

THE CITY OF CALGARY
REPORT ON
RESERVES AND LONG TERM LIABILITIES
2014

July 2015

THE CITY OF CALGARY
RESERVES AND LONG TERM LIABILITIES
AS AT DECEMBER 31, 2010 - 2014
(\$000's)

	Page	2014	2013	2012	2011	2010
<u>Operating Reserves</u>						
Calgary Heritage Authority Legacy Endowment Fund	Closed 6	-	-	-	1,487	1,449
Calgary Heritage Authority Reserve	7	1,736	1,698	1,664	-	-
Calgary Police Service - Court Fine Revenue Operating Reserve	8	4,000	4,000	4,000	-	-
Calgary Police Service Helicopter Maintenance	9	3,000	2,706	2,905	2,617	2,397
Children's Reserve Fund	10	4,605	4,595	4,502	4,492	3,971
Civic Partners Review Reserve	Closed 12	-	-	65	65	76
Economically Disadvantaged	Closed 14	-	-	-	-	511
ENMAX Dividend Stabilization Reserve	15	16,450	10,100	-	-	-
Extended Health/Dental Reserve	Closed 16	-	-	-	-	-
Family & Community Support Service Fund Reserve	18	3,710	3,688	3,348	3,343	4,778
Fiscal Stability Reserve	20	443,371	365,460	294,985	240,932	224,916
Group Life	22	1,494	1,338	1,253	1,189	1,249
Health, Safety and Wellness	23	10,975	7,566	7,166	7,350	5,417
Heritage Incentive	24	1,369	1,283	1,185	1,153	1,013
Special Reserve Fund for Heritage Preservation	Closed 25	-	-	-	141	138
Human Resources Investment	Closed 26	-	-	-	-	-
imagineCALGARY	Closed 27	-	-	-	-	-
Investment Income Stabilization	Closed 28	-	-	-	-	-
Livery Transport Services	29	4,539	3,722	3,127	2,633	2,017
Mall Programming	30	754	744	1,017	1,002	987
Parks Foundation	31	2,257	2,114	2,099	2,100	2,087
Self - Insurance	32	7,000	7,000	7,000	7,000	7,000
Snow and Ice Control	33	-	4,141	3,220	-	-
Tax Loss Provision	34	37,398	39,823	39,823	36,329	33,146
Unappropriated Surplus	Closed 35	-	-	31,258	5,243	24,992
		542,658	459,978	408,617	317,076	316,144

