

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
Operating Reserves							
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
Capital Reserves							
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
Sustainment Reserves							
(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.

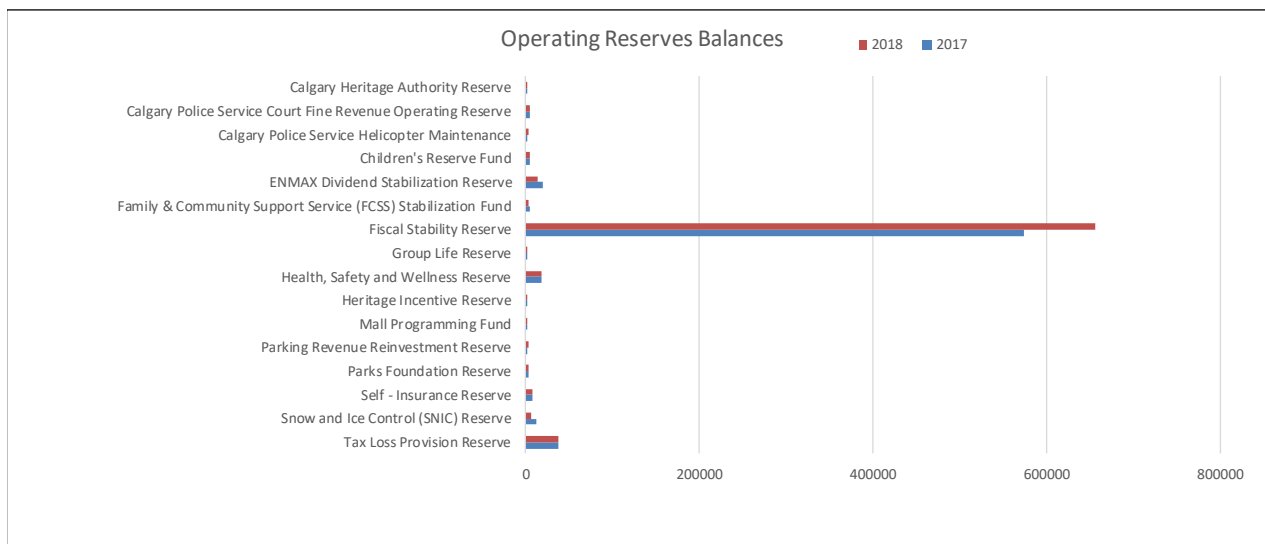
E - Endowment (Type) Reserve: A fund created to provide income for long-term ongoing purpose. Such funds are usually held in perpetuity and no encroachment on capital is allowed.

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)							
<u>Operating Reserves</u>							
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%	



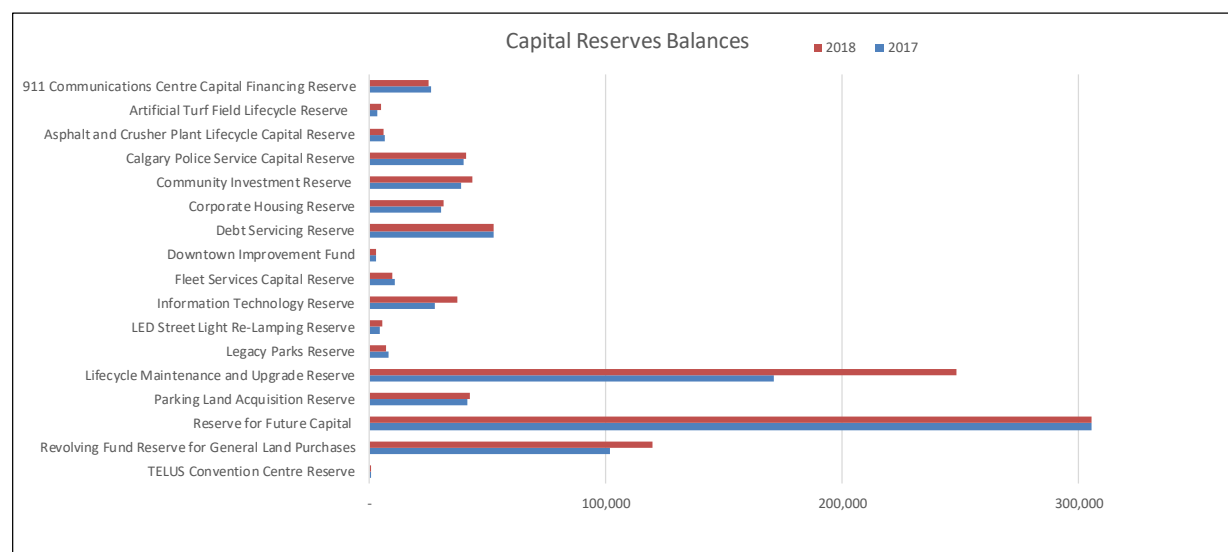
Change Explanation (Threshold: Greater than 20% or \$4,000):

