

## Reserve Comments and Recommendations

Reserve Name	Attachment 2 Page Number	Reserve Type	Balance (2014) (in millions)	General Comments	Recommendation
Calgary Heritage Authority Reserve	2	Operating	\$1.736	The Calgary Heritage Authority (CHA) may use investment income to fund operating activities. CHA started to access reserve in Q4 of current year. The Purpose and Restrictions sections of the Annual Reserve can be streamlined. The reserve report page includes additional comments about the CHA which is not required for the reserve.	Recommend changes to reserve's Purpose and Restrictions as outlined in Attachment 2 (pg 2).
Children's Reserve Fund	3 & 4	Operating	\$4.605	Investment Income may be used for programs to support low-income families and their children. Currently, only Recreation's Fee Assistance program is receiving funding from reserve. Administration to continue to review children programs and evaluate where reserve funds can be used to maximize benefit to disadvantaged families.	Recommend changes to reserve's Purpose, Restrictions and Funding Sources as outlined in Attachment 2 (pg 3 & 4).
ENMAX Dividend Stabilization Reserve	5	Operating	\$16.450	An operating contingency reserve created to stabilize the budgeted dividend received by The City from ENMAX. Reserve is a relatively new reserve with clear purpose condition and restrictions.	No Council recommendation at this time.
Family & Community Support Services Fund (FCSS)	6 & 7	Operating	\$3.710	The reserve is used to supplement the FCSS program, it fills an administrative and governance need for not-for-profit organizations. The purpose, conditions and restrictions listed in the Annual Reserve Report can be streamlined. Administration is also requesting that the reserve begin receiving investment income.	Recommend changes to reserve's Purpose, Conditions and Funding Sources as outlined in Attachment 2 (pg 6 & 7).
Fiscal Stability Reserve (FSR)	8 & 9	Operating	\$443.371	FSR is primarily a contingency reserve. In addition, one-time operating budget expenditures can be funded from the reserve's investment income. All reserve activity is appropriately authorized and the minimum balance of 5% and target balance of 15% was also reviewed. No changes recommended.	No Council recommendation at this time.
Group Life	10	Operating	\$1.494	The reserve satisfies a contractual obligation under the Group Life benefit contract between The City and Great West Life. Reserve balance determined by the terms of the contract.	No Council recommendation at this time.
Health, Safety and Wellness	11	Operating	\$10.975	The reserve is used to fund primarily one-time health, wellness and employee safety related projects. The higher than expected reserve balance is due to an allocation from Workers Compensation Board (WCB) of the prior year's surplus. The allocation of the prior year's surplus is not expected to continue.	No Council recommendation at this time.
Heritage Incentive	12	Operating	\$1.369	Reserve used to provide grant funding for the restoration, preservation and rehabilitation of legally protected Municipal Historic Resources. The program is fully subscribed, all reserve funds have been fully allocated. However, expenditures often occur in subsequent years. Purpose and restrictions included in the Annual Reserve Report can be improved.	Recommend changes to reserve's Purpose and Restrictions as outlined in Attachment 2 (pg 12).
Mall Programming	13	Operating	\$0.754	Investment Income supplements operating activities for the 300 west block between Bankers Hall and TD Square of Stephen Avenue. Local Area Planning expected to develop a Stephen Avenue Mall strategy in the near future. Funds from this reserve may be recommended to be used for upgrades as part of that plan.	No Council recommendation at this time.
Self-Insurance	14	Operating	\$7.000	Externally required to allow The City to partially self-insure. The City does incur claim costs even though the reserve has not recently been used.	Recommend that a note be added to the reserve report page stating the following: "Administration prepares an annual report on Risk Management and Claims which provides information on the number of claims outstanding and amounts paid. The report is presented to the Audit Committee every year."

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Snow and Ice Control	15	Operating	\$0.000	Reserve supplements Roads' annual Snow and Ice (SNIC) operating budget. Contributions of \$5 million per year for 2015 and 2016 to the reserve from the FSR was approved in Action Plan. Reserve is relatively new and being used as per authorizing documents.	No Council recommendation at this time.
Asphalt and Crusher Plant Lifecycle Capital Reserve	16	Capital	\$5.363	Reserve funds lifecycle capital for The City's Asphalt and Crusher Plan. Over the past three years, a number of capital projects have been undertaken and more are planned for the next few years. All capital projects are approved by Council.	No Council recommendation at this time.
Corporate Housing	17 & 18	Capital	\$36.073	Reserve used to develop affordable rental, social and special need housing infrastructure and operating costs. A number of approved projects have been completed using reserve funds with several more currently under development.	No Council recommendation at this time.
Downtown Improvement	19 & 20	Capital	\$3.372	Reserve used for public improvement capital projects in the downtown. Reserve has been used along with other funding sources to successfully implement a number of downtown improvement projects. There is a need to fund operating costs associated with maintaining the specialty assets (e.g. powerwash renovated underpasses). In addition, the reserve's boundary also requires updating to include Centre City.	Recommend changes to reserve's Purpose, Condition and Funding Sources as outlined in Attachment 2 (pg 19 & 20).
LED Traffic Signal Display Re-lamping Reserve	21	Capital	\$5.816	Reserve used to fund lifecycle replacement of traffic signal Light Emitting Diode (LED) units. Reserve's purpose to be changed to help with financing the initial capital expenditure of streetlight LED units and their future lifecycle replacement.	Recommend changes to reserve's Purpose, Conditions and Funding Source as outlined in Attachment 2 (pg. 21).
Parking Land Acquisition Reserve	22	Capital	\$32.657	Reserve used to purchase land for new downtown parking facilities. Limited use of the reserve over the past five years. Funds may be recommended to be used as part of an integrated downtown TOD parking plan which Transportation Planning is currently developing.	No Council recommendation at this time.
Millican-Ogden Community Enhancement	23	Sustainment (Capital & Operating)	\$0.171	In 2005, \$285,000 was set aside for local improvements in the Millican-Ogden community. To date, only \$114,000 has been used. A plan by the community to use the remaining funds is currently being developed.	Recommend that the reserve be closed and funds transferred back to the Fiscal Stability Reserve should a plan not be approved by the community association by the end of 2016. If a plan is in place, then recommend that Council close the reserve by no later than 2017 December 31.
Real Estate Services	24 & 25	Sustainment (Capital & Operating)	\$97.664	Reserve used to acquire and develop land holdings for industrial development and other municipal objectives. All reviewed transactions were appropriately approved and reported as required.	No Council recommendation at this time.