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	Page	2014	2013	2012	2011	2010
Capital Reserves						
911 Communications Centre Capital Financing	36	11,830	8,821	6,612	3,440	900
Artificial Turf Field Lifecycle Reserve	37	1,548	1,047	2,108	428	197
Asphalt and Crusher Plant Lifecycle Capital Reserve	38	5,363	7,500	6,459	7,497	7,372
Calgary Police Services Capital Reserve	40	30,978	28,362	25,923	20,151	21,994
Calgary Police Service Pay-As-You-Go	Closed 42	-	-	-	-	2,501
Community Investment Reserve	44	168,302	151,077	112,223	76,959	36,914
Container Capital	Closed 46	-	-	-	-	472
Corporate Housing	48	36,073	34,105	46,749	45,153	65,589
Debt Servicing	50	52,570	52,570	67,769	72,996	82,827
Downtown Improvement	52	3,372	3,207	3,033	3,435	3,462
Fleet Services Capital Reserve	54	4,042	-	-	-	-
Information Technology	55	18,189	15,867	15,156	16,322	16,790
Landfill Capital Financing	Closed 56	-	-	-	-	23,587
Landfill Closure	Closed 57	-	-	-	-	-
Landfill Revenue	Closed 58	-	-	-	-	10,794
LED Traffic Signal Display Re-Lamping Reserve	59	5,816	5,622	5,666	4,963	4,260
Legacy Parks	60	23,033	19,738	13,332	9,695	15,733
Lifecycle Maintenance and Upgrade	62	97,251	125,729	102,075	92,205	75,477
Miscellaneous Capital - Calgary Transit	Closed 64	-	-	-	-	2,344
Miscellaneous Capital - Fire	Closed 65	-	-	-	-	515
Parking Land Acquisition Reserve	66	32,657	24,688	19,991	12,801	18,578
Reserve for Future Capital	68	318,286	269,629	271,888	255,491	232,534
Revolving Fund for General Land Purchases	70	84,505	52,347	58,654	49,799	28,161
Storm Sewer Upgrade	Closed 72	-	-	-	-	8,624
TELUS Convention Centre	73	253	200	200	315	220
YMCA	Closed 74	-	-	-	-	1,443
		894,068	800,509	757,838	671,650	661,288
Sustainment Reserves						
(combined operating & capital reserves)						
Community Sustainability & Public Art Reserve	76	5,715	5,285	5,036	3,736	3,737
Development & Building Approvals (DBA) Sustainment Fund	78	76,247	48,701	30,794	27,488	36,071
Golf Course Levy	80	529	327	148	111	438
Millican-Ogden Community Enhancement	81	171	171	171	271	285
Parks Endowment and Sustainment	82	1,291	1,184	1,408	1,334	1,836
Perpetual Care of the Municipal Cemetery System Reserve	84	12,549	10,359	8,635	7,873	8,383
Real Estate Services	86	97,664	80,552	76,122	78,809	35,851
Utility Sustainment Reserve	88	49,153	44,076	52,226	18,982	-
Waste and Recycling Sustainment Reserve	89	41,968	33,808	41,911	58,162	-
Wastewater	Closed 90	-	-	-	-	5,000
Waterworks	Closed 91	-	-	-	-	5,000
		285,287	224,463	216,451	196,766	96,601
Total Reserves		1,722,013	1,484,950	1,382,906	1,185,492	1,074,033
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)		(27,490)	(8,159)	(31,258)	(5,243)	(24,992)
Livery Transport Services surplus		-	-	-	(2,633)	(2,017)
Revolving Fund for General Land Purchases		(84,505)	(52,347)	(58,654)	(49,799)	(28,161)
CMLC Internally Restricted (Real Estate Services)		(6,750)	(6,752)	(7,883)	(9,204)	-
AHCC Internal Sale (Corporate Housing Reserve)		(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)		22,589	17,010	13,737	10,625	6,848
Calgary Public Library operating fund		573	1,672	1,147	1,976	1,029
Reserves per financial statements		1,626,107	1,434,171	1,297,791	1,129,335	1,026,740

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	Page	2014	2013	2012	2011	2010
<u>Long Term Liabilities</u>						
<u>Capital Deposits</u>						
Acreage Assessments	94	341,689	316,486	304,502	252,312	165,235
Alberta Municipal Infrastructure Program (AMIP)	95	11,699	25,969	45,351	105,403	162,253
Cash in Lieu of Parking Fund	96	8,882	5,783	5,219	4,004	3,979
Eau Claire Improvement Fund	97	931	975	934	934	909
Federal Gas Tax Fund	98	-	32,769	44,377	25,658	32,439
Basic Municipal Transportation Grant	99	259,873	134,742	131,561	105,839	136,829
Infrastructure Canada - Alberta Program (ICAP)	100	173	173	173	173	173
Miscellaneous Capital Deposits	102	185,252	256,958	128,456	118,922	128,699
Municipal Sustainability Initiative (MSI)	104	99,264	132,973	4,387	1,698	33,879
New Deal for Federal Public Transit Trust	105	-	-	-	-	24,956
Plus 15 Cash in Lieu Fund	106	23,999	22,937	22,350	24,624	24,126
		931,762	929,765	687,310	639,567	713,477
<u>Employee Benefit Obligations</u>						
Defined Benefit Pension Plans (Registered & Non-Registered)	107	68,153	59,873	43,690	33,613	26,688
Funded Vacation and Overtime Liability	108	195,460	189,013	180,606	170,535	166,835
Other Retirement Benefits Liability	109	160,036	149,941	137,514	125,307	115,615
		423,649	398,827	361,810	329,455	309,138
<u>Supplementary Schedules</u>						
Reserves Continuity	112					

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

Calgary Heritage Authority (CHA) Legacy Endowment Fund -

CLOSED

\$ -
(2014)

Operating Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	1,449	1,416	1,378
Investment income	-	-	38	33	38
Contribution	-	-	-	-	-
Transfer to Calgary Heritage Authority (1)	-	-	(1,487)	-	-
Closing balance	-	-	-	1,449	1,416

(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\$ 1,736
(2014)

Operating Reserve (\$000s)

