

THE CITY OF CALGARY
REPORT ON
RESERVES AND LONG TERM LIABILITIES
2015

July 2016

THE CITY OF CALGARY
RESERVES AND LONG TERM LIABILITIES
AS AT DECEMBER 31, 2011 - 2015
(\$000's)

		Page	2015	2014	2013	2012	2011
<u>Operating Reserves</u>							
Budget Savings Account Reserve		6	60,905	-	-	-	-
Calgary Heritage Authority Legacy Endowment Fund	Closed	7	-	-	-	-	1,487
Calgary Heritage Authority Reserve		8	1,770	1,736	1,698	1,664	-
Calgary Police Service Court Fine Revenue Operating Reserve		9	4,000	4,000	4,000	4,000	-
Calgary Police Service Helicopter Maintenance		10	3,024	3,000	2,706	2,905	2,617
Children's Reserve Fund		11	4,605	4,605	4,595	4,502	4,492
Civic Partners Review Reserve	Closed	12	-	-	-	65	65
Economically Disadvantaged Reserve	Closed	14	-	-	-	-	-
ENMAX Dividend Stabilization Reserve		15	20,000	16,450	10,100	-	-
Family & Community Support Service (FCSS) Stabilization Fund		16	5,704	3,710	3,688	3,348	3,343
Fiscal Stability Reserve		18	544,510	443,371	365,460	294,985	240,932
Group Life Reserve		20	1,580	1,494	1,338	1,253	1,189
Health, Safety and Wellness Reserve		21	13,271	10,975	7,566	7,166	7,350
Heritage Incentive Reserve		22	1,087	1,369	1,283	1,185	1,153
Special Reserve Fund for Heritage Preservation	Closed	23	-	-	-	-	141
Livery Transport Services Reserve		24	4,076	4,539	3,722	3,127	2,633
Mall Programming Fund		25	770	754	744	1,017	1,002
Parks Foundation Reserve		26	2,395	2,257	2,114	2,099	2,100
Self - Insurance Reserve		28	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control (SNIC) Reserve		30	8,940	-	4,141	3,220	-
Tax Loss Provision Reserve		31	37,398	37,398	39,823	39,823	36,329
Unappropriated Surplus	Closed	32	-	-	-	31,258	5,243
			721,035	542,658	459,978	408,617	317,076

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	Page	2015	2014	2013	2012	2011
Capital Reserves						
911 Communications Centre Capital Financing Reserve	33	18,577	11,830	8,821	6,612	3,440
Artificial Turf Field Lifecycle Reserve	34	2,221	1,548	1,047	2,108	428
Asphalt and Crusher Plant Lifecycle Capital Reserve	35	6,367	5,363	7,500	6,459	7,497
Calgary Police Service Capital Reserve	36	34,349	30,978	28,362	25,923	20,151
Calgary Police Service Pay-As-You-Go Reserve	Closed 38	-	-	-	-	-
Community Investment Reserve	40	152,379	168,302	151,077	112,223	76,959
Container Capital Reserve	Closed 42	-	-	-	-	-
Corporate Housing Reserve	44	38,531	36,073	34,105	46,749	45,153
Debt Servicing Reserve	46	52,570	52,570	52,570	67,769	72,996
Downtown Improvement Fund	48	3,629	3,372	3,207	3,033	3,435
Fleet Services Capital Reserve	49	10,456	4,042	-	-	-
Information Technology Reserve	50	18,658	18,189	15,867	15,156	16,322
Landfill Capital Financing Fund	Closed 51	-	-	-	-	-
Landfill Closure Fund	Closed 52	-	-	-	-	-
Landfill Revenue Reserve	Closed 53	-	-	-	-	-
LED Street Light Re-Lamping Reserve	54	5,528	5,816	5,622	5,666	4,963
Legacy Parks Reserve	56	18,450	23,033	19,738	13,332	9,695
Lifecycle Maintenance and Upgrade Reserve	58	149,391	97,251	125,729	102,075	92,205
Miscellaneous Capital Reserve - Calgary Transit	Closed 60	-	-	-	-	-
Miscellaneous Capital Reserve - Fire	Closed 61	-	-	-	-	-
Parking Land Acquisition Reserve	62	38,215	32,657	24,688	19,991	12,801
Reserve for Future Capital	64	354,190	318,286	269,629	271,888	255,491
Revolving Fund Reserve for General Land Purchases	66	86,881	84,505	52,347	58,654	49,799
Storm Sewer Upgrade Reserve	Closed 68	-	-	-	-	-
TELUS Convention Centre Reserve	69	213	253	200	200	315
YMCA Reserve	Closed 70	-	-	-	-	-
		990,605	894,068	800,509	757,838	671,650
Sustainment Reserves						
(combined operating & capital reserves)						
Community Sustainability & Public Art Reserve	72	6,363	5,715	5,285	5,036	3,736
Development & Building Approvals (DBA) Sustainment Fund	74	98,408	76,247	48,701	30,794	27,488
Golf Course Levy Reserve	76	1,126	529	327	148	111
Millican-Ogden Community Enhancement	77	132	171	171	171	271
Parks Endowment and Sustainment Reserve	78	2,328	1,291	1,184	1,408	1,334
Perpetual Care of the Municipal Cemetery System Reserve	80	13,949	12,549	10,359	8,635	7,873
Real Estate Services	82	68,396	97,664	80,552	76,122	78,809
Utility Sustainment Reserve	84	44,290	49,153	44,076	52,226	18,982
Waste and Recycling Sustainment Reserve	85	48,809	41,968	33,808	41,911	58,162
Wastewater	Closed 86	-	-	-	-	-
Waterworks	Closed 87	-	-	-	-	-
		283,801	285,287	224,463	216,451	196,766
Total Reserves		1,995,441	1,722,013	1,484,950	1,382,906	1,185,492
Amounts included in the Reserve Report but recorded in other funds (Operating or Capital Fund) or consolidated for financial reporting purposes						
Less:						
Unappropriated Surplus (Current year surplus)		(55,725)	(27,490)	(8,159)	(31,258)	(5,243)
Livery Transport Services surplus		-	-	-	-	(2,633)
Revolving Fund for General Land Purchases		(86,881)	(84,505)	(52,347)	(58,654)	(49,799)
CMLC Internally Restricted (Real Estate Services)		(4,964)	(6,750)	(6,752)	(7,883)	(9,204)
AHCC Internal Sale (Corporate Housing Reserve)		(299)	(323)	(2,203)	(2,204)	(1,879)
Amounts not included in the Reserve Report but recorded in the Reserve Fund for financial reporting purposes						
Calgary Housing Company surplus (deficit)		27,267	22,589	17,010	13,737	10,625
Calgary Public Library operating fund		993	573	1,672	1,147	1,976
Calgary Arts Development Authority Ltd. operating fund		245	169	173	132	143
Reserves per financial statements		1,876,077	1,626,276	1,434,344	1,297,923	1,129,478

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	Page	2015	2014	2013	2012	2011
<u>Long Term Liabilities</u>						
<u>Capital Deposits</u>						
Acreage Assessments	90	361,299	341,689	316,486	304,502	252,312
Alberta Municipal Infrastructure Program (AMIP) Agreement	91	-	11,699	25,969	45,351	105,403
Cash in Lieu of Parking Fund	92	14,697	8,882	5,783	5,219	4,004
Eau Claire Improvement Fund	93	2,296	931	975	934	934
Federal Gas Tax Fund	94	67,079	-	32,769	44,377	25,658
Basic Municipal Transportation Grant	95	8,817	259,873	134,742	131,561	105,839
Infrastructure Canada - Alberta Program (ICAP)	96	-	173	173	173	173
Miscellaneous Capital Deposits	98	213,867	200,066	267,930	138,070	128,544
Municipal Sustainability Initiative (MSI)	100	362,375	99,264	132,973	4,387	1,698
New Deal for Federal Public Transit Trust	101	-	-	-	-	-
Plus 15 Cash in Lieu Fund	102	24,364	23,999	22,937	22,350	24,624
		1,054,794	946,576	940,737	696,924	649,189
<u>Employee Benefit Obligations</u>						
Defined Benefit Pension Plans (Registered & Non-Registered)	103	78,890	68,153	59,873	43,690	33,613
Funded Vacation and Overtime Liability	104	208,480	195,551	189,095	180,688	170,604
Other Retirement Benefits Liability	105	167,879	160,036	149,941	137,514	125,307
		455,249	423,740	398,909	361,892	329,524
<u>Supplementary Schedules</u>						
Reserves Continuity	108					

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***OPERATING, CAPITAL
AND SUSTAINMENT RESERVES***

Budget Savings Account Reserve

Operating Reserve (\$000s)

\$ 60,905
(2015)**Authorization:** PFC2015-0181 and PFC2015-0959**Purpose:** 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".**Conditions:** As per purpose.**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 will 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.

Any savings generated in Corporate Programs will be directed to the Fiscal Stability Reserve as per Council's current direction.

Funding Sources: Funding for the savings account will be generated by favourable budget variances identified by business units through the management of their operating and capital budgets.

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.

Investment income: ____ yes x no**Related Budget****Programs:**Operating Programs: All impacted City Business Units
Capital Programs: All impacted City Business Units**Special Reporting****Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	-	-	-	-	-
Contributions from operations	60,313	-	-	-	-
Contributions from capital	592	-	-	-	-
Surplus	<u>60,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Source Contact:Financial – J. Kwong, Finance Manager, Corporate Budget Office, Finance & Supply
Operational – B. Koay, City Treasurer, Finance & Supply**Review Schedule:** Last Review: N/A

Next Review: 2018

Calgary Heritage Authority (CHA) Legacy Endowment Fund -

CLOSED

\$ -
(2015)

Authorization: LAS2006-118 and PFC2012-0159

Purpose: Calgary Heritage Authority Legacy Endowment Fund from the sale of unused density from fire hall #1 site.

Conditions: As per Confirmed Council Minutes October 16, 17 & 18, 2006: "That the Report and Recommendations remain confidential following the in camera discussion pursuant to Section 24(1) of the Freedom of Information and Protection of Privacy Act until a report returns to Council and is approved following development permit approval". The development permit has been approved. In July 2012 Council authorized the reserve to be amalgamated with the Special Reserve Fund for Heritage Preservation under the newly named Calgary Heritage Authority Reserve. All funds were transferred in 2012.

Restrictions: Restrictions transferred to the Calgary Heritage Authority reserve per PFC2012-0159.

Funding Sources: Funding sources transferred to the Calgary Heritage Authority Reserve per PFC2012-0159.

Related Budget Programs:

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	1,487	1,449
Investment income	-	-	-	-	38
Contribution	-	-	-	-	-
Transfer to Calgary Heritage Authority (1)	-	-	-	(1,487)	-
Closing balance	-	-	-	-	1,487

(1) Per PFC2012-0159 this reserve has been closed and the balance transferred to the Calgary Heritage Authority Reserve.

Source Contacts: Financial – Finance Lead, Planning, Development & Assessment (PDA), Finance & Supply
Operational – Manager, City Wide Planning & Design

Review Schedule: Not applicable – reserve closed

Calgary Heritage Authority Reserve

Operating Reserve (\$000s)

\$ 1,770
(2015)

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.

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.

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.

Investment income: ☒ yes ☐ no

Related Budget

Programs: Operating program: #610 City Wide Policy & Integration (on behalf of the Calgary Heritage Authority) (Previously #616 Land Use Planning & Policy)

Special Reporting

Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	1,736	1,698	1,664	-	-
Transfer from CHA Legacy Endowment Fund (1)	-	-	-	1,487	-
Transfer from Special Reserve for Heritage Preservation (1)	-	-	-	141	-
Contribution to operations	(9)	-	-	-	-
Investment Income	43	38	34	36	-
Closing balance	<u>1,770</u>	<u>1,736</u>	<u>1,698</u>	<u>1,664</u>	<u>-</u>

(1) As per report PFC2012-0159, these reserves were closed and balances transferred to Calgary Heritage Authority Reserve.

Source Contacts: Financial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – M. Broadhurst, Manager, City Wide Strategy

Review Schedule: Last Review: 2015 Next Review: 2018

Calgary Police Service Court Fine Revenue Operating Reserve**\$ 4,000**

Operating Reserve (\$000s)

(2015)**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: The reserve is funded with a one-time contribution from the CPS in 2012, unless further Council direction is received. 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.

Funding Sources: Police operating budgetInvestment income: ____ yes x no**Related Budget****Programs:** Operating program: #070 Calgary Police Service**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	4,000	4,000	4,000	-	-
Contributions from operations	-	-	-	4,000	-
Contributions to operations	-	-	-	-	-
Closing balance	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>

Source Contacts: Financial – B. Koay, City Treasurer, Finance & Supply
Operational - B. Hutchins, Finance Manager, Calgary Police Service

Review Schedule: Last Review: 2014 Next Review: 2017

Calgary Police Service Helicopter Maintenance Reserve

Operating Reserve (\$000s)

\$ 3,024
(2015)

Authorization: FB96-48 and 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.

Funding Sources: Police operating funds

Investment income: ____ yes x no

Related Budget

Programs: Operating program: #070 Calgary Police Service

Special Reporting

Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	3,000	2,706	2,905	2,617	2,397
Contributions from operations	809	808	809	808	809
Contributions to operations	(785)	(514)	(1,008)	(520)	(589)
Closing balance	<u>3,024</u>	<u>3,000</u>	<u>2,706</u>	<u>2,905</u>	<u>2,617</u>

Source Contacts: Financial – B. Hutchins, Finance Manager, Calgary Police Service
Operational – R. Chaffin, Deputy Chief, Calgary Police Service

Review Schedule: Last Review: 2014 Next Review: 2017

Children's Reserve Fund

Operating Reserve (\$000s)

\$ 4,605
(2015)**Authorization:** C2000-07, FCS2004-22, CPS2008-87, FCS2010-19, FCS2011-34, PFC2012-0606 and 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.**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.Investment income: x yes no**Related Budget Programs:** Operating program: #421 Calgary Neighbourhoods**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	4,605	4,595	4,502	4,492	3,971
Investment Income	115	101	93	99	104
Contribution to Recreation/CNS	(115)	(91)	-	(89)	-
Transfer to Economically Disadv Rsrv	-	-	-	-	(94)
Transfer from Economically Disadv Rsrv (1)	-	-	-	-	511
Closing balance	<u>4,605</u>	<u>4,605</u>	<u>4,595</u>	<u>4,502</u>	<u>4,492</u>

(1) As per FCS2011-34, the Economically Disadvantaged reserve was closed and \$511 was transferred into the Children's Reserve Fund.

Source Contacts: Financial – J. Salazar, Finance Lead, CNS, Finance & Supply
Operational – M. Hulsker, Manager, Strategic Services, CNS

Review Schedule: Last Review: 2015

Next Review: 2018

Civic Partners Review Reserve - CLOSED

Operating Reserve (\$000s)

\$ -
(2015)

Authorization: CPS2003-92, FCS2004-22, CPS2004-63, FCS2010-10 and PFC2012-0606

Purpose: To conduct reviews which assess strategic alignment between The City and its Civic Partners in the following Civic Partner categories: Agencies, Alliances, Joint Ventures, City Related Entities and Provincially-Legislated Entities.

To support research efforts to examine The City's support of partners within a sector (including but not limited to Tourism, Heritage, Culture, Arts). The research would be used to gain understanding of trends and to develop strategic approaches for The City to support organizations in a given sector.

Conditions: The Director of Recreation will authorize funding in accordance with Council approved direction. Funding will be used to support review costs such as:

- Research required for analysis and recommendations to be made to Council;
- Management of a review project in conjunction with designated City staff;
- Other review-related support;
- Expenses associated with any public consultations, surveys, etc.

