



The City of Calgary 2022 Annual Financial Report **AC2023-0327**

2023 April 19

That the Audit Committee:

1. Consider this report in conjunction with Report AC2023-0356 “External Auditor’s 2022 Year-End Report”;
2. Recommends Council approval of The City of Calgary 2022 Annual Financial Report, and
3. Forward to Council as a matter of urgent business to the 2023 April 25 Regular Meeting of Council.

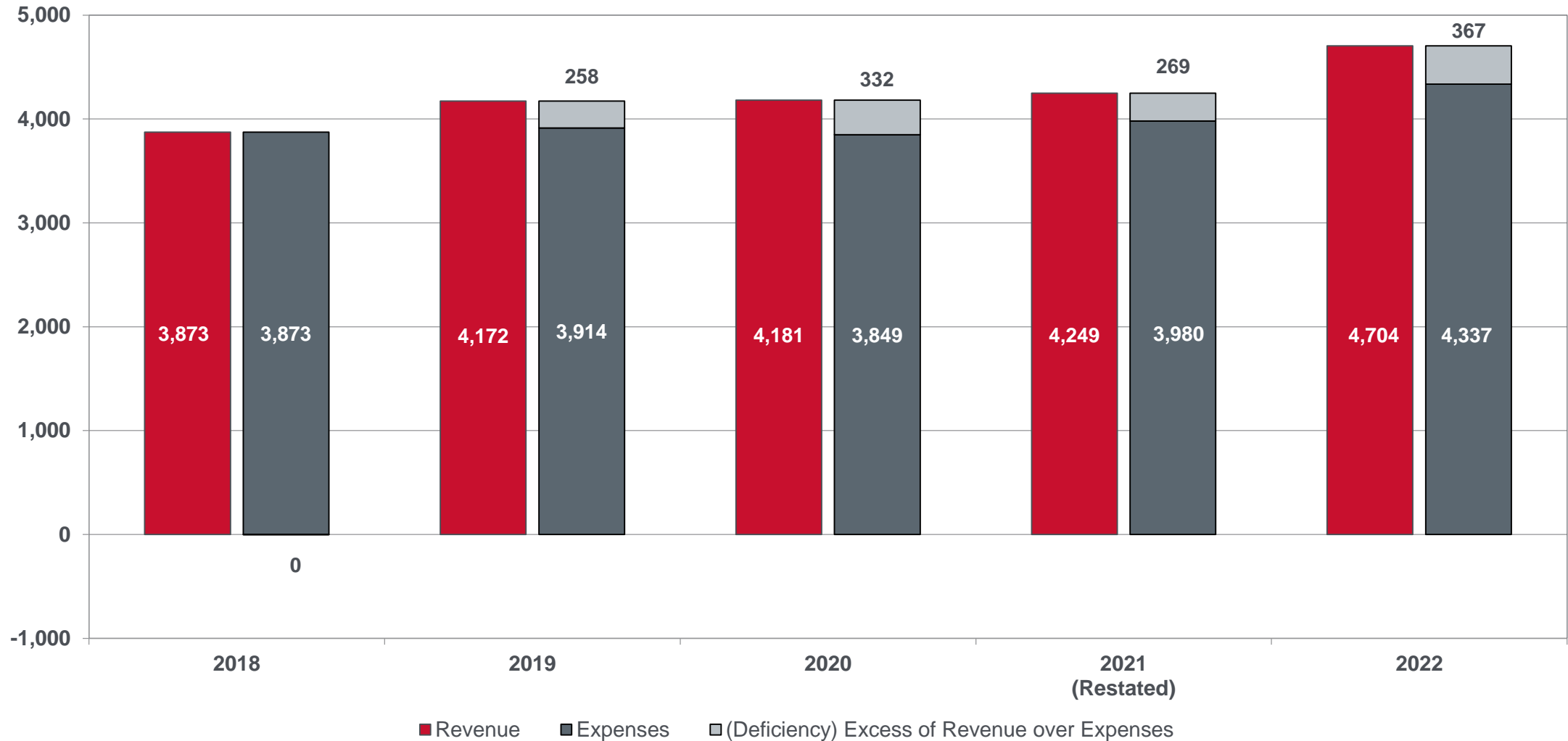


Highlights

- Strong statement of financial position and liquidity;
- Undertook an organization realignment;
- Approval of 2023-2026 Service Plans and Budgets;
- Advancement of the Green Line Project;
- Supporting the recovery of Calgary's Downtown; and
- Preparing our city and infrastructure for a changing climate.



