from Administration), and
- (e) debate [on motion on the floor] (once per member).

In Section B, "Debate on Motions", item 107 states that "No member may debate twice on a motion..." Lastly, in "Length of Debate", item 109 specifies "A Member's debate, including questions to Administration, but not Administration's responses, must not exceed:

- (a) five minutes on a main motion,
- (b) three minutes on an amendment, and
- (c) three minutes for the Member who moved the main motion to respond to questions raised during debate.

Engagement of Members of Council stated that it is up to the chair of the committee to control the flow and efficiency of a meeting by ensuring adherence to the Procedure Bylaw. It is also the responsibility of committee members to know the Procedure Bylaw and follow the rules themselves. The Bylaw, however, is a long and detailed document, and committee members may not always remember the specifics outlined in it. To support this, quick tip documents on meeting techniques intended to support meeting efficiency, if willingly utilized, could be provided and improve the flow and shorten the time of meetings.

Option 2: Clarify the PFC agenda setting process

Clarify the PFC agenda setting process, including; how it's accomplished, who is involved and how alignment to stated priorities (as outlined in the One Calgary: 2019-2022 Service Plans and Budgets document) will be achieved.

Agenda Setting Process

During the engagement process for PFC2019-0302, many of the Senior Executive Advisors stated that regular meetings with the chairs of their related Standing Policy Committees (SPC) occurred. In these meetings, discussions centered on upcoming reports, agendas and report

timing. PFC currently does not have regular meetings with the committee chair, and engagement with stakeholders has uncovered a desire to have a more strategic approach to creating the PFC meeting agendas. Some of the engagement feedback included:

- The opportunity exists for the Chair of PFC and the Chief Financial Officer's office to work more collaboratively and strategically when creating the PFC agendas,
- Alignment between Council and committee agendas could support a larger view of what is happening within the organization,
- PFC could focus its attention on a specific priority, such as Economic Recovery, which would communicate a clear direction to Administration; and
- The alignment between PFC, Council and Council committees could be supported by having regular, monthly agenda review meetings with all the Council and committee chairs.
- A more strategic agenda may decrease some of the confusion expressed as to the PFC's mandate.

PFC Alignment with Priorities

The PFC's agenda alignment with priorities has been identified as an area of improvement. Currently, the mandate is very broad, and the committee seems to be a "catch-all" forum. Focusing PFC on Citizen Priorities/Council Directives/One Calgary could support members of Council's desire to be more strategic, improve Council's governance role and better leverage a committee whose membership consists of all the SPC chairs. Feedback from stakeholders on this topic are shown in Table 2.

Table 2: Stakeholder Feedback – Alignment of PFC Agenda to Stated Priorities

<ul style="list-style-type: none"> • SPCs and Council need a bigger view of what's happening in the organization • Lack of clarity of the priority piece of PFC • Need a better understanding of what items are priorities • Currently PFC agenda is not aligned with One Calgary • Focusing on stated priorities may support Councillors in staying at a more strategic level • All committees and Council should be focused on delivering One Calgary

Aligning the PFC agendas to One Calgary priorities could help Council and Administration to know which items and reports should come to PFC for discussions and which should go to other committees.

Option 3: Utilize meeting management and workflow management tactics

Utilize additional meeting management and workflow management tactics, including:

- alignment of PFC, SPC and Council agendas
- use of timed agendas for PFC.

Alignment of Council and Council Committee Agendas

Good governance can be supported by having all committees and Council focused on delivering One Calgary which would enhance the alignment of Council and committee agendas. By aligning all agendas to priorities, connections could be made with work that is occurring at other SPCs, through their chairs who comprise the membership of the PFC, and give a corporate

wide view of the work throughout the organization. The line of sight between all committees' work could be strengthened at PFC allowing Council to have a more robust understanding of the efforts being made to achieve Council's vision. The presentation and discussion of priority items is intended to support the governance role of PFC and members of Council. Table 3 highlights the pros and cons of aligning Council and Council committee agendas.

Table 3: Pros and Cons of Aligning Council and Council Committee Agendas

Pros	Cons
<ul style="list-style-type: none"> • Supports a bigger view of what is happening in the organization • May help to align all work across the organization • Could support Council and Committees with focusing on One Calgary priorities and strategies • May support Council in being more strategic • May decrease duplication of work going to various committees 	<ul style="list-style-type: none"> • Chairs may feel they are not in charge of their committees • Could impede committee flexibility

Although engagement with stakeholders supported aligning the work being done at committee with One Calgary priorities and strategies, it did not show a desire to more concertedly align agendas across SPCs, PFC and Council. Engagement also resulted in the identification of the following possible concerns:

- Being prescriptive about coordination results in a process that has more dependencies, ergo, more points of failure
- Creates scheduling issues
- Decreases the agility to deal with emerging issues
- Must consider cost vs benefit – who is better off

To minimize the risks of being too prescriptive, focusing on aligning all agendas to One Calgary priorities and strategies would gently support the governance and improve overall coordination without detracting from committee chair's ability to lead in their own way.

Timed Agendas

Another option proposed intended to support meeting efficiency is the use of timed agendas at PFC meetings. Currently, the agendas of Strategic Meetings of Council and some committee meetings do utilize this tactic, and the meeting organizers acknowledge that it is incumbent on the will of the chair and committee members to adhere to it.

Feedback gathered from engagement activities suggested wide support and a willingness to try this option; however, it did bring out some possible drawbacks. Table 4 lists the pros and cons associated with timed agendas.

Table 4: Pros and Cons of Timed Agendas

Pros	Cons
<ul style="list-style-type: none"> • Supports Administration in preparing succinct presentations • Increases meeting efficiency by helping Council/committee members adhere to timelines by staying on task. • Increases productivity by giving a time estimate to Administration so staff do not have to sit in chambers unnecessarily • Sets expectations in advance 	<ul style="list-style-type: none"> • May cause Committee to rush through presentations and discussions • Causes Administration more work by increasing the need to prepare committee members in advance of a meeting if questions and discussion is truncated • Gives the Chair a tool to limit debate • May create extra work for Clerks if there is an expectation for them to monitor meeting timing • Causes the Chair more work to keep the meeting flowing and on schedule • May infringe on a chair's style

A timed agenda may improve meeting efficiency, and that should not be traded for good governance. Making decisions based on partial or rushed information does not support good decision making. Timed agendas need thoughtful planning and a concentrated effort to ensure items get the attention deserved. Utilizing a timed agenda in combination with other options (e.g. consent agenda) may have a greater effect.

Option 4: Cultivate/recognize areas of Councillors' expertise

Cultivate/recognize, informally, different areas of particular knowledge or expertise of Councillors (e.g. by compiling and referencing a self-determined skills matrix for both Council and Citizen Committee members, in addition to a workload matrix, to support decisions at the Organizational Council Meeting).

Another option identified through the initial work was cultivating/recognizing, informally, different areas of particular knowledge or expertise of Councillors. This option would support Councillors in executing their governance role by allowing them to increase their knowledge in specific areas which would give them a better understanding into some of the issues facing The City. Engagement highlighted that if Councillors do not intentionally take courses or attend conferences, they may lack information necessary for good governance and may be making decisions or expressing opinions from a place of misinformation.

Stakeholder engagement on this option identified many pros, cons and risks. These thoughts should be taken into consideration when determining next steps, as there may be intended consequences related to creating Councillor "experts". Table 5 lists the pros and cons while Table 6 lists some of the identified risks.

Table 5: Pros and Cons of Developing “Expertise”

Pros	Cons
<ul style="list-style-type: none"> • Creates a single point of contact for Administration • Would support committees to match skills of members to skills required by committee • May help with committee chair selection • Increases a Councillors awareness and knowledge of a specific topic • Improves governance by having more knowledge in an area • Could inform debate 	<ul style="list-style-type: none"> • Councillors need to be decision makers and stay impartial • Current Council culture may not support this • May result in a tiered feeling within Council • Councillors with “more time” may take more courses • May allow Councillors to get too much in the weeds instead of staying at the higher, more strategic level • May create conflicts • Public opinion may not support Councillors using tax payer money to take courses

Table 6: Risks Associated with Developing “Expertise”.

Risk
<ul style="list-style-type: none"> • People overrate themselves • There may be a gaps between skills identified for a committee and the available skill sets • Possible confusion for public about who to go to: ward’s elected official or the person who has the “expertise” • Possibly creates a caucus system • Councillors do not want to take training/attend conferences and would like access to those funds for another reason • Councillors may feel that training is not equitable.

Feedback from Councillors on this option and from the initial phase of this work, supported not developing a “tiered” structure amongst members of Council. The feedback also stated that many Councillors had an expertise developed through their previous work, and that an informal system of Councillors engaging peers as a resource was already occurring.

The feedback from Administration also supported the idea of not having specific Councillors as the stated “expert”. Administration preferred reaching out to Councillors who self-selected as the champion for a specific initiative. Councillors who champion issues do so out of a place of passion and interest which creates a different spirit in the work.

Although tapping a Councillor as an expert amongst peers may not result in the benefit intended, there is a benefit to committees and overall governance by Councillors having better knowledge of relevant issues/topics. A self-assessment tool may match Councillors to committees if committees were also assessed to determine the expertise required to support

their mandates. A self-assessment matrix could also be used to highlight areas that may benefit a Councillor by identifying areas for intentional learning.

Option 5: Minor modifications to the Procedure Bylaw

Review Notices of Motion from elected officials and direct them to Council or Committees for debate, ensuring each includes an estimated cost and explanation of alignment with stated priorities (as outlined in the One Calgary: Service Plans and Budgets 2019-2022 document)

On 2019 June 17 Council approved to have Notices of Motions go first to PFC to be vetted against specified criteria and refined before going to Council for debate and vote.

The purpose of vetting these motions is to enhance the wording, intention and accuracy of a motion as well to ensure no redundancy of on-going work or that a reconsideration would be required when moving this motion at Council. Along with those considerations, many stakeholders proposed criteria to be used to enhance or increase Councillors' understanding of the costs or unintended consequences of a motion. Table 7 lists the most common criteria.

Table 7: Criteria to Assess Notices of Motion

Notice of Motion Draft Criteria	Covers
Capacity and Financial Analysis	Does Administration have the resources within the approved plan and budget to do the required work? What is the estimated cost of resources (e.g. FTEs, resource hours) that are required to complete the work on this motion?
Alignment with Citizen Priorities/Council Directives/One Calgary strategies/Policies	Does this motion help to advance Council Directives or a Council Policy? Which one(s)? Does this Motion support or conflict with current Council directed work? Is Administration currently doing this work?
Emergent/urgent	Is it critical that this work be done at this time? Does this work address an emergent issue? If less urgent, could this matter be progressed through the regular adjustments to The City's plans and budgets instead?
Clarity and accuracy*	Is the intention of this motion clear? Is the wording of the motion accurate?
Legal authority	Does the motion fall within the legal purview of The City of Calgary

The criteria listed above does align with assessment criteria used in Project Management processes.¹ Also, the Council Innovation Fund and Council Community Fund have recently adopted a Terms of Reference that uses criteria to assess funding applications before it is submitted to Council. Using set criteria to assess Notices of Motions is intended to support the PFC's members in applying due diligence and governance in advance of Council's decision making responsibility.

Conclusion

Along with approving the Notice of Motion vetting criteria and procedure as described in Attachment 3, the following further suggestions have emerged through the stakeholder engagement analysis:

- Follow the meeting protocols as described in the Procedure Bylaw.
- Continue the work of developing a strategic agenda setting process for PFC with a focus on One Calgary priorities and strategies.
- Implement a timed agenda at PFC.
- The CFO's office will continue working with the Chair to consolidate agendas under Council priorities.
- All Standing Policy Committees focus their agendas on One Calgary priorities and strategies.
- Identify budget so Councillors may attend conferences/courses in an area they wish to develop and share information learned with peers.
- Create (use) a skills matrix to self-identify strengths/areas of development/areas of interest for increased Councillor training.
- Assess the skills required for each Committee, capture Councillor self-identified skillsets and use this information when self-selecting committees.
- Create a one-page, quick tips for meeting timing for members of the PFC to support awareness of the flow and time limits laid out in the Procedure Bylaw.
- Make amendments to the Procedure Bylaw so that the Chair of PFC is determined in the same method used to determine the chairs of all SPCs.

The application of these suggestions is intended to support the continual improvement to governance advanced by the PFC.

¹ BC campus, accessed April 12th, <https://opentextbc.ca/projectmanagement/chapter/chapter-2-what-is-a-project-project-management/>

Summary of Engagement Results

Robust stakeholder engagement was undertaken in order to explore further the options. The most common themes for each option was presented in Attachment 2; however, a more fulsome presentation of the responses is presented in the tables below. Although some of the tables contain one-off ideas, the ideas may be used for future changes to improve governance and increase meeting efficiency. (*Indicates multiple responses)

Table 1: Comments on “Utilize the roles/powers of the PFC allowed in the Procedure Bylaw – Subcommittees”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Should not be the norm • Must be clear on working groups purpose and make them time bound* • Subcommittees could leverage Counsellors skill sets • Worried about time and stress on administration • Just do the work, don’t need a committee* • Already have to debate again at Council after Committee so don’t need more committees* • Would allow Councillors not on PFC to take a role in major policy projects 	<ul style="list-style-type: none"> • Would not mind a subcommittee for a specific topic* • Membership of a subcommittee might cause problems (bias, equality of Councillors) • Can formulate ideas that can be brought to Committee for debate and decision • Could have an informal group for Administration to clarify direction* • Need to be transparent* • Would cause extra work for Administration* • Subcommittee might “bake” an idea that is not accepted – this causes churn • Subcommittees should have authority or it is just another layer

Table 2: Comments on “Clarify the PFC agenda setting process”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Would like a more proactive, three month look at what is upcoming to PFC • Concerned about the reframing of Committee’s focus 	<ul style="list-style-type: none"> • Never clear on PFC’s mandate, never understood the priorities* • Council needs to tell us the priorities* • PFC agenda loads (number of reports on agenda) should be more balanced across all PFC meetings* • Agenda should be anchored against the business plans and budgets* • Need to have a strategy to assign reports to come to certain meeting dates • Could be a way of filtering what is important to go to Council • Some items go to PFC to get in front of the Mayor • PFC could use a suggested order of business

	<ul style="list-style-type: none"> • Could use the Strategic Meetings of Council to determine the quarter focus of PFC agendas • Would like to see a list of topics of items that should go to PFC • Should PFC be separated into two committees: priorities one and a finance one
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Table 3: Comments on “Utilize meeting management and workflow management tactics – alignment of committee and Council agendas”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • This is a very minor issue • There is a misalignment • We should be focused on delivering One Calgary – all Committees and Council* • PFC and SPCs should be monitoring if our large policies are being met • Committees should be organized by service lines not departments • Nothing wrong with committees as they are now 	<ul style="list-style-type: none"> • SPCs and Council need to have a bigger view of what’s happening in the organization* • All Committees and Council should be focused on delivering One Calgary* • Could better align agendas by having Committee and Council chairs meeting once per month for 30 minutes to discuss upcoming agendas* • Utilize an all-corporate report calendar so they can be grouped by topics and aligned between Council and Committees • Align PFC agendas with the agendas of the Strategic Meetings of Council • Agendas are built in isolation and Councillors need a line of sight

Table 4: Comments on “Utilize meeting management and workflow management tactics - Timed agendas”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Timed agendas are very helpful • Would help Administration to have a better understanding of the importance of an item • Would help Councillors with meeting discipline • Too many “for information” reports • Clerks could help keep Councillors on point by saying “this is not before us” • Up to the chair to work with Administration and manage the meetings • Timed agendas won’t work unless you cut debate or questions off 	<ul style="list-style-type: none"> • Time limits have to come from the chair* • All Committees should have a timed agenda • Up to the chair to work with Administration and manage the meetings • Start adhering to the Procedure Bylaw* • Timed agendas are very helpful • Very hard to commit to as don’t know how long a Committee will discuss an issue • Could put a limit on slide decks/presentations • Would help Administration to have a better understanding of the importance of an item

Members' of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Clerks could time Councillors and keep them on track • Chair should not only keep people in time but also draw out the quiet voices • No timed agenda at Committee, but have one for Council • The problem is people not process* • The chair of PFC should be elected the same way other Committee chairs are elected* 	<ul style="list-style-type: none"> • Item may not get the discussion it deserves • Would decrease Administrations time sitting in Chambers awaiting their turn • Could have presentation template for better standardization and timing • Should have a non-voting speaker chair committee and Council meetings*

Table 5: Comments on "Cultivate/recognize areas of Councillors' expertise"

Members' of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Edmonton model creates tiers* • We have Councillors who have self-selected due to their experience/skills* • Could do a skills matrix for boards and Committees and match that with a skills/interest matrix for Councillors • Committee chairs should have expertise in that area • Portfolio is a great idea, but it needs to be structurally meaningful and not overbearing* • Don't want to wedge people into a focus • Should be required for Councillors to take an Institute of Corporate Directors program • Need education for good governance not rely on personal preferences* • If a Councillor takes courses/attends conferences, there should be a requirement to come back and formally share information with peers • Currently have funding in office budgets to do that • Assigned Councillor could deal with provincial counterparts and leverage relationships 	<ul style="list-style-type: none"> • Creates single point of contact* • We have Councillors who have self-selected due to their experience/skills, this happens organically* • May cause Councillor to be too operational* • Expert Councillors should not be sole decision makers* • Would need really clear Terms of Reference* • Excellent idea to match board/Committee selection to skills/interest matrix • Could be used as growth/development • Need to maintain balance and equity • Good idea as long as it's coordinated • Councillors are driven by many different reasons • Good to have a champion not an expert • Creates conflict • Would be ok if this was formalized as a governance structure • Could have ward Councillors who are generalists and city-at-large Councillors who have specific area expertise • Causes friction with staff because Councillor may come across as the expert instead of the decision maker and does not allow staff to retain the role of expert advisor

Table 6: Comments on “Minor modifications to the Procedure Bylaw – Notices of Motions”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Consider financial impact* • All about alignment: cost, other things going on in organization, policy, previous direction of Council* • Criteria can’t squash a motion but should be used to ensure Councillor has his/her eyes wide opens when brings one forward • Have Council consult Administration for accuracy* • PFC can refine a motion but cannot kill a motion* • Criteria should not be applied* • Vet the language – could stop friendly amendments • May make things go smoother 	<ul style="list-style-type: none"> • Criteria for Notices of Motions give a sober second view before a motion hits the Council floor* • Slower process • Using criteria might help a Councillor write a motion* • Does Administration have the capacity* • City Manager needs to say if we can do it or not* • Would help realize the alignment with other work and improve the quality of the motion* • Consider financial impact* • Motions should be aligned with priorities (i.e. One Calgary strategies and priorities)* • Have Council consult Administration for accuracy* • Identify resources and/or funding sources for the work* • Is the work already being done* • Double check previous direction* • Use a scooping statement to ensure needs are met • It is a political statement – have politicians review politician’s motions • Ensure motions are within our legislative authority • No motions should be allowed three months before an election • All council needs to approve motions as over the long term one or two Councillors viewpoints may sway thoughts/directions • Councillor should be responsible for making alignment with strategy as it helps to create accountability for their directives/documents • Number of FTE hours instead of cost estimate as a cost estimate would require a lot of work • Motions wreck work plans – confuses Administration on what to focus on • What is the value add of this motion • What are the trade-offs of doing the work required for a motion • Could limit consultant fees

Table 7: Comments on “Minor modifications to the Procedure Bylaw – Consent Agenda”

Members’ of Council Comments	Administration Comments
<ul style="list-style-type: none"> • Would like PFC to have a consent agenda* • Consent agenda is ok as anyone can pull and item and debate it anyway* • If it is pulled at Council, should go back to committee. • Would like to see PFC operate as an Executive Committee as it would streamline important things • If it is approved at Committee, it should not be debated at Council 	<ul style="list-style-type: none"> • Would like PFC to have a consent agenda* • For Information reports should come as a monthly briefing binder for Council • PFC should have a consent agenda even for regularly presented items that are “for approval” like the Circumstance report • Items approved on consent agenda should not go to Council

PROPOSED PROCEDURE FOR NOTICES OF MOTIONS

Purpose of the Procedure

Purpose of this procedure is to provide clarity on the process of bringing forward a Notice of Motion as approved in Council's Procedure Bylaw (as amended 2019 June 17).

As per the Procedure Bylaw, Section 113:

113. (1) *A Member, wishing to introduce a Notice of Motion for consideration, must provide the Notice of Motion electronically or by other means to the City Clerk.*
- (2) *The City Clerk must place the Notice of Motion on the next PFC agenda for which the submission deadline has not passed.*
- (3) *Despite subsection 113(2), a Notice of Motion may be brought as Urgent Business to a Council meeting in accordance with section 65; however, such an item may only be added to the agenda by Two-thirds vote."*

The intention of bringing Notices of Motions through the Priorities and Finance Committee is to vet motions against specific criteria intended to increase awareness of the cost and resource requirements, the legality, the accuracy and the alignment to priorities and ongoing work. The vetting process should also minimize or, at least, provide awareness of any unintended consequences of a motion.

Process for regular and for urgent Motions

Regular Motions

Notices of Motions should demonstrate that the Council Member has considered the following criteria:

- a) Puts forward the motion with a full understanding of the expected cost and resource requirement of doing the work,
- b) Has assured that the statement of work advances Council approved service plans and budgets and other Council approved policies and plans,
- c) Has verified the technical accurateness of the motion,
- d) Has confirmed that the statement of work is within the legal authority of The City of Calgary, and
- e) Has confirmed that the statement of work is not a duplication of, nor does it contradict, previously approved Council direction.

If the PFC deems that the motion before them does meet the criteria listed above, committee may forward the motion to Council.

If the PFC deems that the motion does not demonstrate the aforementioned criteria, it may take the following actions:

1. Direct a motion to a specified committee for further discussion and refinement before the motion is directed to Council by that committee.

2. Direct a Councillor to refine/amend the motion and then bring it to Council.

PFC does not have the authority to dispose of a motion.

Urgent Motions

Motions that are brought to Council as urgent must state why the motion has been qualified as such. The acceptable qualifiers to bring a motion as urgent are:

- a) The motion is time sensitive and waiting to go through the regular process would cause negative financial, legal or social ramifications to The City of Calgary or to Calgarians.
- b) An external agency has set a hard deadline that Council has no ability to influence.

If the motion does not receive the two-thirds vote required to be accepted as urgent, the Councillor has the option to bring the motion to PFC and follow the direction of that committee.

If the motion is accepted as urgent, Council will deem whether the motion before them meets the criteria listed above regarding Regular Motions.

**City Manager's Office Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0803**

Pension Governance Committee Annual Report

EXECUTIVE SUMMARY

In accordance with the Terms of Reference for the Pension Governance Committee (PGC), this annual report details the pension governance activities at The City of Calgary in 2018.

ADMINISTRATION RECOMMENDATION:

That Priorities and Finance Committee recommends that Council receive this annual report for information.

PREVIOUS COUNCIL DIRECTION /POLICY

At the 2003 September 29 Special Meeting of Council regarding Personnel Matters, Mayor Bronconnier 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."

BACKGROUND

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

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The Pension Governance Committee consists of five members appointed by the City Manager and two Council members appointed by Council. The 2018 members were:

- Leslie Shikaze, Chief Human Resources Officer (Chair) (February to December)
- Mark Lavallee, Chief Human Resources Officer (Chair) (January)
- Rebecca Andersen, Barrister & Solicitor, City Law Department
- Carla Male, Chief Financial Officer (September to December)
- Eric Sawyer, Chief Financial Officer (January to August)
- Michael Thompson, General Manager Transportation (June to December)
- Laura Kennedy, Director/City Clerk (September to December)
- Councillor Diane Colley-Urquhart
- Councillor Ray Jones

In 2018 PGC and its delegates:

- Complied with all legislative requirements for all applicable pension plans including filing provincial and federal annual information returns. There were no changes to legislative requirements in 2018.
- Filed the audited financial statements for all applicable plans in accordance with Canadian Accounting and Auditing standards for pension plans.