The Civic Partner Accountability Framework presents three core principles to ensure partnership accountability:

- Mission Alignment – the partner must be able to deliver services that benefit the public good as determined by Council;
- Partner Organization Governance – the partner must be able to demonstrate good governance practices;
- Measure Performance – partnerships should have defined goals that are measured and publicly reported on a regular basis.

As per Report FCS2004-22 the reserve was established from the closure of the Agency Review Reserve; no impact to existing budgets. The fund is expected to be closed within four years; once it is fully expended.

As per Report FCS2010-10, this fund is extended to the end of the 2009-2010 business cycle, following which Administration will report back to Council to recommend disposition of any unspent balance.

As per Report PFC2012-0606, the reserve is to be closed once current outstanding balance has been spent.

Restrictions: Funding will be used to research and report to Council the results of a partner review and sector review with recommended future direction.

Funding Sources:

Investment income: ____ yes x no

Related Budget Programs:

Operating program: #426 Recreation

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	65	65	76
Transfer to operations	-	-	(65)	-	(11)
Closing balance	-	-	-	65	65

Source Contacts: Financial – Finance Lead, Recreation, Finance & Supply
Operational – Manager Strategy and Partnerships, Community Neighbourhood Services

Review Schedule: Not applicable – reserve closed

Economically Disadvantaged Reserve- CLOSED

Operating Reserve (\$000s)

\$ -
(2015)**Authorization:** CPS97-79, FCS2010-19 and FCS2011-34**Purpose:** To fund a service initiative allowing economically disadvantaged Calgarians to participate in recreation programs. Community & Neighbourhood Services and Recreation are committed to implementing service initiatives that ensure universal access to public recreation facilities and services, regardless of age, income and ability.**Conditions:** The amount contributed from the reserve to Recreation is based on a formula that considers the yearend financial status of individual recreation programs.**Restrictions:** As per purpose.**Funding Sources:** Retained surplus from the former Leisure Learning Services (LLS) section that was reorganized with staff integrated into other work units. The section was originally established and managed within an administrative partnership with the Calgary Board of Education. Effective 1996 December 31, this partnership concluded, at which time the surplus of \$200 was returned to Parks and Recreation.Investment income: x yes no
(Interest bearing beginning in 1998)**Related Budget Programs:** Operating program: #426 Recreation**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	511
Investment income	-	-	-	-	13
Contributions from other reserves (1)	-	-	-	-	94
Contributions to operations	-	-	-	-	(107)
Transfer to Childrens Reserve Fund (2)	-	-	-	-	(511)
Closing balance	-	-	-	-	-

(1) Transfer from Children's reserve-fee assistance program	-	-	-	-	94
(2) Per FCS2011-34, this reserve was closed and the funds transferred to the Children's Reserve.	-	-	-	-	(511)

Source Contacts: Financial – Finance Lead, Recreation, Finance & Supply
Operational – Business Services Manager, Recreation**Review Schedule:** Not applicable – reserve closed

ENMAX Dividend Stabilization Reserve

Operating Reserve (\$000s)

\$ 20,000
(2015)**Authorization:** NM2012-05**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.**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.Investment income: ☐ yes ☒ no**Related Budget****Programs:** Operating program: #860 and General Revenue program**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	16,450	10,100	-	-	-
Investment income	-	-	-	-	-
Contributions from operations	3,550	6,350	10,100	-	-
Contributions to operations	-	-	-	-	-
Closing balance	<u>20,000</u>	<u>16,450</u>	<u>10,100</u>	<u>-</u>	<u>-</u>

Source Contacts: Financial – C. Fung, Corporate Finance Leader, Corporate Budget Office, Finance & Supply
Operational – J. Kwong, Finance Manager, Corporate Budget Office, Finance & Supply

Review Schedule: Last Review: 2015 Next Review: 2018

Family & Community Support Service (“FCSS”) Stabilization Fund

Operating Reserve (\$000s)

\$ 5,704
(2015)

Authorization: CS95-21, CS008, CPS98-12, CPS2003-26; FCS2004-22, CPS2009-09, CPS2011-19 and PFC2015-0917

Purpose: The reserve is used to:

- Cover any shortfalls in case the Provincial Family and Community Support Services (FCSS) allocation of funds is less than expected at any given year;
- Respond to emerging social issues; and
- To 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 consult with community partners to determine the project’s impact and viability.

Restrictions: As per purpose.

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.

Investment income: ____ yes x no

Related Budget Programs: Operating Program: #421 Calgary Neighbourhoods

Special Reporting Requirements: Annual review by Community & Neighbourhood Services, as described under conditions.

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	3,710	3,688	3,348	3,343	4,778
Contributions from operations	2,630	1,474	1,894	1,439	272
Contributions to operations (1)	(636)	(1,452)	(1,554)	(1,434)	(1,707)
Closing balance	<u>5,704</u>	<u>3,710</u>	<u>3,688</u>	<u>3,348</u>	<u>3,343</u>

- (1) As per CPS2011-19, the transfer of \$1,000, and as per CPS2015-0150 and CPS2016-0036, the transfer of \$500, from the FCSS Stabilization Fund was approved by Council. Administration is to use the funds on a one-time basis to meet emerging community agency needs including alignment to the Social Sustainability Framework, organizational and physical infrastructure.

Source Contacts: Financial –J. Salazar, Finance Lead, CNS, Finance & Supply
Operational – M. Hulsker, Manager, Strategy & Partnerships, Community & Neighbourhood Services

Review Schedule: Last Review: 2015 Next Review: 2018

Fiscal Stability Reserve

Operating Reserve (\$000s)

\$ 544,510

(2015)

Authorization: Mill Rate bylaw 20M79, C2005-04, and FCS2007-45

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 are made as required and operating surpluses are 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;
- 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: As per purpose.

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.

Investment income: ☒ yes ☐ no

**Related Budget
Programs:**

Operating Program: #856 Taxation
#860 General Revenues

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	443,371	365,460	294,985	240,932	224,916
Surplus (Previous year)	-	-	31,258	5,240	24,992
Surplus (Current year) (1)	55,725	27,490	8,159	-	-
Investment income	11,465	8,504	6,855	5,444	6,521
Net contribution to operations	(14,359)	(27,106)	(17,370)	(11,123)	(37,161)
Net contribution (to) from capital (2)	4,892	(16,310)	-	-	-
Funding contribution from operations (3)	55,809	84,713	45,073	57,450	22,942
Transfers (to) from other reserves (4)	(12,393)	620	(3,500)	(2,958)	(1,278)
Closing balance (5)	<u>544,510</u>	<u>443,371</u>	<u>365,460</u>	<u>294,985</u>	<u>240,932</u>

- (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) 2015: Excess insurance receipt of \$4,892 transferred back to FSR.
2014: Net contribution to capital 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 are from the transfer of various unspent contingency funds (Property and Business Tax contingent fund).
- (4) Transfer (to) from other reserves:
2015: per report C2014-0863, transfer funds from FSR to Roads Snow and Ice Control (SNIC) of (\$5,000), transfer funds from FSR to various business units' flow through FSR (\$7,393).
2014: As per C2014-0863, \$620 of unallocated funds transferred from the Council Innovation Fund.
2013: As per PFC2012-0045, transfer of funds from FSR to Roads SNIC of (\$3,500).
2012: Transfers from other reserves per PFC2012-0707, transfer of Office of Civic Partners – Economic Development and Policy Coordination (EDPC) year end surplus of \$542. As per PFR2012-0045, transfer of funds to Roads SNIC of (\$3,500).
2011: Transfers from other reserves include a reallocation approved capital expenditure for downtown core fitness centre \$1,696, transfer from Office of Economic Development and Policy Coordination year end surplus \$366, 2010 Landfill Liability Closure Liability Report \$3,000. Transfers to other reserves include funding of Applewood Attenuation Fence Project (\$240) and transfer of Waste & Recycling sustainment Reserve (\$6,100).
- (5) Committed amounts in the closing balance total \$171,010 consisting of: \$100,885 Flood Resiliency projects, \$40,125 one-time approved council items, \$5,000 Snow and Ice Control funding and \$25,000 for other items. Closing balance ratio to tax supported gross expenditures (net of recoveries) after committed amounts is 10.4% before current year surplus and 12.2% including current year surplus.

Source Contact: Financial – J. Kwong, Finance Manager, Corporate Budget Office, Finance & Supply
Operational - B. Koay, City Treasurer, Finance & Supply

Review Schedule: Last Review: 2015 Next Review: 2018

Group Life Reserve

Externally Restricted Operating Reserve (\$000s)

\$ 1,580
(2015)**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:** As per purpose.**Restrictions:** 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% (2015) 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% (2015) of the Refund Billed Premium for the last complete policy year.**Funding Sources:** Operating Budget Program 787, Employee Benefits.Investment income: x yes no**Related Budget Programs:** Operating Program: #787 Employee Benefits**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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	1,494	1,338	1,253	1,189	1,249
Investment income	37	29	25	26	33
Contributions From/(to) Operations	49	127	60	38	(93)
Closing balance	<u>1,580</u>	<u>1,494</u>	<u>1,338</u>	<u>1,253</u>	<u>1,189</u>

Source Contact: Financial – D. Christensen, Finance Leader, Benefits Finance, Corporate Financial Reporting, Finance & Supply
Operational – C. An, Finance Manager, Corporate Financial Reporting, Finance & Supply**Review Schedule:** Last Review: 2015 Next Review: 2018

Health, Safety and Wellness Reserve

Operating Reserve (\$000s)

\$ 13,271
(2015)

Authorization: FB94-126, FB98-64, FCS2006-32, and FCS2010-10

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: Environment & Safety to report annually to the S.P.C. on Utilities and Environment 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.
Future Workers Compensation Board (WCB) rebates and dividends will be allocated 75% to the Health, Safety and Wellness (HSW) Reserve and 25% to general revenue. The Human Resources and Environment & Safety Management business units share responsibility for the HSW Reserve. Each business unit manages and report independently on its portion which is derived from half of the 2008 opening balances plus half of the annual contributions to the reserve.

Restrictions: As per purpose.

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. A portion of WCB rebates to The City are also transferred to the reserve.

Investment income: ___ yes x no

Related Budget

Programs: Operating Program: #787 Employee Benefits

Special Reporting

Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	10,975	7,566	7,166	7,350	5,417
Contributions from operations:					
Employee benefits rate	600	600	600	600	600
WCB	4,870	4,928	1,183	490	2,473
Contributions to operations	(3,174)	(2,119)	(1,383)	(1,274)	(1,140)
Closing balance	<u>13,271</u>	<u>10,975</u>	<u>7,566</u>	<u>7,166</u>	<u>7,350</u>

Source Contacts: Financial – K. Hapke, Finance Lead, HR, IT, CSC,
T. Nguyen, Finance Manager, Finance - Director, Finance & Supply
Operational – M. Lavallee, Director, Human Resources

Review Schedule: Last Review: 2015

Next Review: 2018

Heritage Incentive Reserve

Operating Reserve (\$000s)

\$ 1,087

(2015)

Authorization: FB2002-27, FCS2004-15, FCS2004-20, PFC2012-0159 and PFC2015-0917

Purpose: To fund the implementation of the Heritage Incentive Program which began in 2003.

Grants are provided to non-city owned municipal historic resources to:

- 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: 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.

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.

Funding Sources: To be funded annually from the operating budget of City Wide Policy & Integration, #610. Prior to 2014, it was funded by the operating budget of Land Use Planning & Policy, #616 (formerly Planning & Transportation Policy, #611).

Investment income: ___ yes X no

Related Budget Programs:

Operating Program: #610 City Wide Policy & Integration, formerly #616 Land Use Planning & Policy

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	1,369	1,283	1,185	1,153	1,013
Contributions from operations	225	225	225	225	225
Contributions to operations	(507)	(139)	(127)	(193)	(85)
Closing balance	<u>1,087</u>	<u>1,369</u>	<u>1,283</u>	<u>1,185</u>	<u>1,153</u>

Source Contacts: Financial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – M. Broadhurst, Manager, City Wide Policy & Integration

Review Schedule: Last Review: 2015 Next Review: 2018

Special Reserve Fund for Heritage Preservation - CLOSED

Externally Restricted Operating Reserve (\$000s)

\$ -
(2015)

Authorization: OE95-36, C2007-83, LPT2007-64 and PFC2012-0159

Purpose: To fund high profile projects which demonstrate an aspect of historical preservation, which serve to acquire important historical collections, or which promote awareness and enjoyment of the City's history.

Conditions: Funds are to be used for Historical Preservation purposes. In July 2012 Council authorized the reserve to be amalgamated with the Calgary Heritage Authority (CHA) Legacy Endowment Fund under the newly named Calgary Heritage Authority Reserve. All funds were transferred in 2012.

Restrictions: Council must approve expenditures from the fund at the recommendation of the Heritage Advisory Board (now the Calgary Heritage Authority). Only projects initiated by The City or the Calgary Heritage Authority, with a \$10,000 limit, are considered.

Funding Sources: Revenues from the disposal of the Herald Building gargoyle collection. Additional funds received by The City through the sale of historical resources and artifacts, or received through special donations of a similar nature, would augment this fund.

Investment income: X yes ___ no

Related Budget Programs:

Operating Program: #616 Land Use Planning & Policy

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	141	138
Investment income	-	-	-	-	3
Transfer to Calgary Heritage Authority Reserve (1)				(141)	-
Closing balance	-	-	-	-	141

(1) As per report PFC 2012-0159 this reserve has been closed and the balance transferred to the Calgary Heritage Authority Reserve.

Source Contacts: Financial – Finance Lead, PDA, Finance & Supply
Operational – Manager, City Wide Strategy

Review Schedule: Not applicable – reserve closed

Livery Transport Services Reserve

Operating Reserve (\$000s)

\$ 4,076
(2015)

Authorization: FCS2004-22, FCS2010-10 and PFC2013-0745. This reserve has been reported on annually since at least 1983.

Purpose: To stabilize future taxi and limousine fee increases which would benefit the taxi industry and also stabilize financing and achieve a balanced budget without tax rate support.

Conditions: As per purpose.

Restrictions: As per purpose.

Funding Sources: The Livery Transport Services' operating surpluses.

Investment income: ☒ yes ☐ no

Related Budget Programs:

Operating Program: #004 Animal & Bylaw Services
Capital Program: #048 Bylaw Capital

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	4,539	3,722	3,127	2,633	2,017
Annual operating surplus (deficit)	(181)	901	668	910	537
Investment income	110	99	70	84	79
Contributions to capital	(392)	(183)	(143)	(500)	-
Closing balance	<u>4,076</u>	<u>4,539</u>	<u>3,722</u>	<u>3,127</u>	<u>2,633</u>

Source Contacts: Financial – G. Drall, Finance Lead, PSC & ABS, Finance & Supply
Operational – M. Halat, Manager, Compliance Services & Livery Transportation

Review Schedule: Last Review: 2013 Next Review: 2016

Mall Programming Fund

Operating Reserve (\$000s)

\$ 770
(2015)**Authorization:** OE2001-03 and PFC2012-0606**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.**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.**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.Investment income: x yes no**Related Budget Programs:**Operating Program: #612 Local Area Planning & Implementation (Previously #616 Land Use Planning & Policy)
Capital Program: #616 Centre City Initiatives**Special Reporting Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	754	744	1,017	1,002	987
Investment income	18	16	18	22	26
Contributions (to) from operations	3	-	-	(7)	(11)
Contributions to capital financing (1)	(5)	(6)	(291)	-	-
Closing balance	<u>770</u>	<u>754</u>	<u>744</u>	<u>1,017</u>	<u>1,002</u>

(1) In December 2012, as per PFC2012-0606, Council approved use of up to \$300 of the principal to fund a lighting program for the block.