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



Revenues for the Year Ended December 31

(\$ millions)

	Actual 2022	Actual 2021 (Restated)	Increase/ (Decrease)	Percent Change
Net taxes available for municipal purposes	2,406	2,209	197	9%
Sales of goods and services	1,384	1,235	149	12%
Government transfers related to operating	228	155	73	47%
Investment income	141	131	10	8%
Fines and penalties	74	64	10	16%
Licences, permits and fees	119	107	12	11%
Miscellaneous revenue	56	52	4	8%
Equity in earnings of ENMAX	296	296	0	0%
Total revenues (before external transfers for infrastructure)	4,704	4,249	455	11%
Developer contributions	242	159	83	52%
Government transfers related to capital	360	416	(56)	(13%)
Developer contributions-in-kind related to capital	241	212	29	14%
Total external transfers for infrastructure	843	787	56	7%
Total Revenue	5,547	5,036	511	10%



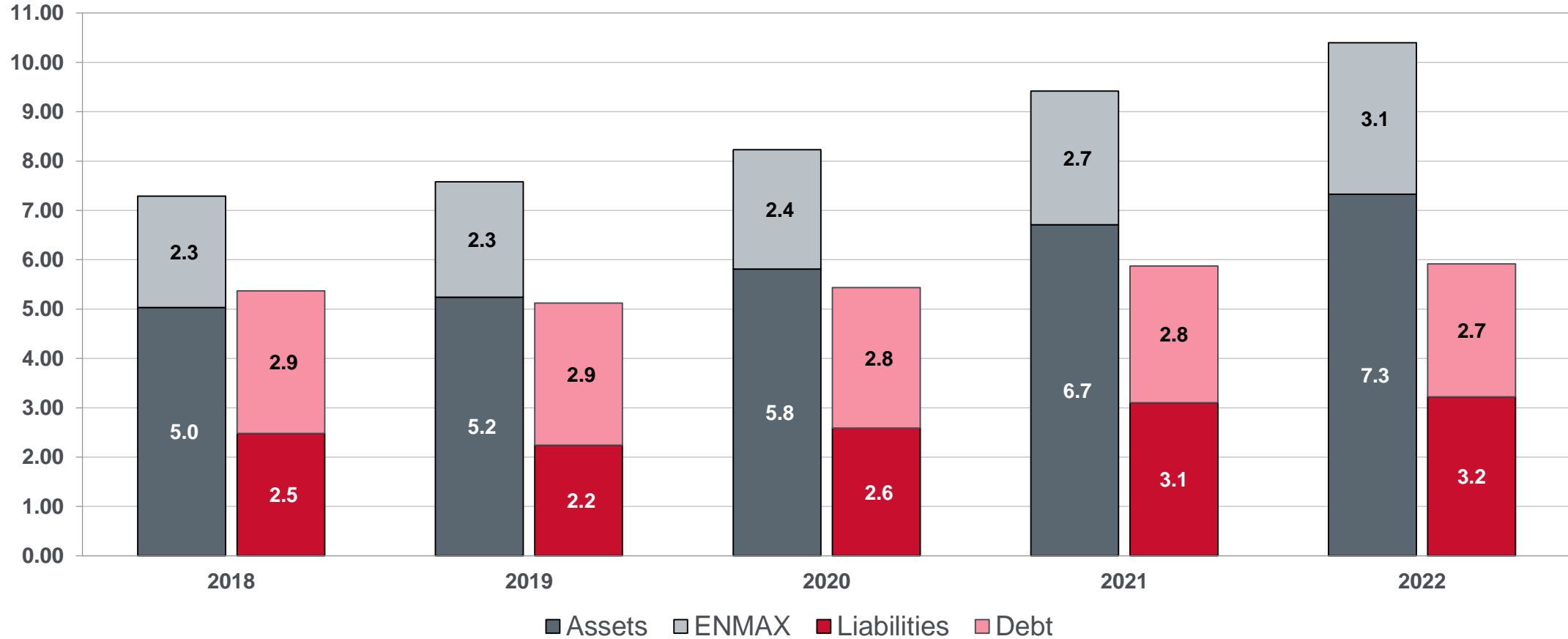
Expenses for the Year Ended December 31

(\$ millions)

	Actual 2022	Actual 2021 (Restated)	Increase/ (Decrease)	Percent Change
EXPENSES				
Planning and development services	169	139	30	22%
Infrastructure services	394	306	88	29%
Community services	1,388	1,321	67	5%
Operational services	2,010	1,842	168	9%
General government	376	372	4	1%
	4,337	3,980	357	9%



