

Calgary



MOVING FORWARD TOGETHER

The City of Calgary
2020 Annual Report

AC2021-0485

2021 April 20

ISC: Unrestricted

APR 20 2021

ITEM: *7.2 AC2021-0485
Distribution
CITY CLERK'S DEPARTMENT

Moving Forward Together with focus on:

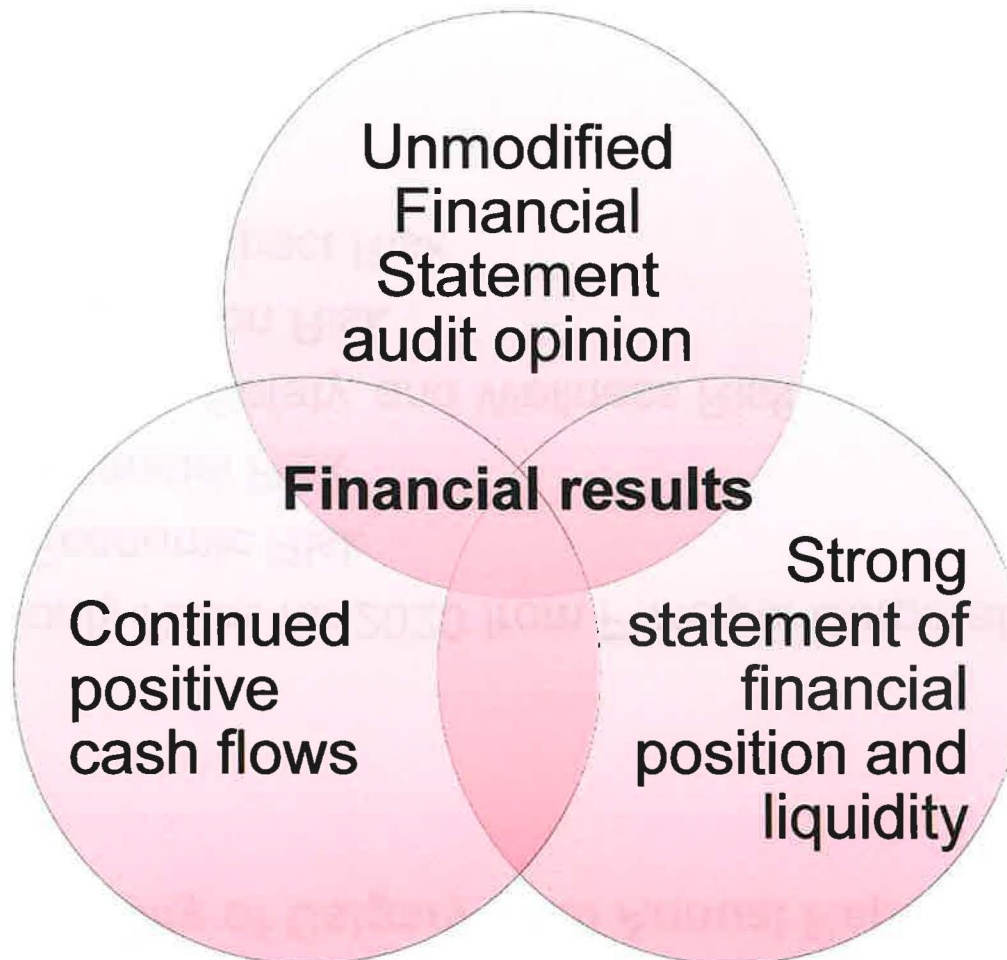
COVID-19
response

Managing
our budget

Supporting
businesses
and the
community

Advancing
strategic
investments

The City of Calgary 2020 Annual Report