Source Contacts:Financial – M Fung, Finance Lead, PDA, Finance & Supply
Operational – B. Barrington, Program Manager, Centre-West, Local Area Planning & Implementation**Review Schedule:**

Last Review: 2015

Next Review: 2018

Parks Foundation Reserve

Operating Reserve (\$000s)

\$ 2,395

(2015)

Authorization: CS90-17-01, FB99-48, and FCS2004-22**Purpose:** Create an Endowment fund and use the investment income to fund the administrative costs of the Parks Foundation and eliminate the annual contribution from The City to its operating budget.**Conditions:** Should the Foundation, except as outlined in Clause 4.3 of The Memorandum of Agreement, remove the funds from the Endowment Fund, The City will request the return of the funds in the Parks Foundation Operating Endowment Fund.**Restrictions:** Only investment earnings as outlined in the Memorandum of Agreement may be withdrawn to be used for administrative services of the Foundation.**Funding Sources:** The City contributed \$200 to the operating endowment for every \$300 Parks Foundation raise for capital endowment, up to a maximum contribution by The City of \$2,000, which was reached in 1998.Investment income: x yes no**Related Budget****Programs:**

Operating Program: #449 Civic Partners (Liaison: CS&PS)

Special Reporting**Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	2,257	2,114	2,099	2,100	2,087
Investment income	213	218	90	74	88
Contributions from operations	-	-	-	-	-
Contributions to operations	(75)	(75)	(75)	(75)	(75)
Closing balance	<u>2,395</u>	<u>2,257</u>	<u>2,114</u>	<u>2,099</u>	<u>2,100</u>

Source Contacts:Financial – T. LePrieur, Finance Lead, Parks, Finance & Supply
Operational – A. Charlton, Director, Parks, Community Services Department**Review Schedule:**

Last Review: 2013

Next Review: 2016

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Self-Insurance Reserve

\$ 7,000

Operating Reserve (\$000s)

(2015)

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 of approximately \$9,600,000.

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, 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.

Funding Sources: Contributions from operations, subject to Council's budget approval.

Investment income: ☒ yes ☐ no

Related Budget Programs: Operating Program: #858 Investment Income, #810 Law Program

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	7,000	7,000	7,000	7,000	7,000
Contributions to operations	-	-	-	-	-
Investment income	-	-	-	-	-
Closing balance	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>

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 Contact: Financial Lead – L. Marsh, Acting Finance Lead, Corporate Administration,
Finance & Supply
Operational Lead – D. Corbett, Manager, Risk Management and Claims

Review Schedule: Last Review: 2015 Next Review: 2018

Snow and Ice Control (SNIC) Reserve

Operating Reserve (\$000s)

\$ 8,940
(2015)**Authorization:** PFC2012-0045 and C2014-0863**Purpose:** Council directed Administration to establish a Snow and Ice Control (SNIC) reserve during the 2012-2014 Business Plan and Budget debates. The reserve shall be used exclusively by the Roads Business Unit to supplement its annual SNIC budget 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).**Conditions:** If the reserve fund is depleted to zero in a future year, Administration will advise Council.

Fund balance cannot exceed \$15,000 as per C2014-0863.

Restrictions: As stated above.**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.

Roads will work with Finance at the end of March 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.

Investment income: ☐ yes ☒ no**Related Budget Programs:**

Operating Program: #132 Roads

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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	4,141	3,220	-	-
Contributions to operations	2,050	(4,141)	(2,579)	(280)	-
Contribution from Calgary Transit	1,890	-	-	-	-
Contribution from FSR	5,000	-	3,500	3,500	-
Closing balance	<u>8,940</u>	<u>-</u>	<u>4,141</u>	<u>3,220</u>	<u>-</u>

Source Contact: Financial Lead – L. Wong, Finance Lead, Roads, Finance & Supply
Operational Lead – B. Biensch, Maintenance Manager, Roads**Review Schedule:** Last Review: 2015 Next Review: 2018

Tax Loss Provision Reserve

Operating Reserve (\$000s)

\$ 37,398
(2015)**Authorization:** FCS2007-45 and PFC2013-0812**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 of reserve is equal to the current year base loss provision for assessment and tax contingency.**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.**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.Investment income: ____ yes x no**Related Budget Programs:** Operating Program: #856 Taxation**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	37,398	39,823	39,823	36,329	33,146
Contributions from operations	-	-	-	3,494	3,183
Contributions (to) from other sources (1)	-	(2,425)	-	-	-
Closing balance	<u>37,398</u>	<u>37,398</u>	<u>39,823</u>	<u>39,823</u>	<u>36,329</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: Financial – C. Fung, Corporate Finance Lead, Corporate Accounting, Finance & Supply
Operational – E. Sawyer, Chief Financial Officer, Chief Financial Officer's Department**Review Schedule:** Last Review: 2013 Next Review: 2016

Unappropriated Surplus - CLOSED

Operating Reserve (\$000s)

\$ -
(2015)**Authorization:** FCS2010-19 and PFC2013-0745 (1)**Purpose:** Under Council policy, the current year's tax supported operating surplus is transferred to the Fiscal Stability Reserve (formerly Mill Rate Stabilization Reserve) in the following year.**Conditions:** As per purpose.**Restrictions:** The balance of this reserve is transferred to the Fiscal Stability Reserve in the following year.**Funding Sources:** The current year's net tax supported operating resultInvestment income: ____ yes x no**Related Budget Programs:** Operating Program: #860 General Revenues**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	-	-	31,258	5,243	24,992
Surplus (1)	-	-	-	31,258	5,243
Transfer to Fiscal Stability Reserve	-	-	(31,258)	(5,243)	(24,992)
Surplus	-	-	-	31,258	5,243

(1) As per PFC2013-0745, this reserve was closed in 2012. Current year surplus was included in the Fiscal Stability Reserve

Source Contact: Financial and Operational – Manager, Corporate Budget Office, Finance & Supply**Review Schedule:** Not applicable – reserve closed

Capital Reserve (\$000s)

Page 33 of 109

Artificial Turf Field Lifecycle Reserve

Capital Reserve (\$000s)

\$ 2,221
(2015)**Authorization:** FCS2010-19**Purpose:** Per FCS2010-19, expenditures associated with artificial turf field replacement.**Conditions:** Funds are to be used as per the purpose outlined above.**Restrictions:** Funds are to be used as per the purpose outlined above.**Funding Sources:** Beginning in 2010, annual contribution from Recreation's actual incremental net revenue generated by artificial turf field rental fees.Investment income: x yes no**Related Budget****Programs:**

Capital Program: #507 Recreation, Facilities

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. At each of the 2010 and 2011 playing season, Administration reported back to the SPC on Community and Protective Services regarding financial information for management of artificial turf.

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	1,548	1,047	2,108	428	197
Contributions from operations	628	476	298	271	225
Investment income	45	25	40	10	6
Contribution to capital	-	-	3,601	(3,601)	-
Transfer (to) from Reserve for Future Capital	-	-	(5,000)	5,000	
Closing balance	<u>2,221</u>	<u>1,548</u>	<u>1,047</u>	<u>2,108</u>	<u>428</u>

Source Contact: Financial Lead – J. Au, Finance Lead, Recreation, Finance & Supply
Operational Lead – G. Kunn, Manager Capital Asset Mgt., Recreation,
H. Bruce, Manager, West Region, Recreation

Review Schedule: Last Review: 2013 Next Review: 2016

Asphalt and Crusher Plant Lifecycle Capital Reserve

Capital Reserve (000's)

\$ 6,367
(2015)

Authorization: FCS2010-10 and PFC2012-0606

Purpose: To finance future capital expenditures under Council's specific or blanket approvals.

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 inventory.

Maximum balance: \$7,500

Once this maximum balance is reached or if the balance is deemed sufficient to fund upgrade work within the three year business cycle, a portion or all of the annual budget surplus plant generates could go to fund additional paving projects at the discretion of the Director of Roads.

Restrictions: Funds are to be used as per the purpose outlined above.

Related Budget Programs:

Operating Programs: #132 Roads
Capital Programs: #128-136, Plants Capital

Funding Sources: All or a portion of any Roads – plants and paving operating budget surplus, proceeds from sale of surplus assets, depreciation on plant assets and interest income.

Investment income: ☒ yes ☐ no

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	5,363	7,500	6,459	7,497	7,372
Investment Income	60	119	76	78	125
Contributions to capital financing	(1,056)	(2,256)	(2,272)	(1,116)	-
Contributions from operations	2,000	-	3,237	-	-
Closing balance	<u>6,367</u>	<u>5,363</u>	<u>7,500</u>	<u>6,459</u>	<u>7,497</u>

Source Contacts: Financial - L. Wong, Finance Lead, Roads, Finance & Supply
Operational - D. Schinnour, Sr. Plants Leader, Roads

Review Schedule: Last Review: 2015 Next Review: 2018

Calgary Police Service Capital Reserve

Capital Reserve (\$000s)

\$ 34,349
(2015)

Authorization: FB93-80, FB2000-12, FB2000-24, FCS2004-22, FCS2004-61, FCS2011-34 and PFC2014-0847

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: As per purpose.

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.

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

Investment income: ☒ yes (AFIS only) ☐ no

Related Budget

Programs:

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

Special Reporting Requirements:

None

Current Activity (000's): Vehicles

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	18,531	18,066	17,293	11,685	11,851
Contributions from operations	9,483	6,760	7,190	9,457	1,122
Contributions from Parking Land Acquisition Reserve (1)	-	-	-	7,500	7,000
Contributions to capital financing	(5,695)	(6,295)	(6,417)	(11,349)	(8,288)
Closing Balance	22,319	18,531	18,066	17,293	11,685

(1) Per LAS2009-45, this transfer is from the Corporate Properties revolving fund (7,500) for acquisition of the Police block 39 property.

Current Activity (000's): AFIS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	783	751	718	801	1,150
Contributions from operations	16	15	17	12	91
Investment Income (AFIS only)	20	17	16	18	29
Contributions to capital financing	-	-	-	(113)	(469)
Closing Balance	819	783	751	718	801

Current Activity (000's): Red Light Camera

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	9,164	7,115	5,412	5,165	6,492
Contributions from operations	3,230	3,119	2,917	2,693	2,595
Contributions to capital financing	(3,683)	(1,070)	(1,214)	(2,446)	(3,922)
Closing Balance	8,711	9,164	7,115	5,412	5,165

Current Activity (000's): Pay-As-You-Go

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	2,500	2,430	2,500	2,500	2,501
Contributions from operations	2,500	2,499	2,325	2,500	2,044
Contributions to capital financing	(2,500)	(2,429)	(2,395)	(2,500)	(2,045)
Closing Balance	2,500	2,500	2,430	2,500	2,500

Consolidated Closing Balance (2)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
	34,349	30,978	28,362	25,923	20,151

(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 Contact: Financial – B.Hutchins, Finance Manager, Calgary Police Service
Operational – R. Chaffin, Chief, Calgary Police Service

Review Schedule: Last Review: 2014 Next Review: 2017

Calgary Police Service Pay-As-You-Go Reserve - CLOSED

Capital Reserve (\$000s)

\$ -
(2015)

Authorization: FB2000-12, FCS2004-22, FCS2004-61 and FCS2011-34.

Purpose: To assist with the financing of Calgary Police Service (CPS) capital assets with a life span of five years or more.

Conditions: As per FCS2004-22, effective 2004 and thereafter, the pay-as-you-go Capital Reserve's conditions will be modified so that:

- maximum amount of \$2,500 can be held in the reserve at December 31.
- maximum annual contribution of \$2,500 per year can go to the Reserve from Calgary Police Service surplus funds.
- the Calgary Police Commission, on an annual basis, will advise Council through the S.P.C. on Finance and Corporate Services on the disposition of funds drawn from the reserve.

As per FCS2004-61, prior to using any of the additional funding the Calgary Police Commission will advise the SPC on Finance & Corporate Services on the proposed use of the additional grant funds and any capital appropriations required.

Restrictions: Fund Balance cannot exceed \$2,500 (Maximum approved balance).

Funding Sources: Police operating funds and proceeds from disposal of fixed assets. C2001-99 approved a transfer of \$1,000 (estimated 2001 operating surplus) from Calgary Police Service operating program #070.

Investment income: ☐ yes ☒ no

Related Budget Programs:

Operating Program: #070 Calgary Police Service
Capital Programs: #031 Police Equipment
#038 Police Facilities
#039 Police Computer Systems

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	2,501
Contributions from operations	-	-	-	-	2,044
Contributions to capital	-	-	-	-	(2,045)
Consolidation into CPS Capital	-	-	-	-	-
Financing reserve (1)	-	-	-	-	(2,500)
Closing balance	-	-	-	-	-

(1) As per FCS2011-34, this reserve was consolidated into the Calgary Police Service Capital Financing Reserve in 2011. Reserve was subsequently closed.

Source Contact: Financial and Operational – Finance Manager, Calgary Police Service

Review Schedule: Not applicable – reserve closed

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Community Investment Reserve

Capital Reserve (\$000s)

\$ 152,379
(2015)

Authorization: C2004-60, NM2004-17, CPS 2005-24, NM2006-05, LAS2008-101, CPS2011-39, FCS2011-18, LAS2011-59, PFC2012-0248, C2014-0863, CPS2015-0647

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).

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: As per purpose

Restrictions: The funding request will not exceed 50% of the total planning and capital costs of the projects, with the exception of the Calgary Public Library, whose matching requirements will be determined separately.

CPS2011-39 approves a new ongoing program for investment in community infrastructure.

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 million (2004-2013 approx)
- 3) Federal GST rebate effective Feb 01, 2004: \$100,000 (2014-2023 approx)
- 4) VTR: \$42,000 annually (effective 2011)

Investment income: ☒ yes ☐ no

Related Budget Programs: Numerous CS&PS Capital Programs

Special Reporting Requirements: None

Current Activity (\$000s):**Current Activity (000's):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	168,302	151,077	112,223	76,959	36,914
Contributions from Federal GST rebate	8,919	8,919	8,919	8,919	8,919
Contribution to capital projects - GST (1)	(30,321)	(14,101)	(717)	(6,670)	(13,177)
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)	(45,340)	(27,697)	(16,909)	(12,265)	-
Investment income (2)	7,369	6,604	4,181	2,152	989
Contribution to program costs	(50)	-	(120)	(372)	(186)
Closing Balance (3)	152,379	168,302	151,077	112,223	76,959

(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 \$152,379 for future projects.

Source Contact:

Financial Lead(s): – S. Macfayden, Finance Manager, CS&PS, Finance & Supply
Operational Lead(s): – Katie Black, Director, CS&PS

Review Schedule: Last Review: 2013

Next Review: 2016

Container Capital Reserve - CLOSED

Capital Reserve (\$000s)

\$ -
(2015)**Authorization:** 1991 Operating Budget; FCS2004-22, FCS2011-33**Purpose:** To finance capital spending necessary to acquire and replace metal garbage container equipment and facilities. The intent is to accumulate sufficient funds for scheduled equipment replacement and facility upgrades.**Conditions:** As per purpose**Restrictions:** Funds are to be used as per the purpose outlined above.**Funding Sources:** User feesInvestment income: ____ yes x no**Related Budget****Programs:** Operating Program: #252 Waste & Recycling Services
Capital Program: #248 Commercial Container Equipment & Facilities**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	472
Contributions from operations	-	-	-	-	250
Contributions to capital	-	-	-	-	(46)
Transfer to Waste and Recycling					
Sustainment reserve	-	-	-	-	(676)
Closing balance	-	-	-	-	-

Per FCS2011-33, this reserve was consolidated with 3 other reserves in the Waste and Recycling Sustainment Reserve and subsequently closed.