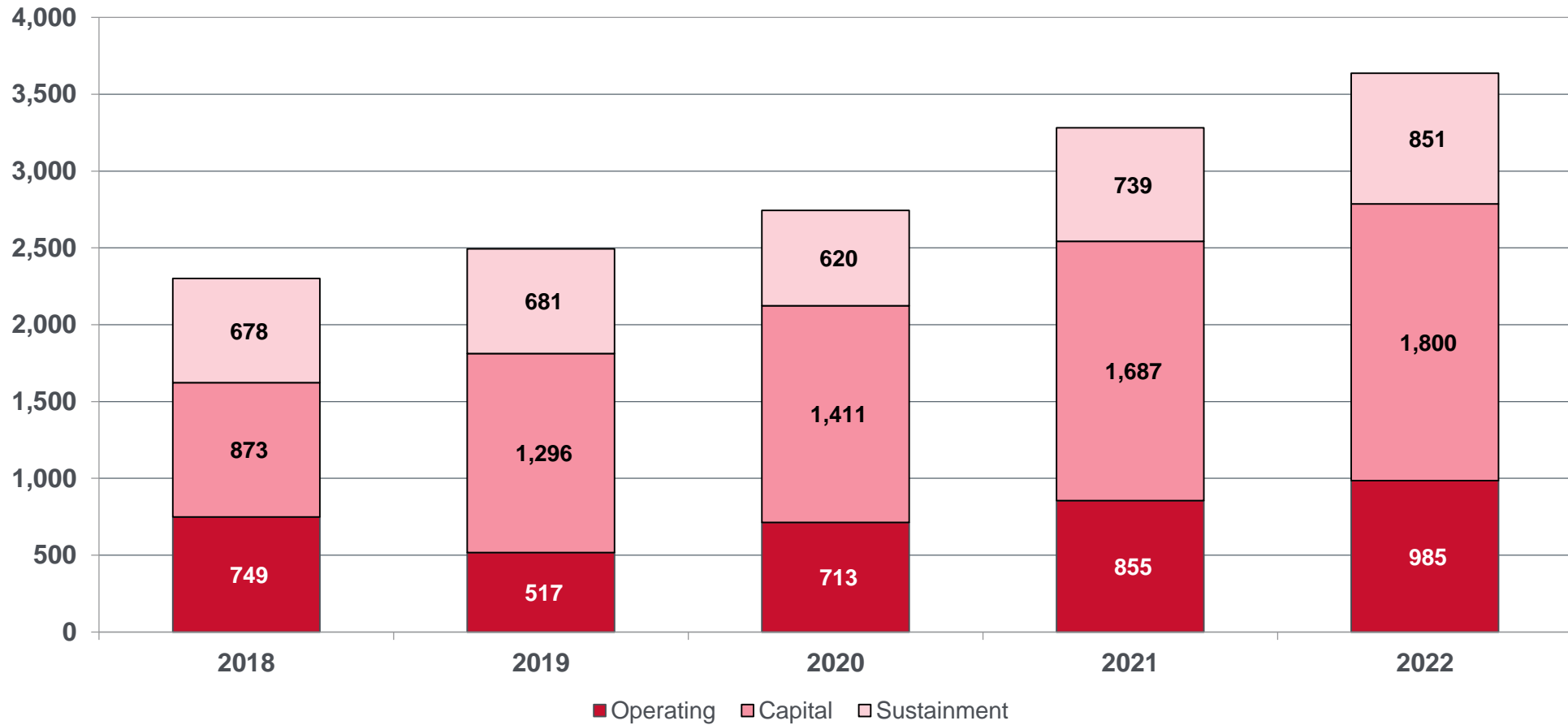
Financial Assets and Liabilities (\$ billions)





Reserves as at December 31

(\$ millions)





Recommendations

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Supplementary Information Follows