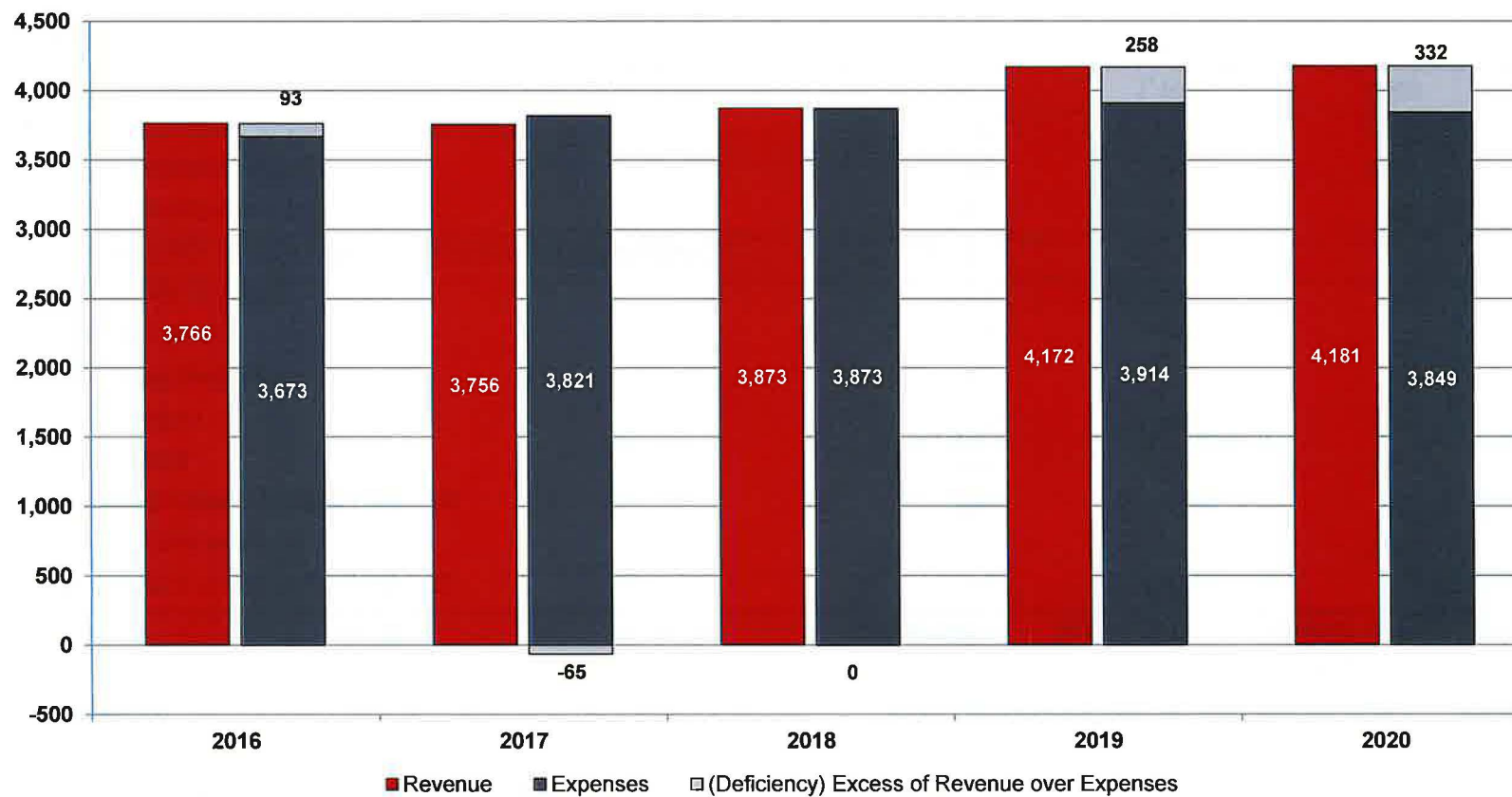
The City of Calgary 2020 Annual Report

Risks

Five Priority Risks for 2020 from Principal Corporate Risk's

- i. Economic Risk
- ii. Financial Risk
- iii. Health, Safety, and Wellness Risk
- iv. Reputation Risk
- v. Social Impact Risk

Revenues, Expenses, and Surpluses Before Capital Transfers (\$ millions)





Revenues for the Year Ended December 31

(\$ millions)