Source Contact: Financial Lead – Finance Lead, Waste & Recycling Services, Finance & Supply
Operational Lead – Director, Waste & Recycling Services**Review Schedule:** Not applicable – reserve closed

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Corporate Housing Reserve

Capital Reserve (\$000s)

\$ 38,531
(2015)

Authorization:	FB99-62, CPD2002-57, LAS2000-206, CPS2004-55, LPT2007-61, FCS2010-10, PFC2012-0606 and LAS2013-06		
Purpose:	To support the development of affordable rental, social and special need housing infrastructure and operating costs associated with affordable housing initiatives.		
Conditions:	In accordance with the terms of reference established for this reserve, the reserve funds 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 a partnership/joint venture.		
Restrictions:	External - \$18,340 Internal - \$6,623		
	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.		
Funding Sources:	<ol style="list-style-type: none">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 LASC; 5% of gross industrial land sales proceeds.2) Lease revenues generated from 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; and5) As approved in LA2000-206, 20% of net eligible revenue generated from Corporate Properties Residential Portfolio be transferred annually to Corporate Housing Capital Reserve to fund municipally operated housing initiatives, and6) Investment income.		
Related Budget Programs:	Operating Program:	#488 Land Servicing & Housing	
	Capital Program:	#489 Public Housing	
Special Reporting Requirements:	None		

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	36,073	34,105	46,749	45,153	65,589
Investment income	762	597	784	868	1,539
Contributions from operations (1)	3,155	4,895	3,496	13,208	5,443
Contributions to operations	(648)	(1,644)	(3,304)	(3,656)	(10,318)
Contributions to capital (2)	(2,690)	(1)	(13,620)	(8,824)	(17,100)
Transfer (to) from Reserve (1)	1,879	(1,879)	-	-	-
Closing balance	<u>38,531</u>	<u>36,073</u>	<u>34,105</u>	<u>46,749</u>	<u>45,153</u>

(1) Includes provincial block funding of \$4,162 for 2012. The amount also includes sale proceeds from Manchester North for \$5,520 which was unbudgeted due to unknown timing and applied to the project in 2012. In addition, 5% of the Industrial Land sale revenue was contributed from operations which amount to \$2,040 in 2012, \$1,313 in 2013 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.

(2) Contributions to capital:

2015: Contributions to Capital: Construction with redesign of building and configuration for Kingsland (\$1,044) and demolition at Louise Station (\$1,646)

2014: Contributions to Capital: Completion of North Manchester (\$1)

2013: Contributions to Capital: Construction of North Manchester (\$1,834), purchase of Bridges Site 155 units (\$11,558) and two housing projects (\$228)

2012: Construction of North Manchester (\$6,180) and Vida affordable housing projects (\$2,485) and (\$159) for two other affordable housing projects

2011: Contributions to Capital: construction of North Manchester (\$11,418), Lomond (\$1,740) & Vida (\$3,824) and (\$118) for four other affordable housing projects.

Source Contact: Financial – J. Tchinkova, Finance Lead, Land Servicing & Housing, Finance & Supply
Operational – L. Prevost, Affordable Housing Manager, Land Servicing & Housing

Review Schedule: Last Review: 2015 Next Review: 2018

Debt Servicing Reserve

Capital Reserve (\$000s)

\$ 52,570
(2015)

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, and FCS2008-28

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).

For repayable loans to various business units and related corporations as approved by Council.

On C2007-14 for Calgary Municipal Land Corporation (CMLC) – for operating expenditures up to \$10 million.

Conditions: As per purpose.

Restrictions: Funds are to be used as purpose outlined above.

Funding Sources: Allocation of 84% of annual debt charge savings.

Investment income: ☒ yes ☐ no

Related Budget Programs: Operating Program: #840 Capital Financing Costs

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	52,570	52,570	67,769	72,996	82,827
Investment income	1,340	1,207	1,473	2,026	2,699
Contributions (to) from operations					
Debt Charge Savings	94,752	94,752	94,752	94,752	92,480
Principal Payment	(38,505)	(39,374)	(54,506)	(57,981)	(54,156)
Interest Payment	(13,059)	(14,875)	(16,918)	(19,024)	(20,854)
Loan to Calgary Municipal Land Corp. (CMLC) (3)	-	-	-	10,000	-
Contributions (to) from other Reserves					
Contribution to LMUR (1)	(14,528)	(11,710)	(10,000)	(10,000)	(10,000)
Contribution to PAYG (2)	(30,000)	(30,000)	(30,000)	(25,000)	(20,000)
Closing Balance	<u>52,570</u>	<u>52,570</u>	<u>52,570</u>	<u>67,769</u>	<u>72,996</u>

- (1) As per report FCS2006-42 and FCS2008-28, the amounts transferred to Lifecycle Maintenance & Upgrade Reserve are:
- fixed amount of \$10,000 annually: 2007 to 2015
 - funding not committed to tax supported debt: none in 2010 to 2013, \$1,710 for 2014, \$4,528 for 2015
- (2) As per report FCS2008-28 contribution to Pay-As-You-Go from Debt Servicing Reserve of \$10,000 in 2009, escalating by \$5,000 per year to \$30,000 by 2013;
- (3) As per report C2007-14 Council approved a loan to Calgary Municipal Land Corporation (Loan bylaw 32M2007). This loan was fully paid at the end of 2012.

Source Contact: Financial & Operational – R. Liu, Budget Officer, Corporate Budget Office,
Finance & Supply

Review Schedule: Last Review: 2013 Next Review: 2016

Downtown Improvement Fund
Excluding Stephen Avenue Heritage Area Society Fund

\$ 3,629
(2015)

Capital Reserve (\$000s)

Authorization: OD85-120, OD87-113, FB94-93, M2007-009, LPT2008-74, PUD2012-03, PFC2012-0606, and PFC2015-0917

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 plus any accrued carry-forward capital spending from previous years.

Restrictions: Centre City is defined in the May 2007 Centre City Plan (pg 33) and includes the Beltline.

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.

Investment income: x yes no

Related Budget Programs:

Operating Program: #612 Local Area Planning & Implementation (Previously #616 Land Use Planning & Policy)
Capital Program: #152 Downtown Improvement
Capital Program: #126-176 Industrial Sidewalk Retrofit

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	3,372	3,207	3,033	3,435	3,462
Investment income	87	73	65	73	90
Contribution from operations	178	142	211	270	14
Transfer to Public Art Reserve (1)	-	-	-	(2)	-
Contribution to capital	(8)	(50)	(102)	(743)	(131)
Closing balance	<u>3,629</u>	<u>3,372</u>	<u>3,207</u>	<u>3,033</u>	<u>3,435</u>

(1) Transfer to Public Art Reserve as approved by ALT to meet requirements of Public Art Policy

Source Contacts: Financial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – B. Barrington, Program Manager, Centre City Implementation

Review Schedule: Last Review: 2015 Next Review: 2018

Fleet Services Capital Reserve

Capital Reserve (\$000s)

\$ 10,456
(2015)

Authorization: Commissionaires Report, FCS2010-10, FCS2011-34 and PFC2014-0847

Purpose: To finance future Fleet Services capital expenditures under Council's specific or blanket approvals.

Conditions: Funds must be used to finance capital expenditures relating to Fleet Services only.

Restrictions: Funds are to be used as per purpose outlined above.

Funding Sources: Allocation of operating proceeds from disposal of capital assets and operating budget surpluses.

Investment income: ____ yes x no

Related Budget Programs: Capital Programs: #871 Acquisitions

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	4,042	-	-	-	-
Contributions from operations	6,414	4,042	-	-	-
Contributions between reserves	40	-	-	-	-
Contributions to capital financing	-	-	-	-	-
Closing balance	<u>10,496</u>	<u>4,042</u>	<u>-</u>	<u>-</u>	<u>-</u>

Source Contacts: Financial - T. Nguyen, Finance Manager, Finance - Director, Finance & Supply Operational – M. Belzile, Manager Business Operations, Fleet Services

Review Schedule: Last Review: 2014 Next Review: 2017

Information Technology Reserve

Capital Reserve (\$000s)

\$ 18,658
(2015)

Authorization: FB96-101, C98-74, FCS2007-45, FCS2010-10, FCS2011-34 and PFC2014-0847

Purpose: To fund information technology projects, fibre optics projects; and lifecycle replacement of City hardware and software.

Conditions: The reserve will be used to fund systems costing \$50 or more. Per FCS2011-34, the target balance for the lifecycle portion of the reserve is equal to two times the average annual capital spending for replacement desktops, laptops and printers.

Restrictions: Funds are to be used as per purpose.

Funding Sources: Initial funding – 1996 Operations
Future funding – replenished on an ongoing basis by annual operating budget contributions, PC replacement contributions, telecommunication projects and proceeds from sales of replaced computer equipment.

Investment income: x yes no

Related Budget Programs:

Capital Programs: #803 IT Development Projects
#741 Information Technology Infrastructure
#751 Fibre Network

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	18,189	15,867	15,156	16,322	16,790
Investment income	209	155	117	92	103
Net contribution from operations	10,499	9,849	8,933	8,747	7,453
Contribution to capital	(10,239)	(7,682)	(8,339)	(10,605)	(8,024)
Transfer from Reserve for Future Capital (1)	-	-	-	600	-
Closing balance	<u>18,658</u>	<u>18,189</u>	<u>15,867</u>	<u>15,156</u>	<u>16,322</u>

(1) Transfer from City Clerks to IT to fund Election and Census System re-development.

Source Contacts: Financial – K. Hapke, Finance Lead, CSC, HR & IT, Finance & Supply,
T. Nguyen, Finance Manager, Finance - Director, Finance & Supply
Operational – H. Reed-Fenske, Director, Information Technology

Review Schedule: Last Review: 2014 Next Review: 2017

Landfill Capital Financing Fund - CLOSED

Capital Reserve (\$000s)

\$	-
	(2015)

Authorization: FCS 2004-22, FCS2011-33**Purpose:** To finance capital spending necessary to provide and improve facilities at various landfill sites.**Conditions:** As per purpose.**Restrictions:** Funds are to be used as per purpose outlined above.**Funding Sources:** The reserve is funded through a portion of the landfill disposal fees.Investment income: ☒ yes ☐ no**Related Budget**

Programs: Capital Program: #246 Landfill Site & Related Development
 Operating Program: #252 Waste & Recycling Services

Special Reporting Requirements: None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	23,587
Contribution from User surcharges	-	-	-	-	7,398
Contribution from Waste Mgmt Charges	-	-	-	-	631
Investment income	-	-	-	-	628
Contribution to capital	-	-	-	-	(17,737)
Transfer to Sustainment Reserve	-	-	-	-	(14,507)
Closing balance	-	-	-	-	-

Per FCS2011-33, this reserve was consolidated into the Waste and Recycling Sustainment Reserve and subsequently closed.

Source Contacts: Financial – Finance Lead, Utilities, Finance & Supply
 Operational – Director Waste & Recycling Services

Review Schedule: Not applicable – reserve closed

Landfill Closure Fund - CLOSED

Capital Reserve (\$000s)

\$	-
	(2015)

Authorization: FB89-107, FCS2004-22 and FCS2011-33**Purpose:** To offset landfill closure costs and post-closure maintenance/environmental monitoring costs as required by provincial legislation.**Conditions:** Can only be used to pay for the costs of the final preparation and long term management and monitoring of the landfill sites once all or portions of the sites have been filled to their design capacities.**Restrictions** Funds are to be used as per the purpose and conditions outlined above.**Funding Sources:** The reserve is funded through a portion of the landfill disposal fees.Investment income: ☒ yes ☐ no

Related Budget Programs:

Capital Program:	#253 Long Term Landfill Care
Operating Program:	#252 Waste & Recycling Services

Special Reporting Requirements: None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	-
User surcharges	-	-	-	-	6,345
Investment income	-	-	-	-	1,159
Contribution to operations	-	-	-	-	(164)
Contribution to capital	-	-	-	-	(171)
Transfer (to)/From Landfill Closure Liability (1)	-	-	-	-	3,300
Transfer to CO - Fiscal Stability Reserve	-	-	-	-	(3,000)
Transfer to Sustainment Reserve	-	-	-	-	(7,469)
Closing balance	-	-	-	-	-

(1) In 2011, \$3,300 was transferred from the landfill closure liability into the reserve as a result of spending on the liability.

Per FCS2011-33, this reserve was consolidated into the Waste and Recycling Sustainment Reserve and subsequently closed.

Source Contacts:

Financial – Finance Lead, Utilities, Finance & Supply
Operational – Director, Waste & Recycling Services

Review Schedule: Not applicable – reserve closed

Landfill Revenue Reserve - CLOSED

Capital Reserve (\$000s)

\$ -
(2015)**Authorization:** UF91-72, OE94-06, OE94-07, OE94-08, FCS 2004-22 and FCS2011-33**Purpose:** To finance the capital and operating requirements for recycling programs, and to provide broader environmental enhancement programs and waste management initiatives as approved by Council.**Conditions:** Can only be used for specific Council-approved environmental, waste diversion and capital projects.**Restrictions:** Funds are to be used as per the purpose outlined above.**Funding Sources:** The reserve is funded through a portion of the landfill disposal fees. Waste & Recycling Services – Financial Sustainability Report UE2008-36 approved the landfill disposal rate for 2009 - \$75/tonne (2008 \$64/tonne). A portion of generated revenue is used to fund this reserve. The historic contribution rates per tonne for the last 5 years are as follows:Investment income: x yes ___ no**Related Budget Programs:**Capital Program: #253 Long Term Landfill Care
#254 Diversion and Recycling
Operating Programs: #252 Waste & Recycling Services**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	10,794
Contributions from user surcharges	-	-	-	-	7,379
Contributions from residential recycling	-	-	-	-	14,980
Investment Income	-	-	-	-	359
Contributions to operations	-	-	-	-	(3,851)
Contributions to capital	-	-	-	-	(251)
Transfer to Sustainment Reserve	-	-	-	-	(29,410)
Closing balance	-	-	-	-	-

Per FCS2011-33, this reserve was consolidated into the Waste and Recycling Sustainment Reserve and subsequently closed.

Source Contacts: Financial – Finance Lead, Utilities, Finance & Supply
Operational – Director, Waste & Recycling Service**Review Schedule:** Not applicable – reserve closed

LED Street Light Re-Lamping Reserve

(formerly LED Traffic Signal Display Re-Lamping Reserve)
Capital Reserve (\$000s)

\$ 5,528
(2015)

Authorization: TTP2002-44, PFC2012-0606 and PFC2015-0917

Purpose: To help finance initial capital expenditures for streetlight Light Emitting Diode (LED) units and future lifecycle replacement of streetlights.

Conditions: Funds are to be used as per the purpose outlined above.

Restrictions: Funds are to be used as per the purpose outlined above.

Related Budget Programs:

Operating Program: #132 Roads
Capital Program: #128-131 Traffic Signals-LED Relamp
#128-100 LED Streetlights

Funding Source: Annual operating contribution based on energy savings as a result of the streetlight LED replacement program.

Investment income: ___ yes x no

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	5,816	5,622	5,666	4,963	4,260
Contribution from operations	1,466	697	703	703	703
Contribution from (to) capital	(1,754)	(503)	(747)	-	-
Closing balance	<u>5,528</u>	<u>5,816</u>	<u>5,622</u>	<u>5,666</u>	<u>4,963</u>

Source Contact: Financial – L. Wong, Finance Lead, Roads, Finance & Supply
Operational – J. Bolger, Traffic Operations Manager, Roads

Review Schedule: Last Review: 2015 Next Review: 2018

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Legacy Parks Reserve

Capital Reserve (\$000s)

\$ 18,450
(2015)

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 and LPC2014-0823

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 Bearspaw 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 from 2013 to 2017 for Parks Foundation Calgary funded by the Legacy Parks Reserve.
- Per LPC2014-0823 Council approved specific projects to be funded by \$75,000 from NM2012-05.