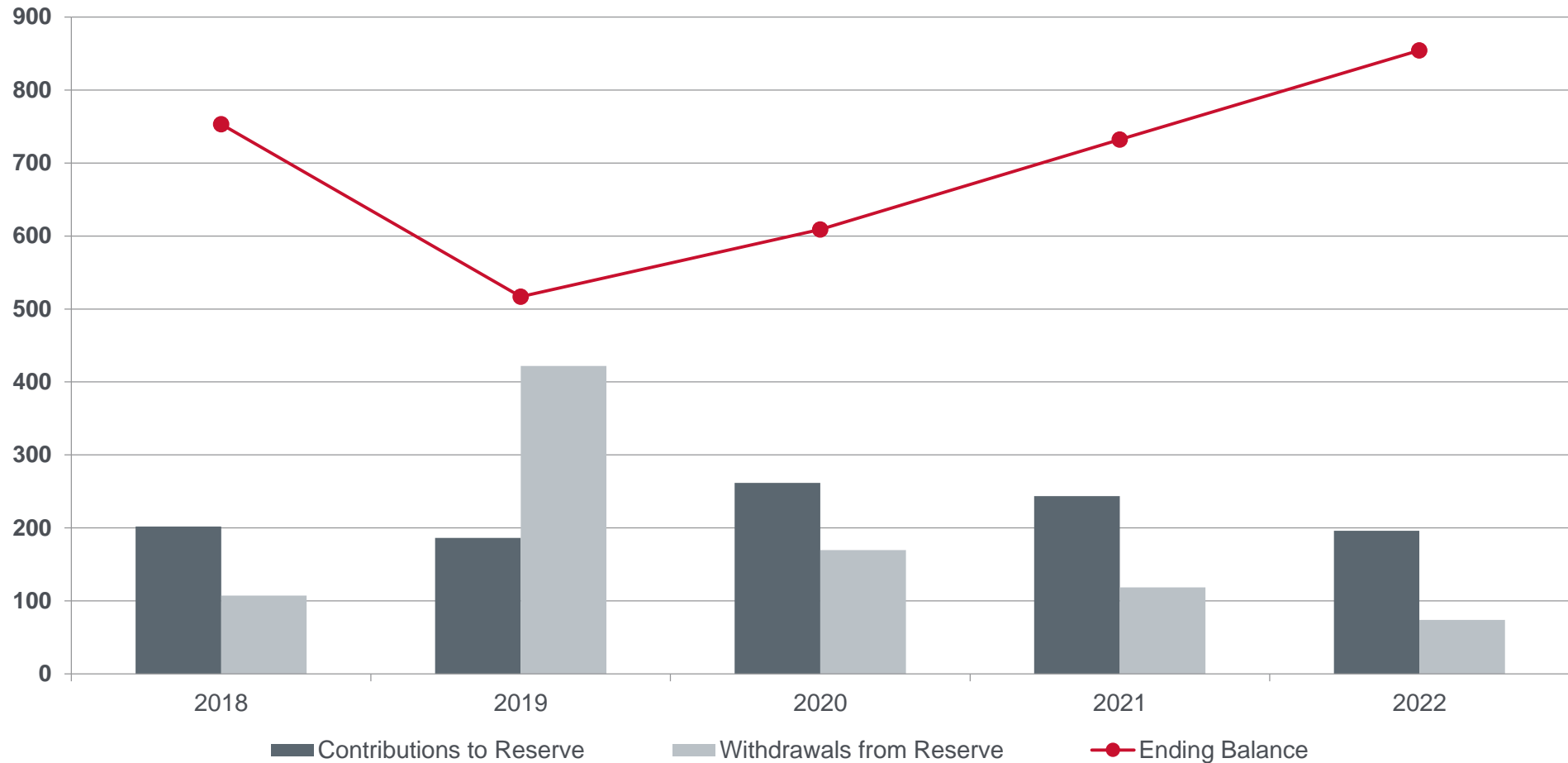
Capital Deposits as at December 31

(\$ Thousands)

	December 31, 2021	Contributions Received	Revenue Recognized	December 31, 2022
Developers contributions	\$ 144,892	\$ 19,847	\$ (22,434)	\$ 142,305
Off-site and Centre city levies	395,915	59,824	(81,353)	374,386
Deferred capital contribution - Event Centre	11,172	2,987	-	14,159
Other private contributions	4,075	30,554	(31,973)	2,656
Provincial government grants	427,845	202,426	(204,936)	425,335
Federal government grants	219,211	170,093	(162,240)	227,064
	\$ 1,203,110	\$ 485,731	\$ (502,936)	\$ 1,185,905



Fiscal Stability and Operating Budget Savings Account Merged Reserve (\$ Millions)





Upcoming Accounting Standards

Standards and Expected Impact on Organization:

HIGH: FX Translation (PS 2601)
Portfolio Investments (PS 3401)
Financial Instruments (PS 3450)
Asset Retirement Obligation (PS 3280)
MODERATE: FS Presentation (PS 1201)

MODERATE:
Revenue (PS 3400)
Public Private Partnerships (P3) (PS3160)
Purchased Intangibles (PSG 8)



Work Plan

Continued training sessions and updates for Finance Family

Finalize implementation of Standards effective in 2023

Finalize System changes needed for 2023 Standards. Populate and enter opening balances into Schedules and GL

Roll-out and Review Implementation of Revenue, P3, and Purchased Intangibles Standards

Design and Implement System changes as required for Revenue Standard

Finalize 2023 Year End Financial Statements with new standards due in 2023

Additional training sessions and updates for Finance Family

Finalize implementation of Revenue, P3 and Purchased Intangibles Standards

Finalize system changes required for Revenue Standard