**City Manager's Office Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
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Pension Governance Committee Annual Report

- Complied with all reporting requirements for the Local Authorities Pension Plan (LAPP) and Special Forces Pension Plan (SFPP).
- Remitted all required contributions for all pension plans in accordance with all legislative requirements.
- Administered plan enrolments, retirements, terminations, and pensioner payments in accordance with the applicable plan provisions.
- Complied with the PGC Terms of Reference and conducted four meetings in 2018. The Terms of Reference was last updated in 2016.
- Complied with the PGC Code of Conduct. The Code of Conduct was reviewed and updated in 2018.
- Completed the PGC Annual Assessment: no gaps were identified. The annual assessment will be reviewed in 2019 to ensure continuing alignment with Canadian Association of Pension Regulatory Authorities (CAPSA) guidelines.

Details of the administrative, legal, funding and financial activities for all City pension plans are contained in Attachments 2-5.

Stakeholder Engagement, Research and Communication

This report was provided to the Pension Governance Committee at the 2019 June 6 meeting for review.

Strategic Alignment

This annual report and the governance activities of the Pension and Governance Committee support the Council Priority of a well-run City, being as efficient and effective as possible and providing oversight and sound management of pension policies and plans.

Social, Environmental, Economic (External)

N/A

Financial Capacity

Current and Future Operating Budget:

The City includes its share of the pension contributions and operations of the Pension and Governance Committee in the 4-year budget plans, as part of the Employee Benefits Program.

Current and Future Capital Budget:

N/A

**City Manager's Office Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0803**

Pension Governance Committee Annual Report

Risk Assessment

The City has summarized the pension plan risks and mitigating strategies for LAPP and SFPP below as they have the largest financial impact to The City. The City utilized information and data obtained from LAPP and SFPP as the applicable governing bodies to develop the assessment below.

Local Authorities Pension Plan (LAPP)

Regulatory: As of 2019 March 1, legal trusteeship of LAPP moved from the Minister of Finance to two boards comprising of employee and employer representatives – the Sponsor Board (a representative board) and the Corporate Board (a fiduciary board). As such, the governing legislation changed from the Public Service Pension Plans Act to the Alberta Employment Pension Plans Act. The government of Alberta has been clear that this shift will not result in any impact to the benefits or costs of the plans. A noteworthy change is the inability of any employer to exit the plan for five (5) years; the provisions for withdrawal after five (5) years have yet to be written.

The Sponsor Board has the ability going forward to make decisions which may impact the benefits or costs of the plans. The City has indirect representation on the Sponsor Board, sharing a rotating seat with the City of Edmonton. The City of Calgary also has representation on the Corporate Board.

Funding: LAPP is 104.5% funded as of the 2017 December 31 actuarial valuation report. As of that date, the solvency ratio is 76.6%. Both these metrics have improved over time while contribution rates have decreased in the last two years. The LAPP contribution rate is currently *in excess of* the minimum required rate to further strengthen the plan's financial position. A valuation is completed annually to assess the funded status of LAPP and to ensure the assumptions and methodology used in the valuations are current.

Governance: The LAPP Sponsor Board and Corporate Boards (prior to 2019 March 1, the LAPP Board) have responsibility for the governance of the plan and have Codes of Conduct, plan governance policies and plan funding policies in place. The Boards also have responsibility to oversee the operations of the service providers to the plan – Alberta Pension Services and Alberta Investment Management Company. The LAPP Corporate Board is assisted in its duties by LAPP Corporation, the executive team of which is made up of experts in the pension space. LAPP Corporation holds stakeholder meetings at least twice per year, which gives employers the opportunity to assess the performance and processes of the LAPP Corporation, the Boards, and their service providers.

**City Manager's Office Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0803**

Pension Governance Committee Annual Report

Special Forces Pension Plan (SFPP)

Regulatory: As of 2019 March 1, legal trusteeship of SFPP moved from the Minister of Finance to two boards comprising of employee and employer representatives – the Sponsor Board (a representative board) and the Corporate Board (a fiduciary board). As such, the governing legislation changed from the Public Service Pension Plans Act to the Alberta Employment Pension Plans Act. The government of Alberta has been clear that this shift will not result in any impact to the benefits or costs of the plans. A noteworthy change is the inability of any employer to exit the plan for five (5) years; the provisions for withdrawal after five (5) years have yet to be written.

The Sponsor Board has the ability going forward to make decisions which may impact the benefits or costs of the plans. The City has direct representation on the Sponsor Board. The City of Calgary also has representation on the Corporate Board.

Funding: SFPP is 89.2% funded as of the 2016 December 31, actuarial valuation report. As of that date, the solvency ratio is 67.4%. Both these metrics have improved over time while contribution rates have remained stable since 2011. A valuation is completed triennially to assess the funded status of SFPP and to ensure the assumptions and methodology used in the valuations are current.

Governance: The SFPP Sponsor Board and Corporate Boards (prior to 2019 March 1, the SFPP Board) have responsibility for the governance of the plan and have Codes of Conduct, plan governance policies and plan funding policies in place. The Boards also have responsibility to oversee the operations of the service providers to the plan – Alberta Pension Services and Alberta Investment Management Company. The SFPP Corporate Board is assisted in its duties by SFPP Corporation, the executive team of which has many years of experience with the plan. SFPP Corporation holds stakeholder meetings at least twice per year, which gives employers the opportunity to assess the performance and processes of the SFPP Corporation, the Boards, and their service providers.

REASON(S) FOR RECOMMENDATION(S):

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.

ATTACHMENT(S)

1. Attachment 1 – Terms of Reference for the Pension Governance Committee of the City of Calgary (2016 April)
2. Attachment 2 – 2018 Pension Plan Inventory
3. Attachment 3 – 2018 Pension Plan Governance and Administrative Update
4. Attachment 4 – 2018 Pension Plan Administration Report
5. Attachment 5 – 2018 Financial Report on the Position of the Pension Plans
6. Attachment 6 – The City of Calgary Pension Governance Committee 2018 Workplan

Terms of Reference for the Pension Governance Committee of the City of Calgary

April 2016

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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 2002 July 8.
- (2) These terms of reference (**Terms of Reference**) outline the powers, responsibilities, and practices of the PGC.

2. Mandate and Scope

- (1) The PGC is responsible for oversight on all matters relating to the pension plans in which City employees participate (**Plans**).
- (2) Notwithstanding section 2(1), 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 Calgary City Council (**Council**), as dictated by the relevant Plan provisions and applicable law.

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, the following information for each Plan:
 - (a) the funded status (assets/liabilities);
 - (b) the funding requirements (contributions);
 - (c) the investment performance;
 - (d) significant developments (either Plan-specific or general environmental developments) affecting the Plan since the previous report; and
 - (e) significant changes to the financial or non-financial risk, the cost, or the strategic impact of the Plan.
- (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:
 - (a) applicable legislation;
 - (b) the Plans' provisions;
 - (c) these Terms of Reference; and

- (d) 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. Membership

(1) Members of the PGC (**PGC Members**) will be appointed to the PGC as follows:

- a. the City Manager will appoint the Chair of the PGC and other PGC Members who are not Councillors and they will continue in office until removed by the City Manager; and
- b. 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:

- a. the City Manager may remove any PGC Member who is not a Councillor from the PGC at any time and without notice; and
- b. 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:
 - (a) keep the official records of the PGC's decisions and actions;
 - (b) record the minutes of each PGC meeting and, where indicated by the Code of Conduct, the record declared conflicts of interest in the minutes;
 - (c) ensure that minutes are distributed to each PGC Member within two weeks following each meeting;
 - (d) ensure that records are kept that contain all documents, reports, and correspondence received by the PGC; and
 - (e) 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:
 - (a) delegate-specific terms of reference established by the PGC; or
 - (b) 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. Delegation of Signing Authority

- (1) The City Manager hereby delegates the following authority¹:

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

CITY OF CALGARY

By: Original signed on July 13, 2016

Name: Jeff Fielding

Title: City Manager

Date: 2016 July 13

¹Pursuant to Subsection 205(1) of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended (the Act), Bylaw 8M2001 established the position of chief administrative officer of The City of Calgary (The City), with all the powers, duties and functions of that position given by the Act, or any other enactment, or by Council of The City. The chief administrative officer of The City is the City Manager. Pursuant to Bylaw 43M99, Section 5, the City Manager may authorise agreements, which in his sole discretion are deemed appropriate, to be entered into on behalf of The City. Section 209 of the Act allows the City Manager to delegate any of the City Manager's powers under bylaw to an employee of the municipality.

Appendix A

APPENDIX A — MEMBERS OF THE PENSION GOVERNANCE COMMITTEE

As of 2016 April 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

Administrative Leadership Team (ALT) Representative*

Senior Management Team (SMT) Representative*

*ALT and SMT Representative to be appointed for 24 month terms with option to renew term at the discretion of the City Manager.

Appendix B

APPENDIX B – LIST OF PLANS

Multi-Employer Plans

- Local Authorities Pension Plan
- Special Forces Pension Plan

City-Sponsored Plans

- The City of Calgary Supplementary Pension Plan
- The City of Calgary Overcap Pension Plan
- Deputy Police Chiefs' Overcap Pension Plan
- Fire Chief and Deputies' Overcap Pension Plan
- Pension Plan for the Elected Officials of The City of Calgary
- Supplementary Pension Plan for the Elected Officials of the City of Calgary
- Executive Pension Plan

Jointly-Trusteed Plans

- Firefighters Supplementary Pension Plan
- Police Supplementary Pension Plan

REVISION HISTORY

Review Date	Description
2016/07/13	Updated Section 15 Delegation of Signing Authority
2016/03/09	Revised Document

This document provides an overview of the pension plans 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; *Participating in the Local Authorities Pension Plan*. The Alberta President of Treasury Board and Minister of Finance was the legal trustee of LAPP to 2019 February 28. As of 2019 March 1, LAPP is now governed by boards consisting of employee and employer representatives including a representation position shared by The City of Edmonton and The City of Calgary.

Special Forces Pension Plan (SFPP) – is a defined benefit pension plan for 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, Chief and Deputy Chiefs of Police. The SFPP is the second largest plan in which The City participates. The Alberta President of Treasury Board and Minister of Finance was the legal trustee of SFPP to 2019 February 28. As of 2019 March 1, SFPP is now governed by boards consisting of employee and employer representatives.

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 position is 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 that 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 2018, the plan membership consists of 16 pensioners and/or 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.

2018 Pension Plan Inventory

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 Arrangements - 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.

2018 Pension Plan Governance and Administrative Update

Governance Update

Registered Plans - Multi-Employer

Pension Plan	LAPP	SFPP
Plan Trustee	The President of the Alberta Treasury Board / Minister of Finance was the legal trustee and was the administrator of the plan until 2019 February 28. As of 2019 March 1, trusteeship has been transferred to a fiduciary board consisting of employee and employer representatives.	
Stakeholder Participation	<p>In conjunction with the transfer of trusteeship from the Minister to the fiduciary board, the Alberta government conducted a survey and the LAPP Board held special stakeholder meetings in which The City participated.</p> <p>The City continues to participate in LAPP stakeholder consultation group meetings. There were two meetings held in 2018.</p>	

Registered Plans - City Specific

Pension Plan	SPP	FSPF	PSPP
Plan Trustee	The City	Board of Trustees	Board of Trustees
Stakeholder Participation	Ongoing PGC monitoring.	There are three City-appointed trustees on the Board (currently two retired and one active employees).	There are two City-appointed trustees on the Board.
Amendments	None	None	N/A
Governance Documents	Funding policy, governance policy and Statement of Investment Policies up-to-date.		N/A

Registered Plan - Council

Pension Plan	EOPP
Plan Trustee	The City
Stakeholder Participation	Ongoing PGC monitoring
Amendments	N/A
Governance Documents	Funding policy, governance policy, and Statement of Investment policies up to date

Non-Registered Retirement Arrangements

Pension Plan	Non-Registered Retirement Arrangements*
Plan Trustee	The City
Stakeholder Participation	Ongoing PGC monitoring.
Amendments	N/A
Governance Documents	N/A

*Refer to Attachment 2 for non-registered retirement arrangements

Administrative Update

Registered Plans - Multi-Employer

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

Registered Plans - City Specific

Pension Plan	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Police Supplementary Pension Plan (PSPP)
Administrative Services Provider	Aon	Morneau Shepell	The City
Representation	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

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

Non-Registered Retirement Arrangements

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

*Refer to Attachment 2 for the list of non-registered retirement arrangements

2018 Pension Plan Administration Report

Registered Plan – Multi-Employer

Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
Total active City of Calgary members	13,468	2,165
2018 Cost-of-Living Adjustment (COLA) to Pension Payments	0.78%	* 0.78% / 0.39%

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 0.78% increase on base pension applies to pensionable service up to 2000 December 31. For pensionable service after 2000 December 31, a onetime increase of 0.39% on base pension applies.

2018 Pension Plan Administration Report

Registered Plan – City Specific

Pension Plan	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Police Supplementary Pension Plan (PSPP) (Note 1)
Total active members reported to plan administrators as at 2018 Dec 31	781	1384	N/A
Number of refunds to members in 2018	63	13	N/A
Number of pensioners receiving monthly pensions as at 2018 Dec 31	144	961	16
2018 Cost-of-Living Adjustment (COLA) to Pension Payments (Note 3)	0.78%	0.78%	0.78%

Note 1: The PSPP is deemed a closed plan as police officers who have retired as of 1979 September 1 are covered under the Special Forces Pension Plan. The plan will terminate when the final payment is made.

2018 Pension Plan Administration Report

Registered Plan - Council

Pension Plan	Elected Officials Pension Plan
Total active members reported to plan administrators as at 2018 Dec 31	14
Number of refunds to members in 2018	-
Number of pensioners receiving monthly pensions as at 2018 Dec 31	20
2018 Cost-of-Living Adjustment (COLA) to Pension Payments (Note 3)	0.99%

2018 Pension Plan Administration Report

Non-Registered Retirement Arrangements

Pension Plan	Non-Registered Retirement Arrangements (OCRB)	Other Non-Registered Pension Arrangements (Note 2)
Total active members reported to plan administrators as at 2018 Dec 31	266	6
Number of refunds to members in 2018	12	0
Number of pensioners receiving monthly pensions as at 2018 Dec 31	72	25
2018 Cost-of-Living Adjustment (COLA) to Pension Payments (Note 3)	0.78% / 0.99%	0.78%

Note 2: Consists of five other arrangements, refers to Pension Plan Summary Inventory (Attachment 2), for a list of non-registered retirement arrangements.

Note 3: Each year the pension increases at a rate of 60% of change in the Alberta Consumer Price Index (ACP) 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.

2018 Financial Report on the Position of the Pension Plans

	Multi-Employer Pension Plans Actuarial Funded Position	
Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
Valuation Date	2017 Dec 31	2016 Dec 31
Next Valuation Date	2018 Dec 31	2019 Dec 31
Assets	\$41,047,300	\$2,655,200
Liabilities	\$39,270,800	\$2,978,200
Unfunded Liabilities / (Excess Assets)	(\$1,776,500)	\$323,000
Going Concern Funded Ratio	104.5%	*89.2%

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 contribution 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 SFPP has unfunded liabilities, an inherent unrecorded liability amount is attributable indirectly to The City and the plan participants.

The SFPP Board has had a long-term funding strategy in place for some time and over the past five years the funded ratio of the Plan has improved. 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. Next year under the joint governance model, both LAPP and SFPP will also be able to change benefits to address deficiencies when needed, which was not possible under the old structure.

* The going concern funded status of SFPP as of 2016 December 31 was 89.2% based on the minimum level of indexing for post-2000 service.

Funded Status - \$ thousands (continued)

City Sponsored Pension Plans Actuarial Funded Position			
Pension Plan	Supplementary Pension Plan (SPP) (100%)	Firefighters Supplementary Pension Plan (FSPP) (100%)	Elected Officials Pension Plan (EOPP)
Valuation Date	2016 Dec 31	2015 Dec 31	2018 Dec 31
Next Valuation Date	2019 Dec 31	2018 Dec 31	2021 Dec 31
Assets	\$43,233	\$155,501	\$13,957
Liabilities	\$42,733	\$164,782	\$10,443
Unfunded Liability/ (Excess Assets)	(\$500)	\$9,281	(\$3,514)
Going Concern Funded Ratio	101.17%	94.40%	133.65%

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 of the plans indefinitely. 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)

City Sponsored Pension Plans Accounting Funded Position						
Pension Plan	Supplementary Pension Plan (SPP) (55%)	Firefighters Supplementary Pension Plan (FSPP) (55%)	Elected Officials Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP)	Non - Registered Retirement Arrangements (OCP)	Other Non-Registered Retirement Arrangements
Valuation Date	2018 Dec 31	2018 Dec 31	2018 Dec 31	2018 Dec 31	2018 Dec 31	2018 Dec 31
Assets	\$28,516	\$103,015	\$14,131	-	-	-
Benefit Obligatio	\$35,941	\$143,542	\$13,572	\$1,631	\$42,116	\$16,553
Deficiency / (Surplus)	\$7,425	\$40,527	(\$559)	\$1,631	\$42,116	\$16,553
Unrecognized Experience Gains/(Losses	(\$857)	\$3,160	\$1,119	-	(\$16,190)	(\$2,182)
Liability/(Asset)	\$6,568	\$43,687	\$560	\$1,631	\$25,926	\$14,371

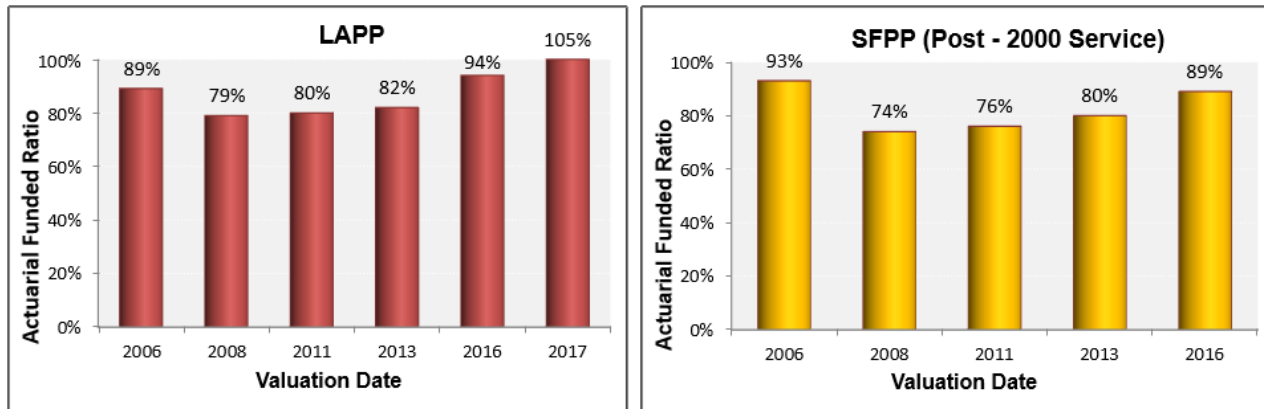
The City has full responsibility for funding the PSPP and the non-registered pension arrangements, including OCP, as the benefit payments become due. There is no legislated requirement to pre-fund these plans through external trusts and there are no member contributions. A valuation is performed annually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

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.

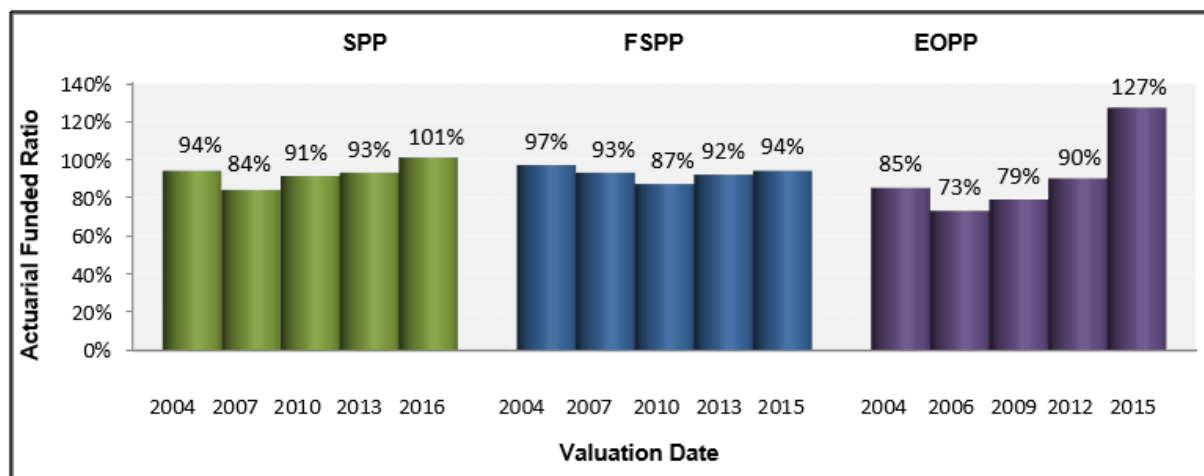
Sufficient funds are held within The City's investments to cover the unrecognized experience as determined by the most recent valuation for accounting purposes.

Funded Status (continued)

Actuarial Funded Ratio of Multi-Employer Pension Plans



Actuarial Funded Ratio of The City Sponsored Pension Plans



2018 Contributions - \$ thousands

Multi-Employer Pension Plans		
Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
City Contributions	\$145,789	\$34,638
Member Contributions	\$134,272	\$31,946
Contribution Remittance Cycle	Bi-weekly	Bi-weekly
Effective Date of Contribution Rates	2018 Jan 1	2010 July 1
Member Contribution Rate	9.39% up to YMPE 13.84% over YMPE & up to Annual Salary Cap	13.45% up to Annual Salary Cap
City Contribution Rate	10.39% up to YMPE 14.84% over YMPE & up to Annual Salary Cap	14.55% up to Annual Salary Cap
2018 YMPE	\$55,900	\$55,900
2018 Annual Salary Cap	\$163,992	\$163,992

Refer to graphs on page 7

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.

2018 Contributions - \$ thousands (continued)

City Sponsored Pension Plans					
Pension Plan	Supplementary Pension Plan (SPP) (Note 1)	Firefighters Supplementary Pension Plan (FSPP) (Note 1)	Elected Officials Pension Plan (EOPP) (Note 1)	Police Supplementary Pension Plan (PSPP) (Note 2)	Non-Registered Retirement Arrangement (Note 3)
City Contributions	\$2,954	\$5,103	\$310	\$166	\$162
Member Contribution Rates	\$2,378	\$4,227	\$149	N/A	N/A
Contribution Remittance Cycle	Monthly	Bi-weekly	Monthly	N/A	N/A
Effective Date of Contribution Rates	2017 Sept 04	2014 July 1	2016 Jan 1	N/A	N/A
Member Contribution Rates	2.35% Up to Annual Salary Cap	2.63% Up to Annual Salary Cap	9.00% Up to Annual Salary Cap	N/A	N/A
City Contribution Rates	2.92% Up to Annual Salary Cap	3.22% Up to Annual Salary Cap	18.64% Up to Annual Salary Cap	N/A	N/A
2018 Annual Salary Cap	\$147,222	\$163,992	\$147,222		

Refer to graphs on page 7

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

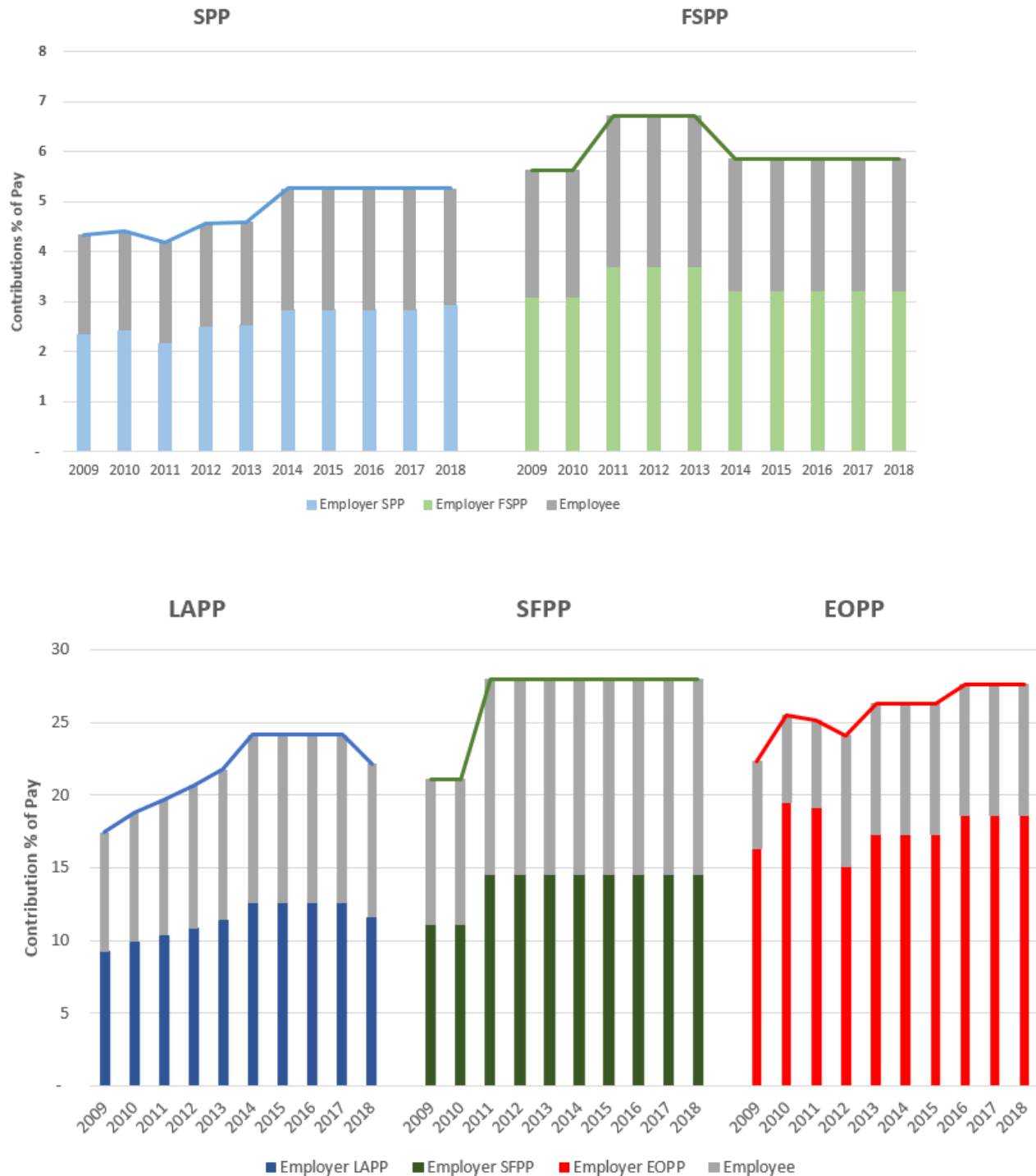
- SPP & FSPP: the current service costs and going concern unfunded liabilities are shared 45% by the members and 55% by The City.
- EOPP: Members contribute a fixed rate of earnings with The City providing the balance of the funding.