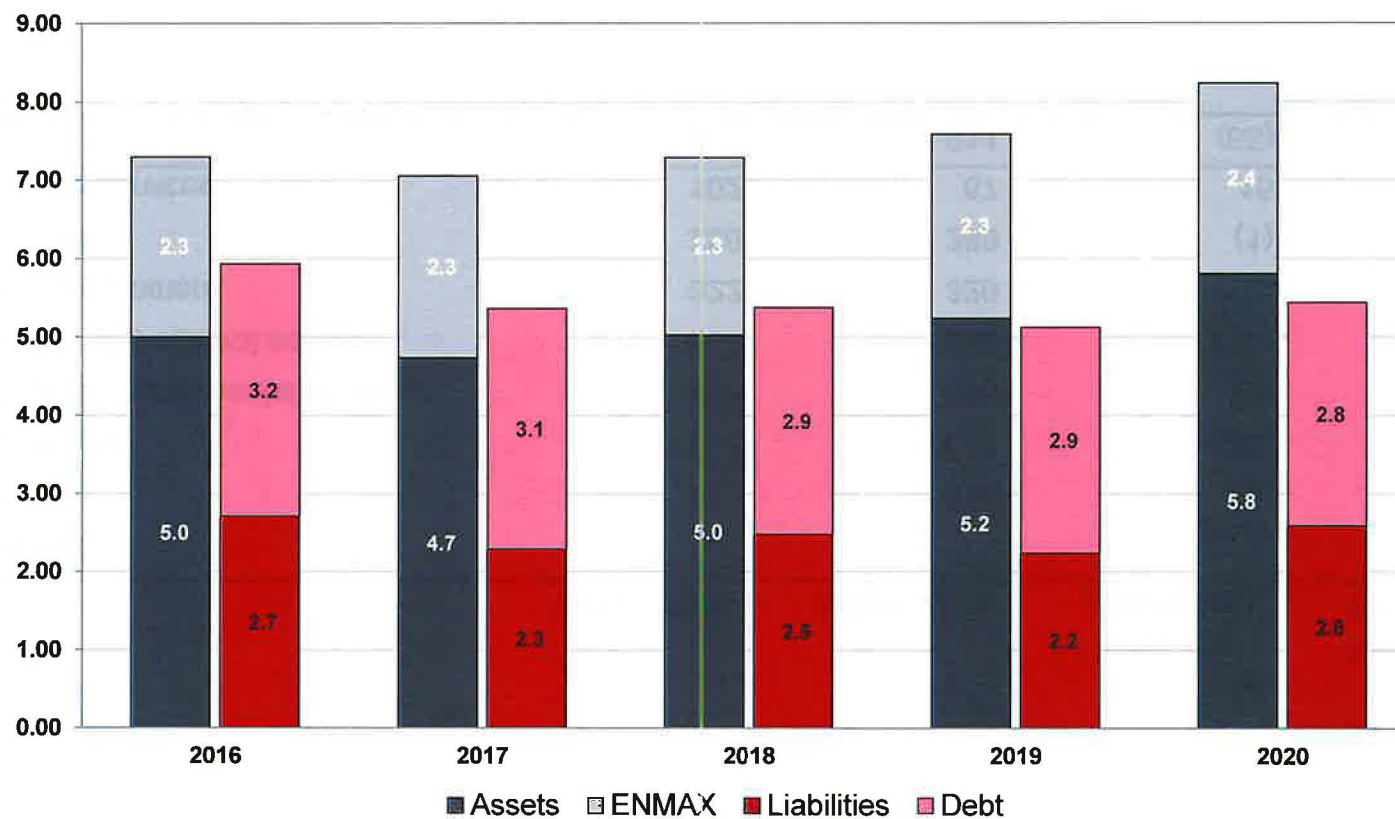
	Actual 2020	Actual 2019	Increase/ (Decrease)	Percent Change
Net taxes available for municipal purposes	2,123	2,089	35	2%
Sales of goods and services	1,131	1,323	(192)	-15%
Government transfers related to operating	336	152	184	121%
Investment income	103	199	(96)	-48%
Fines and penalties	69	99	(30)	-30%
Licences, permits and fees	96	113	(17)	-15%
Miscellaneous revenue	34	41	(7)	-17%
Equity in earnings of ENMAX	288	156	132	84%
Total revenues (before external transfers for infrastructure)	4,181	4,172	9	0%
Developer contributions	166	125	41	33%
Government transfers related to capital	283	652	(369)	-57%
Developer contributions-in-kind related to capital	169	323	(154)	-48%
Total external transfers for infrastructure	617	1,100	(483)	-44%
Total Revenue	4,798	5,272	(473)	-9%