- 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%	



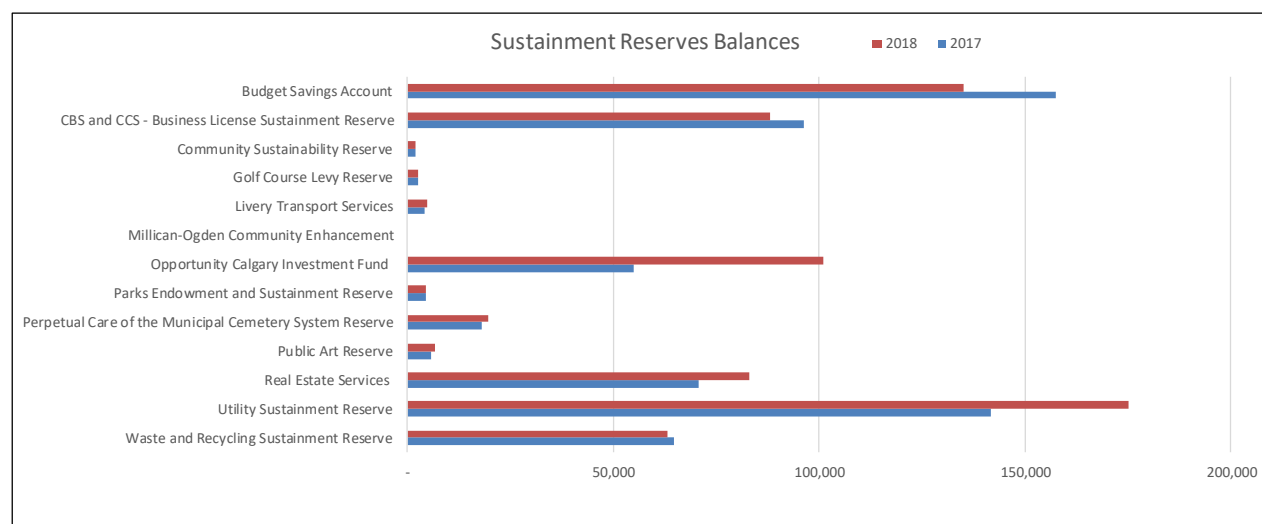
Change Explanation (Threshold: Greater than 20% or \$4,000):

- 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	Pg.	Investment Appx. 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.

			Appx. Pg.	2018	Reserve Balance by Business Type			
	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	40,255

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

<u>Long Term Liabilities</u>		2018	2017	2016	2015	2014
		(Restated)				
<u>Capital Deposits</u>						
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	15,098	14,697	8,882
Eau Claire Improvement Fund	99	879	856	829	2,296	931
Federal Gas Tax Fund	100	61,362	36,458	76,132	67,079	-
Infrastructure Canada - Alberta Program (ICAP)	101	-	-	-	-	173
Miscellaneous Capital Deposits	102	243,769	228,364	241,435	209,686	200,066
Municipal Sustainability Initiative (MSI)	104	147,590	30,830	259,942	362,375	99,264
Off-site Levies	106	286,849	375,243	402,170	339,009	341,689
Plus 15 Cash in Lieu Fund	108	23,046	25,248	24,665	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
<u>Employee Benefit Obligations</u>						
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 Addiction,
\$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)

\$ 1,637
(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 ☒ 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 – Financial Lead – Operational Lead –	Calgary Growth Strategies S. Mackenzie, Finance 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 ☒ 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
	<hr/>
	(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

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:

X 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

37,286	27,711	20,746	18,658	18,189
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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

\$ 248,660
(2018)

Capital Reserve (\$000s)

Authorization: C2002-82, CPS2005-03, FCS2006-42, FCS2008-28, FCS2011-34, M2012-0828, C2013-0330, C2013-0668, NM2015-33 and C2017-1123.

Purpose: The Lifecycle Maintenance and Upgrade Reserve ("LMUR") was established to maintain and upgrade capital assets (C2002-082).

Conditions: None.

Restrictions:

1. Net proceeds from sale of surplus fire capital assets and future funds received from Alberta Health Services ("AHS") are to be used exclusively for fire protective equipment (FCS2011-34).
2. Net proceeds from the sale of surplus transit capital assets are to be used exclusively for transit capital purchases (FCS2011-034).
3. Funds of the Property Tax Room to be used as per Council approval (M2012-0828, C2013-0330 and C2017-0288).

Related Budget Programs: Operating Program: #840 Capital Financing Costs
Capital Programs: Capital programs in various business units.

Funding Sources: Funding Sources include:

- 2.6% 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>	-	-	-

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**

Sustainment Reserve (\$000s)

(2018)

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**\$ 19,519**
(2018)

Combined Operating & Capital Reserve (\$000s)

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

Combined Operating & Capital Reserve (\$000s)

\$ 82,935
(2018)

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

Capital Deposit (\$000s)

\$ 0
(2018)

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:

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	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	<u>61,362</u>	<u>36,458</u>	<u>76,132</u>	<u>67,079</u>	<u>-</u>

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 X 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)

Capital Deposit (\$000s)

\$ 147,590
(2018)

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:
- Funds are to be used in capital financing.

Restrictions: Third party agreements:
- Obligation to provide capital in the future.

Related Budget Programs: Various Programs.

Funding Sources: Under the terms of development agreements, an assessment per acre is levied for expressways and freeways, and for drainage mains and trunks to service new areas. Charges are also levied for storm redevelopment in older areas and for emergency response stations, recreation facilities, and libraries to serve new development. Prior to 2001, acreage assessments were also collected for Waterworks and Wastewater.

Investment Income Treatment:
- Transportation Units and Water Resources and Water Services – investment income is added to the capital deposit balance.
- Fire, Parks, Recreation and Civic Partners, Calgary Police Services and Calgary Approvals Coordination – investment income is not added to the capital deposit balance.

Special Reporting Requirements: None.

Current Balances: (\$000s)

	<u>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