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 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.

2018 Contributions (continued)

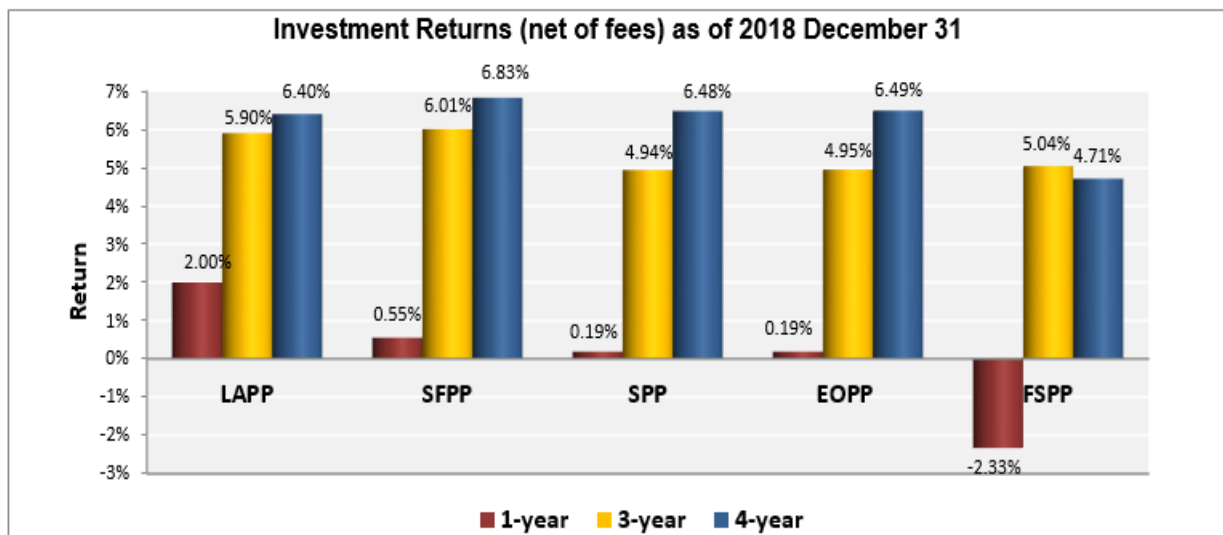
Contribution Rates (combined members and TheCity)



Investment Returns (net of fees) as of 2018 December 31

Investment Returns (annualized)	LAPP	SFPP	SPP	FSPP	EOPP	PSPP (Note 1)	Non- Registered Retirement Arrangements (Note 1)
1 Year	2.00%	0.55%	0.19%	-2.33%	0.19%	N/A	N/A
3 Year	5.90%	6.01%	4.94%	5.04%	4.95%	N/A	N/A
4 Year	6.4%	6.83%	6.48%	4.71%	6.49%	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.



**The City of Calgary Pension Governance Committee
2018 Workplan**

1st Quarter		
Time	Item (In order of priority)	Action
5 min	1) Items tabled or brought forward from 4 th quarter 2017	Information
10 min	2) Annual Code of Conduct Confirmation	Submission
20 min	3) PGC Annual Self-Assessment Declaration	Submission
30 min	4) Investment Manager Annual Update – Mawer	Information
10 min	5) Investment education corner	Information
5 min	6) Administration Report – details of previous quarter and calendaryear administrative and legal activities	Information
5 min	7) Financial Package – details of previous quarter's financial reporting and investment performance activities	Information
10 min	8) 2018 Workplan	Approval
2nd Quarter		
Time	Item (In order of priority)	Action
5 min	1) Items tabled or brought forward from 1 st quarter 2018	Information
20 min	2) Draft 2017 Pension Governance Committee Annual Report	Decision
15 min	3) 2017 Audited Financial Statements (SPP & EOPP)	Decision
15 min	4) 2017 Audit Results (SPP & EOPP)	Information
15 min	5) Discussion of new CAPSA (self-assessment) guidelines	Discussion
5 min	6) Administration Report - Details of previous quarter administrative and legal activities	Information
5 min	7) Financial Report – Details of previous quarter's financial reporting and investment performance activities	Information
10 min	8) PSPP review	Information / Discussion
120 min	CONTINUING EDUCATION SESSION FROM AON HEWITT to be scheduled separately from quarterly meeting	Training

3rd Quarter		
Time	Item (In order of priority)	Action
5 min	1) Items tabled or brought forward from 2 nd quarter 2018	Information
10 min	2) Annual Governance Policy review (SPP & EOPP)	Decision
15 min	3) Annual Funding Policy review (SPP & EOPP)	Decision
15 min	4) Code of Conduct review	Decision
15 min	5) Review of actuary / third-party administrator – determine scope	Action
5 min	6) Administration Report - details of previous quarter administrative and legal activities	Information
5 min	7) Financial Package – details of previous quarter's financial reporting and investment performance activities	Information

4th Quarter		
Time	Item (In order of priority)	Action
5 min	1) Items tabled or brought forward from 3 rd quarter 2018	Information
10 min	2) 2019 PGC Workplan	Decision
10 min	3) Audit Plan & Engagement (SPP & EOPP)	Decision
20 min	4) Annual Statement of Investment Policies & Procedures review (SPP & EOPP)	Decision
10 min	5) Annual Asset Class Benchmark Report (SPP & EOPP)	Information
15 min	6) Self-Assessment Questionnaire review	Information
5 min	7) Administration Report - details of previous quarter administrative and legal activities	Information
5 min	8) Financial Package – details of previous quarter's financial reporting and investment performance activities	Information
5 min	9) Annual Training - List of Conferences available in 2019	Information
5 min	10) Update on annual PSPP trustee meeting and FSPP stakeholder meeting	Information

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0412

2018 Audited Financial Statements for Business Revitalization Zones and Business Improvement Areas

EXECUTIVE SUMMARY

Provide to Council for information the 2018 Audited Financial Statements for all Calgary's Business Improvement Areas (BIAs) (formerly known as Business Revitalization Zones or BRZs).

ADMINISTRATION RECOMMENDATION:

The Priorities and Finance Committee recommends that:

1. Council receive for information the 2018 Audited Financial Statements for:
 - 1) Mainstreet Bowness BIA
 - 2) Calgary Downtown Association
 - 3) Chinatown BIA
 - 4) 4th Street South West BIA
 - 5) Greenview Industrial BIA
 - 6) Inglewood BRZ
 - 7) International Avenue BRZ
 - 8) Kensington BRZ
 - 9) Marda Loop BIA
 - 10) Montgomery on the Bow BIA
 - 11) 17th Avenue Retail & Entertainment District BIA
 - 12) Victoria Park BIA
2. Attachments 1 to 14 to this report remain confidential under the Freedom of Information and Protection of Privacy Act, Section 16(1) for 15 years.

PREVIOUS COUNCIL DIRECTION / POLICY

All Calgary Business Improvement Area (BIAs) must annually submit audited financial statements to Council as required by section 19 of the *Business Improvement Area Regulation*, AR 93/2016 (the "*BIA Regulation*").

BACKGROUND

The Province of Alberta passed enabling legislation in 1983 June to allow municipalities to establish BIAs. The provisions are now contained in section 50 of the *Municipal Government Act* (MGA), as amended, and sections 2 to 7 of the *BIA Regulation*.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The audited financial statements for the BIAs are attached and have been reviewed by the Finance Business Unit for content and accuracy. There is no concern arising from the review. Eleven of the BIAs received an unqualified audit opinion. The Chinatown BIA received a qualified audit opinion, further details of which can be found in Attachment 3.

A summary of each BIA's Statement of Operations (Attachment 13) and Statement of Financial Position (Attachment 14) are also attached so they can be reviewed in one report. Caution

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0412

2018 Audited Financial Statements for Business Revitalization Zones and Business Improvement Areas

should be exercised when comparing one BIA to another in those statements. Each BIA board maintains their accounting records based on their business needs and accounting practices. What is included in each category may be different from one BIA to another BIA.

Stakeholder Engagement, Research and Communication

The Finance Business Unit engaged with all BIA boards in Calgary to ensure they meet the legislative requirements to submit their annual audited financial statements. All BIAs have been advised of the 2019 meeting date for the Priorities and Finance Committee Meeting.

Strategic Alignment

Council's direction and the work discussed in this report aligns with the Citizen Priority of A Prosperous City in One Calgary 2019-22, "Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business."

The work of BIAs also supports and aligns with *Calgary in the New Economy: an updated economic strategy for Calgary*. BIAs are included as part of the Economic Development & Tourism service line in One Calgary.

Social, Environmental, Economic (External)

BIAs play an important role in supporting economic activity and neighbourhood revitalization.

Financial Capacity

Current and Future Operating Budget:

The revenue raised as a result of the BIA levy is transferred directly to the respective BIA.

There is an annual impact to The City's operating budget of approximately \$500 thousand to provide support to BIAs, which is currently absorbed through existing capacity. This consists of the provision of professional and administrative support in Calgary Neighbourhoods, and across the Corporation including Law, City Clerk's and Finance.

Current and Future Capital Budget:

There are no implications on the capital budget.

Risk Assessment

There are no significant risks associated with this report.

REASON(S) FOR RECOMMENDATION(S):

The BIA Regulation requires a BIA Board, following its financial year, to submit an audited financial statement to Council.

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0412

**2018 Audited Financial Statements for Business Revitalization Zones and
Business Improvement Areas**

ATTACHMENT(S)

1. Mainstreet Bowness BIA CONFIDENTIAL
2. Calgary Downtown Association CONFIDENTIAL
3. Chinatown BIA CONFIDENTIAL
4. 4th Street South West BIA CONFIDENTIAL
5. Greenview Industrial BIA CONFIDENTIAL
6. Inglewood BRZ CONFIDENTIAL
7. International Avenue BRZ CONFIDENTIAL
8. Kensington BRZ CONFIDENTIAL
9. Marda Loop BIA CONFIDENTIAL
10. Montgomery on the Bow BIA CONFIDENTIAL
11. 17th Avenue Retail & Entertainment District BIA CONFIDENTIAL
12. Victoria Park BIA CONFIDENTIAL
13. Summary of Statement of Operations CONFIDENTIAL
14. Summary of Statement of Financial Position CONFIDENTIAL

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0825

The City of Calgary Reserves and Long Term Liabilities Balances 2018

EXECUTIVE SUMMARY

This report is presented in accordance with the requirements contained within Council Policy on Reserves CFO013 and provides financial information on The City's reserves and long-term liabilities as at 2018 December 31 and highlights the accountability systems with respect to The City's reserves established by Administration and in operation in 2018. This report supplements the information on reserves balances and disclosures contained in The City's Annual Audited Financial Statements.

A well capitalized reserves portfolio coupled with strong governance systems contributes to The City's strong financial practices and liquidity, evidenced by a strong credit rating. This also demonstrates Administration's continued success in meeting Council's priority of a Well Run City.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council receive The City of Calgary Reserves and Long Term Liabilities Balances 2018 for information.

PREVIOUS COUNCIL DIRECTION / POLICY

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.

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 of Calgary ("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 and the Administration Policy on Financial Reserves FA-050 was created in 2010 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. In response to comments received from PFC in the prior reserve reporting cycle, Administration has added summary analytics to the 2018 report to improve the understandability of the reserves information and to increase clarity of the reserves information presented.

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

**Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02**

**ISC: UNRESTRICTED
PFC2019-0825**

The City of Calgary Reserves and Long Term Liabilities Balances 2018

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. The 2019 triennial review process is currently underway and a report is planned to be presented to PFC in the fourth quarter of 2019.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration has developed a Financial Reserves Policy FA-050 and the accompanying Procedures for Financial Reserves. This policy and procedures define the roles, 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 Audited Financial Statements and in Attachment 1.

The City's reserves total \$2,434 million at 2018 December 31 (2017: \$2,191 million) and consist of operating, capital and sustainment reserves. The City had capital commitments of \$1,063 million and operating commitments of \$51 million at 2018 December 31 as reported on The City's Annual Audited Financial Statements. These commitments will be partially funded from reserves in future years.

A summary definition of these reserves categories and information on reserves within these categories at 2018 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 \$764 million, of which \$656 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 17 capital reserves totalling \$984 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 \$686 million is held in 12 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 1 The City of Calgary Reserves and Long Term Liabilities Balances 2018 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 1 also identifies reserves closed within the last five years.

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0825

The City of Calgary Reserves and Long Term Liabilities Balances 2018

The proposed changes resulting from the 2018 Triennial Reserve Review which were approved by Council in the fourth quarter of 2018 have been reflected in this report.

Stakeholder Engagement, Research and Communication

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.

Strategic Alignment

This report is provided for information to contribute to the Priorities and Finance Committee and Council 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.

Social, Environmental, Economic (External)

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

Financial Capacity

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 impact 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 impact as a result of this report.

Risk Assessment

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

Chief Financial Officer's Report to
Priorities and Finance Committee
2019 July 02

ISC: UNRESTRICTED
PFC2019-0825

The City of Calgary Reserves and Long Term Liabilities Balances 2018

Administration's flexibility, and the vital role they play in preserving The City's fiscal stability is recognized by our credit rating agencies.

REASON(S) FOR RECOMMENDATION(S):

As per the direction in Council policy CFO013, Reserves information shall be reported to the PFC and to Council in an annual Reserves Report for information purposes.

ATTACHMENT(S)

1. Attachment 1 - The City of Calgary Reserves and Long Term Liabilities Balances 2018.

THE CITY OF CALGARY

RESERVES AND LONG TERM LIABILITIES

BALANCES 2018

July 2019

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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 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. Corporate Financial Reporting also supports the Reserve's Administrative Committee in conducting the review of specific reserves each year through the Triennial Reserve Review process.

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 2018 report. In response to comments in prior reserve reporting cycles, Administration has added summary analytics to the 2018 report to improve clarity of the reserves information presented.

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. The 2019 Triennial Reserve Review process is currently underway. Council through PFC2018-1125 approved the list of reserves to be reviewed in 2019. The Administrative Committee directs the conduct of the review and prepares a report for PFC and Council by the end of each year. The Administrative Committee expects to bring the report on the 2019 review to PFC in the fourth quarter of 2019. The 2019 Administrative Committee is comprised of the Chief Financial Officer, General Manager Transportation, Director Waste and Recycling Services, Finance Manager Corporate Budget Office and Finance Manager Corporate Financial Reporting.

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 2018, \$36.2 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

THE CITY OF CALGARY
5 YEAR TREND
AS AT DECEMBER 31, 2014 - 2018
(\$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.	2018	2017 (Restated)	2016	2015 (Restated)	2014
<u>Operating Reserves</u>							
Calgary Heritage Authority Reserve	E	19	1,771	1,772	1,765	1,770	1,736
Calgary Police Service Court Fine Revenue Operating Reserve	C	20	4,000	4,000	4,000	4,000	4,000
Calgary Police Service Helicopter Maintenance	CF	21	2,473	2,352	2,390	3,024	3,000
Children's Reserve Fund	E	22	4,702	4,723	4,693	4,605	4,605
ENMAX Dividend Stabilization Reserve	C	23	13,000	20,000	20,000	20,000	16,450
Family & Community Support Service (FCSS) Stabilization Fund	C	24	3,685	4,361	5,504	5,704	3,710
Fiscal Stability Reserve	C	26	656,282	573,721	556,561	547,811	443,371
Group Life Reserve	L	28	1,637	1,725	1,685	1,580	1,494
Health, Safety and Wellness Reserve	CF	30	17,799	18,813	15,984	13,271	10,975
Heritage Incentive Reserve	CF	32	1,242	1,205	965	1,087	1,369
Mall Programming Fund	C	34	835	813	788	770	754
Parking Revenue Reinvestment Reserve	CF	36	3,884	2,133	-	-	-
Parks Foundation Reserve	E	37	2,471	2,407	2,376	2,395	2,257
Self - Insurance Reserve	L	38	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control (SNIC) Reserve	C	40	5,426	12,482	15,000	8,940	-
Tax Loss Provision Reserve	C	42	37,398	37,398	37,398	37,398	37,398
			763,605	694,905	676,109	659,355	538,119
<u>Capital Reserves</u>							
911 Communications Centre Capital Financing Reserve	CF	43	25,055	26,243	24,141	18,577	11,830
Artificial Turf Field Lifecycle Reserve	CF	44	4,803	3,271	3,015	2,221	1,548
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	45	6,120	6,443	7,500	6,367	5,363
Calgary Police Service Capital Reserve	CF	46	40,868	40,209	40,254	34,349	30,978
Community Investment Reserve	CF	48	43,704	39,079	102,204	152,379	168,302
Corporate Housing Reserve	L	50	31,622	30,383	29,885	38,504	36,073
Debt Servicing Reserve	CF	52	52,570	52,570	52,570	52,570	52,570
Downtown Improvement Fund	CF	54	2,777	3,050	3,684	3,629	3,372
Fleet Services Capital Reserve	CF	56	9,766	10,933	14,326	10,456	4,042
Information Technology Reserve	CF	58	37,286	27,711	20,746	18,658	18,189
LED Street Light Re-Lamping Reserve	CF	60	5,414	4,537	5,688	5,528	5,816
Legacy Parks Reserve	CF	62	7,025	8,155	10,558	18,450	23,033
Lifecycle Maintenance and Upgrade Reserve	CF	64	248,660	171,056	116,122	149,391	97,251
Parking Land Acquisition Reserve	Closed CF	66	42,851	41,719	40,772	38,215	32,657
Reserve for Future Capital	C/CF	68	305,675	305,420	327,014	354,190	318,286
Revolving Fund Reserve for General Land Purchases	C/CF	70	119,750	102,118	101,073	86,881	84,505
TELUS Convention Centre Reserve	CF	72	200	20	242	213	253
			984,146	872,917	899,794	990,578	894,068
<u>Sustainment Reserves</u>							
(combined operating & capital reserves)							
Budget Savings Account	CF	74	135,198	157,334	130,103	60,905	-
Community Sustainability Reserve	C	76	2,062	2,119	2,123	2,270	2,443
CBS and CCS - Business License Sustainment Reserve	C/CF	78	88,142	96,335	106,363	98,408	76,247
Opportunity Calgary Investment Fund (formerly Economic Development)	CF	80	101,047	55,000	-	-	-
Golf Course Levy Reserve	CF	82	2,763	2,777	1,712	1,126	529
Livery Transport Services	CF	83	4,818	4,145	3,737	4,076	4,539
Millican-Ogden Community Enhancement	Closed CF	84	-	-	5	132	171
Parks Endowment and Sustainment Reserve	C/E	86	4,510	4,494	3,118	2,328	1,291
Perpetual Care of the Municipal Cemetery System Reserve	CF	88	19,519	18,221	15,905	13,949	12,549
Public Art Reserve	CF	89	6,768	5,883	5,105	4,093	3,272
Real Estate Services	C/CF	90	82,935	70,795	63,969	68,396	97,664
Utility Sustainment Reserve	C/CF	92	175,255	141,661	133,033	83,257	49,153
Waste and Recycling Sustainment Reserve	C/CF	93	63,083	64,802	48,019	48,809	41,968
			686,100	623,566	513,192	387,749	289,826
Total Reserves			2,433,851	2,191,388	2,089,095	2,037,682	1,722,013

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.

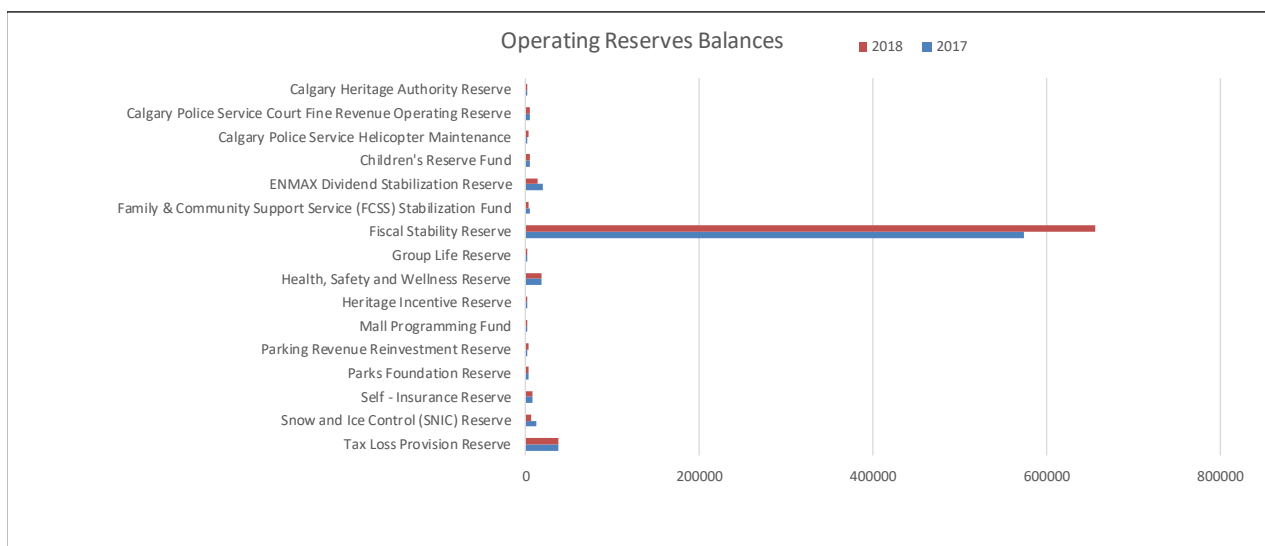
E - Endowment (Type) Reserve: A fund created to provide income for long-term ongoing purpose. Such funds are usually held in perpetuity and no encroachment on capital is allowed.