Restrictions: Funds are to be used as per purpose outlined above.

Related Budget Programs:

Capital Program: #499 Legacy Parks
#500 Parks and Natural Areas

Funding Sources: As per NM2007-35, ENMAX dividends in excess of \$35,000 (to fiscal year end 2012).
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.

Investment income: x yes no

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	23,033	19,738	13,332	9,695	15,733
Contributions from/(to) operations	4,950	6,150	9,900	8,700	3,300
Investment income	449	435	287	234	375
Contributions to capital	(9,982)	(3,290)	(3,781)	(5,297)	(9,713)
Closing balance	18,450	23,033	19,738	13,332	9,695

Source Contact: Financial – T. Le Prieur, Finance Lead, Parks, Finance & Supply
Operational – D. Marter, Manager, Parks, Planning & Development

Review Schedule: Last Review: 2013 Next Review: 2016

Lifecycle Maintenance and Upgrade Reserve

\$ 149,391
(2015)

Capital Reserve (\$000s)

Authorization: C2002-082, FCS2006-042, FCS2008-028, FCS2011-34, M2012-0828 and PFC2014-847

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

Conditions: Funds are to be used as per purpose outlined above.

Restrictions:

1. Funds are to be used as per purpose outlined above.
2. 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 (FCS2011-034).
3. Net proceeds from the sale of surplus transit capital assets are to be used exclusively for transit capital purchases (FCS2011-034).

Funding Sources: Funding Sources include:
2.6% of annual property taxes (FCS2008-28);
\$10,000/yr from Debt Servicing Reserve (FCS2008-028), provided no new tax-supported debt is issued and funds are not required for the interest payments for MSI related bridge financing;
The Debt Servicing Reserve be reviewed annually and any available funding not committed for tax supported debt will be transferred to the LMUR (FCS2006-042);
Net proceeds from sale of surplus transit and fire assets, and funds received from AHS (FCS2011-34);
Additional Tax Room funds (M2012-0828 and C2013-0330);
Transfer of \$475 in 2014 from City Clerk Operating Budget to LMUR to fund capital projects (C2014-0608).

Related Budget Investment income: ____ yes x no

Programs:

Operating Program: #840 Capital Financing Costs.
Capital Program: various business units' capital programs

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	97,251	125,729	102,075	92,205	75,477
Contributions from operations	37,859	36,071	33,051	29,552	24,884
Contributions from Debt Servicing Reserve	14,528	11,710	10,000	10,000	10,000
Contributions from Property Tax Room (1)	62,346	10,231	62,346	10,231	-
Contributions to capital	(62,979)	(87,558)	(81,830)	(38,545)	(20,797)
Transfer to Budget Savings Account	(150)	-	-	-	-
Transfer from Misc Capital - Fire (2)	393	151	12	120	655
Transfer (to) from Misc Capital - Transit (2)	143	917	75	(1,488)	1,986
Closing balance (3)	<u>149,391</u>	<u>97,251</u>	<u>125,729</u>	<u>102,075</u>	<u>92,205</u>

- (1) As per report M2012-0828 and C2013-0330, the Additional Tax Room funds are transferred to the LMUR annually.
- (2) As per report FCS2011-34, the Misc Capital Fire and Transit reserves are transferred into the LMUR.
- (3) Committed amounts included in the closing balance total \$95,452 for future projects.

Source Contact: Financial and Operational - R. Liu, Budget Officer, Corporate Budget Office,
Finance & Supply

Review Schedule: Last Review: 2014 Next Review: 2017

Miscellaneous Capital Reserve – Calgary Transit - CLOSED\$ -
(2015)

Capital Reserve (000's)

Authorization: FCS2010-10 and FCS2011-34**Purpose:** To finance future capital expenditures under Council's specific or blanket approvals.**Conditions:** Funds must be used to finance capital expenditures relating to Calgary Transit only.**Restrictions:** Funds are to be used as per the purpose outlined above.**Related Budget Programs:** Various Calgary Transit Capital Programs.**Funding Sources:** Allocation of operating proceeds from disposal of capital assets.Investment income: ____ yes x no**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	2,344
Contributions from operations	-	-	-	-	992
Contributions to capital financing	-	-	-	-	(1,350)
Transfer to lifecycle Maintenance (1)	-	-	-	-	(1,986)
Closing balance	-	-	-	-	-

(1) Per FCS2011-34, the outstanding funds in the Misc Capital – Transit reserve are to be transferred to the Lifecycle Maintenance and Upgrade Reserve. Current funds transferred and future funds from the sale of transit assets and future funds received are to be segregated and used exclusively for transit equipment.

Source Contacts: Financial - Finance Lead, Calgary Transit, Finance & Supply
Operational - Director, Calgary Transit**Review Schedule:** Not applicable – reserve closed

Miscellaneous Capital Reserve – Fire - CLOSED\$ -
(2015)**Authorization:** FSC2010-10 and FCS2011-34**Purpose:** To finance future capital expenditures under Council's specific or blanket approvals.**Conditions:** Funds must be used to finance capital expenditures relating to Fire only.**Restrictions:** Funds are to be used as per the purpose outlined above.**Related Budget****Programs:**

Operating Programs: #001 Fire
 Capital Programs: #041 Additional Stations/Facilities
 #042 Replacement Stations/Facilities
 #043 Additional Apparatus/ Equipment
 #044 Replacement Apparatus/Equipment

Funding Sources: Allocation of operating proceeds from the disposal of capital assets.Investment income: ___ yes x no**Special Reporting****Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	515
Contributions from operations	-	-	-	-	140
Transfer to Lifecycle Reserve (1)	-	-	-	-	(655)
Closing balance	-	-	-	-	-

- (1) Per FCS2011-34, the outstanding funds in the Misc Capital – Fire reserve are to be transferred to the lifecycle Maintenance and Upgrade Reserve. Current funds transferred and future funds from the sale of fire assets and future funds received from Alberta Health Services are to be segregated and used exclusively for fire protective equipment. Reserve was subsequently closed.

Source Contacts: Financial – Finance Lead, Fire PSCC, Finance & Supply
Operational - Deputy Fire Chief, Fire**Review Schedule:** Not applicable – reserve closed

Parking Land Acquisition Reserve

Capital Reserve (\$000s)

\$ 38,215
(2015)

Authorization: LPT2006-13, C2008-61, LAS2009-45, FCS2007-26, PFC2012-0606, C2013-0509 and TT2013-0124

Purpose: To fund land purchases to be used for parking facilities in suitable locations in Downtown. 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: As per purpose.

Restrictions: Funds are to be used as per the purpose outlined above.

Funding Sources: 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 will be \$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.

Investment income: ☒ yes ☐ no

Related Budget Programs:

Capital Program: #851 Future Downtown Infrastructure Land and #127-140 Various Street Improvements

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	32,657	24,688	19,991	12,801	18,578
Contributions from Calgary Parking Authority	5,928	7,639	4,276	6,907	3,300
Contributions to Capital Financing (1)	-	-	-	-	(2,442)
Contributions to Capital Financing (3)	(1,180)	(248)	-	-	-
Transfer to Other Reserves (2)	-	-	-	-	(7,000)
Investment Income Allocation	810	578	421	283	365
Closing balance	<u>38,215</u>	<u>32,657</u>	<u>24,688</u>	<u>19,991</u>	<u>12,801</u>

(1) Per C2008-61, this transfer was to purchase the portion of land not utilized by the District Energy Plant.

(2) Per LAS2009-45, this transfer is to the Calgary Police Service for acquisition of a police parkade through the Calgary Police Service Capital Financing Reserve.

(3) Per C2013-509, this transfer was for the Hillhurst/Sunnyside Transit Oriented Development \$221 and Catherine Avenue Woonerf \$27.

Source Contacts: Financial – T. Johnson, Finance Lead, Calgary Transit and Transportation Infrastructure, Finance & Supply
Operational – C. Blaschuk, Manager, Transportation Strategy, Transportation Planning

Review Schedule: Last Review: 2015

Next Review: 2018

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Reserve for Future Capital (RFC)

\$ 354,190

Capital Reserve (\$000s)

(2015)

Authorization:	C85-66, C96-15, FCS2004-62, FCS2008-28, FCS2010-27, FCS2011-34 and PFC2014-0847
Purpose:	1) To fund various capital projects as per Council approval; 2) To hold Pay-As-You-Go funding which helps to pay for City maintenance and upgrade projects; 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:	1. Funds are to be used as per purpose outlined above. 2. Corporate Properties & Buildings (CPB) lease/sales revenue be reserved for corporate accommodation facilities and sites managed by CPB (FCS2010-027).
Funding Sources:	Funding Sources Include: 1. CPB lease/sales revenue and space provision funds for new employees (FCS2010-027) 2. Franchise Fee amounts in excess of budget (FCS2004-62) 3. Contribution from Debt Servicing Reserve (DSR) for Pay-As-You-Go (PAYG) funding (up to \$30,000 as of 2013) 4. PAYG funding from operation. Funding increase every 3-year planning period with population and non-residential construction inflation (FCS2008-028) 5. Transfer of Provincial Disaster Recovery reimbursement of 2013 Flood operating costs received to RFC to fund resiliency capital projects (C2014-0774) 6. Heritage Building Preservation fund, one-time \$35 million allocation of 2014 operating surplus to restore and preserve city-own heritage buildings (C2014-0863) 7. Other funding sources as directed by Council.
Related Budget Programs:	Investment income: ___ yes <u>x</u> no Operating Program: #840 Capital Financing Costs #694 Corporate Properties & Buildings Program Capital Programs: Capital programs are identified in various business units
Special Reporting Requirements:	None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	318,286	269,629	271,888	255,491	232,534
Net contribution from operations	80,575	155,979	78,539	89,713	88,993
Transfer from Debt Servicing Reserve ("DSR")	30,000	30,000	30,000	25,000	20,000
Contribution from Parking Authority	1,000	1,000	1,000	1,000	1,000
Disbursement for capital financing	(74,171)	(136,822)	(107,225)	(94,981)	(75,378)
Disbursement for debt prepayment	-	-	(3,073)	(2,835)	(3,667)
Contribution to Community Investment Reserve	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Transfer to CPS Capital Reserve (1)	-	-	-	-	(6,491)
Closing balance (2)	354,190	318,286	269,629	271,888	255,491
Represented By:					
Allocated					
Property owners' local improvement repayments	-	-	-	3,072	2,835
RFC Flow Through	122,247	96,791	26,231	15,758	20,141
Unexpended pay-as-you-go	81,998	63,641	71,484	78,057	72,073
Unexpended reserve for future capital	11,673	20,051	64,824	58,381	103,674
Unallocated					
RFC - contingency (3)	138,272	137,803	107,090	116,620	56,768
	354,190	318,286	269,629	271,888	255,491

- (1) Per FCS2011-34, the red light camera reserve balances are transferred to the Calgary Police Services Capital Reserve.
- (2) Committed amounts including in the closing balance total \$177,359 for future capital projects (\$142,587 for PAYG and \$34,772 for RFC).
- (3) Per FCS2011-34, the target balance for contingency purposes is 10% of previous year's capital less self-funded capital projects. As such the \$138,272 includes \$71,142 as the target contingency balance with the remaining \$67,130 as unallocated.

Source Contact: Financial/Operational – R. Liu, Budget Officer, Corporate Budget Office, Finance & Supply
Financial (Program 694 only) – A. Felker, Finance Lead, CPB, Finance & Supply
Operational (Program 694 only) – S. Purvis, Director CPB, Finance & Supply

Review Schedule: Last Review: 2014 Next Review: 2017

Revolving Fund Reserve for General Land Purchases

\$ 86,881
(2015)

Capital Reserve (000's)

Authorized: Commissioners' Report FB98-43 and LAS2008-173

Purpose: To purchase land required for future municipal purposes, including rights-of-way. Land must often be purchased well in advance of construction, but the capital budget has funds only for projects commencing within the current three year budget cycle. The purpose of this reserve is to acquire land in a timely manner for projects beyond the three year budget cycle.

Conditions: To be used for purchase of land for future capital projects outside the 4 year capital budget cycle unless otherwise approved by Council.

Restrictions: None

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 new leases and sales of general lands

Investment income: ☒ yes ☐ no

**Related Budget
Programs:**

Operating Programs: #694 – Net General Lease Revenue

Operating Programs: #488 – General Land Sales Revenue

Capital Programs: #695 Land Acquisitions – Other Civic Departments

**Special Reporting
Requirements:**

Status update to Council with the Corporate Land Framework Report

Current Activity:

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening Balance	84,505	52,347	58,654	49,799	28,161
Investment Income	2,031	1,317	1,089	839	838
Contributions from land sales	29,394	35,869	12,711	6,177	5,106
Contributions (to) from operations	1,048	1,739	2,181	2,401	2,532
Contributions (to) from capital	(10,760)	(3,005)	(17,447)	3,510	(2,829)
Contributions (to) from other reserves	(18,931)	-	(1,429)	(2,068)	531
Net transfers to (from) restricted reserve (1)	(406)	(3,762)	(3,412)	(2,004)	15,460
Closing Balance	86,881	84,505	52,347	58,654	49,799

(1) Transfers (to)/from restricted reserves:

Funds are restricted sales of land sold to Calgary Municipal Land Corporation (CMLC) and 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 to be received equal \$5,876.

Source Contacts:

Financial – A. Felker, Finance Lead, CPB, Finance & Supply
Operational – R. Colluney, Manager, Land Division, Corporate Properties & Buildings

Review Schedule:

Last Review: 2013

Next Review: 2016

Storm Sewer Upgrade Reserve - CLOSED

Capital Reserve (\$000s)

\$ -
(2015)**Authorization:** OE93-66, FCS2011-32**Purpose:** To fund storm sewer Capital and The City's share of flood control projects as required. (Council Priorities UEP 1.3)**Conditions:** As per purpose**Restrictions:** Funds are to be used as per the purpose outlined above.**Funding Source:** This reserve is funded through the Drainage Services charge.Investment income: x yes no**Related Budget****Programs:**

Capital Program: #897 & 898 Drainage Capital Programs

Operating Program: #250 Water Resources

Special Reporting Requirements: None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	8,624
Investment income	-	-	-	-	252
Contribution from operations	-	-	-	-	3,609
Contribution to capital	-	-	-	-	178
Transfer to/from Real Estate Reserve	-	-	-	-	(1,867)
Transfer to Utility Sustainment Reserve	-	-	-	-	(10,796)
Closing balance	-	-	-	-	-

Per FCS2011-32, this reserve was consolidated into the Utility Sustainment Reserve and was subsequently closed.

Source Contacts: Financial – Finance Lead, Water Services & Water Resources, Finance & Supply
Operational – Director, Water Resources**Review Schedule:** Not applicable – reserve closed

TELUS Convention Centre Reserve
Externally Restricted Capital Reserve (\$000s)

\$ 213
(2015)

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.

Funding Sources: Annual contribution of \$180 from City operations.