Expenses for the Year Ended December 31

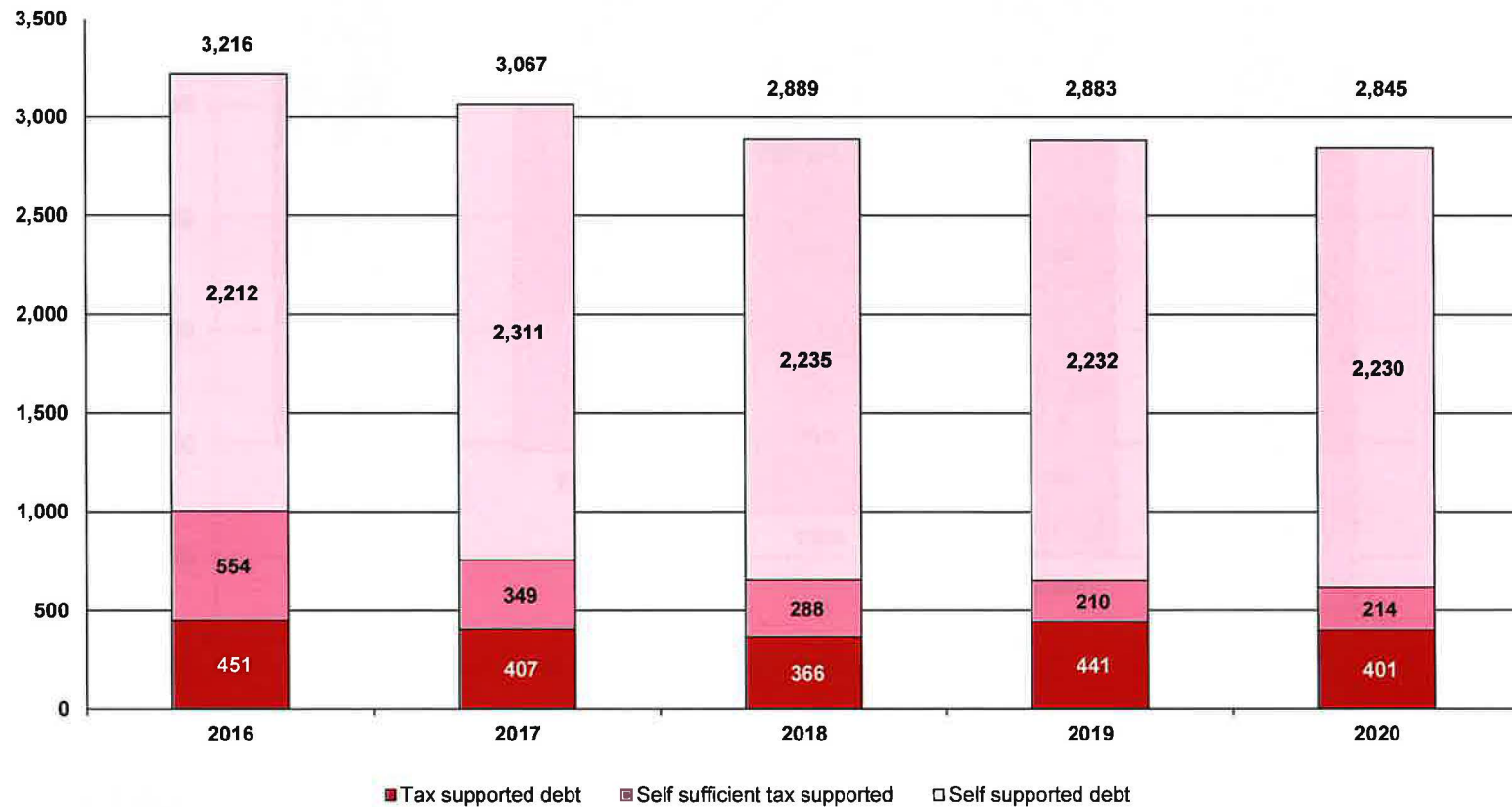
(\$ millions)

	Actual 2020	Actual 2019	Increase/ (Decrease)	Percent Change
EXPENSES				
Protection	814	816	(2)	0%
Transportation	1,016	1,048	(32)	-3%
Utilities and environmental services	705	706	(1)	0%
Community and cultural services	603	648	(46)	-7%
General government	322	320	2	1%
Public works	288	289	(1)	0%
Real estate services	102	87	15	17%
	3,849	3,914	(65)	-2%