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

THE CITY OF CALGARY
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.	2018	2017	Change \$	Change %	Change Note
(Restated)							
Operating Reserves							
Calgary Heritage Authority Reserve	E	19	1,771	1,772	(1)	0%	
Calgary Police Service Court Fine Revenue Operating Reserve	C	20	4,000	4,000	-	0%	
Calgary Police Service Helicopter Maintenance	CF	21	2,473	2,352	121	5%	
Children's Reserve Fund	E	22	4,702	4,723	(21)	0%	
ENMAX Dividend Stabilization Reserve	C	23	13,000	20,000	(7,000)	-35%	1
Family & Community Support Service (FCSS) Stabilization Fund	C	24	3,685	4,361	(676)	-16%	
Fiscal Stability Reserve	C	26	656,282	573,721	82,561	14%	2
Group Life Reserve	L	28	1,637	1,725	(88)	-5%	
Health, Safety and Wellness Reserve	CF	30	17,799	18,813	(1,014)	-5%	
Heritage Incentive Reserve	CF	32	1,242	1,205	37	3%	
Mall Programming Fund	C	34	835	813	22	3%	
Parking Revenue Reinvestment Reserve	CF	36	3,884	2,133	1,751	82%	3
Parks Foundation Reserve	E	37	2,471	2,407	64	3%	
Self - Insurance Reserve	L	38	7,000	7,000	-	0%	
Snow and Ice Control (SNIC) Reserve	C	40	5,426	12,482	(7,056)	-57%	4
Tax Loss Provision Reserve	C	42	37,398	37,398	-	0%	
			763,605	694,905	68,700	10%	



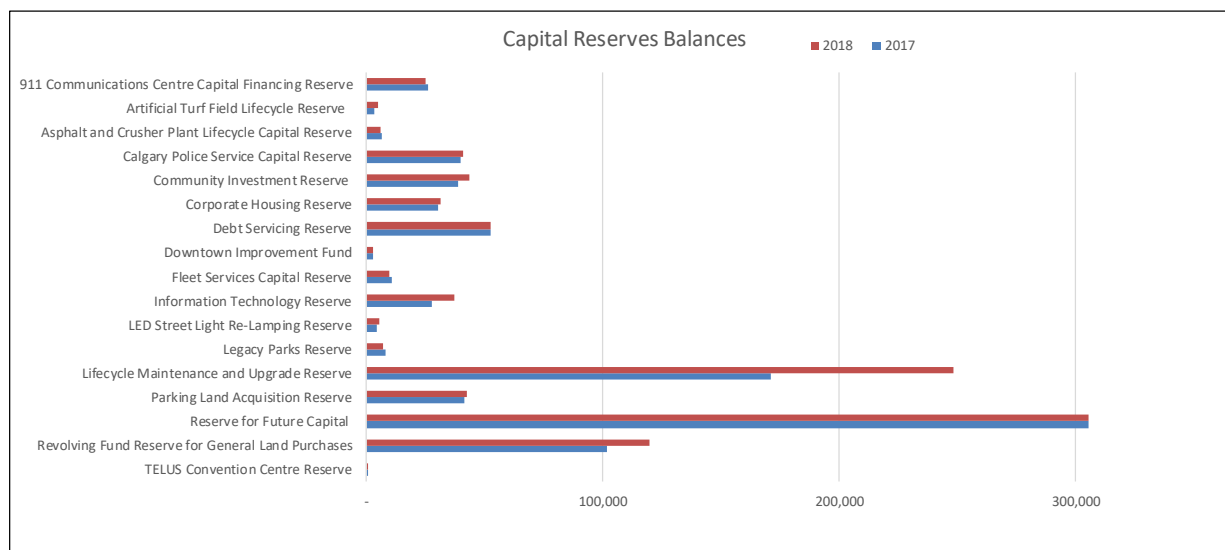
Change Explanation (Threshold: Greater than 20% or \$4,000):

- 1. ENMAX Dividend Stabilization Reserve:** Reserve decrease due to a draw as dividends were less than budgeted in accordance with the reserve purpose.
- 2. Fiscal Stability Reserve:** An increase in the reserve balance is primarily from funds set aside for liabilities no longer required and 2018 tax supported operating savings contributions.
- 3. Parking Revenue Reinvestment Reserve:** This is a reserve that was created in 2017 and the increase in balance relative to 2017 is due to the higher contributions to the reserve from Calgary Parking Authority relative to the contributions to operations from the reserve.
- 4. Snow and Ice Control Reserve:** The decrease in the reserve is on account of higher expenditures funded from the reserve for the higher snowfall in 2018.

THE CITY OF CALGARY
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.	2018	2017	Change \$	Change %	Change Note
(Restated)							
Capital Reserves							
911 Communications Centre Capital Financing Reserve	CF	43	25,055	26,243	(1,188)	-5%	
Artificial Turf Field Lifecycle Reserve	CF	44	4,803	3,271	1,532	47%	1
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	45	6,120	6,443	(323)	-5%	
Calgary Police Service Capital Reserve	CF	46	40,868	40,209	659	2%	
Community Investment Reserve	CF	48	43,704	39,079	4,625	12%	2
Corporate Housing Reserve	L	50	31,622	30,383	1,239	4%	
Debt Servicing Reserve	CF	52	52,570	52,570	-	0%	
Downtown Improvement Fund	CF	54	2,777	3,050	(273)	-9%	
Fleet Services Capital Reserve	CF	56	9,766	10,933	(1,167)	-11%	
Information Technology Reserve	CF	58	37,286	27,711	9,575	35%	3
LED Street Light Re-Lamping Reserve	CF	60	5,414	4,537	877	19%	
Legacy Parks Reserve	CF	62	7,025	8,155	(1,130)	-14%	
Lifecycle Maintenance and Upgrade Reserve	CF	64	248,660	171,056	77,604	45%	4
Parking Land Acquisition Reserve	Closed CF	66	42,851	41,719	1,132	3%	
Reserve for Future Capital	C/CF	68	305,675	305,420	255	0%	
Revolving Fund Reserve for General Land Purchases	C/CF	70	119,750	102,118	17,632	17%	5
TELUS Convention Centre Reserve	CF	72	200	20	180	900%	6
			984,146	872,917	111,229	13%	



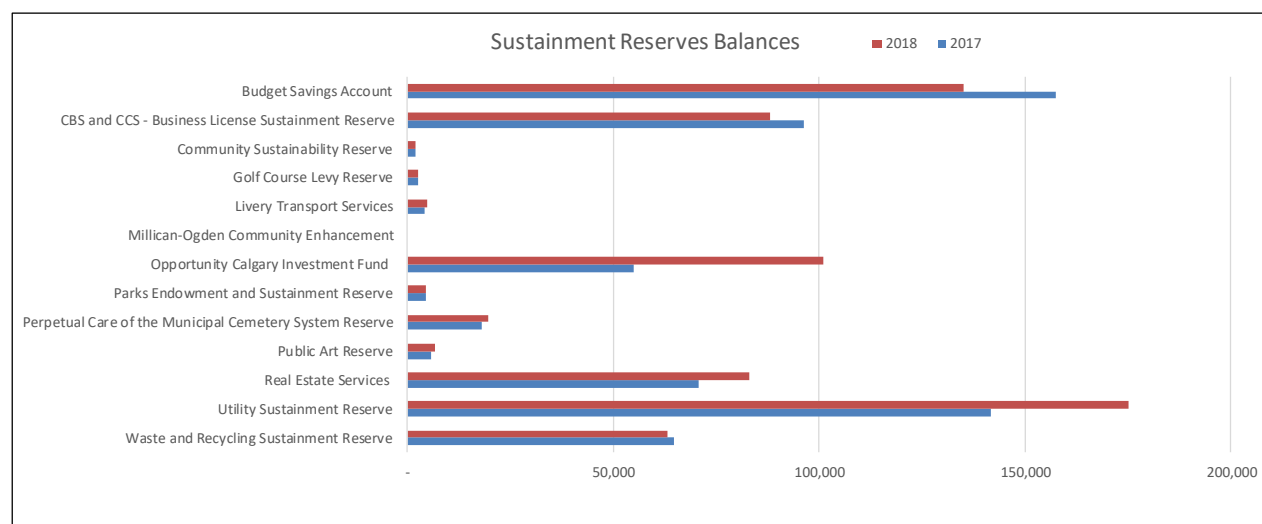
Change Explanation (Threshold: Greater than 20% or \$4,000):

- Artificial Turf Field Lifecycle Reserve:** The increase in the reserve is for the addition of the Genesis Environmental Contingency funds to the reserve and an increase in contributions from operations in 2018.
- Community Investment Reserve:** The increase in the reserve balance is on account of the lower contributions to capital projects in 2018.
- Information Technology Reserve:** The increase in the reserve balance is for contributions due to operating savings to the reserve and due to lower spending on capital projects.
- Lifecycle Maintenance and Upgrade Reserve:** The increase in this reserve is primarily for the increase in the Green Line component of the reserve which included an increase approved contribution from the property tax room funds and lower capital spend in 2018.
- Revolving Fund Reserve for General Land Purchases:** The increase in the reserve balance is on account of a decrease in land acquisitions and a higher amount of repayments by business units for land transactions.
- TELUS Convention Centre Reserve:** The increase the reserve balance is on account of no expenditures from the reserve so as to bring it to its minimum balance requirement.

THE CITY OF CALGARY
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.	2018	2017	Change \$	Change %	Change Note
(Restated)							
Sustainment Reserves (combined operating & capital reserves)							
Budget Savings Account	CF	74	135,198	157,334	(22,136)	-14%	1
Community Sustainability Reserve	C	76	2,062	2,119	(57)	-3%	
CBS and CCS - Business License Sustainment Reserve	C/CF	78	88,142	96,335	(8,193)	-9%	2
Opportunity Calgary Investment Fund (formerly Economic Development)	CF	80	101,047	55,000	46,047	84%	3
Golf Course Levy Reserve	CF	82	2,763	2,777	(14)	-1%	
Livery Transport Services	CF	83	4,818	4,145	673	16%	
Millican-Ogden Community Enhancement	Closed CF	84	-	-	-	0%	
Parks Endowment and Sustainment Reserve	C/E	86	4,510	4,494	16	0%	
Perpetual Care of the Municipal Cemetery System Reserve	CF	88	19,519	18,221	1,298	7%	
Public Art Reserve	CF	89	6,768	5,883	885	15%	
Real Estate Services	C/CF	90	82,935	70,795	12,140	17%	4
Utility Sustainment Reserve	C/CF	92	175,255	141,661	33,594	24%	5
Waste and Recycling Sustainment Reserve	C/CF	93	63,083	64,802	(1,719)	-3%	
			686,100	623,566	62,534	10%	



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

- Budget Savings Account:** The reserve decreased due to a decrease in contributions to the Community Economic Resiliency Fund component by \$41,400 and contributions to the Opportunity Calgary Investment Fund of \$25,000 partially offset by increases including budget savings contributions from business units \$5,000, reduced contributions to operations of \$11,800 and a higher starting balance of \$27,000.
- CBS and CCS - Business License Sustainment Reserve:** The decrease in the reserve is for the CBS component on account of the contributions of \$20,000 to the Opportunity Calgary Investment Fund which were partially offset by an increase in licenses and permits contributions.
- Opportunity Calgary Investment Fund (formerly named Economic Development):** The increase in the reserve balance is for approved transfers to the reserve of \$25,000 from the Budget Savings Account and \$20,000 from the CBS and CCS Business License Sustainment Reserve.
- Real Estate Services:** The increase in the reserve is due to the lower land development activities which are deferred to future years due to the market slowdown. This is partially offset by a decrease in contributions due to reduced revenues from land sales.
- Utility Sustainment Reserve:** The increase in reserve balance is due to the higher contribution from operations for Offsite Levies and lower capital financing draws.

THE CITY OF CALGARY
INVESTMENT INCOME ALLOCATIONS
FOR THE YEARS ENDED DECEMBER 31, 2014 - 2018
(\$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	2018	2017	2016	2015	2014
							(Restated)	
Operating Reserves								
Calgary Heritage Authority Reserve	E	19	Y	47	55	40	43	38
Calgary Police Service Court Fine Revenue Operating Reserve	C	20	N	-	-	-	-	-
Calgary Police Service Helicopter Maintenance	CF	21	N	-	-	-	-	-
Children's Reserve Fund	E	22	Y	128	150	105	115	101
ENMAX Dividend Stabilization Reserve	C	23	N	-	-	-	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	24	Y	106	149	92	-	-
Fiscal Stability Reserve	C	26	Y	15,215	16,651	12,319	11,465	8,504
Group Life Reserve	L	28	Y	46	53	36	37	29
Health, Safety and Wellness Reserve	CF	30	N	-	-	-	-	-
Heritage Incentive Reserve	CF	32	Y	35	-	-	-	-
Mall Programming Fund	C	34	Y	22	25	18	18	16
Parking Revenue Reinvestment Reserve	CF	36	N	-	-	-	-	-
Parks Foundation Reserve	E	37	Y	192	173	140	213	218
Self - Insurance Reserve	L	38	Y	-	-	-	-	-
Snow and Ice Control (SNIC) Reserve	C	40	N	-	-	-	-	-
Tax Loss Provision Reserve	C	42	N	-	-	-	-	-
				15,791	17,256	12,750	11,891	8,906
Capital Reserves								
911 Communications Centre Capital Financing Reserve	CF	43	N	-	-	-	-	-
Artificial Turf Field Lifecycle Reserve	CF	44	Y	109	97	59	45	25
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	45	Y	116	156	107	60	119
Calgary Police Service Capital Reserve	CF	46	P	16	30	19	20	17
Community Investment Reserve	CF	48	Y	1,336	3,348	5,860	7,369	6,604
Corporate Housing Reserve	L	50	Y	655	754	645	762	597
Debt Servicing Reserve	CF	52	Y	1,645	1,863	1,177	1,340	1,207
Downtown Improvement Fund	CF	54	Y	83	107	83	87	73
Fleet Services Capital Reserve	CF	56	N	-	-	-	-	-
Information Technology Reserve	CF	58	P	106	374	211	209	155
LED Street Light Re-Lamping Reserve	CF	60	N	-	-	-	-	-
Legacy Parks Reserve	CF	62	Y	192	255	335	449	435
Lifecycle Maintenance and Upgrade Reserve	CF	64	N	-	-	-	-	-
Parking Land Acquisition Reserve	CF	66	Y	1,132	1,308	876	810	578
Reserve for Future Capital	C/CF	68	N	-	-	-	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	70	Y	2,827	2,917	2,086	2,031	1,317
TELUS Convention Centre Reserve	CF	72	N	-	-	-	-	-
				8,217	11,209	11,458	13,182	11,127
Sustainment Reserves								
(combined operating & capital reserves)								
Budget Savings Account	CF	74	N	-	-	-	-	-
Community Sustainability Reserve	C	76	N	-	-	-	-	-
CBS and CCS - Business License Sustainment Reserve	C/CF	78	Y	2,256	3,458	2,277	2,148	1,377
Opportunity Calgary Investment Fund (formerly Economic Development)	CF	80	N	-	-	-	-	-
Golf Course Levy Reserve	CF	82	Y	74	74	36	25	19
Livery Transport Services	CF	83	Y	117	119	86	110	99
Millican-Ogden Community Enhancement	CF	84	N	-	-	-	-	-
Parks Endowment and Sustainment Reserve	C/E	86	Y	112	131	61	44	29
Perpetual Care of the Municipal Cemetery System Reserve	CF	88	Y	512	552	347	335	258
Public Art Reserve	CF	89	N	-	-	-	-	-
Real Estate Services	C/CF	90	P	168	199	145	148	96
Utility Sustainment Reserve	C/CF	92	Y	5,164	4,469	2,774	2,091	1,034
Waste and Recycling Sustainment Reserve	C/CF	93	Y	3,821	3,974	2,575	2,705	2,221
				12,224	12,976	8,301	7,606	5,133
Total Investment Income Allocations to Reserves				36,232	41,441	32,509	32,679	25,166

Investment Income Allocations:

Y - Receives allocations

N - Does not receive allocations and investment income allocated to general revenue

P - A component receives an allocation

**THE CITY OF CALGARY
BALANCE CONDITIONS
AS AT DECEMBER 31, 2018
(\$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.	2018	Reserve Balance Conditions			
				Minimum	Maximum	Target	Principal
<u>Operating Reserves</u>							
Calgary Heritage Authority Reserve	E	19	1,771	-	-	-	1,338
Calgary Police Service Court Fine Revenue Operating Reserve	C	20	4,000	-	-	-	-
Calgary Police Service Helicopter Maintenance	CF	21	2,473	-	-	-	-
Children's Reserve Fund	E	22	4,702	-	-	-	-
ENMAX Dividend Stabilization Reserve	C	23	13,000	-	20,000	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	24	3,685	-	-	-	-
Fiscal Stability Reserve	C	26	656,282	162,145	-	486,434	-
Group Life Reserve	L	28	1,637	1,636	-	-	-
Health, Safety and Wellness Reserve	CF	30	17,799	-	-	-	-
Heritage Incentive Reserve	CF	32	1,242	-	-	-	-
Mall Programming Fund	C	34	835	-	-	-	680
Parking Revenue Reinvestment Reserve	CF	36	3,884	-	-	-	-
Parks Foundation Reserve	E	37	2,471	-	-	-	2,000
Self - Insurance Reserve	L	38	7,000	2,000	7,000	-	-
Snow and Ice Control (SNIC) Reserve	C	40	5,426	-	15,000	-	-
Tax Loss Provision Reserve	C	42	37,398	-	52,959	-	-
<u>Capital Reserves</u>							
911 Communications Centre Capital Financing Reserve	CF	43	25,055	-	-	-	-
Artificial Turf Field Lifecycle Reserve	CF	44	4,803	-	-	-	292
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	45	6,120	-	7,500	-	-
Calgary Police Service Capital Reserve	CF	46	40,868	-	2,500	-	-
Community Investment Reserve	CF	48	43,704	-	-	-	-
Corporate Housing Reserve	L	50	31,622	-	-	-	-
Debt Servicing Reserve	CF	52	52,570	-	-	-	-
Downtown Improvement Fund	CF	54	2,777	-	-	-	-
Fleet Services Capital Reserve	CF	56	9,766	-	-	-	-
Information Technology Reserve ⁽¹⁾	CF	58	37,286	6,100	7,630	-	-
LED Street Light Re-Lamping Reserve	CF	60	5,414	-	-	-	-
Legacy Parks Reserve	CF	62	7,025	-	-	-	-
Lifecycle Maintenance and Upgrade Reserve	CF	64	248,660	-	-	-	-
Parking Land Acquisition Reserve	Closed CF	66	42,851	-	-	-	-
Reserve for Future Capital	C/CF	68	305,675	-	-	128,631	-
Revolving Fund Reserve for General Land Purchases	C/CF	70	119,750	-	-	-	-
TELUS Convention Centre Reserve	CF	72	200	200	-	-	-
<u>Sustainment Reserves</u>							
(combined operating & capital reserves)							
Budget Savings Account	CF	74	135,198	-	-	-	-
Community Sustainability Reserve	C	76	2,062	-	-	-	-
CBS and CCS - Business License Sustainment Reserve	C/CF	78	88,142	-	60,000	-	-
Opportunity Calgary Investment Fund (formerly Economic Development)	CF	80	101,047	-	-	-	-
Golf Course Levy Reserve	CF	82	2,763	-	-	-	-
Livery Transport Services	CF	83	4,818	-	-	-	-
Millican-Ogden Community Enhancement	Closed CF	84	-	-	-	-	-
Parks Endowment and Sustainment Reserve	C/E	86	4,510	-	-	-	419
Perpetual Care of the Municipal Cemetery System Reserve	CF	88	19,519	-	-	-	-
Public Art Reserve	CF	89	6,768	-	-	-	-
Real Estate Services	C/CF	90	82,935	-	-	-	-
Utility Sustainment Reserve	C/CF	92	175,255	-	-	70,110	-
Waste and Recycling Sustainment Reserve	C/CF	93	63,083	-	-	11,068	-

Note 1: The minimum and maximum amounts for Information Technology reserve only relate to the Hardware Replacement portion of the reserve.

**THE CITY OF CALGARY
BALANCE BY RESERVE TYPE
AS AT DECEMBER 31, 2018
(\$000's)**

This report categorizes the reserve balances as at 2018 December 31 by the reserves business type. This provides additional context in interpreting the reserves balances.

	Type	Appx. Pg.	2018	Reserve Balance by Business Type			
				Contingency	Cashflow	Endowment	Legislated
<u>Operating Reserves</u>							
Calgary Heritage Authority Reserve	E	19	1,771	-	-	1,771	-
Calgary Police Service Court Fine Revenue Operating Reserve	C	20	4,000	4,000	-	-	-
Calgary Police Service Helicopter Maintenance	CF	21	2,473	-	2,473	-	-
Children's Reserve Fund	E	22	4,702	-	-	4,702	-
ENMAX Dividend Stabilization Reserve	C	23	13,000	13,000	-	-	-
Family & Community Support Service (FCSS) Stabilization Fund	C	24	3,685	3,685	-	-	-
Fiscal Stability Reserve	C	26	656,282	656,282	-	-	-
Group Life Reserve	L	28	1,637	-	-	-	1,637
Health, Safety and Wellness Reserve	CF	30	17,799	-	17,799	-	-
Heritage Incentive Reserve	CF	32	1,242	-	1,242	-	-
Mall Programming Fund	C	34	835	835	-	-	-
Parking Revenue Reinvestment Reserve	CF	36	3,884	-	3,884	-	-
Parks Foundation Reserve	E	37	2,471	-	-	2,471	-
Self - Insurance Reserve	L	38	7,000	-	-	-	7,000
Snow and Ice Control (SNIC) Reserve	C	40	5,426	5,426	-	-	-
Tax Loss Provision Reserve	C	42	37,398	37,398	-	-	-
			763,605	720,626	25,398	8,944	8,637
<u>Capital Reserves</u>							
911 Communications Centre Capital Financing Reserve	CF	43	25,055	-	25,055	-	-
Artificial Turf Field Lifecycle Reserve	CF	44	4,803	-	4,803	-	-
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	45	6,120	-	6,120	-	-
Calgary Police Service Capital Reserve	CF	46	40,868	-	40,868	-	-
Community Investment Reserve	CF	48	43,704	-	43,704	-	-
Corporate Housing Reserve	L	50	31,622	-	-	-	31,622
Debt Servicing Reserve	CF	52	52,570	-	52,570	-	-
Downtown Improvement Fund	CF	54	2,777	-	2,777	-	-
Fleet Services Capital Reserve	CF	56	9,766	-	9,766	-	-
Information Technology Reserve	CF	58	37,286	-	37,286	-	-
LED Street Light Re-Lamping Reserve	CF	60	5,414	-	5,414	-	-
Legacy Parks Reserve	CF	62	7,025	-	7,025	-	-
Lifecycle Maintenance and Upgrade Reserve	CF	64	248,660	-	248,660	-	-
Parking Land Acquisition Reserve	Closed CF	66	42,851	-	42,851	-	-
Reserve for Future Capital	C/CF	68	305,675	36,608	269,067	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	70	119,750	96,230	23,520	-	-
TELUS Convention Centre Reserve	CF	72	200	-	200	-	-
			984,146	132,838	819,686	-	31,622
<u>Sustainment Reserves</u>							
(combined operating & capital reserves)							
Budget Savings Account	CF	74	135,198	-	135,198	-	-
Community Sustainability Reserve	C	76	2,062	2,062	-	-	-
CBS and CCS - Business License Sustainment Reserve	C/CF	78	88,142	77,908	10,234	-	-
Opportunity Calgary Investment Fund (formerly Economic Development)	CF	80	101,047	-	101,047	-	-
Golf Course Levy Reserve	CF	82	2,763	-	2,763	-	-
Livery Transport Services	CF	83	4,818	-	4,818	-	-
Millican-Ogden Community Enhancement	Closed CF	84	-	-	-	-	-
Parks Endowment and Sustainment Reserve	C/E	86	4,510	-	3,997	513	-
Perpetual Care of the Municipal Cemetery System Reserve	CF	88	19,519	-	19,519	-	-
Public Art Reserve	CF	89	6,768	-	6,768	-	-
Real Estate Services	C/CF	90	82,935	69,008	13,927	-	-
Utility Sustainment Reserve	C/CF	92	175,255	25,430	149,825	-	-
Waste and Recycling Sustainment Reserve	C/CF	93	63,083	11,068	52,015	-	-
			686,100	185,476	500,111	513	-
Total Reserves			2,433,851	1,038,940	1,345,195	9,457	40,259

