

## **Calgary Parking Authority Summary of Top 4 Risks with Impact to The City of Calgary**

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The Calgary Parking Authority (CPA) has determined the following three areas of risk to be of highest impact to The City of Calgary and/or of concern to the City's audit committee:

### **1. Inability to control parking inventory**

The City of Calgary process for acquisition or disposition of property was not designed with an entity such as the CPA in mind. As a result, the CPA is unable to react in a timely manner to market opportunities to increase or decrease its parking inventory based on demand or customer needs. The CPA will work with administration and Council to try to remove barriers in the process allowing CPA to better control its inventory and ensure future sustainability of the CPA.

### **2. Policy changes**

CPA is governed by Bylaw 28M2002 and the Calgary Parking Policies. These policies are subject to changes by City administration and Council. If changes are made without CPA input, it could have a significant impact on the CPA's ability to be nimble, sustainable and responsive to customer needs.

### **3. Labour disruption**

CPA and C.U.P.E. Local 38 are involved in the collective bargaining process, as the current collective agreement expired May 31, 2018. C.U.P.E. holds a separate trade certification with CPA, which defines union members as "all employees except office and clerical personnel", and results in a separate collective bargaining process from The City and C.U.P.E. Local 38. Should mediation be unsuccessful, labour action could result (strike or lock out), impacting approximately 130 union employees and 14 jobs at CPA. To address this, CPA has prepared a Labour Action Business Continuity Plan should this occur.

### **4. Reserve adequacy (alternate to Labour risk, should that get resolved)**

The CPA's requirement to provide stalls under the previous Cash-In-Lieu program results in an obligation to replace existing parking facilities at the end of their useful life, regardless of demand. The CPA contributes annually to a reserve intended to finance the replacement costs, however the adequacy of the annual contributions and the reserve balance has not been reviewed. The CPA is undertaking a complete review of the long-term capital asset management plan and the funding requirements associated with that plan. In addition, the CPA will pursue future by-law changes to ensure the replacement of any parking facilities meet customer demand.