Financial Assets and Liabilities (\$ billions)

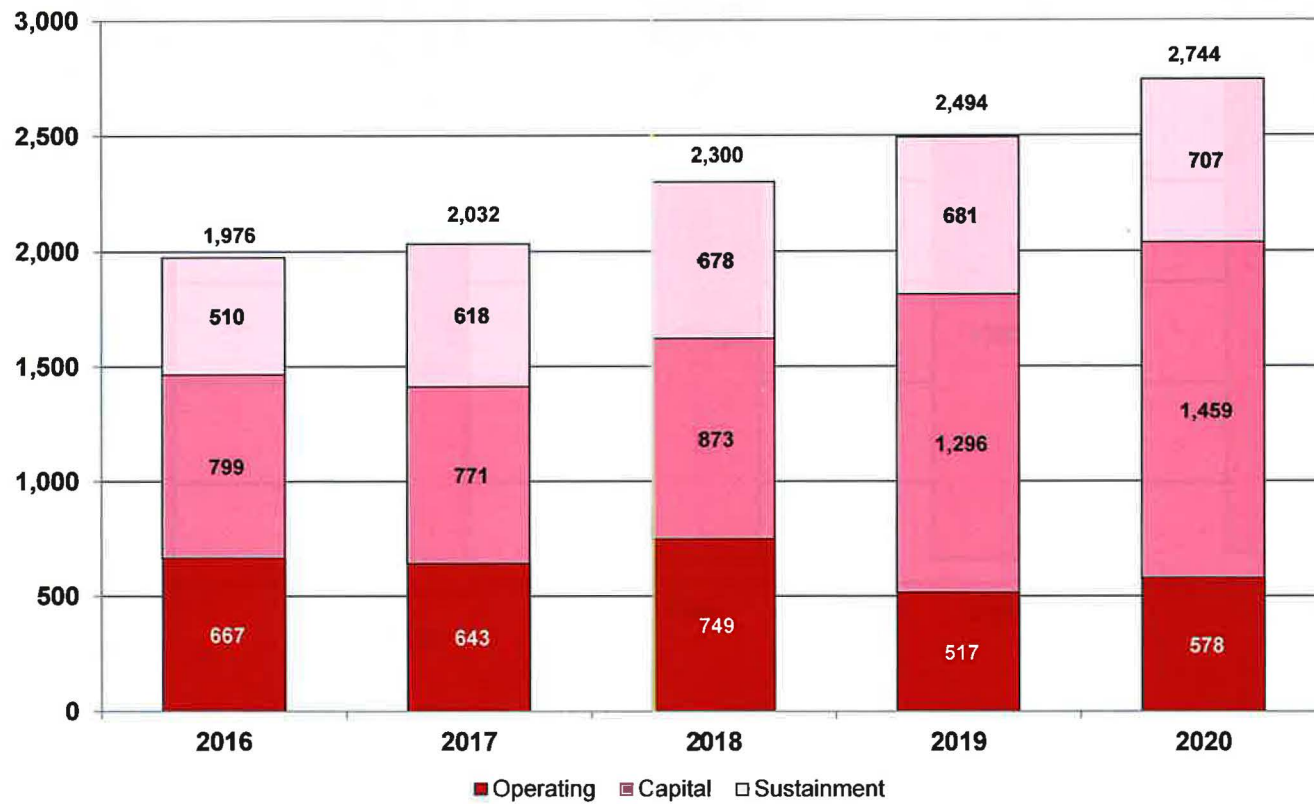


Long-term Debt Balances as at December 31 (\$ millions)



Reserves as at December 31

(\$ millions)



Administration Recommendations

That the Audit Committee:

1. Consider this report in conjunction with Report AC2021-0560 “2020 External Auditor’s Year-end Report”;
2. Recommends Council approval of The City of Calgary 2020 Annual Report, and
3. Forward to Council as a matter of urgent business to the 2021 April 26 Strategic Meeting of Council.