2018 RESERVE SUPPLEMENTARY SCHEDULE**Note:** Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2018 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/18 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. 31/18 Closing Balance
Community Services & Calgary Police Service										
Calgary Police Service Court Fine Revenue Operating Reserve	o	4,000	-	-	-	-	-	-	-	4,000
Calgary Police Service Helicopter Maintenance Reserve	o	2,352	(687)	808	-	-	-	-	-	2,473
Children's Reserve Fund	o	4,723	(150)	-	-	-	-	129	-	4,702
FCSS Stabilization Fund	o	4,361	-	563	-	-	(1,345)	106	-	3,685
Parks Foundation Reserve	o	2,407	(128)	-	-	-	-	192	-	2,471
911 Communications Centre Capital Financing Reserve	c	26,243	-	4,511	(5,699)	-	-	-	-	25,055
Artificial Turf Field Lifecycle Reserve	c	3,271	-	1,164	259	-	-	109	-	4,803
Calgary Police Service Capital Reserve	c	40,209	-	14,940	(14,297)	-	-	16	-	40,868
Community Investment Reserve	c	39,079	-	50,919	(49,130)	-	1,500	1,336	-	43,704
Corporate Housing Reserve	c	30,383	(2,083)	2,165	(566)	-	1,068	655	-	31,622
Legacy Parks Reserve	c	8,155	-	-	(1,322)	-	-	192	-	7,025
TELUS Convention Centre Reserve	c	20	-	180	-	-	-	-	-	200
CCS Sustainment Fund	s	9,583	-	1,210	(88)	-	(766)	295	-	10,234
Community Sustainability Reserve	s	2,119	(57)	-	-	-	-	-	-	2,062
Golf Course Levy Reserve	s	2,777	(220)	131	-	-	-	75	-	2,763
Livery Transport Services Reserve	s	4,145	-	599	(43)	-	-	117	-	4,818
Parks Endowment and Sustainment Reserve	s	4,494	(882)	-	(670)	-	1,456	112	-	4,510
Perpetual Care of the Municipal Cemetery System Reserve	s	18,221	-	1,106	(320)	-	-	512	-	19,519
Public Art Reserve	s	5,883	(391)	-	-	-	1,276	-	-	6,768
Deputy City Manager										
Fleet Services Capital Reserve	c	10,933	-	3,833	(5,000)	-	-	-	-	9,766
Revolving Fund Reserve for General Land Purchases	c	102,118	-	4,348	(2,421)	-	(1,536)	2,827	14,414	119,750
Opportunity Calgary Investment Fund (formerly Economic Development)	s	55,000	-	-	-	-	-	1,858	44,189	101,047
Real Estate Services	s	70,795	-	5,259	(98)	-	(879)	168	7,690	82,935
Utilities & Environmental Protection										
Utility Sustainment Reserve	s	141,661	-	233,907	(208,220)	-	2,743	5,164	-	175,255
Waste & Recycling Sustainment Reserve	s	64,802	(13,952)	20,926	(12,514)	-	-	3,821	-	63,083

2018 RESERVE SUPPLEMENTARY SCHEDULE

Note: Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2018 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/18 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. 31/18 Closing Balance
CFO & Governance										
ENMAX Dividend Stabilization Reserve	o	20,000	(7,000)	-	-	-	-	-	-	13,000
Fiscal Stability Reserve	o	573,721	(27,249)	63,558	(2,840)	-	(4,874)	15,215	38,751	656,282
Group Life Reserve	o	1,725	-	(135)	-	-	-	47	-	1,637
Health, Safety and Wellness Reserve ⁽¹⁾	o	18,813	(2,313)	1,299	-	-	-	-	-	17,799
Self - Insurance Reserve	o	7,000	-	-	-	-	-	-	-	7,000
Tax Loss Provision Reserve	o	37,398	-	-	-	-	-	-	-	37,398
Debt Servicing Reserve	c	52,570	(39,136)	94,752	-	-	(57,261)	1,645	-	52,570
Information Technology Reserve	c	27,711	-	15,152	(5,683)	-	-	106	-	37,286
Lifecycle Maintenance and Upgrade Reserve	c	171,056	-	47,267	(74,271)	-	104,608	-	-	248,660
Reserve for Future Capital ⁽²⁾	c	305,420	-	78,238	(106,483)	-	28,500	-	-	305,675
Budget Savings Account Reserve	s	157,334	(41,741)	42,491	-	-	(22,886)	-	-	135,198
Transportation & Planning and Development										
Calgary Heritage Authority Reserve	o	1,772	(48)	-	-	-	-	47	-	1,771
Heritage Incentive Reserve	o	1,205	(223)	225	-	-	-	35	-	1,242
Mall Programming Fund	o	813	-	-	-	-	-	22	-	835
Parking Revenue Reinvestment Reserve	o	2,133	(450)	2,201	-	-	-	-	-	3,884
Snow and Ice Control Reserve	o	12,482	621	(17,177)	-	-	9,500	-	-	5,426
Asphalt and Crusher Plant Lifecycle Capital Reserve	c	6,443	-	-	(440)	-	-	117	-	6,120
Downtown Improvement Fund	c	3,050	(60)	75	(371)	-	-	83	-	2,777
LED Street Light Re-Lamping Reserve	c	4,537	-	1,664	(787)	-	-	-	-	5,414
Parking Land Acquisition Reserve	c	41,719	-	-	-	-	-	1,132	-	42,851
CBS Sustainment Fund	s	86,752	-	13,531	(4,336)	-	(20,000)	1,961	-	77,908
Millican-Ogden Community Enhancement	s	-	-	-	-	-	-	-	-	-
Total Reserves		2,191,388	(136,149)	689,710	(495,340)	-	41,104	38,094	105,044	2,433,851

Note 1: This reserve is owned by HR and ESM business unit. For presentational purposes, it is shown under the CFO & Governance department.

Note 2: This reserve is owned by Finance, Facility Management, and Transportation Infrastructure business units. For presentational purposes, it is shown under the CFO and Governance department.

APPENDIX

RESERVES AND

LONG TERM LIABILITIES

As at December 31, 2018

THE CITY OF CALGARY
RESERVES AND LONG TERM LIABILITIES
AS AT DECEMBER 31, 2014 - 2018
(\$000's)

	Page	2018	2017	2016	2015	2014
			(Restated)		(Restated)	
<u>Operating Reserves</u>						
Calgary Heritage Authority Reserve	19	1,771	1,772	1,765	1,770	1,736
Calgary Police Service Court Fine Revenue Operating Reserve	20	4,000	4,000	4,000	4,000	4,000
Calgary Police Service Helicopter Maintenance	21	2,473	2,352	2,390	3,024	3,000
Children's Reserve Fund	22	4,702	4,723	4,693	4,605	4,605
ENMAX Dividend Stabilization Reserve	23	13,000	20,000	20,000	20,000	16,450
Family & Community Support Service (FCSS) Stabilization Fund	24	3,685	4,361	5,504	5,704	3,710
Fiscal Stability Reserve	26	656,282	573,721	556,561	547,811	443,371
Group Life Reserve	28	1,637	1,725	1,685	1,580	1,494
Health, Safety and Wellness Reserve	30	17,799	18,813	15,984	13,271	10,975
Heritage Incentive Reserve	32	1,242	1,205	965	1,087	1,369
Mall Programming Fund	34	835	813	788	770	754
Parking Revenue Reinvestment Reserve	36	3,884	2,133	-	-	-
Parks Foundation Reserve	37	2,471	2,407	2,376	2,395	2,257
Self - Insurance Reserve	38	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control (SNIC) Reserve	40	5,426	12,482	15,000	8,940	-
Tax Loss Provision Reserve	42	37,398	37,398	37,398	37,398	37,398
		763,605	694,905	676,109	659,355	538,119
<u>Capital Reserves</u>						
911 Communications Centre Capital Financing Reserve	43	25,055	26,243	24,141	18,577	11,830
Artificial Turf Field Lifecycle Reserve	44	4,803	3,271	3,015	2,221	1,548
Asphalt and Crusher Plant Lifecycle Capital Reserve	45	6,120	6,443	7,500	6,367	5,363
Calgary Police Service Capital Reserve	46	40,868	40,209	40,254	34,349	30,978
Community Investment Reserve	48	43,704	39,079	102,204	152,379	168,302
Corporate Housing Reserve	50	31,622	30,383	29,885	38,504	36,073
Debt Servicing Reserve	52	52,570	52,570	52,570	52,570	52,570
Downtown Improvement Fund	54	2,777	3,050	3,684	3,629	3,372
Fleet Services Capital Reserve	56	9,766	10,933	14,326	10,456	4,042
Information Technology Reserve	58	37,286	27,711	20,746	18,658	18,189
LED Street Light Re-Lamping Reserve	60	5,414	4,537	5,688	5,528	5,816
Legacy Parks Reserve	62	7,025	8,155	10,558	18,450	23,033
Lifecycle Maintenance and Upgrade Reserve	64	248,660	171,056	116,122	149,391	97,251
Parking Land Acquisition Reserve	66	42,851	41,719	40,772	38,215	32,657
Reserve for Future Capital	68	305,675	305,420	327,014	354,190	318,286
Revolving Fund Reserve for General Land Purchases	70	119,750	102,118	101,073	86,881	84,505
TELUS Convention Centre Reserve	72	200	20	242	213	253
		984,146	872,917	899,794	990,578	894,068
<u>Sustainment Reserves</u>						
(combined operating & capital reserves)						
Budget Savings Account	74	135,198	157,334	130,103	60,905	-
Community Sustainability Reserve	76	2,062	2,119	2,123	2,270	2,443
CBS and CCS - Business License Sustainment Reserve	78	88,142	96,335	106,363	98,408	76,247
Opportunity Calgary Investment Fund (formerly Economic development investment fund)	80	101,047	55,000	-	-	-
Golf Course Levy Reserve	82	2,763	2,777	1,712	1,126	529
Livery Transport Services	83	4,818	4,145	3,737	4,076	4,539
Millican-Ogden Community Enhancement	84	-	-	5	132	171
Parks Endowment and Sustainment Reserve	86	4,510	4,494	3,118	2,328	1,291
Perpetual Care of the Municipal Cemetery System Reserve	88	19,519	18,221	15,905	13,949	12,549
Public Art Reserve	89	6,768	5,883	5,105	4,093	3,272
Real Estate Services	90	82,935	70,795	63,969	68,396	97,664
Utility Sustainment Reserve	92	175,255	141,661	133,033	83,257	49,153
Waste and Recycling Sustainment Reserve	93	63,083	64,802	48,019	48,809	41,968
		686,100	623,566	513,192	387,749	289,826
Total Reserves		2,433,851	2,191,388	2,089,095	2,037,682	1,722,013

**THE CITY OF CALGARY
RESERVES AND LONG TERM LIABILITIES
AS AT DECEMBER 31, 2014 - 2018
(\$000's)**

Page	2018	2017	2016	2015	2014
Amounts included in the Reserve Report but recorded in other funds (Operating or Capital Fund) or consolidated for financial reporting purposes					
Total Reserves (per previous page)	2,433,851	2,191,388	2,089,095	2,037,682	1,722,013
Less:					
Unappropriated Surplus (Current year surplus)	(38,751)	(80,955)	(37,731)	(59,026)	(27,490)
Livery Transport Services surplus	-	-	-	-	-
Revolving Fund for General Land Purchases	(119,750)	(102,118)	(101,073)	(86,881)	(84,505)
CMLC Internally Restricted (Real Estate Services)	(4,964)	(4,964)	(4,964)	(4,964)	(6,750)
AHCC Internal Sale (Corporate Housing Reserve)	-	-	(326)	(299)	(323)
Amounts not included in the Reserve Report but recorded in the Reserve Fund for financial reporting purposes					
Attainable Homes Calgary Corporation operating fund	500	500	-	-	-
Calgary Arts Development Authority Ltd. operating fund	466	459	269	245	169
Calgary Housing Company surplus (deficit)	27,653	27,349	27,448	27,426	22,589
Calgary Public Library operating fund	993	993	993	993	573
Utility Sustainment Adjustment (offset with capital deposits)	-	-	2,098	-	-
Reserves per financial statements	2,299,998	2,032,652	1,975,809	1,915,176	1,626,276

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.

Long Term Liabilities**Capital Deposits**

	2018	2017	2016	2015	2014
	(Restated)				
Alberta Municipal Infrastructure Program (AMIP) Agreement	96	-	-	-	11,699
Basic Municipal Transportation Grant	97	-	-	8,817	259,873
Cash in Lieu of Parking Fund	98	7,799	15,686	14,697	8,882
Eau Claire Improvement Fund	99	879	856	2,296	931
Federal Gas Tax Fund	100	61,362	36,458	67,079	-
Infrastructure Canada - Alberta Program (ICAP)	101	-	-	-	173
Miscellaneous Capital Deposits	102	243,769	228,364	209,686	200,066
Municipal Sustainability Initiative (MSI)	104	147,590	30,830	362,375	99,264
Off-site Levies	106	286,849	375,243	339,009	341,689
Plus 15 Cash in Lieu Fund	108	23,046	25,248	24,364	23,999
Total Capital Deposits	771,294	712,685	1,020,271	1,028,323	946,576
Utility Sustainment Adjustment (offset with reserves)	-	-	(2,098)	-	-
Capital Deposits per financial statements	771,294	712,685	1,018,173	1,028,323	946,576

Employee Benefit Obligations

Defined Benefit Pension Plans (Registered & Non-Registered)	109	92,743	90,614	86,738	78,890	68,153
Funded Vacation and Overtime Liability	110	220,246	220,021	217,074	208,480	195,551
Other Retirement Benefits Liability	112	186,652	183,235	176,341	167,879	160,036
		499,641	493,870	480,153	455,249	423,740

Supplementary Schedules

Reserves Continuity

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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.

***OPERATING, CAPITAL
AND SUSTAINMENT RESERVES***

Calgary Heritage Authority Reserve

Operating Reserve (\$000s)

\$ 1,771
(2018)

Authorization: PFC2012-0159 and PFC2015-0917.

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, 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	1,772	1,765	1,770	1,736	1,698
Investment Income	47	55	40	43	38
Contributions to operations	(48)	(48)	(45)	(9)	-
Closing balance	<u>1,771</u>	<u>1,772</u>	<u>1,765</u>	<u>1,770</u>	<u>1,736</u>

Source Contacts: **Business Unit –** Calgary Growth Strategies
Financial Lead – S. Mackenzie, Finance Lead
Operational Lead – J. Mueller, Manager, City Planning and Policy Services

Review Schedule: Last Review: 2018 Next Review: 2019

Calgary Police Service Court Fine Revenue Operating Reserve**\$ 4,000**
(2018)

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: 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 X No**Special Reporting Requirements:**

None

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</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>

Source Contacts:

Business Unit –	Calgary Police Services
Financial Lead –	T. Nguyen, City Treasurer
Operational Lead –	B. Hutchins, Finance Manager

Review Schedule: Last Review: 2017 Next Review: 2020

Calgary Police Service Helicopter Maintenance Reserve

Operating Reserve (\$000s)

\$ 2,473
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	2,352	2,390	3,024	3,000	2,706
Contributions from operations	808	809	808	809	808
Contributions to operations	(687)	(847)	(1,442)	(785)	(514)
Closing balance	<u>2,473</u>	<u>2,352</u>	<u>2,390</u>	<u>3,024</u>	<u>3,000</u>

Source Contacts:

Business Unit –	Calgary Police Service
Financial Lead –	B. Hutchins, Finance Manager
Operational Lead –	S. Barlow, Chief

Review Schedule: Last Review: 2017 Next Review: 2020

Children's Reserve Fund

Operating Reserve (\$000s)

\$	4,702
	(2018)

Authorization: C2000-07, FCS2004-22, CPS2008-87, FCS2010-19, FCS2011-34, PFC2012-0606, PFC2015-0917

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% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,723	4,693	4,605	4,605	4,595
Investment Income	129	150	105	115	101
Contribution to Recreation/Calgary Neighbourhoods	(150)	(120)	(17)	(115)	(91)
Closing balance	<u>4,702</u>	<u>4,723</u>	<u>4,693</u>	<u>4,605</u>	<u>4,605</u>

Source Contacts:

Business Unit –	Calgary Neighbourhoods
Financial Lead –	J. Salazar, Finance Lead
Operational Lead –	P. Yung, Manager

Review Schedule: Last Review: 2018 Next Review: 2021

ENMAX Dividend Stabilization Reserve

Operating Reserve (\$000s)

\$ 13,000
(2018)

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% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	20,000	20,000	20,000	16,450	10,100
Contributions (to) from operations	(7,000)	-	-	3,550	6,350
Closing balance	<u>13,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>16,450</u>

Source Contacts:

Business Unit –	Corporate Revenue & Costs
Financial Lead –	C. Fung, Corporate Finance Lead
Operational Lead –	C. Jacyk, Finance Manager

Review Schedule: Last Review: 2018 Next Review: 2021

Family & Community Support Service (“FCSS”) Stabilization Fund \$ 3,685
Operating Reserve (\$000s) (2018)

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:
 X Yes No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,361	5,504	5,704	3,710	3,688
Contributions from operations	563	513	2,605	2,630	1,474
Contributions to operations(1)	(1,345)	(1,805)	(2,897)	(636)	(1,452)
Investment income	106	149	92	-	-
Closing balance	<u>3,685</u>	<u>4,361</u>	<u>5,504</u>	<u>5,704</u>	<u>3,710</u>

- (1) In 2015, Council approved the annual transfer amount of \$500 as per CPS2015-0150. An additional transfer of \$2,100 was approved by Council in 2016, as per CPS2016-0036, to be allocated to 72 funded agencies. 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. For 2018 Council approved a \$750 withdrawal for one-time capacity building and emerging issues project as per CPS2017-1124. \$500 was 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.

Source Contacts: **Business Unit –** **Calgary Neighbourhoods**
 Financial Lead – J. Salazar, Finance Lead
 Operational Lead – P. Yung, Manager

Review Schedule: Last Review: 2018 Next Review: 2021

Fiscal Stability Reserve

Operating Reserve (\$000s)

\$	656,282
	(2018)

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% of The City's tax-supported gross expenditures (net of recoveries) and the Fiscal Stability Reserve ("FSR") target balance is set at 15% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u> (Restated)	<u>2014</u>
Opening Balance	573,721	556,561	547,811	443,371	365,460
Surplus (Current year) ⁽¹⁾	38,751	80,955	37,731	59,026	27,490
Investment income	15,215	16,651	12,319	11,465	8,504
Net contribution (to) operations	(27,249)	(78,449)	(21,728)	(14,359)	(27,106)
Net contribution (to) from capital ⁽²⁾	(2,840)	(7,824)	(1,382)	4,892	(16,310)
Funding contribution from operations ⁽³⁾	63,558	16,793	10,945	55,809	84,713
Transfers (to)/from other reserves ⁽⁴⁾	(4,874)	(10,966)	(29,135)	(12,393)	620
Closing balance ⁽⁵⁾	656,282	573,721	556,561	547,811	443,371

- (1) Due to a change in policy commencing 2013, the current year surplus is included to more appropriately reflect the funds in the FSR. In years prior, the current year surplus used to be shown as a separate item called Unappropriated Surplus in the Reserves Report.
- (2) Contribution to Capital as per report C2013-0668 for flood related 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.
2015: Excess insurance receipt of \$4,892 transferred back to FSR.
2014: Relates to expenditures for flood resiliency projects and other flood related projects incurred as a result of the 2013 flood.
- (3) Funding contribution from operations is from the transfer of various unspent contingency funds, for example, unrequired Property Tax and Business Tax contingencies. The \$46,765 increase in 2018 was mainly due to increase in unrequired tax contingencies (\$22,754) and other unrequired liability (\$24,011) returned to FSR.
- (4) Transfer (to)/from other reserve:
2018: As per 2018-06-25 report TT2018-0467, transfer funds 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 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 Economic Development and Policy Co-ordination ("EDPC") year-end surplus to fund future Council Innovation Fund; transfer of \$58 from Budget Savings Account ("BSA") Reserve for 2016 over-contribution to BSA.
2016: As per report C2014-0863, transfer funds from FSR to Roads Snow and Ice Control ("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).
2015: As per report C2014-0863, transfer funds from FSR to Roads SNIC of (\$5,000), transfer funds from FSR to various business units' flow through FSR (\$7,393). Transfer (to) other reserves include a \$300 internal loan to facilitate the relocation of the McHugh House (C2014-0188).
2014: As per report C2014-0863, \$620 of unallocated funds transferred from the Council Innovation Fund.
- (5) Committed amounts in the closing balance total \$144,663 consisting of:
\$10,222 one-time approved council items,
\$305 of balance remaining for land-related matter (VR2017-0029),
\$101,986 of balance remaining for Flood Commitment,
\$1,000 for Shouldice Athletic Park,
\$25,000 for Community Action on Mental Health and Addition,
\$2,150 for Genesis Centre Outdoor Artificial Turf Community Field, and
\$4,000 for New Community Growth Strategy capital cost in 2022.
Closing balance ratio to tax supported gross expenditures (net of recoveries) after committed amounts is 14.6% before current year surplus and 15.8% including current year surplus. The minimum level to be maintained in the reserve is \$162,145.

Source Contacts:	Business Unit –	Finance
	Financial Lead –	C. Jacyk, Finance Manager
	Operational Lead –	T. Nguyen, City Treasurer

Review Schedule:	Last Review:	2018	Next Review:	2021
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Group Life Reserve

Operating Reserve (\$000s)

\$	<u>1,637</u>
	(2018)

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 Great West Life ("GWL").

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% 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% 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 Great West Life ("GWL").

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	1,725	1,685	1,580	1,494	1,338
Investment income	47	53	36	37	29
Contributions from/(to) Operations	(135)	(13)	69	49	127
Closing balance	<u>1,637</u>	<u>1,725</u>	<u>1,685</u>	<u>1,580</u>	<u>1,494</u>

Source Contacts:	Business Unit –	Finance
	Financial Lead –	R. Bauer, Finance Leader, Benefits Finance
	Operational Lead –	G. Wiebe, Finance Manager, Corporate Financial Reporting

Review Schedule:	Last Review:	2018	Next Review:	2021
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Health, Safety and Wellness Reserve

Operating Reserve (\$000s)

\$ 17,799
(2018)

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% to the Health, Safety and Wellness ("HSW") Reserve and 25% 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

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% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	18,813	15,984	13,271	10,975	7,566
Contributons from operations:					
Employee benefits rate	600	600	600	600	600
WCB rebate	699	636	600	573	548
WCB return on investment	-	4,254	4,519	4,297	4,380
Contributions to operations					
Safety (ESM)	(1,021)	(1,779)	(1,977)	(1,776)	(940)
Health & Wellness (HR)	(1,200)	(882)	(1,029)	(1,398)	(1,179)
Transit Rsv (100875)	(9)	-	-	-	-
Utility Sustainment Rsv (100790)	(83)	-	-	-	-
Closing balance	<u>17,799</u>	<u>18,813</u>	<u>15,984</u>	<u>13,271</u>	<u>10,975</u>

Closing balance attributable to:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Safety (ESM)	7,950	8,744	7,778	6,895	5,936
Health & Wellness (HR)	9,849	10,069	8,206	6,376	5,039
Closing balance	<u>17,799</u>	<u>18,813</u>	<u>15,984</u>	<u>13,271</u>	<u>10,975</u>

Source Contacts:

Business Unit –
Financial Lead –
Operational Lead –

Human Resources
E. Galindo, Finance Lead
M. Lavallee, Director

Business Unit –
Financial Lead –
Operational Lead –

Environment & Safety Management
F. Tse, Finance Lead
C. Collier, Director

Review Schedule:

Last Review: 2018 Next Review: 2021

Heritage Incentive Reserve

Operating Reserve (\$000s)

\$ 1,242
(2018)

Authorization:	FB2002-27, FCS2004-15, FCS2004-20, PFC2012-0159 and PFC2015-0917.
Purpose:	<p>To fund the implementation of the Heritage Incentive Program which began in 2003.</p> <p>Grants are provided to non-city owned municipal historic resources to:</p> <ul style="list-style-type: none">• 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:	<p>There shall be a maximum expenditure of 50% of the approved project costs or 15% 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.</p> <p>Applications may be accepted every five years but the total grant amount cannot exceed 50% of the approved project costs or 15% of the current assessed value of the property; whichever is the lesser, every 15 years except for special circumstances approved by Council.</p>
Related Budget Program:	Operating Program: #610 Calgary Growth Strategies (formerly #610 City Wide Policy & Integration)
Funding Sources:	<p>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).</p> <p>Reserve approved to record allocation of investment income: <u> X </u> Yes <u> </u> No</p>
Special Reporting Requirements:	None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	1,205	965	1,087	1,369	1,283
Contributions from operations	225	525	225	225	225
Contributions to operations	(223)	(285)	(347)	(507)	(139)
Investment income	35	-	-	-	-
Closing balance	<u>1,242</u>	<u>1,205</u>	<u>965</u>	<u>1,087</u>	<u>1,369</u>

Source Contacts:	Business Unit –	Calgary Growth Strategies		
	Financial Lead –	S. Mackenzie, Finance Lead		
	Operational Lead –	J. Mueller, Manager, City Planning & Policy Services		
Review Schedule:	Last Review:	2018	Next Review:	2021

Mall Programming Fund

Operating Reserve (\$000s)

\$	835
	(2018)

Authorization: OE2001-03, PFC2012-0606, and PFC2018-1125.