Authorization: PFC2012-0159**Purpose:** Provide financial capital and operating resources for the overall activities and responsibilities of the Calgary Heritage Authority (CHA). These include ongoing work on The City of Calgary (The City) Inventory of Evaluated Historic Resources, public awareness initiatives including the bi-annual Lion Awards for historic preservation and other projects or programs to be developed by the 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. This includes maintain and amending Inventory of Evaluated Historic Resource and managing a plaque and awards program.**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	1,698	1,664	-	-	-
Transfer from CHA Legacy Endowment Fund (1)	-	-	1,487	-	-
Transfer from Special Reserve for Heritage Preservation (1)	-	-	141	-	-
Investment Income	38	34	36	-	-
Closing balance	<u>1,736</u>	<u>1,698</u>	<u>1,664</u>	-	-

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

Source Contacts: Financial – L. Mandryk, Acting Finance Lead, PDA, Finance & Supply
Operational – M. Broadhurst, Manager, City Wide Strategy**Review Schedule:** Last Review: N/A Next Review: 2015

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

Operating Reserve (\$000s)

(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	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>	-	-

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\$ 3,000

Operating Reserve (\$000s)

(2014)**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 fundsInvestment income: ___ yes x no**Related Budget****Programs:** Operating program: #070 Calgary Police Service**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2013</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	2,706	2,905	2,617	2,397	2,011
Contributions from operations	808	809	808	809	808
Contributions to operations	(514)	(1,008)	(520)	(589)	(422)
Closing balance	<u>3,000</u>	<u>2,706</u>	<u>2,905</u>	<u>2,617</u>	<u>2,397</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

(2014)

Authorization: C2000-07, FCS2004-22, CPS2008-87, FCS2010-19, FCS2011-34 and PFC2012-0606

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).

To support cross-business unit or inter-departmental initiatives that enhances The City's ability to respond to social needs and contribute to improving the quality of life for low-income Calgarian families and their children.

To meet the fiscal schedule of the school year, any remaining funds from the operations of City Hall School at year end will be placed in the Children's Reserve Fund to bring them forward to future years.

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: Funds placed in this reserve on behalf of City Hall School are to be held until used by City Hall School. 100% of investment income earned on the non-City Hall School reserve funds to be used to support the other purposes.

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. There was an originating balance of \$3,816 from the Emerging Social Issues Reserve. Remaining funds from the operations of City Hall School at year end should be brought forward to the next year. Other sources are at the discretion of Council.

Investment income: yes no

Related Budget Programs:

Operating program: #421 Community & Neighbourhood Services

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	4,595	4,502	4,492	3,971	3,968
Investment Income	101	93	99	104	103
Contribution to Recreation/CNS	(91)	-	(89)	-	-
Transfer to Economically Disadv Rsrv	-	-	-	(94)	(100)
Transfer from Economically Disadv Rsrv (1)	-	-	-	511	-
Closing balance	<u>4,605</u>	<u>4,595</u>	<u>4,502</u>	<u>4,492</u>	<u>3,971</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 – K. Black, Manager, Partnerships and Policy, Community & Neighbourhood Services

Review Schedule: Last Review: 2012 Next Review: 2015

Civic Partners Review Reserve - CLOSED

\$ -
(2014)

Operating Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	65	65	76	145
Transfer to operations	-	(65)	-	(11)	(69)
Closing balance	-	-	65	65	76

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\$ -
(2014)

Operating Reserve (\$000s)

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: yes no
(Interest bearing beginning in 1998)**Related Budget Programs:** Operating program: #426 Recreation**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	511	511
Investment income	-	-	-	13	13
Contributions from other reserves (1)	-	-	-	94	100
Contributions to operations	-	-	-	(107)	(113)
Transfer to Childrens Reserve Fund (2)	-	-	-	(511)	-
Closing balance	-	-	-	-	511

(1) Transfer from Children's reserve-fee assistance program - - - 94 100(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\$ 16,450
(2014)

Operating Reserve (\$000s)

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 x no**Related Budget****Programs:** Operating program: #860 and General Revenue program**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	10,100	-	-	-	-
Investment income	-	-	-	-	-
Contributions from operations	6,350	10,100	-	-	-
Contributions to operations	-	-	-	-	-
Closing balance	<u>16,450</u>	<u>10,100</u>	-	-	-

Source Contacts: Financial – C. Fung, Corporate Finance Leader, Corporate Budget Office, Finance & Supply
Operational – C. Jacyk, Acting Finance Manager Corporate Budget Office, Finance & Supply**Review Schedule:** Last Review: N/A Next Review: 2015