Supplementary Information Follows



Consolidated Statement of Cash Flows as at December 31, 2020

(\$ Thousands)

	2020	2019
NET INFLOW (OUTFLOW) OF CASH AND CASH EQUIVALENTS:		
OPERATING ACTIVITIES		
Annual Surplus	\$ 792,125	\$ 1,330,323
Deduct items not affecting cash:		
Equity in earnings of ENMAX Corporation (Note 7)	(288,114)	(156,162)
ENMAX Corporation—other comprehensive loss (Note 7)	157,341	27,813
Amortization of tangible capital assets	692,962	678,251
Net loss on disposal of tangible capital assets	4,893	4,771
Developer contributions-in-kind related to capital	(168,674)	(323,067)
Change in non-cash items:		
Receivables	2,155	(18,340)
Land inventory	(3,715)	3,940
Other assets	(6,714)	11,685
Inventory	(4,151)	(3,966)
Prepaid assets	(2,311)	(4,479)
Accounts payable and accrued liabilities	(11,707)	(135,475)
Deferred revenue	6,136	7,380
Capital deposits	163,427	(96,159)
Provision for landfill rehabilitation	3,395	7,489
Employee benefit obligations	18,497	(4,077)
	1,355,545	1,329,927
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(994,025)	(1,160,353)
Proceeds on sale of tangible capital assets	12,316	17,026
	(981,709)	(1,143,327)
INVESTING ACTIVITIES		
Dividends from ENMAX Corporation	54,000	50,000
Net purchases of investments	(192,564)	(192,194)
	(138,564)	(142,194)
FINANCING ACTIVITIES		
Proceeds from long-term debt issued	221,783	309,067
Long-term debt repaid	(260,086)	(314,451)
Net increase (decrease) in bank indebtedness	172,448	(21,929)
	134,145	(27,313)
INCREASE IN CASH AND CASH EQUIVALENTS	369,417	17,093
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	263,209	246,116
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 632,626	\$ 263,209



Consolidated Statement of Changes in Net Financial Assets as at December 31, 2020

(\$ Thousands)