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.

In the 2018 Triennial Reserve Review (PFC2018-1125), Council directed that any changes to the reserve resulting from the Stephen Avenue Masterplan and the terms of reference for the MPFMC be examined as part of the 2019 Triennial Reserve Review.

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: #651 Urban Strategy (formerly #612 Local Area Planning & Implementation)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	813	788	770	754	744
Investment income	22	25	18	18	16
Contributions to capital financing	-	-	-	(5)	(6)
Contributions to operations	-	-	-	3	-
Closing balance	835	813	788	770	754

Closing balance consists of:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Principal Amount	688	688	688	688	688
Accumulated Net Investment Income	147	125	100	82	66
Closing balance	835	813	788	770	754

Source Contacts: **Business Unit –** **Urban Strategy**
 Financial Lead – M. Fung, Finance Lead
 Operational Lead – J. Tang, Program Manager

Review Schedule: Last Review: 2018 Next Review: 2021

Parking Revenue Reinvestment Reserve

Operating Reserve (\$000s)

\$ 3,884
(2018)**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% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	2,133	-	-	-	-
Contributions from CPA	2,201	2,168	-	-	-
Contributions to operations	(450)	(35)	-	-	-
Closing balance	3,884	2,133	-	-	-

Source Contacts: **Business Unit – Transportation Planning**
 Financial Lead – L. Wong, Finance Lead
 Operational Lead – A. Sebianic, Manager, Transportation Strategy

Review Schedule: Last Review: N/A Next Review: 2020

Parks Foundation Reserve

Operating Reserve (\$000s)

\$ **2,471**
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	2,407	2,376	2,395	2,257	2,114
Investment income	192	173	140	213	218
Contributions to operations	(128)	(142)	(159)	(75)	(75)
Closing balance	<u>2,471</u>	<u>2,407</u>	<u>2,376</u>	<u>2,395</u>	<u>2,257</u>

Source Contacts:

Business Unit –	Calgary Parks
Financial Lead –	T. LePrieur, Finance Lead
Operational Lead –	K. Ripley, Director

Review Schedule: Last Review: 2016 Next Review: 2019

Self-Insurance Reserve

Operating Reserve (\$000s)

\$ 7,000
(2018)

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 \$11,149,870

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	7,000	7,000	7,000	7,000	7,000
Contributions to operations	-	-	-	-	-
Investment income	-	-	-	-	-
Closing balance	7,000	7,000	7,000	7,000	7,000

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.

Source Contacts:	Business Unit –	Law		
	Financial Lead –	T. Topping, Finance Lead		
	Operational Lead –	F. Ashraf, Manager, Risk Management & Claims		
Review Schedule:	Last Review:	2018	Next Review:	2021

Snow and Ice Control (“SNIC”) Reserve

Operating Reserve (\$000s)

\$ 5,426
(2018)

Authorization: PFC2012-0045, C2014-0863 and PFC2018-1125.

Purpose: Council directed Administration to establish a SNIC reserve during the 2012-2014 Business Plan and Budget debates. The reserve shall be used by business units to supplement ~~its~~ 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

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 and 2016 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	12,482	15,000	8,940	-	4,141
Contributions from (to) operations	(17,177)	(3,437)	1,060	2,050	(4,141)
Contribution from Calgary Transit	621	919	-	1,890	-
Contribution from FSR	9,500	-	5,000	5,000	-
Closing balance	5,426	12,482	15,000	8,940	-

Closing balance attributable to:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Roads	4,805	11,563	15,000	7,050	-
Calgary Transit	621	919	-	1,890	-
Closing balance	5,426	12,482	15,000	8,940	-

Source Contacts:

Business Unit –
Financial Lead –
Operational Lead –

Roads
L. Wong, Finance Lead
B. Biensch, Maintenance Manager

Review Schedule:

Last Review: 2018 Next Review: 2021

Tax Loss Provision Reserve

Operating Reserve (\$000s)

\$ 37,398
(2018)**Authorization:** FCS2007-45, PFC2013-0812 and PFC2016-0796.**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 level (balance) of the Tax Loss Provision Reserve shall be determined by the Chief Financial Officer with input from the Tax Provision Steering Committee. The level of the Tax Loss Provision Reserve shall not exceed the level of the current year tax provision contingency 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. Future required contributions are from operations.

Reserve approved to record allocation of investment income:

☐ Yes ☒ No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	37,398	37,398	37,398	37,398	39,823
Contributions from operations	-	-	-	-	-
Contributions to other sources ⁽¹⁾	-	-	-	-	(2,425)
Closing balance	<u>37,398</u>	<u>37,398</u>	<u>37,398</u>	<u>37,398</u>	<u>37,398</u>

(1) As per PFC2013-0812, \$2,425 was used to minimize the impact to the tax base in 2014 as a result of a decrease in assessed value for properties impacted by the 2013 flood.

Source Contacts:	Business Unit –	Finance
	Financial Lead –	C. Fung, Corporate Finance Leader
	Operational Lead –	C. Male, Chief Financial Officer

Review Schedule: Last Review: 2016 Next Review: 2019

911 Communications Centre Capital Financing Reserve

\$	25,055
	(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	26,243	24,141	18,577	11,830	8,821
Contributions from operations ⁽¹⁾	4,511	5,149	6,769	8,300	3,498
Contributions to capital financing	(5,699)	(3,047)	(1,205)	(1,553)	(489)
Closing balance	<u>25,055</u>	<u>26,243</u>	<u>24,141</u>	<u>18,577</u>	<u>11,830</u>

(1) As per report CPS2014-0255, Council approved directing the 2014 wireless 911 funding to the 911 Communications Centre Capital Financing Reserve.

Source Contacts:	Business Unit –	Calgary Community Standards
	Financial Lead –	G. Drall, Finance Lead
	Operational Lead –	D. Odney, Commander

Review Schedule:	Last Review:	2017	Next Review:	2020
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Artificial Turf Field Lifecycle Reserve

Capital Reserve (\$000s)

\$ 4,803
(2018)

Authorization: FCS2010-19, CPS2011-15, CPS2012-24, PFC2013-745, PFC2016-0796 and CPS2016-0807

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: Per FCS2010-19, Administration will return to Council for approval to withdraw funds from the reserve for artificial turf replacement. Genesis Environmental Contingency of \$285 plus accrued interest is externally restricted for environmental events at the Genesis Centre.

Related Budget Program: Capital Program: #507 Recreation, Facilities

Funding Sources: Beginning in 2010, annual contribution from Recreation's actual incremental 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% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	3,271	3,015	2,221	1,548	1,047
Contributions from operations	1,164	668	908	628	476
Investment income	109	97	59	45	25
Contribution (to)/from capital	259	(509)	(173)	-	-
Closing balance	<u>4,803</u>	<u>3,271</u>	<u>3,015</u>	<u>2,221</u>	<u>1,548</u>

Source Contacts: **Business Unit – Calgary Recreation**
Financial Lead – R. Turley, Finance Lead
Operational Lead – F. Le Berre, Capital Development Manager

Review Schedule: Last Review: 2016 Next Review: 2019

Asphalt and Crusher Plant Lifecycle Capital Reserve

Capital Reserve (000's)

\$ 6,120
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	6,443	7,500	6,367	5,363	7,500
Investment Income	117	156	107	60	119
Contributions to capital financing	(440)	(1,213)	(910)	(1,056)	(2,256)
Contributions from operations	-	-	1,936	2,000	-
Closing balance	<u>6,120</u>	<u>6,443</u>	<u>7,500</u>	<u>6,367</u>	<u>5,363</u>

Source Contacts: **Business Unit – Roads**
Financial Lead – L. Wong, Finance Lead
Operational Lead – S. Williams, Senior Plants Leader

Review Schedule: Last Review: 2018 Next Review: 2021

Calgary Police Service Capital Reserve

Capital Reserve (\$000s)

\$ 40,868
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	20,019	22,329	22,319	18,531	18,066
Contributions from operations	11,002	4,314	5,750	9,483	6,760
Contributions to capital financing	(8,639)	(6,624)	(5,740)	(5,695)	(6,295)
Closing Balance	22,382	20,019	22,329	22,319	18,531

Current Activity (000's): AFIS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	898	851	819	783	751
Contributions from operations	25	17	13	16	15
Investment Income (AFIS only)	16	30	19	20	17
Closing Balance	939	898	851	819	783

Current Activity (000's): Pay-As-You-Go

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	8,050	9,238	2,500	2,500	2,430
Contributions from operations	-	-	8,272	2,500	2,499
Contributions to capital financing	(3,794)	(1,188)	(1,534)	(2,500)	(2,429)
Closing Balance ⁽¹⁾	4,256	8,050	9,238	2,500	2,500

(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. There are plans in place approved by the Police Commission to have the funds expended by Q1 2019.

Current Activity (000's): Red Light Camera

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	11,242	7,836	8,711	9,164	7,115
Contributions from operations	3,913	4,033	2,796	3,230	3,119
Contributions to capital financing	(1,864)	(627)	(3,671)	(3,683)	(1,070)
Closing Balance	13,291	11,242	7,836	8,711	9,164

Consolidated Closing Balance⁽²⁾

40,868	40,209	40,254	34,349	30,978
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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.

Source Contacts: **Business Unit –** **Calgary Police Service**
 Financial Lead – B. Hutchins, Finance Manager
 Operational Lead – S. Barlow, Chief

Review Schedule: Last Review: 2017 Next Review: 2020

Community Investment Reserve

Capital Reserve (\$000s)

\$ 43,704
(2018)

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, and PFC2017-0615.

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.

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.

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 01, 2004: \$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 None.
Requirements:

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	39,079	102,204	152,379	168,302	151,077
Contributions from Federal GST rebate	8,919	8,919	8,919	8,919	8,919
Contribution to capital projects - GST ⁽¹⁾	(10,284)	(6,741)	(8,196)	(30,321)	(14,101)
Contribution from Reserve for Future Capital - GST	1,500	1,500	1,500	1,500	1,500
Contributions from VTR	42,000	42,000	42,000	42,000	42,000
Contribution to capital projects - VTR ⁽¹⁾	(38,846)	(112,151)	(100,258)	(45,340)	(27,697)
Investment income ⁽²⁾	1,336	3,348	5,860	7,369	6,604
Contribution to program costs	-	-	-	(50)	-
Closing Balance ⁽³⁾	43,704	39,079	102,204	152,379	168,302

(1) Includes debt servicing payments for Regional Recreation Centres.

(2) Includes GST funds, VTR funds and Regional Recreation Centres debt.

(3) Committed amounts included in the closing balance total \$43,704 for future projects.

Source Contacts: **Business Unit –** **Civic Partners**
 Financial Lead – S. MacFayden, Finance Manager
 Operational Lead – K. Black, General Manager

Review Schedule: Last Review: 2016 Next Review: 2019

Corporate Housing Reserve

Capital Reserve (\$000s)

\$ 31,622
(2018)

Authorization: FB99-62, CPS2002-57, LA2000-206, CPS2004-55, FCS2004-58, FCS2010-10, PFC2012-0606 and LAS2013-06. 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.

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.

Restrictions: External - \$ 13,372 Internal - \$ 6,009

2% 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, 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% 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% 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, and
- 6) Investment income.

Reserve approved to record allocation of investment income:

X Yes No

Special Reporting None.
Requirements:

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
				(Restated)	
Opening balance	30,383	29,885	38,504	36,073	34,105
Investment income	655	754	645	762	597
Contributions from operations	2,165	1,595	2,235	3,155	4,895
Contributions to operations ⁽¹⁾	(2,083)	(1,026)	(8,242)	(403)	(647)
Contributions to debt repayment	-	(244)	(245)	(245)	(997)
Contributions to capital ⁽²⁾	(566)	(2,539)	(3,335)	(2,690)	(1)
Transfer (to)/from Reserve ⁽³⁾	1,068	1,958	323	1,852	(1,879)
Closing balance	<u>31,622</u>	<u>30,383</u>	<u>29,885</u>	<u>38,504</u>	<u>36,073</u>

- (1) Contributions to operation: **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: **2018:** Kingsland (\$407), Bridgeland (\$27) AH Pre-development (\$32), Lifecycle Maintenance (\$100); **2017:** Kingsland (\$699), Bridgeland (\$1,693), AH Pre-development (\$147); **2016:** Demolition at Louise Station (\$1,000), Kingsland (\$1,204), Bridgeland (\$1,080), AH Pre-development (\$51); **2015:** Construction with redesign of building and configuration for Kingsland (\$1,044) and demolition at Louise Station (\$1,646); and **2014:** Completion of North Manchester (\$1).
- (3) 5% of the Industrial Land sale revenue was contributed from operations which amount to \$1,068 in 2018, \$1,957 in 2017, \$297 in 2016, and \$3,215 in 2014. Also, in 2015 a correction was made to reclassify the AHCC mortgage payment of \$1,879 from contributions from operations to transfer between reserves. This correction is for the 2014 mortgage payment.

Source Contacts:

Business Unit –	Calgary Housing
Financial Lead –	M. Alarakyia, Finance Coordinator and S. MacFayden, Finance Manager
Operational Lead –	S. Sanderson, Manager

Review Schedule: Last Review: 2018 Next Review: 2021

Debt Servicing Reserve

Capital Reserve (\$000s)

\$ 52,570
(2018)

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 and PFC2016-0796.

Purpose: For principal and interest payments of tax-supported debt.

FCS2008-28, Contribute to Lifecycle Maintenance and Upgrade Reserve ("LMUR") and Pay-As-You-Go ("PAYG").

On C2007-14 for Calgary Municipal Land Corporation ("CMLC") – for operating expenditures up to \$10,000.

Conditions: None.

Restrictions: None.

Related Budget Program: Operating Program: #840 Capital Financing Costs

Funding Sources: Allocation of 84% of annual debt charge savings.

Reserve approved to record allocation of investment income:

X Yes No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	52,570	52,570	52,570	52,570	52,570
Investment income	1,645	1,863	1,177	1,340	1,207
Contributions (to)/from from operations:					
Debt Charge Savings	94,752	94,752	94,752	94,752	94,752
Principal Payment	(30,994)	(34,634)	(36,733)	(38,505)	(39,374)
Interest Payment	(8,142)	(9,660)	(11,317)	(13,059)	(14,875)
Contributions to other Reserves:					
Contribution to LMUR ⁽¹⁾	(27,261)	(22,321)	(17,879)	(14,528)	(11,710)
Contribution to PAYG ⁽²⁾	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Closing Balance	52,570	52,570	52,570	52,570	52,570

- (1) As per report FCS2006-42 and FCS2008-28, the amounts transferred to LMUR are:
- fixed amount of \$10,000 annually: 2007 to 2018
 - funding not committed to tax supported debt: \$ 17,261 for 2018, \$12,321 for 2017, \$7,879 for 2016, \$4,528 for 2015, and \$1,710 for 2014.
- (2) As per report FCS2008-28 contribution to PAYG from Debt Servicing Reserve of \$10,000 in 2009, escalating by \$5,000 per year to \$30,000 by 2013.

Source Contacts:

Business Unit –	Finance
Financial and	R. Liu, Budget Officer
Operational Lead –	C. Jacyk, Finance Manager

Review Schedule:

Last Review:	2016	Next Review:	2019
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Downtown Improvement Fund
Excluding Stephen Avenue Heritage Area Society Fund
Capital Reserve (\$000s)

\$ 2,777
(2018)

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: #651 Urban Strategy (previously #612 Local Area Planning & Implementation)
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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	3,050	3,684	3,629	3,372	3,207
Investment income	83	107	83	87	73
Contribution from operations (P 651)	75	121	255	178	142
Contribution to capital	(371)	(362)	(283)	(8)	(50)
Transfer between reserves ⁽¹⁾	(60)	(500)	-	-	-
Closing balance	<u>2,777</u>	<u>3,050</u>	<u>3,684</u>	<u>3,629</u>	<u>3,372</u>

Note 1: Transfer to the Reserve for Future Capital (RFC)

Carry-forwards available:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening carry-forward	71	633	616	324	74
Annual spending limit	300	300	300	300	300
Annual expenditures	(371)	(862)	(283)	(8)	(50)
Accrued year-end carry-forward	<u>-</u>	<u>71</u>	<u>633</u>	<u>616</u>	<u>324</u>

Source Contacts: **Business Unit –** **Urban Strategy**
 Financial Lead – M. Fung, Finance Lead
 Operational Lead – J. Tang, Program Manager

Review Schedule: Last Review: 2018 Next Review: 2021

Fleet Services Capital Reserve

Capital Reserve (\$000s)

\$ 9,766
(2018)

Authorization: Commissionaires Report, FCS2010-10, FCS2011-34 and PFC2014-0847 and C2017-1123.

Purpose: To finance future Fleet Services Capital Expenditures under Council's approval.

Conditions: None.

Restrictions: None.

Related Budget Program: 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 X No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	10,933	14,326	10,456	4,042	-
Gain/(loss) on asset disposals	530	(178)	961	1,496	278
Contributions from operations	3,303	1,685	2,909	4,918	3,764
Contributions to capital financing	(5,000)	-	-	-	-
Contribution to Budget Savings Account ⁽¹⁾	-	(4,900)	-	-	-
Closing balance	<u>9,766</u>	<u>10,933</u>	<u>14,326</u>	<u>10,456</u>	<u>4,042</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.

Source Contacts:

Business Unit –	Fleet Services
Financial Lead –	E. Jarvo, Finance Lead
Operational Lead –	M. Belzile, Manager, Business Operations

Review Schedule: Last Review: 2017 Next Review: 2020

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Information Technology Reserve

Capital Reserve (\$000s)

\$ 37,286
(2018)

Authorization: FB96-101, C98-74, FCS2007-45, FCS2010-10, FCS2011-34, PFC2014-084 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.

Current Activity (\$000s): IT Initiatives

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	7,303	7,018	4,754	2,002	1,660
Contributions from operations	1,599	60	2,886	2,918	145
Proceeds from asset disposal	-	-	164	127	162
Investment Income	-	225	122	67	35
Contribution to Capital	-	-	(908)	(360)	-
Closing balance	8,902	7,303	7,018	4,754	2,002

Current Activity (\$000s): IT Projects Pool

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,939	3,902	5,138	6,898	4,772
Contributions from operations	5,000	5,000	3,000	2,000	5,000
Contribution to Capital	(2,012)	(3,963)	(4,236)	(3,760)	(2,874)
Closing balance	7,927	4,939	3,902	5,138	6,898

Current Activity (\$000s): Corporate Telecom - Fibre Optics

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	3,794	3,210	3,160	2,777	2,268
Contributions from operations	1,718	1,306	3,300	1,322	1,273
Investment Income	106	98	53	68	51
Contribution to Capital	(651)	(820)	(3,303)	(1,007)	(815)
Closing balance	4,967	3,794	3,210	3,160	2,777

Current Activity (\$000s): Hardware Replacement

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	6,317	4,894	4,014	3,094	4,285
Contributions from operations	2,996	3,160	2,827	2,760	2,150
Contribution to Capital	(1,690)	(1,737)	(1,947)	(1,840)	(3,341)
Closing balance	7,623	6,317	4,894	4,014	3,094

Current Activity (\$000s): Enterprise Software Growth

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	5,358	1,722	1,592	3,418	2,882
Contributions from operations	3,839	4,985	1,400	1,371	1,119
Investment Income	-	51	36	74	69
Contribution to Capital	(1,330)	(1,400)	(1,306)	(3,271)	(652)
Closing balance	7,867	5,358	1,722	1,592	3,418

Consolidated Closing Balance

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	37,286	27,711	20,746	18,658	18,189

Source Contacts: **Business Unit –** **Information Technology**
 Financial Lead – E. Galindo, Finance Lead
 Operational Lead – J. Bradley, Director

Review Schedule: Last Review: 2017 Next Review: 2020

LED Street Light Re-Lamping Reserve

(formerly LED Traffic Signal Display Re-Lamping Reserve)
Capital Reserve (\$000s)

\$ 5,414
(2018)

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>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,537	5,688	5,528	5,816	5,622
Contribution from operations	1,664	4,500	1,750	1,466	697
Contribution to capital	(787)	(5,651)	(1,590)	(1,754)	(503)
Closing balance	<u>5,414</u>	<u>4,537</u>	<u>5,688</u>	<u>5,528</u>	<u>5,816</u>

Source Contacts: **Business Unit – Roads**
Financial Lead – L. Wong, Finance Lead
Operational Lead – R. Seera, Manager Traffic

Review Schedule: Last Review: 2018 Next Review: 2021

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Legacy Parks Reserve

Capital Reserve (\$000s)

\$ 7,025
(2018)

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 and LPC2016-0626.

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 Bears paw 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: As per NM2007-35, ENMAX dividends in excess of \$35,000 (to fiscal year end 2012) were directed to this reserve. C2008-76 changed the funding to ENMAX dividends in excess of \$43,000. As per NM2012-05, ENMAX dividend in excess of \$47,000 be directed to ENMAX Legacy Parks fund for the next approximately 5 years, with the exception of 50% of any excess dividend, to a maximum of \$20,000, be set aside in a new reserve as a contingency fund for any shortfall in the ENMAX dividends below \$47,000.

Reserve approved to record allocation of investment income:

X Yes No

Special Reporting Requirements: Per LPC2013-0428, The Legacy Parks Fund Steering Committee reports directly to Council annually through the SPC on Community Services.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	8,155	10,558	18,450	23,033	19,738
Contributions from operations	-	800	-	4,950	6,150
Investment income	192	255	335	449	435
Contributions to capital	(1,322)	(3,458)	(11,107)	(9,982)	(3,290)
Contribution from Reserve for Future Capital	-	-	2,880	-	-
Closing balance	<u>7,025</u>	<u>8,155</u>	<u>10,558</u>	<u>18,450</u>	<u>23,033</u>

Source Contacts: **Business Unit – Calgary Parks**
Financial Lead – T. LePrieur, Finance Lead
Operational Lead – D. Marter, Manager

Review Schedule: Last Review: 2016 Next Review: 2019

Lifecycle Maintenance and Upgrade Reserve

Capital Reserve (\$000s)

\$ 248,660
(2018)

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% 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 X No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Lifecycle Maintenance & Upgrade					
Opening balance	119,124	98,111	106,372	97,251	125,729
Contributions from operations ⁽¹⁾	47,267	45,128	42,031	37,859	36,071
Contributions from Debt Servicing Reserve	27,261	22,321	17,879	14,528	11,710
Contributions from Property Tax Room ⁽²⁾	1,431	10,231	10,231	10,231	10,231
Contributions to capital	(63,446)	(58,943)	(81,323)	(53,883)	(87,558)
Transfer (to)/from Budget Saving Account ⁽³⁾	-	150	-	(150)	
Transfer from Misc Capital - Fire ⁽⁴⁾	527	2,139	1,940	393	151
Transfer (to) from Misc Capital - Transit ⁽⁴⁾	(389)	(13)	981	143	917
Closing balance	<u>131,775</u>	<u>119,124</u>	<u>98,111</u>	<u>106,372</u>	<u>97,251</u>

Green Line Fund

Opening balance	51,932	18,011	43,019	-	-
Contributions from Property Tax Room ^{(2),(5)}	75,778	52,115	52,115	52,115	-
Contributions to capital	(10,825)	(18,194)	(77,123)	(9,096)	-
Closing balance	<u>116,885</u>	<u>51,932</u>	<u>18,011</u>	<u>43,019</u>	<u>-</u>

Total Reserve

Closing balance ⁽⁶⁾	<u>248,660</u>	<u>171,056</u>	<u>116,122</u>	<u>149,391</u>	<u>97,251</u>
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(1) 2.6% of annual property taxes

(2) As per report M2012-0828 and C2013-0330, the Property Tax Room funds are transferred to LMUR annually.

