

Background and Previous Council Direction

This attachment provides background to the historical context of the Local Access Fee and Franchise Fees budget and gives an overview of the Council direction to which this report responds.

Background

The process for setting the budget for Program 857 Franchise Fees & Municipal Consent and Access Fees is set out in Council Policy CFO003 Franchise Fee/MCAF Revenue Budgets and Variances. According to the policy, the budget is set conservatively based on the lowest of the five-year forecast for natural gas and electricity prices. Favourable variances in Program 857 are transferred to the Reserve for Future Capital.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2004 December 06	FCS2004-62	Financial Policy on Franchise Fee / Municipal Consent And Access Fee (MCAF) Revenue Budgets and Variances Council approved Council Policy CFO003 Franchise Fee/MCAF Revenue Budgets and Variances.
2021 November 22	C2021-1436	2022 Adjustments to the 2019-2022 One Calgary Service Plans and Budgets Council adopted a motion arising with respect to C2021-1436 that directed "Administration to reassess the projected Local Access Fee and Franchise Fee and direct that 35% of the projected variance be allocated to the 2022 budget and report back to council on the impact to the overall budget."