Investment income: ____ yes x no

Related Budget Programs:
Operating Program: #449 Civic Partners, Convention Centre
Capital Program: #626 Calgary Convention Centre

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	253	200	200	315	220
Contributions from operations	180	180	180	180	180
Contributions to capital	(220)	(127)	(180)	(295)	(85)
Closing balance	<u>213</u>	<u>253</u>	<u>200</u>	<u>200</u>	<u>315</u>

Source Contacts: Financial – R. Turley, Acting Finance Lead, Civic Partners, Finance & Supply
Operational – L. Kerr, Manager, Civic Partners

Review Schedule: Last Review: 2013 Next Review: 2016

YMCA Reserve – CLOSED

Externally Restricted Capital Reserve (\$000s)

\$ -
(2015)**Authorization:** LAND96-141, FCS2007-32 and PFC2012-0270**Purpose:** To fund a future City of Calgary/YMCA recreational facility.**Conditions:** Funds to be placed in The City's General Capital Reserve Fund and held for a period of up to 10 years. As per report FCS 2007-32, the term of this reserve was extended for another 10 year period, from July 2007 to July 2017.**Restrictions:** A third party agreement exists stating that the proceeds from the sale of the North Family YMCA will be placed in the reserve as a contribution by both The City and the YMCA to a future City of Calgary/YMCA recreational facility.**Funding Sources:** Proceeds from the sale of the North Family YMCAInvestment income: x yes no**Related Budget
Programs:**

Capital Program: #507 Other Recreation Facilities

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	1,443
Investment income	-	-	-	-	30
Contributions to capital	-	-	-	-	(1,473)
Closing balance	-	-	-	-	-

Source Contact: Financial – Finance Lead, Recreation, Finance & Supply
Operational – Director, Recreation**Review Schedule:** Not applicable – reserve closed

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Community Sustainability & Public Art Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 6,363

(2015)

Authorization: CPS2008-39, C2008-76, CPS2009-06, FCS2009-26, FCS2010-28 and PFC2013-0745

Purpose: This reserve has two separate purposes with two separate funding sources.

1. The purpose of the Community Sustainability Reserve is to provide interim support to assist community organizations encountering unexpected financial circumstances, experiencing crisis, or requiring a significant intervention including the possibility of dissolving or modifying the organization. The support can be provided in two ways:

Operational: To preserve existing community programs which are considered to be valuable to the community; and to evolve or restructure a community organization to better support the community.

Capital: To provide needed funding for critical capital infrastructure improvements at community association buildings to address building code, energy efficiency and accessibility needs.

2. Per FCS2010-28, the purpose of this reserve was expanded to include:
 - a. Maintenance and management of the public art program; and
 - b. Acquisition of public art funded by unrestricted funds.

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.

Operational Conditions:

- Stabilization Assistance is provided to organizations that encounter unexpected financial circumstances. The maximum grant is \$50 and can be accessed *no more than twice in ten years*.
- Redevelopment Assistance is provided to organizations that have been in crisis for more than a year and require significant intervention including the possibility of dissolving or modifying the organization. The maximum grant is \$100 and can only be accessed once.

Capital Conditions:

- Requests for capital assistance must go through the Capital Conservation Grant emergency review process.

Restrictions: Funds are to be used as per the purposes outlined above.

The public art reserve is funded by the contribution from the 1 percent from all unrestricted upgrade and growth capital project budgets over \$1,000. Ineligible budgets include land purchase, rolling stock, portable equipment, etc, as well as maintenance and service budgets. Unrestricted projects are those funded by City funds such as Pay-As-You-Go and Lifecycle Maintenance.

Funding Sources: Investment income: ___ yes x no

Related Budget Programs: Operating Program: #426 Recreation

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	5,715	5,285	5,036	3,736	3,737
Contributions from operations	-	-	15	39	52
Contributions to operations	(454)	(124)	(473)	(1,026)	(53)
Transfer between reserves	1,102	554	707	2,287	-
Closing balance	<u>6,363</u>	<u>5,715</u>	<u>5,285</u>	<u>5,036</u>	<u>3,736</u>

Source Contacts: Financial – J. Au, Finance Lead, Recreation, Finance & Supply,
J. Salazar, Finance Lead, CNS, Finance & Supply
Operational – L. Smith, Community Partnerships Lead, Community
Neighbourhood Services
S. Iley, Manager, Arts & Culture, Recreation

Review Schedule: Last Review: 2013 Next Review: 2016

Development & Building Approvals (DBA) Sustainment Fund

\$ 98,408

Combined Operating & Capital Reserve (\$000s)

(2015)

Authorization: FB2003-49, C2005-60, C2005-68, FCS2005-33, FCS2006-37, FCS2007-45, LPT2008-67, LPT2011-30 and PFC2013-0745

Purpose: The reserve will be used to manage fluctuations in the level of activity in the development and building industry, supporting DBA's plan to be a sustainable self-supporting business unit without requiring mill-rate support.

The reserve will have two specific uses:

1. Stabilize the DBA operating budget
2. Fund one-time operating expenditure
3. Fund DBA capital expenditures

Conditions: Per report LPT2011-30 Council approved the recommendation to adjust the DBA 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 DBA operations in the following year to soften any required user fees increase.

Restrictions: Funds are to be used as per the purpose and conditions outlined above.

Funding Sources: Annual DBA operating surplus as of 2003 and future years.

Investment income: x yes no

Related Budget Programs:

Operating Program: #004, Animal & Bylaw Services
#611, Inspection & Permit Services (Previously #614, Development & Building Approvals)
Capital Programs: #048, Bylaw Capital
#061, Capital Assets Acquisition
#063, Cash System Integration
#064, Working Space Initiative
#065, Land Use Bylaw Implementation/Sustainment
#067, Business Technology Sustainment
#069, eService Portfolio

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	76,247	48,701	30,794	27,488	36,071
Investment income	2,148	1,377	826	682	860
Contributions from (to) operations	25,917	30,085	20,080	6,826	(1,770)
Contributions to capital	(5,904)	(3,916)	(2,999)	(4,202)	(7,673)
Closing balance	<u>98,408</u>	<u>76,247</u>	<u>48,701</u>	<u>30,794</u>	<u>27,488</u>

Source Contacts:

Financial – M. Fung, Finance Lead, PDA, Finance & Supply,
G. Drall, Finance Lead, PSC & ABS, Finance & Supply
Operational – K. Griffiths, Director, Inspection & Permit Services,
R. Jestin, Director, ABS

Review Schedule:

Last Review: 2013

Next Review: 2016

Golf Course Levy Reserve

Combined Operating and Capital Reserve (\$000s)

\$ 1,126
(2015)**Authorization:** CS91-64-02, FB92-64, FCS2004-22, FCS2011-13 and PFC2014-0847**Purpose:** To finance golf course capital projects and to fund any Golf Course operating deficit.**Conditions:** As per purpose.**Restrictions:** Funds are to be used as per the purpose outlined above.**Funding Sources:** Surcharge on all golf passes and green fees and additional surplus transferred from operations.Investment income: x yes no**Related Budget****Programs:** Operating Program: #426 Recreation
Capital Program: #505 Golf Courses**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	529	327	148	111	438
User surcharges	161	183	166	-	169
Investment income	25	19	13	27	25
Contributions from operations	411	-	389	532	2
Contributions to operations	-	-	-	-	-
Contributions to capital	-	-	-	(30)	(31)
Debenture repayments	-	-	(389)	(492)	(492)
Closing balance	<u>1,126</u>	<u>529</u>	<u>327</u>	<u>148</u>	<u>111</u>

Source Contacts: Financial – J. Au, Finance Lead, Recreation, Finance & Supply
Operational – K. Ripley, Manager Golf Course Operations, Recreation**Review Schedule:** Last Review: 2014 Next Review: 2017

Millican-Ogden Community Enhancement

Combined Operating & Capital Reserve (\$000s)

\$ 132

(2015)

Authorization: C2005-80 and E2010-20

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.

Funding Sources: One time funding from the Fiscal Stability Reserve

Investment income: ____ yes x no

Related Budget Programs: Operating Program: #616, Land Use Planning & Policy

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	171	171	171	271	285
Transfers to operations	(39)	-	-	(100)	(14)
Closing balance	<u>132</u>	<u>171</u>	<u>171</u>	<u>171</u>	<u>271</u>

Source Contacts: Financial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – D. Hamilton, Manager, Local Area Planning & Implementation

Review Schedule: Last Review: 2015 Next Review: 2018

Parks Endowment and Sustainment Reserve

Externally Restricted Sustainment Reserve (\$000s)

\$ 2,328
(2015)

Authorization: FB95-75 and PFC2013-0745

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: As per purpose.

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 \$215 (2014 - \$210),
- Variety Park Endowment Fund - the fund is available for the maintenance and lifecycle for the spray park features and infrastructure. Fund balance is \$135 (2014 - \$132),
- Olympic Plaza endowment - the fund is available for lifecycle maintenance and upgrades to Olympic Plaza. Fund balance is \$135 (2014 - \$131).

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.

Donations funds consist of:

- Inglewood Bird Sanctuary Outdoor Learning Centre \$400 (2014 - \$132).
- Earl Grey Golf Club \$282 (2014 - \$138).
- First Capital Holdings Land Exchange 936-16 Ave SW \$251 (2014 - \$0).
- Borden Donation \$110 (2014 - \$107).
- Remaining balance of \$800 (2014 - \$440) is made up of miscellaneous individual contributions under \$100.

Funding Sources: Contributions/payments received from various parties.

Investment income: ☒ yes ☐ no

Related Budget Programs:

Operating Program: #445 Parks
Capital Program: #500 Parks and Natural Areas

Special Reporting

Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	1,291	1,184	1,408	1,334	1,836
Investment income	44	29	28	31	49
Contributions from operations	931	686	455	403	340
Contributions to capital	(78)	(20)	-	-	-
Contributions to operations	(324)	(588)	(707)	(360)	(891)
Contributions between reserves	464	-	-	-	-
Closing balance	<u>2,328</u>	<u>1,291</u>	<u>1,184</u>	<u>1,408</u>	<u>1,334</u>

Source Contact: Financial – T. Le Prieur, Finance Lead, Parks, Finance & Supply
Operational – N. Bernard, Manager, Parks Operations West,
D. Marter, Manager, Parks Planning & Development

Review Schedule: Last Review: 2013 Next Review: 2016

Perpetual Care of the Municipal Cemetery System Reserve**\$ 13,949**

Combined Operating & Capital Reserve (\$000s)

(2015)

Authorization: CS96-59-02, CPS96-77, FCS2004-31, CPS2004-71**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.**Conditions:** 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.**Restrictions:** Funds are to be used as per the purpose outlined above.**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.Investment income: x yes no**Related Budget****Programs:**
Operating Program: #445 Parks
Capital Program: #504 Cemeteries**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	12,549	10,359	8,635	7,873	8,383
Investment income	335	258	193	186	218
Contributions from operations	2,663	3,180	2,416	1,746	1,549
Contributions to operations	(1,246)	(1,024)	(795)	(962)	(1,693)
Transfers to capital	(352)	(224)	(90)	(208)	(584)
Closing balance	<u>13,949</u>	<u>12,549</u>	<u>10,359</u>	<u>8,635</u>	<u>7,873</u>

Source Contacts: Financial – T. Le Prieur, Finance Lead, Parks, Finance & Supply
Operational – B. Jamal, Manager, Parks Operations Northwest**Review Schedule:** Last Review: 2013 Next Review: 2016

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Real Estate Services

Combined Operating & Capital Reserve (\$000s)

\$ 68,396
(2015)

Authorization: FCS2010-10, PFC2012-0606, PFC 2013-0745 and PFC2014-0847

Purpose: To finance land acquisitions and development of land holdings to advance economic development and diversification objectives by ensuring an available supply of “shovel ready” 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.

Conditions: As per purpose.

Restrictions: Funds are to be used as per the purpose outlined above.

Funding Sources: Net proceeds of serviced land sales (Industrial, Business & Special projects), proceeds of intra-city debt (principle and interest) and proceeds from excess commissions. In 1994 (and all subsequent years) the portion reinvested in land inventory is reclassified to Equity in Land Inventory.

Investment income: ____ yes x no

**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;
#704 School Sites;
#705 Mixed Use Redevelopment

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	97,664	80,552	76,122	78,809	35,851
Contributions (to)/from operations for land sales	1,928	35,054	6,923	9,228	27,885
Contributions (to)/from operations	(15,991)	8,085	(1,612)	(5,632)	(564)
Transfer (to)/From Other Reserves (1)	2,802	2,233	3,714	5,267	(5,612)
Investment income	148	96	92	114	171
Contributions to capital financing (2)	(18,155)	(28,356)	(4,687)	(11,664)	21,078
Closing balance (2)	68,396	97,664	80,552	76,122	78,809

(1) Transfer (to)/from other reserves:

2015: Received \$2,296 from Treasury and \$506 from CPB for General Land servicing and repayment of pre-development expenses related to R.B. Benett School site.

2014: Received \$2,068 from Treasury and \$103 from CPB for General Land servicing. The balance also includes \$62 from Civic Partners for the redevelopment of Block 40.

2013: Received \$2,527 from Treasury and \$992 from CPB for East Hills Debt interest and General Land servicing. The balance also includes \$195 from Civic Partners for the redevelopment of Block 40.

2012: Received \$669 from CPB for East Hills Debt interest and General Land servicing. Received \$2,274 from Finance and \$2,269 from Water Services. The balance also includes \$4,091 from Civic Partnership (relating to the sale of library) for the redevelopment of Block 40 and (\$4,036) for land exchange in between OLSH & CPB.

2011: Transfer \$10,200 to CPB repayment of East Hills lands and received \$674 for interest and General Land servicing. Received \$2,046 from Finance and \$1,868 from Water Services.

- (2) The positive contribution to capital financing resulted from cost of sales being significantly higher as a result of a larger amount of land sales occurring in 2011. Transfers required for capital financing in 2011 were lower than cost of sales. Cost of sales balances are transferred back into the reserve as the reserve was used to originally fund those purchases.