Extended Health/Dental Reserve- CLOSED

Externally Restricted Operating Reserve (\$000s)

\$ -
(2014)**Authorization:** FB95-92 and FCS2010-19**Purpose:** To satisfy contractual obligations under the 'Benefits Agreement' between The City and The Municipal Employees Benefit Association of Calgary (MEBAC).**Conditions:** As per purpose.**Restrictions:** As required by the 'Benefits Agreement', The City as the employer must maintain a balance equivalent to 8% of the previous year's cost of Extended Health and Dental Benefits in respect of the Core Plan coverage for MEBAC members.**Funding Sources:** Annual funding from Employee Benefit Program.Investment income: x yes no**Related Budget****Programs:** Operating program: #787 Employee Benefits**Special Reporting****Requirements:** The City MEBAC will produce monthly financial reports and annual statements subject to audit.**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	1,897
Investment income	-	-	-	-	-
Contributions from operations	-	-	-	-	-
Contributions to operations	-	-	-	-	-
Transfer to operations - Reserve closure (1)	-	-	-	-	(1,897)
Closing balance	-	-	-	-	-

(1) On October 28, 2009, MEBAC Executive Committee approved the closure of MEBAC's matching reserve. Per report FCS2010-19, reserve closed in 2010 and remaining funds transferred to the employee benefits program.

Source Contacts: Financial – Finance Lead, Benefits Accounting, Finance & Supply
Operational – Finance Manager, Corporate Financial Reporting, Finance & Supply**Review Schedule:** Not applicable – reserve closed

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Family & Community Support Service (FCSS) Stabilization Fund

(formerly Innovative/Preventive & FCSS Fund)

Operating Reserve (\$000s)

\$ 3,710
(2014)

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

Purpose: To facilitate positive change to the social service delivery system and to ensure that the new infusion of funds was carefully and strategically assigned to priority areas and that the community agencies had time to develop programs to maximize planned growth.

Conditions: An annual review is required by Community & Neighbourhood Services in consultation with both recipient and non-recipient agencies to determine the appropriateness of funds taken out of the reserve and viability of the funded project.

Per FCS2004-22 Administration will track and monitor separately the two components of the reserve:

- The agency review commitments (formerly held within the Agency Review Reserve) – 2014 - \$0 (2013 - \$0) (see next paragraph), and
- The FCSS stabilization fund portion of the reserve (formerly held within the Innovative/Preventive & FCSS Fund) - 2014- \$3,710 (2013 - \$3,688).

As per CPS2009-09, in 2009 all remaining funds from the Agency Review commitments are approved to be transferred for the implementation of the Social Sustainability Framework and FCSS Funding Priorities, and the closure of this portion of the reserve.

Restrictions: As per purpose.

Funding Sources: Annual operating contribution – The initial 1995 contribution was from the Community & Social Development operating surplus.

Investment income: ___ yes x no

Related Budget Programs:

Operating Program: #421 Community & Neighbourhood Services

Special Reporting Requirements:

Annual review by Community & Neighbourhood Services, as described under conditions.

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	3,688	3,348	3,343	4,778	3,855
Contributions from operations	1,474	1,894	1,439	272	2,182
Contributions to operations (1)	(1,452)	(1,554)	(1,434)	(1,707)	(1,259)
Closing balance	<u>3,710</u>	<u>3,688</u>	<u>3,348</u>	<u>3,343</u>	<u>4,778</u>

(1) As per CPS2011-19, the transfer of \$1 million from the FCSS Stabilization Fund in 2011 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: 2012 Next Review: 2015

Fiscal Stability Reserve\$ 443,371

Operating Reserve (\$000s)

(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	365,460	294,985	240,932	224,916	195,738
Surplus (Previous year)	-	31,258	5,240	24,992	2,141
Surplus (Current year) (1)	27,490	8,159	-	-	-
Investment income	8,504	6,855	5,444	6,521	5,050
Net contribution to operations	(27,106)	(17,370)	(11,123)	(37,161)	(26,462)
Net contribution to capital (2)	(16,310)	-	-	-	-
Funding contribution from operations (3)	84,713	45,073	57,450	22,942	48,201
Transfers (to) from other reserves (4)	620	(3,500)	(2,958)	(1,278)	248
Closing balance (5)	<u>443,371</u>	<u>365,460</u>	<u>294,985</u>	<u>240,932</u>	<u>224,916</u>