(3) 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.

(4) As per report FCS2011-34, the Misc. Capital Fire and Transit reserves are transferred into LMUR.

(5) C2013-0668 and NM2015-33 dedicated \$52,115 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 \$220,681 for approved capital projects.

Source Contacts:	Business Unit – Financial Lead – Operational Lead –	Finance R. Liu, Budget Officer C. Jacyk, Finance Manager
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Review Schedule:	Last Review:	2017	Next Review:	2020
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Parking Land Acquisition Reserve - CLOSED

Capital Reserve (\$000s)

\$ 42,851
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	41,719	40,772	38,215	32,657	24,688
Contributions from Calgary Parking Authority	-	-	3,876	5,928	7,639
Contribution to Parking Revenue Reinvestment Reserve	-	(1,688)	-	-	-
Contribution from Revolving Fund for General Land Purchases ⁽¹⁾	-	-	2,441	-	-
Contributions from/(to) capital financing	-	1,327	(4,636)	(1,180)	(248)
Investment income allocation	1,132	1,308	876	810	578
Closing balance ⁽²⁾	<u>42,851</u>	<u>41,719</u>	<u>40,772</u>	<u>38,215</u>	<u>32,657</u>

(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 is to be transferred to the new Cash-in-Lieu Lifecycle Sustainment Reserve approved by Council (PFC2018-1125) and to be created in 2019.

Source Contacts:	Business Unit – Financial Lead –	Calgary Transit & Transportation Infrastructure T. Johnson, Finance Lead	
	Business Unit – Operational Lead –	Transportation Planning A. Sebjanic, Manager, Transportation Strategy	
Review Schedule:	Last Review:	2018	Next Review: 2021

Reserve for Future Capital ("RFC")

Capital Reserve (\$000s)

\$ 305,675
(2018)

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% 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:

X Yes No

Special Reporting Requirements: None.

Current Activity (\$000s):

	2018	2017	2016	2015	2014
		(Restated)			
Opening balance	305,420	327,014	354,190	318,286	269,629
Net contribution from operations	78,238	68,026	62,726	80,575	155,979
Transfer from DSR	30,000	30,000	30,000	30,000	30,000
Contribution from Parking Authority	-	1,000	1,000	1,000	1,000
Contribution to capital financing	(106,483)	(119,120)	(119,402)	(74,171)	(136,822)
Contribution to Community Investment Reserve	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Closing balance ⁽¹⁾	305,675	305,420	327,014	354,190	318,286
Represented By:					
Allocated					
RFC Flow Through ⁽²⁾	36,650	35,084	32,436	31,383	23,141
Committed PAYG not spent	163,691	128,657	130,932	145,893	123,634
Committed RFC not spent	68,727	71,376	90,441	102,414	68,601
Unallocated					
RFC - contingency ⁽³⁾	36,607	70,303	73,205	74,500	102,910
	305,675	305,420	327,014	354,190	318,286

- (1) Committed amounts included in the closing balance net of budgeted contributions is \$269,068 (\$163,691 for PAYG, \$68,727 for RFC and \$36,650 for RFC Flow Through).
- (2) Flow through funds include specific amounts committed to major projects typically spanning multiple years. In 2018, these funds primarily relate to the management of corporate accommodation facilities.
- (3) Per FCS2011-34 the target balance for contingency purposes is 10% of previous year's capital less MSI and self-funded capital projects. The target balance for the end of 2018 was \$128,631.

Source Contacts:

Business Unit –
Financial Lead –

Finance
R. Liu, Budget Officer

Business Unit –
Financial Lead –
Operational Lead –

Facility Management
K. Campbell, Finance Lead
D. Bell, Director

Business Unit –
Financial Lead –
Operational Lead –

Transportation Infrastructure
T. Johnson, Finance Lead
K. Fromherz, Director

Review Schedule:

Last Review:

2017

Next Review:

2020

Revolving Fund Reserve for General Land Purchases

\$ 119,750
(2018)

Capital Reserve (000's)

Authorization: Commissioners' Report FB98-43, LAS2008-173 and PFC2016-0796.

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 Programs: #488 General Land Sales and Net Lease Revenue

Capital Program: #695 Land Acquisitions – Other Civic Departments

Funding Sources: Initial funding in 1998 was as follows:

- \$5,306 from Real Estate Retained Earnings.
- \$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").
- Sales of general lands
- 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: Status update to Council on the Revolving Fund every two years with the Corporate Land Framework Report. Next update no later than Q3 2020.

Reporting to SPC on Utilities and Corporate Services ("UCS") every four years on the status of current land holdings. The Corporate Land Strategy will be presented to UCS on May 15, 2019, and to Council on May 27, 2019.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening Balance	102,118	101,073	86,881	84,505	52,347
Investment Income	2,827	2,917	2,086	2,031	1,317
Contributions from land sales	14,609	71,318	32,854	29,394	35,869
Contributions from operations	4,348	4,175	7,720	1,048	1,739
Contributions (to)/from capital	(2,421)	(16,136)	(23,296)	(10,760)	(3,005)
Contributions to other reserves	(1,536)	(60,871)	(5,141)	(18,931)	-
Net transfers to restricted reserve ⁽¹⁾	(195)	(358)	(31)	(406)	(3,762)
Closing Balance	119,750	102,118	101,073	86,881	84,505

(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. Total funds outstanding equal \$6,621. Repayment date is set for no later than December 31, 2019.

Source Contacts:	Business Unit – Financial Lead – Operational Lead –	Real Estate & Development Services D. Stamper, Finance Lead J. Halfyard, Manager, Land & Asset Management		
Review Schedule:	Last Review:	2016	Next Review:	2019

TELUS Convention Centre Reserve
Externally Restricted Capital Reserve (\$000s)**\$ 200**
(2018)**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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	20	242	213	253	200
Contributions from operations	180	180	180	180	180
Contributions to capital	-	(402)	(151)	(220)	(127)
Closing balance ⁽¹⁾	200	20	242	213	253

(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.

Source Contacts: **Business Unit –** **Civic Partners**
Financial Lead – J. Salazar, Finance Lead
Operational Lead – L. Kerr, Manager, Office of Partnerships**Review Schedule:** Last Review: 2016 Next Review: 2019

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Budget Savings Account Reserve

Combined Operating and Capital Reserve (\$000s)

\$ 135,198
(2018)

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% to initiatives at the business unit level and 50% to initiatives at the corporate level; or, at 100% 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 Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	157,334	130,103	60,905	-	-
Contributions from operations ⁽¹⁾	39,122	34,295	24,246	30,313	-
Contributions from operations to CERF ⁽²⁾	3,369	45,000	58,800	30,000	-
Contributions from capital ⁽³⁾	-	-	3,392	592	-
Contributions to operations	(4,101)	(15,866)	(269)	-	-
Contributions to operations from CERF	(37,640)	(37,536)	(16,971)	-	-
Transfer (to)/from other operating reserves ⁽⁴⁾	(22,886)	422	-	-	-
Transfer from other capital reserves	-	916	-	-	-
Closing balance	135,198	157,334	130,103	60,905	-

Breakdown of Closing Balance:

Operating BSA ⁽⁵⁾	85,276	73,141	54,290	30,313	-
Operating BSA-CERF ⁽⁶⁾	45,022	79,293	71,829	30,000	-
Capital BSA	4,900	4,900	3,984	592	-
Closing Balance	135,198	157,334	130,103	60,905	-

- (1) Operating savings and return of unspent one-time budget from various business units and Corporate Costs.
- (2) 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 Neighborhood Emergency Resilience and user fees freeze for Calgary Transit, Recreation and pet licensing.
2015: Contribution for Affordable Housing Initiative in the Community, Economic Development Initiative, Calgary Neighborhood Emergency Resilience Fund, and user fees freeze for Calgary Transit, Recreation and pet licensing.
- (3) Capital savings from various business units.
- (4) 2018: Transfer of \$2,201 from Calgary Parking Authority ("CPA") net revenue, \$(25,000) to Opportunity Calgary Investment Fund ("OCIF"), previously known as Economic Development Investment Fund Reserve ("OCIF"), 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) Committed amount in the closing balance total \$40,775 consisting of: Up to \$40,270 for 2019-2022 one-time budget (C2018-1158) if required, and \$505 for Social Procurement.
- (6) Committed amounts in the closing balance total \$42,083 consisting of: \$19,030 for 2017 PTP, \$19,323 for 2018 PTP, and up to \$3,730 for 2019-2022 one-time budget (C2018-1158) if required.

Source Contacts:

Business Unit –	Finance
Financial Lead –	C. Jacyk, Finance Manager
Operational Lead –	T. Nguyen, City Treasurer

Review Schedule: Last Review: 2018 Next Review: 2021

Community Sustainability Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 2,062
(2018)

Authorization: CPS2008-39, C2008-76, CPS2009-06, FCS2009-26, FCS2010-28, PFC2013-0745, PFC2016-0796 and C2017-1123.

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 ☒ No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	2,119	2,123	2,270	2,443	2,678
Contributions to operations	-	-	-	-	-
Transfer between reserves	(57)	(4)	(147)	(173)	(235)
Closing balance	<u>2,062</u>	<u>2,119</u>	<u>2,123</u>	<u>2,270</u>	<u>2,443</u>

Source Contacts: **Business Unit –** **Calgary Neighbourhoods**
 Financial Lead – J. Salazar, Finance Lead
 Operational Lead – K. Black, Director

Review Schedule: Last Review: 2016 Next Review: 2019

Calgary Building Services¹ (“CBS”) and Calgary Community Standards (“CCS”) – Business Licence Sustainment Reserve

\$ 88,142
(2018)

Combined Operating & Capital Reserve (\$000s)

Authorization: FB2003-49, C2005-60, C2005-68, FCS2005-33, FCS2006-37, FCS2007-45, LPT2008-67, LPT2011-30, PFC2013-0745, PFC2016-0796 and PFC2017-1081.

Purpose: The CBS component of the reserve will be used to manage fluctuations in the level of activity in the development and building industry, supporting CBS’s plan to be a sustainable self-supporting business unit without requiring mill-rate support.

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 CBS and CCS components of the reserve will have the following specific uses:

1. Stabilize the operating budget
2. Fund one-time operating expenditures
3. Fund the capital expenditures

Conditions: Per report LPT2011-30, Council approved the recommendation to adjust the CBS Sustainment Reserve Fund to a guideline maximum of \$60,000. Should the fund exceed the guideline maximum, the excess would be used as a contribution from reserve to CBS operations in the following year to soften any required user fees increase.

Restrictions: None.

Related Budget Programs:

Operating Program:	#004 Calgary Community Standards
	#611 Calgary Building Services
Capital Programs:	#048 Bylaw Capital
	#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 CBS operating surplus as of 2003 and future years and annual CCS operating surplus as of 2014 and future years.

Reserve approved to record allocation of investment income:
 X Yes No

Special Reporting Requirements: None.

¹ 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):

CBS Sustainment Reserve

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	86,752	99,114	93,707	74,063	48,701
Investment income	1,961	3,159	2,131	2,056	1,351
Contributions from operations	13,531	11,901	10,158	23,492	27,927
Contributions to capital	(4,336)	(7,422)	(6,882)	(5,904)	(3,916)
Transfer to Opportunity Calgary Investment Fund ⁽¹⁾	(20,000)	(20,000)	-	-	-
Closing balance	77,908	86,752	99,114	93,707	74,063

CCS Sustainment Reserve

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	9,583	7,249	4,701	2,184	-
Contributions from operations	1,210	2,103	2,439	2,425	2,158
Investment income	295	299	146	92	26
Contributions to capital	(88)	(68)	(37)	-	-
Contributions between reserves	(766)	-	-	-	-
Closing balance	10,234	9,583	7,249	4,701	2,184
Total Closing Balance	88,142	96,335	106,363	98,408	76,247

- (1) Transfers to the Opportunity Calgary Investment Fund ("OCIF"), previously known as Economic Development Investment Fund Reserve ("OCIF"), as per Council's decision made on December 18, 2017 per PFC2017-1081.

Source Contacts:

Business Unit –
Financial Lead –
Operational Lead –

Calgary Building Services

M. Fung, Finance Lead
B. Desjardins, Director

Business Unit –
Financial Lead –
Operational Lead –

Calgary Community Standards

G. Drall, Finance Lead
K. Pallister, Manager

Review Schedule:

Last Review: 2016 Next Review: 2019

Opportunity Calgary Investment Fund (Formerly Economic Development Investment Fund) (“OCIF”)

Combined Operating & Capital Reserve (\$000s)

\$ 101,047
(2018)

Authorization: C2017-0370, PFC2017-1081 and PFC2018-0187

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.

Restrictions: Per Alberta’s Municipal Government Act (MGA) municipalities are restricted from providing the following:

- no municipal tax relief
- no loans

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.

Related Budget Programs: Operating Program: NA

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:

___ Yes X 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	55,000	-	-	-	-
Contributions from other sources	45,000	55,000	-	-	-
Contributions to other sources	(811)	-	-	-	-
Investment income	1,858	-	-	-	-
Closing balance	<u>101,047</u>	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

Source Contacts:

Business Unit –
Financial Lead –
Operational Lead –

City Manager's Office
T. Nguyen, City Treasurer
H. Domzal, Chief of Staff

Review Schedule:

Last Review: N/A Next Review: 2020

Golf Course Levy Reserve

Sustainment Reserve (\$000s)

\$ 2,763
(2018)

Authorization: CS91-64-02, FB92-64, CS95-07, FCS2004-22, FCS2011-13, PFC2014-0847 and PFC2017-1241.

Purpose: To finance golf course capital projects and to fund 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	2,777	1,712	1,126	529	327
User surcharges	120	138	147	161	183
Investment income	75	74	36	25	19
Contributions from operations	11	13	403	411	-
Donation	-	1,000	-	-	-
Contribution to operations	(220)	(160)	-	-	-
Closing balance	<u>2,763</u>	<u>2,777</u>	<u>1,712</u>	<u>1,126</u>	<u>529</u>

Source Contacts: **Business Unit – Calgary Recreation**
Financial Lead – R. Turley, Finance Lead
Operational Lead – G. Steinraths, Centre City Region Manager

Review Schedule: Last Review: 2017 Next Review: 2020

Livery Transport Services Sustainment Reserve

(Formerly Taxi Commission Operating Surplus Reserve)

Sustainment Reserve (\$000s)

\$ 4,818
(2018)

Authorization: FCS2004-22, FCS2010-10, PFC2013-0745 and PFC2016-0796.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,145	3,737	4,076	4,539	3,722
Annual operating surplus (deficit)	599	373	(354)	(181)	901
Investment income	117	119	86	110	99
Contributions to capital	(43)	(84)	(71)	(392)	(183)
Closing balance	<u>4,818</u>	<u>4,145</u>	<u>3,737</u>	<u>4,076</u>	<u>4,539</u>

Source Contacts: **Business Unit –** **Calgary Community Standards**
Financial Lead – G. Drall, Finance Lead
Operational Lead – K. Pallister, Manager

Review Schedule: Last Review: 2016 Next Review: 2019

Millican-Ogden Community Enhancement – CLOSED

Combined Operating & Capital Reserve (\$000s)

\$ -
(2018)**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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	-	5	132	171	171
Transfers to operations	-	(5)	(127)	(39)	-
Closing balance	-	-	5	132	171

Source Contacts:

Business Unit –	Community Planning
Financial Lead –	M. Fung, Finance Lead
Operational Lead –	D. Hamilton, Director

Review Schedule: Last Review: 2017 Next Review: N/A

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Parks Endowment and Sustainment Reserve

\$ 4,510
(2018)

Sustainment Reserve (\$000s)

Authorization: FB95-75, PFC2013-0745 and MRER2014-06

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: 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.

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 - the investment income is available for maintenance/lifecycle of Wildland Parks; fund balance is \$219 (2017 - \$213),
- Variety Park Endowment Fund - the fund is available for the maintenance and lifecycle for the spray park features and infrastructure. Fund balance is \$147 (2017 - \$143),
- Olympic Plaza endowment - the fund is available for lifecycle maintenance and upgrades to Olympic Plaza. Fund balance is \$147 (2017 - \$143).

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 Donation Funds contained within the Parks Endowment and Sustainment Reserve include:

- Clearwater Land Exchange \$388 (2017 - \$378)
- Thomson Family Park Maintenance \$250 (2017 - \$0)
- Copperfield Sportsfield \$118 (2017 - \$336)
- 936-16 Ave SW Land Exchange \$274 (2017 - \$267).
- Playfields \$213 (2017 - \$152)
- Borden Donation \$120 (2017 - \$117)
- Play Project - \$177 (2017 - \$112)
- Weaselhead Land Exchange \$112 (2017 - \$109)
- Birth Place Forest \$107 (2017 - \$104)
- Caring for Our Watersheds \$111 (2017 - \$100)

- Cranston/Ogden Diamond Project \$105 (2017 - \$0)
- Remaining balance of \$529 (2017 - \$519) 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:

Reserve approved to receive investment income:
 X Yes No

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	4,494	3,118	2,328	1,291	1,184
Investment income	112	131	61	44	29
Contributions from operations	701	1,309	603	931	686
Contributions to operations	(1,583)	(473)	(446)	(324)	(588)
Contributions to capital	(670)	(1,016)	(86)	(78)	(20)
Contributions between reserves	1,456	1,425	658	464	-
Closing balance	<u>4,510</u>	<u>4,494</u>	<u>3,118</u>	<u>2,328</u>	<u>1,291</u>

Source Contact:

Business Unit – Calgary Parks
Financial Lead – T. LePrieur, Finance Lead
Operational Lead – N. Bernard, Manager
Operational Lead – K. Parker, Manager

Review Schedule:

Last Review: 2016 Next Review: 2019

Perpetual Care of the Municipal Cemetery System Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 19,519
(2018)**Authorization:** CS96-59-02, CPS96-77, FCS2004-31, CPS2004-71 and PFC2016-0796.**Purpose:** To fund operational activities associated with the perpetual maintenance of municipal cemeteries. This reserve will allow for future perpetual care of the municipal cemetery system. 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%) of the funds received by The City from the sale of cemetery plots, mausoleum crypts, columbarium niches, grave monuments and cemetery products shall be deposited into the Fund.

Reserve approved to receive investment income:

☒ Yes ☐ No**Special Reporting Requirements:** None.**Current Activity (\$000s):**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	18,221	15,905	13,949	12,549	10,359
Investment income	512	552	347	335	258
Contributions from (to) operations	1,106	2,520	1,780	1,417	2,156
Transfers to capital	(320)	(756)	(171)	(352)	(224)
Closing balance	19,519	18,221	15,905	13,949	12,549

Source Contacts: **Business Unit – Calgary Parks**
Financial Lead – T. LePrieur, Finance Lead
Operational Leads – D. Marter, Manager**Review Schedule:** Last Review: 2016 Next Review: 2019

Public Art Reserve

Combined Operating & Capital Reserve (\$000s)

\$ **6,768**
(2018)**Authorization:** FCS2010-28, PFC2013-0745, PFC2014-254, ALT2014-0153, ALT2014-0909, PFC2016-0796 and PFC2017-1241.**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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	5,883	5,105	4,093	3,272	2,607
Contributions from operations	-	203	26	-	-
Contributions to operations	(391)	(700)	(290)	(454)	(124)
Transfer between reserves	1,276	1,275	1,276	1,275	789
Closing balance	<u>6,768</u>	<u>5,883</u>	<u>5,105</u>	<u>4,093</u>	<u>3,272</u>

Source Contacts: **Business Unit –** **Calgary Recreation**
 Financial Lead – R. Turley, Finance Lead
 Operational Leads – A. Romero, Manager, Arts and Culture

Review Schedule: Last Review: 2016 Next Review: 2019

Real Estate Services

\$	82,935
	(2018)

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):

Real Estate Services Reserve	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	64,517	57,608	62,005	91,238	76,305
Contributions from operations for land sales	1,422	25,093	3,795	1,928	35,054
Contributions from/(to) operations	3,837	7,885	3,440	(15,992)	5,414
Contributions (to)/from capital financing	7,690	(25,102)	(13,378)	(17,971)	(27,767)
Transfer between reserves ⁽¹⁾	(879)	(967)	1,746	2,802	2,232
Closing balance ⁽²⁾	<u>76,587</u>	<u>64,517</u>	<u>57,608</u>	<u>62,005</u>	<u>91,238</u>

General Hospital Legacy Endowment Fund (Bridges Project)	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	6,278	6,361	6,391	6,426	4,247
Contributions from/(to) operations	-	-	(36)	-	2,671
Contributions (to)/from capital	(98)	(281)	(139)	(184)	(589)
Investment income	168	198	145	149	97
Closing balance	<u>6,348</u>	<u>6,278</u>	<u>6,361</u>	<u>6,391</u>	<u>6,426</u>

Total Closing balance	<u>82,935</u>	<u>70,795</u>	<u>63,969</u>	<u>68,396</u>	<u>97,664</u>
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(1) Transfer from other reserves:

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% 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% 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% of gross Industrial Sales

2015: Received \$2,296 from Treasury and \$506 from the Revolving Fund Reserve for general land servicing and repayment of pre-development expenses related to R.B. Bennett School site

2014: Received \$2,068 from Treasury and \$103 from the Revolving Fund Reserve for general land servicing. The balance also includes \$62 from Civic Partners for the redevelopment of Block 40.

- (2) \$4,965 of the balance funds are restricted for the land sales to Calgary Municipal Land Corporation (CMLC) and Attainable Homes Calgary Corporation (AHCC). Sales are 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. Repayment date is set for no later than December 31, 2019. The general authority in principle is provided within Bylaw 35M2008 and LAS2010-081.

Source Contacts:	Business Unit –	Real Estate and Development Services
	Financial Lead –	D. Stamper, Finance Lead
	Operational Leads –	C. Blash, Manager

Review Schedule:	Last Review:	2018	Next Review:	2021
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Utility Sustainment Reserve**\$ 175,255**
(2018)

Combined Operating & Capital Reserve (\$000s)

Authorization: FCS2011-32 and PFC2013-0745.**Purpose:** This reserve has been set up to provide both an operating contingency to offset revenue fluctuations and to manage cash flow, ensuring funds are available to meet both operating and capital requirements, capital financing needs associated with capital expenditures.**Conditions:** Per FCS2011-32, the targeted level is 10% of total Utility revenues.**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>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	141,661	133,033	83,257	49,153	44,076
Investment income	5,164	4,469	2,774	2,091	1,034
Contribution from operations	233,907	213,619	200,219	156,849	100,738
Contributions to capital financing	(208,220)	(211,942)	(151,428)	(122,557)	(96,695)
Transfer from Fiscal Stability Reserve	2,743	2,482	310	-	-
Transfer to Real Estate Services Reserve	-	-	(2,099)	(2,279)	-
Closing balance	175,255	141,661	133,033	83,257	49,153

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Sustainment Funds	25,427	10,133	14,462	6,889	5,008
Offsite Levy Funds	81,202	60,615	85,257	59,438	29,061
Future Year Capital Funds	68,626	70,913	33,314	16,930	15,084
Total Reserve	175,255	141,661	133,033	83,257	49,153

Source Contacts:

Business Unit –	Utilities
Financial Lead –	B. Dykstra, Finance Lead
Operational Leads –	D. Limacher, Director, Water Services
	F. Bouchart, Director, Planning Water Resources
	A. Huges, Director, Delivery Water Resources

Review Schedule: Last Review: 2016 Next Review: 2019

Waste and Recycling Sustainment Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 63,083
(2018)**Authorization:** FCS2011-33, PFC2013-0745 and PFC2016-0796.**Purpose:** This reserve has been set up to provide both an operating contingency to offset revenue fluctuations and to manage cash flow, ensuring funds are available to meet both operating and capital requirements, 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 sustainment purposes of 10% 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
#257 Diversion 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):**

	2018	2017	2016	2015	2014
Opening balance	64,802	48,019	48,809	41,968	33,808
Contributions from operations	20,926	28,282	5,809	12,951	23,330
Investment income	3,821	3,974	2,575	2,705	2,221
Contributions from other sources (Pay-As-You-Go)	-	2,262	-	-	1,295
Contributions to capital financing	(12,514)	(13,758)	(6,844)	(6,330)	(15,310)
Contributions to operations (Landfill Closure Liability & Fleet Business Model)	(13,952)	(3,977)	(2,330)	(2,485)	(2,773)
Transfer to Public Art Reserve	-	-	-	-	(603)
Closing balance	63,083	64,802	48,019	48,809	41,968
Funds set aside for Sustainment purposes	11,068	9,054	8,947	9,660	10,278
Diversion	16,359	19,152	18,323	16,103	15,054
Landfill	1,003	7,205	338	7,271	6,002
Cash Requirement for Future Year Capital	34,653	29,391	20,411	15,775	10,634
Closing balance	63,083	64,802	48,019	48,809	41,968

Source Contacts: **Business Unit – Waste & Recycling Services**
Financial Lead – L. Peng, Finance Lead
Operational Lead – R. Valdarchi, Director**Review Schedule:** Last Review: 2016 Next Review: 2019

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LONG TERM LIABILITIES

Capital Deposits

Employee Benefit Obligations

Alberta Municipal Infrastructure Program (AMIP) Agreement\$ 0
(2018)

Capital Deposit (\$000s)

Purpose: The Province of Alberta, through the AMIP, provides financial assistance to municipalities for Core Capital Infrastructure projects to maintain or enhance economic, social and cultural opportunity and well-being, while protecting and improving the quality of the environment.