Source Contact

Financial – J. Tchinkova, Finance Lead, Office of Land Servicing & Housing,
Finance & Supply
Operational – C. Berry, Land Servicing Manager, Office of Land Servicing & Housing

Review Schedule:

Last Review: 2015

Next Review: 2018

Utility Sustainment Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 44,290
(2015)**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:** As per purpose.**Restrictions:** A target balance for sustainment funds set at 10% of utility revenues.
Funds set aside for capital projects dependant on planned capital projects.**Funding Sources:** Utility rate revenues at planned contributions levels and annual operating budget variances.
Portion of Acreage assessments to be spent in future years.Investment income: ☒ yes ☐ no**Related Budget Programs:**Operating Program: #270 Utilities (Water Resources and Water Services)
Capital Program: Various Capital Programs**Special Reporting Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	49,153	44,076	52,226	18,982	-
Investment income	1,436	1,034	971	469	-
Transfer from Reserves	-	-	-	-	17,608
Transfer to Real Estate Reserve	-	-	-	(2,269)	-
Contributions from (to) operations	115,680	100,738	70,589	40,139	1,374
Contributions from (to) capital financing	(121,979)	(96,695)	(79,710)	(5,095)	-
Closing balance	<u>44,290</u>	<u>49,153</u>	<u>44,076</u>	<u>52,226</u>	<u>18,982</u>

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Sustainment Funds	6,889	5,008	4,467	3,676	6,812
Acreage Assessment funds	32,170	29,061	23,209	16,556	1,374
Future Year Capital funds	5,231	15,084	16,400	31,994	10,796
Total Reserve	<u>44,290</u>	<u>49,153</u>	<u>44,076</u>	<u>52,226</u>	<u>18,982</u>

Source ContactsFinancial – B. Dykstra, Finance Lead, Utilities, Finance & Supply
Operational – R. Spackman, Director, Water Resources, UEP, D. Limacher, Director, Water Services**Review Schedule:**

Last Review: 2013

Next Review: 2016

Waste and Recycling Sustainment Reserve

Combined Operating & Capital Reserve (\$000s)

\$ 48,809
(2015)**Authorization:** FCS2011-33 and PFC2013-0745**Purpose:** This reserve provides both an operating contingency to offset revenue fluctuations and to manage cash flow, by 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:** As per purpose.**Restrictions:** Funds are to be used as per the purpose outlined above.
A target balance for sustainment purposes of 10% of current year's annual revenues has to be maintained.**Funding Sources:** User fees and annual operating budget variances generated from self-supported programs.Investment income: x yes no**Related Budget****Programs:**Operating Program: #252 Waste & Recycling Services
Capital Program: #256 Landfill/Treatment Infrastructure
#257 Diversion Infrastructure
#258 Facilities & Equipment**Special Reporting****Requirements:** None.**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	41,968	33,808	41,911	58,162	-
Contributions from operations	15,656	25,551	23,445	21,585	-
Contributions from other sources (PAYG)	-	1,295	445	1,760	-
Contributions to capital financing	(6,330)	(15,310)	(26,951)	(18,892)	-
Contributions to operations (Landfill Closure Liability)	(2,485)	(2,773)	(4,600)	(20,500)	-
Transfer to Public Art Reserve	-	(603)	(442)	(204)	-
Transfer from reserves	-	-	-	-	58,162
Closing balance	<u>48,809</u>	<u>41,968</u>	<u>33,808</u>	<u>41,911</u>	<u>58,162</u>
Funds set aside for Sustainment purposes	9,660	10,278	9,657	8,804	9,237
Diversion	16,103	15,054	16,426	20,355	21,080
Landfill	7,271	6,002	1,185	6,294	21,976
Cash Requirement for Future Year Capital	15,775	10,634	6,540	6,458	5,869
Closing balance	<u>48,809</u>	<u>41,968</u>	<u>33,808</u>	<u>41,911</u>	<u>58,162</u>

Source Contacts: Financial – L. Peng, Finance Lead, Waste & Recycling Services, Finance & Supply
Operational – R. Valdarchi, Director, Waste & Recycling Services**Review Schedule:** Last Review: 2013 Next Review: 2016

Wastewater - CLOSED

Combined Operating & Capital Reserve (\$000s)

\$ -
(2015)

Authorization: As per AC2009-74, a review of the Wastewater Reserve will be done during the financial policy review for Water Services/Resources in 2010. As a result of a more extensive review than first anticipated, the financial policy review is on-going and will be completed by Q4 2011 for Utilities (Water Services and Water Resources). Any required reports will be brought forward as a result. Per FCS2011-32, this reserve was closed and consolidated into the Utility Sustainment Reserve.

Purpose: For income and rate stabilization and working capital requirements. One of the long-range financial policies for the Wastewater Utility, as approved by Council, is to generate sufficient income to cover all operating and debt servicing costs and ensure a self-supporting status. This reserve will be used to meet the financial obligations of the utility in the event of a shortfall in the working capital or operating income and maintain the self-supporting status.

Conditions: Fund Balance cannot exceed \$5,000

Restrictions: Funds are to be used as per the purpose outlined above.

Funding Sources: The reserve was set up from operating surplus.

Investment income: ☐ yes ☒ no

Related Budget

Programs:

Operating Program: #250 Utilities

Capital Program: Various Capital Programs

Special Reporting

Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	5,000
Contributions to operations	-	-	-	-	(1,594)
Contributions to capital	-	-	-	-	-
Transfer to Utility Sustainment Reserve	-	-	-	-	(3,406)
Closing balance	-	-	-	-	-

Per FCS2011-32, this reserve was consolidated into the Utility Sustainment Reserve and was subsequently closed.

Source Contacts: Financial – Finance Lead, Water Resources & Water Services, Finance & Supply
Operational – Director, Water Resources, UEP

Review Schedule: Not applicable – reserve closed

Waterworks - CLOSED

Combined Operating & Capital Reserve (\$000s)

\$ -
(2015)

Authorization: As per AC2009-74, a review of the Waterworks Reserve will be done during the financial policy review for Water Services/Resources in 2010. As a result of a more extensive review than first anticipated, the financial policy review is on-going and will be completed by Q4 2011 for Utilities (Water Services and Water Resources). Any required reports will be brought forward as a result. Per FCS2011-32, this reserve was closed and consolidated into the Utility Sustainment Reserve.

Purpose: For income and rate stabilization and working capital requirements. One of the long-range financial policies for the Waterworks Utility, as approved by Council, is to generate sufficient income to cover all operating and debt servicing costs and ensure a self-supporting status. This reserve will be used to meet the financial obligations of the utility in the event of a short fall in the working capital or operating income and maintain the self-supporting status.

Conditions: Fund Balance cannot exceed \$5,000.

Restrictions: Funds are to be used as per the purpose and conditions outlined above.

Funding Sources: The reserve was set up from operating surplus.

Investment income: ☐ yes ☒ no

Related Budget

Programs:

Operating Program: #270 Utilities

Capital Program: Various Capital Programs

Special Reporting

Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	5,000
Contributions to operations	-	-	-	-	(1,594)
Contributions to capital	-	-	-	-	-
Transfer to Utility Sustainment Reserve	-	-	-	-	(3,406)
Closing balance	-	-	-	-	-

Per FCS2011-32, this reserve was consolidated into the Utility Sustainment Reserve and was subsequently closed.

Source Contacts

Financial – Finance Lead, Water Resources & Water Services, Finance & Supply
Operational – Director, Water Services, UEP

Review Schedule:

Not applicable – reserve closed

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LONG TERM LIABILITIES

Capital Deposits

Employee Benefit Obligations

Acreage Assessments

Capital Deposit (\$000s)

\$ 361,299
(2015)

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. 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.

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. Prior to 2001, acreage assessments were also collected for Waterworks and Wastewater.

Investment Income Treatment:

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

Related Budget Programs: Various programs

Special Reporting Requirements: None

Current Balances: (\$000s)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Water Resources and Services	34,844	30,246	24,671	22,123	13,621
Roads	5,301	4,404	3,380	1,450	2,318
Transit	17,489	14,889	13,680	15,007	11,625
Parks & Recreation	80,287	58,478	85,775	80,471	65,287
Transportation Infrastructure	183,060	157,876	141,553	138,387	131,270
Civic Partners	19,495	16,453	14,092	11,993	8,752
Fire	50,375	45,104	38,298	41,640	32,560
Calgary Police Services	24,986	21,233	18,251	15,863	11,800
Community & Neighbourhood Services	-	30,746	-	-	-
Interdepartmental charge elimination	(54,538)	(37,740)	(23,214)	(22,432)	(24,921)
Total	<u>361,299</u>	<u>341,689</u>	<u>316,486</u>	<u>304,502</u>	<u>252,312</u>

Source Contacts:

L.Wong, Finance Lead, Roads, Finance & Supply;
T. Johnson, Finance Lead, Calgary Transit &
Transportation Infrastructure, Finance & Supply;
T. Le Prieur, Finance Lead, Parks, Finance & Supply;
J. Au, Finance Lead, Recreation, Finance & Supply;

S. Macfayden, Finance Manager, CS & PS, Finance & Supply;
J. Salazar, Finance Lead, CNS/Civic Partners, Finance & Supply;
A. Szaflarski, Finance Lead, Protective Services, Finance & Supply;
B. Hutchins, Finance Manager, Calgary Police Services;
B. Dykstra, Finance Lead, Utilities, Finance & Supply.

Alberta Municipal Infrastructure Program (AMIP) Agreement

\$ -
(2015)

Capital Deposit (\$000s)

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.

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.

Investment income: x yes no

Related Budget Programs:

Capital Programs throughout The City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	11,699	25,969	45,351	105,402	162,253
Contributions from Province	-	-	-	-	-
Investment income	155	475	770	1,253	1,702
Contributions to capital	(11,854)	(14,745)	(20,152)	(61,304)	(58,553)
Closing balance	-	11,699	25,969	45,351	105,402

Source Contact: Financial and Operational – C. Fung, Corporate Accounting Finance Leader,
Corporate Budget Office, Finance & Supply

Cash in Lieu of Parking Fund\$ 14,697
(2015)

Capital Deposit (\$000s)

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.**Funding Sources:** Cash payments received by the Calgary Parking Authority, under terms of development agreements, in lieu of the developer providing sufficient parking stalls.Investment income: x yes no**Related Budget****Programs:** Operating Program: #104 Calgary Parking Authority
Capital Program: #106 Calgary Parking Authority**Special Reporting Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	8,882	5,783	5,219	4,004	3,979
Contributions from developers (1)	5,501	2,858	397	982	-
Investment income	314	241	167	233	231
Contributions to capital (2)	-	-	-	-	(206)
Closing balance	<u>14,697</u>	<u>8,882</u>	<u>5,783</u>	<u>5,219</u>	<u>4,004</u>

(1) Contributions from developers:

2015: New deposit in 2015 a) 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.

2014: New deposit in 2014 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).

2013: New deposit in 2013 for La Caille Sixth Avenue Inc. 10 stalls at the downtown rate \$39.7 obligation of release of development permit (\$397).

2012: New deposit in 2012 for Eighth Avenue Place – tower 2 new floors DP2011-3444. Received in January 2012 from Haines Canada Management Company (Marten Rhead, Gibbs Gage). Payment for cash-in-lieu of parking equivalent for 27 stalls at the downtown rate \$36.36 obligation of release of development permit.

(2) Cash-in-Lieu deposits expended to acquire new parking stalls are removed from the cash-in-lieu deposits and are transferred to capital donations. In 2011, \$206 from funds in Cash-in-Lieu (\$77 from principal and \$129 from interest) was transferred to Roads to finance various street improvements in Kensington, 4th Street and 17th Avenue. These Cash-in-Lieu areas are no longer in effect per Council Report LPT2010-79 and LPT2008-63.

Source Contact:

Financial– W. Haidey, Controller, Calgary Parking Authority
Operational – M. Derbyshire, General Manager, Calgary Parking Authority

Eau Claire Improvement Fund\$ 2,296
(2015)

Capital Deposit (\$000s)

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.

Funding Sources: All commercial development that requires a density bonus in Land Use Districts 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.

Investment income: x yes no

Related Budget Programs: Capital Programs: #616, City Centre Initiatives

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	931	975	955	934	909
Investment income	42	21	20	21	25
Contributions from operations	1,333	-	-	-	-
Financing capital projects	(10)	(65)	-	-	-
Closing balance	<u>2,296</u>	<u>931</u>	<u>975</u>	<u>955</u>	<u>934</u>

Source Contacts: Financial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – B. Barrington, Manager, Centre City Planning & Implementation

Federal Gas Tax Fund\$ 67,079
(2015)

Capital Deposit (\$000s)

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 2005 June 30th 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.

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.

Investment income: x yes no

Related Budget Programs:

Capital Programs throughout the City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	32,769	44,377	25,658	32,439
Contribution from federal government	125,128	-	59,378	79,555	39,200
Investment income	1,288	221	785	833	520
Contributions to capital	(59,337)	(32,990)	(71,771)	(61,669)	(46,501)
Closing balance	67,079	-	32,769	44,377	25,658

Source Contacts:

Financial and Operational – C. Fung, Corporate Accounting Finance Leader,
Corporate Budget Office, Finance & Supply

Basic Municipal Transportation Grant\$ 8,817
(2015)

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 the Basic Municipal Transportation Grant (BMTG) is combined with Municipal Sustainability Initiative (MSI) and the purpose of the grant is the same as the 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 March 13, 2000 signed by the Minister of Infrastructure and the Executive Officer of The City.

Funding Sources: The City's BMTG 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.

Investment income: x yes no

Related Budget Programs:

Capital Programs throughout The City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	259,873	134,742	131,561	105,839	136,829
Contributions from Province	-	192,415	106,900	90,000	65,000
Investment income	3,989	4,793	3,636	2,943	2,647
Contributions to capital	(131,645)	(72,077)	(107,355)	(67,221)	(98,637)
Contributions other sources	(123,400)	-	-	-	-
Closing balance	<u>8,817</u>	<u>259,873</u>	<u>134,742</u>	<u>131,561</u>	<u>105,839</u>

Source Contact:

Financial and Operational – C. Fung, Corporate Accounting Finance Leader,
Corporate Budget Office, Finance & Supply

Infrastructure Canada – Alberta Program (ICAP)

\$ -
(2015)

Capital Deposit (\$000s)

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.

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.

Investment income: ☐ yes ☒ no

Related Budget Programs: Various Programs throughout number of business units.

Special Reporting Requirements: None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	173	173	173	173	173
Contributions from:					
Provincial government	-	-	-	-	-
Federal government	-	-	-	-	-
Investment income	-	-	-	-	-
Contributions to capital	(173)	-	-	-	-
Transferred to other BU	-	-	-	-	-
Closing balance	-	173	173	173	173

Source Contacts: Financial - L. Wong, Finance Lead, Roads, Finance & Supply
Operational – T. McLeod, Director, Roads

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Miscellaneous Capital Deposits

\$ 213,867
(2015)

Capital Deposit (\$000s)

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 and gravelling).

Portions of Roads, Transit, and Water Resources and Water Services, Fire, Parks, Recreation, Civic Partners, Environmental Safety Management and Corporate Properties 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.

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 Safety Management and Corporate Properties 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: DBA, Parks, Recreation, Fire, Public Safety Communications, Corporate Properties, Infrastructure and Information Services, Environmental and Safety Management.

Units with an Investment Income Allocation: LUPP, Calgary Transit, Transportation Infrastructure, Roads, Water Resources and Water Services,

Related Budget Programs:

Various Programs

Special Reporting Requirements:

None

Current Balances (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Roads	53,282	49,743	51,445	43,130	42,232
Transit	9,288	9,555	10,014	6,530	12,762
Local Area Planning & Implementation (1)	13,291	9,801	10,886	9,310	5,269
City Wide Policy & Integration (2)	5,634	5,678	5,371	4,921	4,469
Transportation Infrastructure	26,155	22,092	22,059	19,716	24,195
Infrastructure & Information Services	322	436	609	609	586
Parks & Recreation	55,338	48,232	39,777	40,776	22,010
Water Resources & Water Services	5,092	4,268	4,578	4,802	4,853
Corporate Properties & Buildings	173	173	173	273	271
Environmental and Safety Management	272	2,000	2,000	2,000	2,000
Corp Revenue and Costs	35,601	33,940	112,665	-	-
Fire & PSC	9,276	8,266	6,791	5,309	3,811
Community & Neighbourhood Services	-	1,035	1,000	-	-
CFO	-	-	-	-	9
Interdepartmental Charge Elimination	(9,471)	(9,810)	(10,410)	(8,920)	(3,545)
	<u>204,253</u>	<u>185,409</u>	<u>256,958</u>	<u>128,456</u>	<u>118,922</u>
Related Authorities:					
Calgary Housing Company	9,614	9,614	9,614	9,614	9,622
Calgary Arts Development Authority Ltd.	-	6	1,358	-	-
Calgary Economic Development Ltd.	-	5,037	-	-	-
	<u>9,614</u>	<u>14,657</u>	<u>10,972</u>	<u>9,614</u>	<u>9,622</u>
Closing balance	<u>213,867</u>	<u>200,066</u>	<u>267,930</u>	<u>138,070</u>	<u>128,544</u>

- (1) As a result of the PDA re-organization that occurred in 2014 the Land Use Planning & Policy business unit was dissolved and all balances prior to 2014 related to the Land Use Planning & Policy Business Unit were transferred to the Local Area Planning & Implementation business unit.
- (2) As a result of the PDA re-organization that occurred in 2014 the Development Building Approvals business unit was dissolved and all balances prior to 2014 related to the Development Building Approvals business unit were transferred to the City Wide Policy & Integration business unit.