- (1) Due to a change in policy commencing 2013, the 2013 surplus is shown in the 2013 column to more appropriately reflect the funds in the FSR. In prior years, the current year surplus used to be shown as a separate item called Unappropriated Surplus in the Reserves Report.
- (2) Net contribution to capital relate 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 generally from the transfer of various unspent contingency funds (Property and Business Tax Contingent Fund and Fuel contingency).
- (4) Transfer (to) from other reserves
 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 Snow and Ice Control (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. Per PFR2012-0045, transfer of funds to Roads Snow and Ice Control (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).
 2010: Closure and transfer of remaining funds from: Human Resources Investment Reserve \$216 and Imagine Calgary Reserve \$32.
- (5) Committed amounts in the closing balance total \$163,607 for Flood Resiliency projects, 2015-2018 Action Plan projects and Snow and Ice Control funding.

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

Review Schedule: Last Review: 2012 Next Review: 2015

Group Life Reserve

Externally Restricted Operating Reserve (\$000s)

\$ 1,494
(2014)

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% (2014) 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% (2014) of the Refund Billed Premium for the last complete policy year.

Funding Sources: Annual funding from Program #787 Employee Benefits.

Investment income: yes no

Related Budget Programs: Operating Program: #787 Employee Benefits

Special Reporting Requirements: Quarterly financial reports and annual financial statements for the MEBAC executive and City management. The financial statements are subject to an annual audit.

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	1,338	1,253	1,189	1,249	1,084
Investment income	29	25	26	33	28
Contributions From/(to) Operations	127	60	38	(93)	137
Closing balance	<u>1,494</u>	<u>1,338</u>	<u>1,253</u>	<u>1,189</u>	<u>1,249</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: 2012 Next Review: 2015

Health, Safety and Wellness Reserve\$ 10,975

Operating Reserve (\$000s)

(2014)**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:** 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 no**Related Budget Programs:**

Operating Program: #787 Employee Benefits

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	7,566	7,166	7,350	5,417	6,393
Contributons from operations:					
Employee benefits rate	600	600	600	600	600
WCB	4,928	1,183	490	2,473	937
Contributions to operations	(2,119)	(1,383)	(1,274)	(1,140)	(2,513)
Closing balance	<u>10,975</u>	<u>7,566</u>	<u>7,166</u>	<u>7,350</u>	<u>5,417</u>

Source Contacts: Financial – T. Nguyen, Acting Finance Manager, Corporate Services, Finance & Supply
Operational – M. Lavallee, Director, Human Resources**Review Schedule:** Last Review: 2012 Next Review: 2015

Heritage Incentive Reserve\$ 1,369
(2014)

Operating Reserve (\$000s)

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

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

- To promote the rehabilitation and economic re-use of buildings designated as Municipal Historic Resources under the Historical Resources Act of Alberta (HRA).
- To address inequities that property owners assume when rehabilitating buildings designated under the HRA.
- To revitalize and rehabilitate derelict or underutilized heritage buildings.
- To 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: The Reserve will only be used for its stated purpose to “provide financial incentives for the restoration, preservation and rehabilitation of legally protected Municipal Historic Resources within the legal boundaries of The City”.

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 Planning & 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	1,283	1,185	1,153	1,013	873
Contributions from operations	225	225	225	225	225
Contributions to operations	(139)	(127)	(193)	(85)	(85)
Closing balance	1,369	1,283	1,185	1,153	1,013

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

Review Schedule: Last Review: 2012 Next Review: 2015

Special Reserve Fund for Heritage Preservation - CLOSED\$ -
(2014)

Externally Restricted Operating Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	141	138	135
Investment income	-	-	-	3	3
Transfer to Calgary Heritage Authority Reserve (1)			(141)	-	-
Closing balance	-	-	-	141	138

(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

Human Resources Investment Reserve - CLOSED\$ -
(2014)

Operating Reserve (\$000s)

Authorization: FB2001-37, FCS2004-22, FCS2004-51, FCS2007-45 and FCS2010-19**Purpose:** To fund high priority human resource projects, including the employee benefits review, CUPE 38 job evaluation and pension governance.**Conditions:** As per purpose.**Restrictions:** As per purpose.**Funding Sources:** Initial funding – 2001 OperationsInvestment income: ___ yes x no**Related Budget****Programs:** Operating Program: #792 Human Resources**Special Reporting****Requirements:** None**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	216
Contributions to Fiscal Stability Reserve (1)	-	-	-	-	(216)
Closing balance	-	-	-	-	-

(1) As per FCS2010-19, this reserve was closed in 2010 and the remaining balance of \$216 was transferred to the Fiscal Stability Reserve.