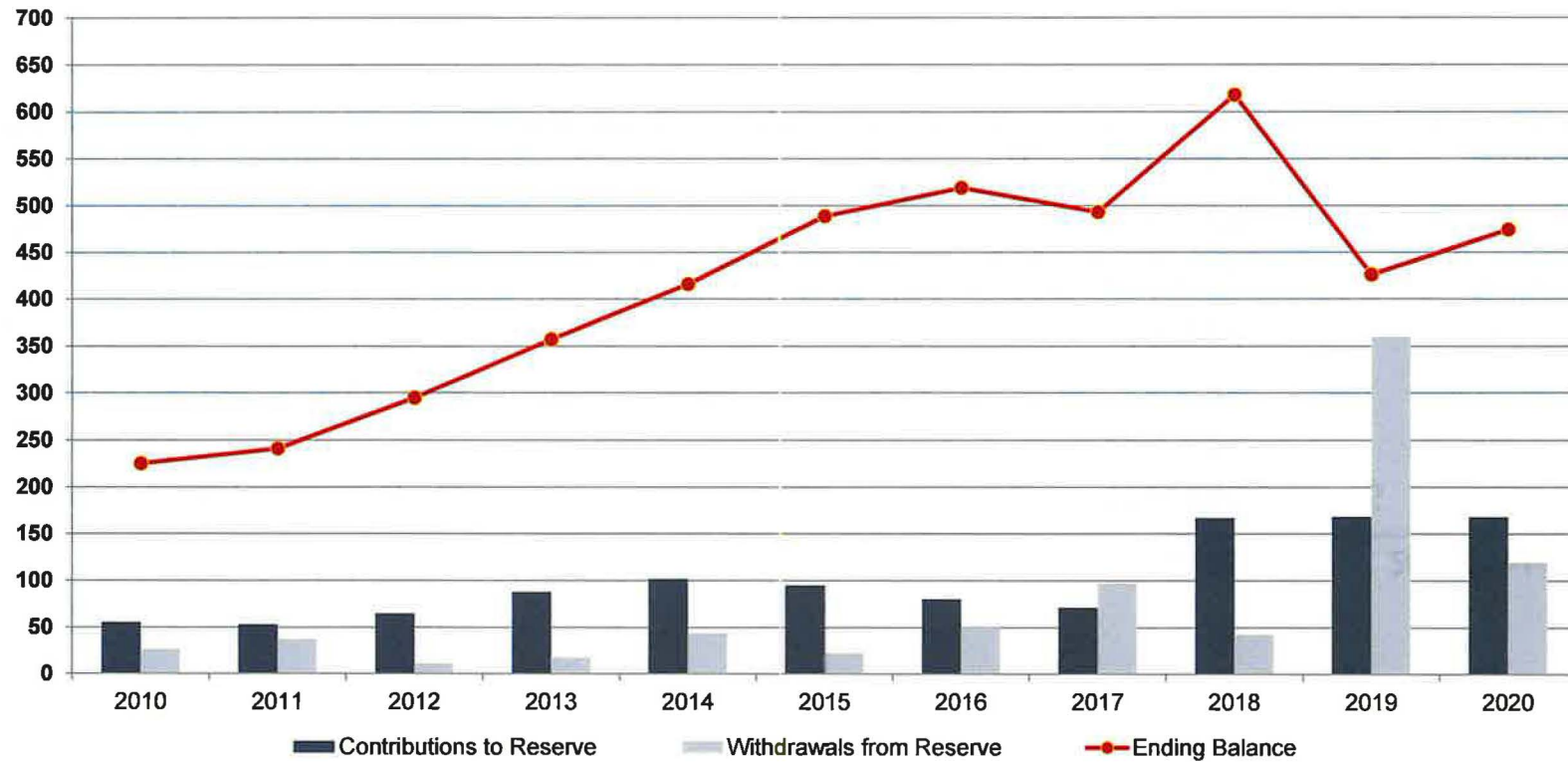
	Budget 2020 (Note 16)	Actual 2020	Actual 2019
ANNUAL SURPLUS	\$ 1,524,085	\$ 792,125	\$ 1,330,323
Amortization of tangible capital assets	131,936	692,962	678,251
Proceeds on sale of tangible capital assets	603	12,316	17,026
Tangible capital assets received as contributions	–	(168,674)	(323,067)
Net loss on disposal of tangible capital assets	–	4,893	4,771
Acquisition of tangible capital assets	(552,311)	(994,025)	(1,160,353)
Acquisition of supplies inventories	–	211,235	143,291
Use of supplies inventories	–	(215,386)	(147,257)
Acquisition of prepaid assets	–	240,511	259,475
Use of prepaid assets	–	(242,822)	(263,954)
INCREASE IN NET FINANCIAL ASSETS	1,104,313	333,135	538,506
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,457,110	2,457,110	1,918,604
NET FINANCIAL ASSETS, END OF YEAR	\$ 3,561,423	\$ 2,790,245	\$ 2,457,110



Capital Deposits as at December 31
(\$ Thousands)

	2020	2019 (Note 34)
Developers contributions	\$ 138,731	\$ 147,391
Offsite levies	330,024	287,632
Deferred capital contribution – Event Centre	4,635	–
Other private contributions	18,234	14,827
Provincial government grants	176,029	80,880
Federal government grants	170,909	144,405
	\$ 838,562	\$ 675,135

Fiscal Stability Reserve (\$ Millions)



Upcoming Accounting Standards

Upcoming Accounting Standards	FS Presentation (PS 1201) FX Translation (PS 2601) Portfolio Investments (PS 3401) Financial Instruments (PS 3450) Asset Retirement Obligation (PS 3280)	Revenue (PS 3400)
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Expected Impact on Organization

HIGH

MODERATE

	2020 (Dec)	2021	2022	2023	2024
	Training, Communication and Implementation				
Work Plan	<p>Project teams meet and design implementation plans</p> <p>Stakeholder engagement</p> <p>Additional training sessions and updates for Finance Family</p>	<p>Project teams meet and start on implementation plans</p> <p>Stakeholder engagement</p> <p>Assess system needs and planning</p> <p>Project planning for Revenue standard</p>	<p>Additional training sessions and updates for Finance Family</p> <p>Roll-out and review implementation of standards due in 2023</p> <p>Design and implement System changes for standards due in 2023</p>	<p>Additional training sessions and updates for Finance Family</p> <p>Finalize implementation of standards due in 2023</p> <p>Finalize system changes required for standards due in 2023</p> <p>Roll-out and review Implementation of Revenue Standard</p>	<p>Finalize implementation of revenue standard</p> <p>Design and implement System changes as required for revenue standard</p>