Conditions: City Council and the Minister of Infrastructure and Transportation must approve the projects. All AMIP eligible projects should be completed and AMIP fund available has to be spent by December 31, 2015. The fund is now fully expended.

Restrictions: Projects must be deemed eligible as described in the AMIP Memorandum of Agreement dated 2005 May 4th signed by the Minister of Infrastructure and Transportation and the Mayor of The City.

Related Budget Programs: Capital Programs throughout The City.

Funding Sources: The AMIP is a per capita funding program. The City has received \$905,000 over the five year period starting in 2005 and ending in 2009/2010.

Capital deposit approved to receive investment income:

X Yes ___ No

Special Reporting Requirements: None

Current Balance (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	-	-	-	11,699	25,969
Contributions from Province	-	-	-	-	-
Investment income	-	-	-	155	475
Contributions to capital	-	-	-	(11,854)	(14,745)
Closing balance	-	-	-	-	11,699

Source Contacts: **Business Unit – Finance**
Financial and Operational Lead— B. Rupert, Financial Services Lead

Basic Municipal Transportation Grant (a.k.a. Fuel Taxes)

\$	0
	(2018)

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% of 43% 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	-	-	8,817	259,873	134,742
Contributions (to) capital financing	-	-	(8,762)	(131,645)	(72,077)
Contributions from Province	-	-	-	-	192,415
Contributions (to) other sources	-	-	(55)	(123,400)	-
Investment income	-	-	-	3,989	4,793
Closing balance	-	-	-	8,817	259,873

Source Contacts: **Business Unit – Finance**
 Financial and Operational Lead– B. Rupert, Financial Services Lead

Cash in Lieu of Parking Fund

Capital Deposit (\$000s)

\$ 7,799
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	15,686	15,098	14,697	8,882	5,783
Contributions from developers ⁽¹⁾	-	-	-	5,501	2,858
Investment income	320	588	401	314	241
Contributions to capital ⁽²⁾	(8,207)	-	-	-	-
Closing balance	<u>7,799</u>	<u>15,686</u>	<u>15,098</u>	<u>14,697</u>	<u>8,882</u>

(1) Contribution from developers:

- a) 2015: New deposits: HSBC (apartment building 326 units 100-124 7th Ave SW. 128 stalls in lieu of commercial parking \$5,081. b) N3 Condos Development, cash-in-lieu of residential visitor parking \$420 lump sum. Will be used in East Village new parkade construction.
- b) 2014: New deposits: a) Widewaters Group Inc. 43 stalls at the downtown rate \$39.7 obligation of release of development permit (\$1,707), DP2012=5376 711-4 St NE, b) Genco Holdings Ltd. 29 stalls at the downtown rate \$39.7 obligation of release of development permit (\$1,151). DP2012-3832 634-6 Ave SW (downtown business district offices, retail store).

(2) Contributions to capital:

- a) 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 – G. Furtado, General Manager

Eau Claire Improvement Fund

Capital Deposit (\$000s)

\$ 879
(2018)

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	856	829	2,296	931	975
Investment income	23	27	33	42	21
Contributions from operations	-	-	-	1,333	-
Financing capital projects	-	-	(1,500)	(10)	(65)
Closing balance	<u>879</u>	<u>856</u>	<u>829</u>	<u>2,296</u>	<u>931</u>

Source Contacts:

Business Unit –	Urban Strategy
Financial Lead –	M. Fung, Finance Lead
Operational Lead –	J. Tang, Program Manager

Federal Gas Tax Fund

Capital Deposit (\$000s)

\$ 61,362
(2018)

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:

☒ Yes ☐ No

Special Reporting Requirements: None.

Current Balance (\$000s):

	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	36,458	76,132	67,079	-	32,769
Contribution from federal government	68,741	66,809	66,362	125,128	-
Contributions to capital financing	(45,040)	(107,809)	(58,795)	(59,337)	(32,990)
Investment income	1,203	1,326	1,486	1,288	221
Closing balance	61,362	36,458	76,132	67,079	-

Source Contacts:

Business Unit –
Financial and Operational Lead–

Finance
B. Rupert, Financial Services Lead

Infrastructure Canada – Alberta Program (“ICAP”)

Capital Deposit (\$000s)

\$ -
(2018)

Purpose: To improve urban municipal infrastructure. The ICAP objectives include improving Canadians’ quality of life through investments that enhance the quality of Canada’s environment, support long-term economic growth, improve community infrastructure and build infrastructure through best technologies, new approaches and best practices.

Conditions: The program’s first priority is Green Municipal Infrastructure, such as water and wastewater systems, water management, and solid waste management. Secondary priorities include infrastructure supporting local transportation, culture and recreation, tourism, high speed internet access for local public institutions and affordable housing.

Restrictions: All projects must meet the program requirements. Interest earned on the provincial contributions can only be used for transportation projects and must be approved by the Minister of Alberta Transportation.

Related Budget Programs: Various Programs throughout number of business units.

Funding Sources: Cost sharing arrangement between Infrastructure Canada (Federal Government, Province of Alberta and The City). The Province prepaid their 1/3 share in 2001.

Capital deposit approved to receive investment income:
☐ Yes ☒ No

Special Reporting Requirements: None.

Current Balance (\$000s):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	-	-	-	173	173
Contributions to capital	-	-	-	(173)	-
Closing balance	-	-	-	-	173

Source Contacts:

Business Unit –	Roads
Financial Lead –	L. Wong, Finance Lead
Operational Lead –	T. McLeod, Director

Miscellaneous Capital Deposits

Capital Deposit (\$000s)

\$ 243,769
(2018)

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 Growth Strategies (formerly CPI/DBA), Calgary Approvals Coordination, Parks, Recreation, Fire, Calgary Community Standards (formerly PSC), Facility Management (formerly Corporate Properties), Corporate Analytics & Innovation (formerly Infrastructure and Information Services), Environmental and Safety Management.

Units with an Investment Income Allocation: Community Planning (formerly LPI), Urban Strategy, Calgary Transit, Transportation Infrastructure, Roads and Water Resources and Water Services.

Special Reporting Requirements: None.

Current Balances (\$000s):

	<u>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u> (Restated)	<u>2014</u>
Roads	53,507	55,901	53,474	53,282	49,743
Transit	9,300	8,837	9,046	9,146	9,555
Community Planning ⁽¹⁾	-	-	3,744	13,291	9,801
Urban Strategy ⁽¹⁾	9,461	9,221	9,698	-	-
Calgary Growth Strategies	-	-	-	1,808	5,678
Calgary Approvals Coordination ⁽²⁾	4,725	4,697	5,085	-	-
Transportation Infrastructure	61,508	44,969	51,915	26,155	22,092
Green Line	3,323	-	-	-	-
Calgary Housing	113	10	-	-	-
Corporate Analytics & Innovation	322	322	322	322	436
Parks & Recreation	38,822	33,495	42,559	55,338	48,232
Water Resources & Water Services	6,214	5,919	5,158	5,092	4,268
Facility Management	-	16	173	173	173
Environmental and Safety Management	-	-	-	272	2,000
Corporate Revenue and Costs	52,674	56,498	54,416	35,601	33,940
Fire & Calgary Community Standards	7,198	8,910	9,350	9,276	8,266
Community & Neighbourhood Services	-	-	-	-	1,035
Interdepartmental Charge Elimination	(8,807)	(5,840)	(8,914)	(9,329)	(9,810)
	<u>238,360</u>	<u>222,955</u>	<u>236,026</u>	<u>200,427</u>	<u>185,409</u>
Related Authorities:					
Calgary Housing Company	5,409	5,409	5,409	9,259	9,614
Calgary Arts Development Authority Ltd.	-	-	-	-	6
Calgary Economic Development Ltd.	-	-	-	-	5,037
	<u>5,409</u>	<u>5,409</u>	<u>5,409</u>	<u>9,259</u>	<u>14,657</u>
Closing balance	<u>243,769</u>	<u>228,364</u>	<u>241,435</u>	<u>209,686</u>	<u>200,066</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.
- (2) As a result of the PDA re-organization 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 and Transportation Infrastructure
Community Planning and Urban Strategy
Calgary Growth Strategies and Calgary Approvals Coordination
Calgary Housing
Corporate Analytics & Innovation
Parks & Recreation

Water Resources & Water Services
Facility Management
Environmental and Safety Management
Corporate Revenue and Costs
Fire & Calgary Community Standards

Calgary Neighbourhoods
Green Line

Financial Leads:

L. Wong, Finance Lead
T. Johnson, Finance Lead
M. Fung, Finance Lead
S. MacKenzie, Finance Lead

S. MacFayden, Finance Manager
M. Moroz, Finance Lead
T. LePrieur, Finance Lead
R. Turley, Finance Lead
B. Dykstra, Finance Lead
K. Campbell, Finance Lead
F. Tse, Finance Lead
C. Fung, Corporate Finance Lead
A. Szaflarski, Finance Lead
G. Drall, Finance Lead
J. Salazar, Finance Lead
D. Stamper, Finance Lead

Municipal Sustainability Initiative (MSI)**\$ 147,590**
(2018)

Capital Deposit (\$000s)

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% of funding of 43% 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>2018</u>	<u>2017</u> (Restated)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	30,830	259,942	362,375	99,264	132,973
Investment income	4,853	6,496	7,455	5,027	3,652
Contributions from other sources	-	-	-	283,400	100,000
Contributions from Province	402,059	370,864	373,850	392,748	252,944
Debt repayment	(70,000)	(220,000)	(220,000)	(270,000)	(240,000)
Contributions to capital	(220,153)	(386,472)	(263,738)	(148,064)	(150,305)
Closing balance	147,590	30,830	259,942	362,375	99,264

Source Contact: **Business Unit – Finance**
Financial and Operational Lead: – B. Rupert, Financial Services Lead

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Off-Site Levies

(formerly Acreage Assessments)

Capital Deposit (\$000s)

\$ 286,849
(2018)

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: <ul style="list-style-type: none">- Funds are to be used in capital financing.
Restrictions:	Third party agreements: <ul style="list-style-type: none">- Obligation to provide capital in the future.
Related Budget Programs:	Various Programs.
Funding Sources:	<p>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.</p> <p>Investment Income Treatment:</p> <ul style="list-style-type: none">- 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
		(Restated)		(Restated)	
Water Resources and Services	12,252	4,566	7,904	7,576	30,246
Roads	8,195	6,842	6,207	5,301	4,404
Transit	21,630	21,684	19,613	17,631	14,889
Parks & Recreation	77,316	87,534	83,331	80,287	58,478
Transportation Infrastructure	92,181	175,434	222,342	183,060	157,876
Civic Partners	18,796	18,465	19,603	19,495	16,453
Calgary Approvals Coordination	-	-	86	-	-
Fire	52,721	54,208	61,004	50,375	45,104
Calgary Police Services	32,490	32,298	30,899	24,986	21,233
Community & Neighbourhood Services	-	-	-	-	30,746
Interdepartmental charge elimination	(28,732)	(25,788)	(48,819)	(49,702)	(37,740)
Total	286,849	375,243	402,170	339,009	341,689

Source Contacts:

Business Unit:

Water Resources & Water Services
Roads
Transit and Transportation Infrastructure
Parks & Recreation

Civic Partners and Calgary Neighbourhoods
Calgary Approvals Coordination
Fire
Calgary Police Services

Financial Leads:

B. Dykstra, Finance Lead
L. Wong, Finance Lead
T. Johnson, Finance Lead
T. LePrieur, Finance Lead
R. Turley, Finance Lead
J. Salazar, Finance Lead
S. MacKenzie, Finance Lead
A. Szaflarski, Finance Lead
B. Hutchins, Finance Manager

Plus 15 Cash in Lieu Fund

Capital Deposit (\$000s)

\$ 23,046
(2018)

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

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	25,248	24,665	24,364	23,999	22,937
Investment income	651	610	515	647	511
Transfer to operations	(94)	(27)	(214)	(1,299)	(606)
Contributions (to) from capital financing ⁽¹⁾	(3,251)	-	-	-	-
Contributions from operations	492	-	-	1,017	1,157
Closing balance	<u>23,046</u>	<u>25,248</u>	<u>24,665</u>	<u>24,364</u>	<u>23,999</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 – Roads**
Financial Lead – L. Wong, Finance Lead
Operational Lead – C. Buhler, Sr. Eng., Structures & Bridges

Defined Benefit Pension Plans (Registered & Non Registered) \$ **92,743**
(\$000s) (2018)

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 2018 consolidated financial statements contained in The City's 2018 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Funded					
Registered defined benefit pension ⁽¹⁾	52,446	53,235	51,714	46,772	39,366
Non-reg. defined benefit pension ⁽²⁾	40,297	37,379	35,024	32,118	28,787
Total	<u>92,743</u>	<u>90,614</u>	<u>86,738</u>	<u>78,890</u>	<u>68,153</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.

Source Contacts:

Business Unit –	Finance
Financial Lead –	D. Andrews, Finance Leader
Operational Lead –	G. Wiebe, Finance Manager

Funded Vacation and Overtime Liability
(\$000s)

\$ 220,246
(2018)

<i>Purpose:</i>	Employee union and association agreements permit civic employees to defer a certain portion of their unused vacation and overtime to future years.
<i>Conditions:</i>	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.
<i>Restrictions:</i>	For the purpose as described above.
<i>Related Budget Program:</i>	Operating Program: #787 Employee Benefits, City Business Units (for banked overtime), Calgary Police Service, and consolidated related authorities.
<i>Funding Sources:</i>	Operating Program: #787 Employee Benefits, City Business Units (for banked overtime), Calgary Police Service, and consolidated related authorities.
<i>Special Reporting Requirements:</i>	None.

Current Balances (\$000s):

	<u>2018</u>	<u>2017⁽¹⁾</u>	<u>2016⁽¹⁾</u>	<u>2015</u>	<u>2014</u>
Deputy City Manager's Office	14,152	14,398	13,930	11,478	11,947
Chief Financial Office	25,192	25,604	24,801	23,387	21,339
Community Services	38,430	38,939	38,605	37,695	33,387
Corporate Administration	2,219	2,198	2,325	2,383	2,739
Law and Legislative Services	4,210	4,299	4,104	3,741	3,043
Planning & Development	7,455	8,207	8,474	8,289	7,312
Transportation	39,539	39,005	39,218	37,839	33,866
Urban Strategy	149	243	233	-	-
Utilities & Environmental Protection	25,926	25,793	25,526	25,007	22,734
Calgary Police Service	57,219	55,729	54,849	54,049	53,757
RAWW Days	1,178	1,191	671	594	1,951
	<u>215,669</u>	<u>215,606</u>	<u>212,736</u>	<u>204,462</u>	<u>192,075</u>

Related Authorities

Calgary Parking Authority	701	776	887	682	472
Calgary Housing Company	2,195	2,041	1,813	1,723	1,567
Calgary TELUS Convention Centre	354	332	355	391	376
Calgary Municipal Land Corporation	68	60	61	45	28
Calgary Public Library	1,136	1,112	1,123	1,060	929
Attainable Homes Calgary Corporation	14	10	10	28	13
Calgary Arts Development Authority	5	0	0	0	0
Calgary Economic Development Ltd.	104	84	89	89	91
	<u>4,577</u>	<u>4,415</u>	<u>4,338</u>	<u>4,018</u>	<u>3,476</u>
	<u>220,246</u>	<u>220,021</u>	<u>217,074</u>	<u>208,480</u>	<u>195,551</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
R. Bauer, Finance Leader
G. Wiebe, Finance Manager

Other Retirement Benefits Liability
(\$000s)**\$ 186,652**
(2018)

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 2018 consolidated financial statements contained in the City's 2018 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
The City of Calgary ⁽¹⁾	186,652	183,235	176,341	167,879	160,036
	186,652	183,235	176,341	167,879	160,036

(1) The other retirement benefits liability balance contains the Calgary Parking Authority's liability of \$841 (2018) and \$674 (2017).

Source Contacts:

Business Unit –	Finance
Financial Lead –	R. Bauer, Finance Leader
Operational Lead –	G. Wiebe, Finance Manager

SUPPLEMENTARY SCHEDULES

2018 RESERVE SUPPLEMENTARY SCHEDULE

Note: Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2018 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/18 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. 31/18 Closing Balance
Community Services & Calgary Police Service										
Calgary Police Service Court Fine Revenue Operating Reserve	o	4,000	-	-	-	-	-	-	-	4,000
Calgary Police Service Helicopter Maintenance Reserve	o	2,352	(687)	808	-	-	-	-	-	2,473
Children's Reserve Fund	o	4,723	(150)	-	-	-	-	129	-	4,702
FCSS Stabilization Fund	o	4,361	-	563	-	-	(1,345)	106	-	3,685
Parks Foundation Reserve	o	2,407	(128)	-	-	-	-	192	-	2,471
911 Communications Centre Capital Financing Reserve	c	26,243	-	4,511	(5,699)	-	-	-	-	25,055
Artificial Turf Field Lifecycle Reserve	c	3,271	-	1,164	259	-	-	109	-	4,803
Calgary Police Service Capital Reserve	c	40,209	-	14,940	(14,297)	-	-	16	-	40,868
Community Investment Reserve	c	39,079	-	50,919	(49,130)	-	1,500	1,336	-	43,704
Corporate Housing Reserve	c	30,383	(2,083)	2,165	(566)	-	1,068	655	-	31,622
Legacy Parks Reserve	c	8,155	-	-	(1,322)	-	-	192	-	7,025
TELUS Convention Centre Reserve	c	20	-	180	-	-	-	-	-	200
CCS Sustainment Fund	s	9,583	-	1,210	(88)	-	(766)	295	-	10,234
Community Sustainability Reserve	s	2,119	(57)	-	-	-	-	-	-	2,062
Golf Course Levy Reserve	s	2,777	(220)	131	-	-	-	75	-	2,763
Livery Transport Services Reserve	s	4,145	-	599	(43)	-	-	117	-	4,818
Parks Endowment and Sustainment Reserve	s	4,494	(882)	-	(670)	-	1,456	112	-	4,510
Perpetual Care of the Municipal Cemetery System Reserve	s	18,221	-	1,106	(320)	-	-	512	-	19,519
Public Art Reserve	s	5,883	(391)	-	-	-	1,276	-	-	6,768
Deputy City Manager										
Fleet Services Capital Reserve	c	10,933	-	3,833	(5,000)	-	-	-	-	9,766
Revolving Fund Reserve for General Land Purchases	c	102,118	-	4,348	(2,421)	-	(1,536)	2,827	14,414	119,750
Opportunity Calgary Investment Fund (formerly Economic Development)	s	55,000	-	-	-	-	-	1,858	44,189	101,047
Real Estate Services	s	70,795	-	5,259	(98)	-	(879)	168	7,690	82,935
Utilities & Environmental Protection										
Utility Sustainment Reserve	s	141,661	-	233,907	(208,220)	-	2,743	5,164	-	175,255
Waste & Recycling Sustainment Reserve	s	64,802	(13,952)	20,926	(12,514)	-	-	3,821	-	63,083

2018 RESERVE SUPPLEMENTARY SCHEDULE

Note: Values may be slightly adjusted from values disclosed in individual reserve tables. These changes were made to facilitate balancing of the 2018 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/18 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. 31/18 Closing Balance
CFO & Governance										
ENMAX Dividend Stabilization Reserve	o	20,000	(7,000)	-	-	-	-	-	-	13,000
Fiscal Stability Reserve	o	573,721	(27,249)	63,558	(2,840)	-	(4,874)	15,215	38,751	656,282
Group Life Reserve	o	1,725	-	(135)	-	-	-	47	-	1,637
Health, Safety and Wellness Reserve ⁽¹⁾	o	18,813	(2,313)	1,299	-	-	-	-	-	17,799
Self - Insurance Reserve	o	7,000	-	-	-	-	-	-	-	7,000
Tax Loss Provision Reserve	o	37,398	-	-	-	-	-	-	-	37,398
Debt Servicing Reserve	c	52,570	(39,136)	94,752	-	-	(57,261)	1,645	-	52,570
Information Technology Reserve	c	27,711	-	15,152	(5,683)	-	-	106	-	37,286
Lifecycle Maintenance and Upgrade Reserve	c	171,056	-	47,267	(74,271)	-	104,608	-	-	248,660
Reserve for Future Capital ⁽²⁾	c	305,420	-	78,238	(106,483)	-	28,500	-	-	305,675
Budget Savings Account Reserve	s	157,334	(41,741)	42,491	-	-	(22,886)	-	-	135,198
Transportation & Planning and Development										
Calgary Heritage Authority Reserve	o	1,772	(48)	-	-	-	-	47	-	1,771
Heritage Incentive Reserve	o	1,205	(223)	225	-	-	-	35	-	1,242
Mall Programming Fund	o	813	-	-	-	-	-	22	-	835
Parking Revenue Reinvestment Reserve	o	2,133	(450)	2,201	-	-	-	-	-	3,884
Snow and Ice Control Reserve	o	12,482	621	(17,177)	-	-	9,500	-	-	5,426
Asphalt and Crusher Plant Lifecycle Capital Reserve	c	6,443	-	-	(440)	-	-	117	-	6,120
Downtown Improvement Fund	c	3,050	(60)	75	(371)	-	-	83	-	2,777
LED Street Light Re-Lamping Reserve	c	4,537	-	1,664	(787)	-	-	-	-	5,414
Parking Land Acquisition Reserve	c	41,719	-	-	-	-	-	1,132	-	42,851
CBS Sustainment Fund	s	86,752	-	13,531	(4,336)	-	(20,000)	1,961	-	77,908
Millican-Ogden Community Enhancement	s	-	-	-	-	-	-	-	-	-
Amounts included in the Reserve Report but recorded in other funds (Operating or Capital Fund) or consolidated for financial reporting purposes										
Less:										
Unappropriated Surplus		(80,955)	(38,751)	80,955						(38,751)
Revolving Fund Reserve for General Land Purchases		(102,118)	-	(4,348)	2,421	-	1,536	(2,827)	(14,414)	(119,750)
CMLC Internally Restricted (Real Estate Services)		(4,964)	-	-	-	-	-	-	-	(4,964)
Amounts not included in the Reserve Report but recorded in the Reserve Fund for financial reporting purposes										
Add:										
Attainable Homes Calgary Corporation operating fund		500	-	-	-	-	-	-		500
Calgary Arts Development Authority Ltd. Operating fund		459	-	-	-	-	-	-	7	466
Calgary Housing Company surplus (deficit)		27,349	-	-	-	-	-	-	304	27,653
Calgary Public Library operating fund		993	-	-	-	-	-	-	-	993
Total Reserves		2,032,652	(174,900)	766,317	(492,919)	-	42,640	35,267	90,941	2,299,998

Note 1: This reserve is owned by HR and ESM business unit. For presentational purposes, it is shown under the CFO & Governance department.

Note 2: This reserve is owned by Finance, Facility Management, and Transportation Infrastructure business units. For presentational purposes, it is shown under the CFO and 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

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

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

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