Source Contacts:

L. Wong, Finance Lead, Roads, Finance & Supply;
T. Johnson, Finance Lead, Calgary Transit & Transportation Infrastructure, Finance & Supply;
M. Fung, Finance Lead, PDA, Finance & Supply;
T. Nguyen, Finance Manager, Finance - Director, Finance & Supply;
S. Macfayden, Finance Manager, CS & PS, Finance & Supply;
B. Dykstra, Finance Lead, Water, Finance & Supply;

A. Felker, Finance Lead, CPB, Finance & Supply;
F. Tse, Finance Lead, Utilities, Finance & Supply;
A. Szaflarski, Finance Lead, Protective Services, Finance & Supply;
T. Le Prieur, Finance Lead, Parks, Finance & Supply;
G. Drall, Finance Lead, PSC & ABS, Finance & Supply.

Municipal Sustainability Initiative (MSI)

\$ 362,375
(2015)

Capital Deposit (\$000s)

Purpose: The Province of Alberta announced the MSI Program on April 24, 2007 as a ten year program to be phased in over four 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 Schedule as amended subsequently on June 3, 2014.

Operating Projects must be accepted by the Minister.

Funding Sources: Majority of the MSI funding is allocated by a formula incorporating: 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.

Investment income: x yes no

**Related Budget
Programs:**

Various Programs

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	99,264	132,973	4,387	1,698	33,879
Investment income	5,027	3,652	1,480	1,232	909
Contributions from Province	392,748	252,944	254,155	256,926	256,337
Contributions to operations	-	-	-	-	-
Contributions to capital	(134,664)	(290,305)	(127,049)	(255,469)	(289,427)
Closing balance	<u>362,375</u>	<u>99,264</u>	<u>132,973</u>	<u>4,387</u>	<u>1,698</u>

Source Contacts

Financial and Operational – C. Fung, Corporate Accounting Finance Leader,
Corporate Budget Office, Finance & Supply

New Deal for Federal Public Transit Trust

\$ -
(2015)

Capital Deposit (\$000s)

Purpose: The New Deal for Federal Public Transit Trust (NDFPTT) is an amendment to the New Deal for Public Transit (NDPT). The amendment applies specifically to those municipalities that own and operate a provincially recognized public transit system. This supplementary program initiated in 2006 and is intended to assist those municipalities in addressing their sustainable municipal public transit capital infrastructure needs. The program is supported through the allocation to Alberta Municipalities of a portion of the federal tax surplus.

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 9th, 2006 signed by the Minister of Infrastructure and Transportation and the Mayor of The City.

Funding Sources: The NDPT Fund is a per capita funding program totalling \$69,000 for The City over the two year period starting in 2006 and ending in 2007/2008. In 2008, this program was extended for one year under a new grant name, NDFPTT in the amount of \$28,000, to be administered under the existing NDPT Agreement. The program is now complete.

Investment income: x yes ___ no

**Related Budget
Programs:**

Transportation – Calgary Transit

**Special Reporting
Requirements:**

None

Current Activity (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	-	-	-	-	24,956
Contribution from federal government	-	-	-	-	-
Investment income	-	-	-	-	271
Contributions to capital	-	-	-	-	(25,227)
Closing balance	-	-	-	-	-

Source Contacts:

Financial and Operational – C. Fung, Corporate Accounting Finance Leader,
Corporate Budget Office, Finance & Supply

Plus 15 Cash in Lieu Fund\$ 24,364
(2015)

Capital Deposit (\$000s)

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.

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.

Investment income: x yes no**Related Budget Programs:**Operating Program: #612 Local Area Planning & Implementation (Formerly #616 Land Use Planning & Policy)
Capital Program: various**Current Activity (\$000s):**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	23,999	22,937	22,884	24,624	24,126
Investment income	647	511	476	534	656
Transfer to Facility Management	(1,299)	(606)	(132)	(1,086)	(158)
Transfer to Capital P856/P656-03W	-	-	(3,268)	(1,199)	-
Contributions from operations	1,017	1,157	2,977	11	-
Closing balance	<u>24,364</u>	<u>23,999</u>	<u>22,937</u>	<u>22,884</u>	<u>24,624</u>

Source ContactsFinancial – M. Fung, Finance Lead, PDA, Finance & Supply
Operational – T. Mahler, Manager, Local Area Planning-Centre West

Defined Benefit Pension Plans (Registered & Non Registered)\$ 78,890
(2015)Employee Benefit Obligation Previously Funded and to be Funded in Future Years
(\$000s)

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. Contributions from operations are revised annually by the external actuary due to economic and demographic assumptions used. More information on each of these plans is available in Note 13 of the 2015 consolidated financial statements contained in The City's 2015 Annual Report.

Conditions: As per purpose.

Restrictions: Funds to be used for purpose as described above.

Funding Sources: Operating Budget Program 787, Employee Benefits.

Related Budget Programs: Operating Program: #787 Employee Benefits

Special Reporting Requirements: None

Current Balances (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Funded					
Registered defined benefit pension (1)	46,772	39,366	33,064	23,609	17,215
Non-reg. defined benefit pension (2)	32,118	28,787	26,809	20,081	16,398
Total	<u>78,890</u>	<u>68,153</u>	<u>59,873</u>	<u>43,690</u>	<u>33,613</u>

(1) Includes The City of Calgary Firefighters Supplemental Pension Plan, The City of Calgary Supplementary Pension Plan, The Pension Plan for Elected Officials of The City of Calgary, The City of Calgary Police Supplemental Pension Plan.

(2) Includes The City of Calgary Overcap Pension Plan, The City of Calgary Executive Pension Plan, The City of Calgary Elected Officials Supplementary Pension Plan and individual contractual obligations.

Source Contact: Financial – C. Zimmer, Finance Leader, Pensions Finance, Corporate Financial Reporting, Finance & Supply
Operational – C. An, Finance Manager, Corporate Financial Reporting, Finance & Supply

Funded Vacation and Overtime Liability\$ **208,480**
(2015)

Employee Benefit Obligation Previously Funded (\$000s)

Purpose: Employee union and association agreements permit civic employees to defer a certain portion of their unused vacation and overtime to future years.

Conditions: 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.

Restrictions: For purpose as described above.

Funding Sources: In 2003, per Council Report FCS2003-66, The City adopted a plan to address the unfunded amounts through annual contributions from operations and reserves over approximately 11 years commencing in 2004. As at December 31, 2008, The City has fully funded these future obligations.

Related Budget Programs:

Operating Budget Program 787, Employee Benefits, City Business Units (for banked overtime), Calgary Police Service, and consolidated related authorities.

Special Reporting Requirements:

None

Current Balances (\$000s):

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
(Note 1)					
Chief Financial Office	21,432	19,502	19,486	19,041	18,825
Community Services & Protective Services	39,858	35,532	33,977	33,185	32,443
Deputy City Manager's Office	15,382	15,539	17,120	15,922	14,677
Planning Development & Assessment	10,245	9,148	8,234	8,236	8,544
Transportation	37,895	33,912	33,777	33,116	31,784
Utilities & Environmental Protection	25,007	22,734	21,809	20,235	18,900
Calgary Police Service	54,049	53,757	49,211	45,770	40,822
RAWW Days	594	1,951	2,018	1,938	1,548
	<u>204,462</u>	<u>192,075</u>	<u>185,632</u>	<u>177,443</u>	<u>167,543</u>
Related Authorities					
Calgary Parking Authority	682	472	491	531	513
Calgary Housing Company	1,723	1,567	1,510	1,362	1,206
Calgary TELUS Convention Centre	391	376	403	335	310
Calgary Municipal Land Corporation	45	28	31	25	34
Calgary Public Library	1,060	929	931	899	914
Attainable Homes Calgary Corporation	28	13	15	11	15
Calgary Economic Development Ltd.	89	91	82	82	69
	<u>4,018</u>	<u>3,476</u>	<u>3,463</u>	<u>3,245</u>	<u>3,061</u>
	<u>208,480</u>	<u>195,551</u>	<u>189,095</u>	<u>180,688</u>	<u>170,604</u>

Note 1: Current year figures have been categorized consistent with the re-organization that occurred in 2015. Prior year categorizations have been revised for comparability.

Source Contacts: Financial – D. Christensen, Finance Leader, Benefits Finance, Corporate Financial Reporting, Finance & Supply
Operational – C. An, Finance Manager, Corporate Financial Reporting, Finance & Supply

Other Retirement Benefits Liability\$ 167,879
(2015)

Funded and to be Funded in Future Years (\$000s)

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 (PSAS). Additional information is available in Note 13 of the 2015 consolidated financial statements contained in the City's 2015 Annual Report.

Conditions: As per purpose

Restrictions: Funds to be used for purpose as described above.

Funding Sources: Operating Budget Program 787, Employee Benefits

Related Budget Programs: Operating Program: #787 Employee Benefits

Special Reporting Requirements: None

Current Balances:

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Post Retirement Benefits (funded)	167,879	160,036	149,941	137,514	125,307
	167,879	160,036	149,941	137,514	125,307

Source Contact: Financial – D. Christensen, Finance Leader, Benefits Finance, Corporate Financial Reporting, Finance & Supply
Operational – C. An, Finance Manager, Corporate Financial Reporting, Finance & Supply

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SUPPLEMENTARY SCHEDULES

2015 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 2015 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/15 Opening Balance	Contribution To Operations	Contribution From Operations	Transfer to Capital Fund	Transfer Between Reserves	Corp financing (investment income)	Other	Dec. 31/15 Closing Balance
Community Strategies & Neighbourhood Services									
Children's Reserve Fund	o	(4,605)	115	-	-	-	(115)	-	(4,605)
Community Sustainability & Public Art Reserve	s	(5,715)	454	-	-	(1,102)	-	-	(6,363)
FCSS Stabilization Fund	o	(3,710)	636	(2,630)	-	-	-	-	(5,704)
Fire & Public Safety Communication Centre									
911 Communications Centre Capital Financing Reserve	c	(11,830)	-	(8,300)	1,553	-	-	-	(18,577)
Parks and Recreation									
Golf Course Levy Reserve	s	(529)	-	(572)	-	-	(25)	-	(1,126)
Legacy Parks Reserve	c	(23,033)	-	(4,950)	9,982	-	(449)	-	(18,450)
Artificial Turf Field Lifecycle Reserve	c	(1,548)	-	(628)	-	-	(45)	-	(2,221)
Community Investment Reserve	c	(168,302)	50	(50,919)	75,661	(1,500)	(7,369)	-	(152,379)
Parks Endowment and Sustainment Reserve	s	(1,291)	324	(931)	78	(464)	(44)	-	(2,328)
Perpetual Care of the Municipal Cemetery System Reserve	s	(12,549)	1,246	(2,663)	352	-	(335)	-	(13,949)
Societies & Related Authorities									
Parks Foundation Reserve	o	(2,257)	75	(213)	-	-	-	-	(2,395)
TELUS Convention Centre Reserve	c	(253)	-	(180)	220	-	-	-	(213)
Corporate Services									
Health, Safety and Wellness Reserve	o	(10,975)	3,174	(5,470)	-	-	-	-	(13,271)
Information Technology Reserve	c	(18,189)	-	(10,499)	10,239	-	(209)	-	(18,658)
Fleet Services Capital Reserve	c	(4,042)	-	(6,454)	-	40	-	-	(10,456)
Corporate Revenue & Costs									
Debt Servicing Reserve	c	(52,570)	(94,752)	51,564	-	44,528	(1,340)	-	(52,570)
ENMAX Dividend Stabilization Reserve	o	(16,450)	-	(3,550)	-	-	-	-	(20,000)
Fiscal Stability Reserve	o	(443,371)	14,359	(55,809)	(4,892)	12,393	(11,465)	(55,725)	(544,510)
Group Life Reserve	o	(1,494)	-	(49)	-	-	(37)	-	(1,580)
Lifecycle Maintenance and Upgrade Reserve	c	(97,251)	-	(100,205)	62,979	(14,914)	-	-	(149,391)
Tax Loss Provision Reserve	o	(37,398)	-	-	-	-	-	-	(37,398)
Self Insurance Reserve	o	(7,000)	-	-	-	-	-	-	(7,000)
Budget Savings Account Reserve	o	-	-	(60,313)	(592)	-	-	-	(60,905)
Land Use Planning & Policy & Development Approvals									
Calgary Heritage Authority Reserve	o	(1,736)	9	-	-	-	(43)	-	(1,770)
DBA Sustainment Fund	s	(76,247)	3,342	(29,259)	5,904	-	(2,148)	-	(98,408)
Millican-Ogden Community Enhancement	s	(171)	-	-	-	39	-	-	(132)
Downtown Improvement Fund	c	(3,372)	-	(178)	8	-	(87)	-	(3,629)
Heritage Incentive Reserve	o	(1,369)	507	(225)	-	-	-	-	(1,087)
Mall Programming Fund	o	(754)	-	(3)	5	-	(18)	-	(770)

2015 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 2015 supplementary schedule.										
	Operating / Capital Sustainm ent	Jan. 1/15 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. 31/15 Closing Balance
Roads & Transportation Planning										
Asphalt and Crusher Plant Lifecycle Capital Reserve	c	(5,363)	-	(2,000)	1,056	-	-	(60)	-	(6,367)
LED Street Light Re-Lamping Reserve	c	(5,816)	-	(1,466)	1,754	-	-	-	-	(5,528)
Livery Transport Services Reserve	o	(4,539)	1,422	(1,241)	392	-	-	(110)	-	(4,076)
Parking Land Acquisition Reserve	c	(32,657)	-	-	1,180	-	(5,928)	(810)	-	(38,215)
Snow and Ice Control Reserve	o	-	-	(3,940)	-	-	(5,000)	-	-	(8,940)
Office of Land Servicing and Housing										
Real Estate Services	s	(97,664)	15,991	(1,928)	18,155	-	(2,802)	(148)	-	(68,396)
Corporate Housing Reserve	c	(36,073)	648	(3,155)	2,690	-	(1,879)	(762)	-	(38,531)
Drainage										
Waste & Recycling Sustainment Reserve	s	(41,968)	2,485	(15,656)	6,330	-	-	-	-	(48,809)
Utility Sustainment Reserve	s	(49,153)	29,061	(144,741)	121,979	-	-	(1,436)	-	(44,290)
Calgary Police Service										
Calgary Police Service Capital Reserve	c	(30,978)	-	(15,228)	11,877	-	-	(20)	-	(34,349)
Calgary Police Service Helicopter Maintenance Reserve	o	(3,000)	785	(809)	-	-	-	-	-	(3,024)
Calgary Police Service Court Fine Revenue Operating Reserve	o	(4,000)	-	-	-	-	-	-	-	(4,000)
Calgary Housing Company	s	(22,589)	-	(4,678)	-	-	-	-	-	(27,267)
Calgary Public Library	s	(573)	-	(420)	-	-	-	-	-	(993)
Calgary Arts Development Authority Ltd.	s	-	-	-	-	-	-	-	(245)	(245)
Corporate Housing Internal Sale Elim (1)	c	6,752	-	-	-	-	-	-	(1,788)	4,964
Real Estate Services Internal Sale Elim (1)	c	321	-	-	-	-	-	-	(22)	299
Reserve for Future Capital	c	(318,286)	-	(81,575)	74,171	-	(28,500)	-	-	(354,190)
Unappropriated Surplus		27,490	(27,490)	55,725	-	-	-	-	-	55,725
Total per 2015 Annual Financial Report		(1,626,107)	(47,559)	(513,548)	401,081	-	(5,089)	(27,075)	(57,780)	(1,876,077)
(1) Note these are internal sale elimination entries.										