Source Contacts: Financial - Finance Manager, Corporate Services, Finance & Supply
Operational – Acting Director, Human Resources**Review Schedule :** Not applicable – reserve closed

imagineCALGARY Reserve - CLOSED

Operating Reserve (\$000s)

\$ -
(2014)**Authorization:** LPT2004-104, LPT2006-67 and FCS2010-19**Purpose:** To support the imagineCALGARY initiative which will develop a long-term urban sustainability vision and strategy for Calgary through collaborative engagement. The imagineCALGARY initiative is The City's response to its commitments as a member of the Sustainable Cities +30 Network. It will use a systems approach, including social, economic, environment, infrastructure and governance, to develop the long range plan.**Conditions:** As per purpose.**Restrictions:** As per purpose.**Funding Sources:** Original funding made in 2004 from Operating Budget surplus. In 2006, funding from grants received from Federation of Canadian Municipalities and the Western economic diversification. Reserve is closed per FCS2010-19 and amounts transferred out.Investment income: ___ yes x no**Related Budget Programs:**

Operating Program: #616 Land Use Planning & Policy

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	32
Contributions from other	-	-	-	-	-
Contributions to operations	-	-	-	-	-
Contributions to Fiscal Stability Reserve	-	-	-	-	(32)
Closing balance	-	-	-	-	-

The project is complete and as per FCS2010-19, the reserve was closed in 2010 and the remaining balance of \$32 was transferred to the Fiscal Stability Reserve.

Source Contacts:

Financial – Finance Lead, PDA, Finance & Supply
 Operational – Project Manager, Sustainable City Program, Land Use Planning & Policy

Review Schedule:

Not applicable – reserve closed

Investment Income Stabilization Reserve - CLOSED\$ -
(2014)

Operating Reserve (\$000s)

Authorization: FB96-83, FCS2010-10, FCS2011-34 (1)**Purpose:** To smooth out variances for all funds invested, including money market, bonds and equities. The effects of large swings in interest rate returns between budget and actual are smoothed by amortizing the difference in income from the current year, over the following three years.**Conditions:** Each year's variance between budgeted and actual interest is amortized over the following three-year period.

1. Favourable variance: The difference between the higher actual return and lower budgeted income on investments is transferred from the Operating Program #858 Investment Income to the Investment Income Stabilization Reserve at year end. One third of that amount is allocated back to the Operating Program #858 Investment Income from the Reserve each year over the next three years.

2. Unfavourable variance: The difference between higher budgeted and lower actual return on investments is transferred to the Operating Program #858 Investment Income from the Investment Income Stabilization Reserve at year end. One third of that amount is allocated from the Operating Program #858 Investment Income to the Reserve each year over the next three years.

Restrictions: As per purpose.**Funding Sources:** Investment Income greater than the budget requirements as a result of investment pooling.Investment income: ___ yes x no**Related Budget Programs:** Operating Program: #858 Investment Income**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	4,074
Contributions from (to) operations	-	-	-	-	(2,704)
Amortization of prior years' balance	-	-	-	-	(1,370)
Closing balance	-	-	-	-	-

(1) As per FCS2011-34, reserve is closed in 2011.

Source Contact: Financial – Finance Manager, Corporate Financial Reporting, Finance & Supply
Operational – Treasury Manager, Finance & Supply**Review Schedule:** Not applicable – reserve closed

Livery Transport Services Reserve

(Formerly Taxi Commission Operating Surplus Reserve)
Operating Reserve (\$000s)

\$ 4,539
(2014)

Authorization: FCS2004-22, and FCS2010-10. 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	3,722	3,127	2,633	2,017	1,238
Annual operating surplus (deficit)	901	668	910	537	718
Investment income	99	70	84	79	61
Contributions to capital	(183)	(143)	(500)	-	-
Closing balance	<u>4,539</u>	<u>3,722</u>	<u>3,127</u>	<u>2,633</u>	<u>2,017</u>

Source Contacts: Financial – A. Szaflarski, Finance Lead, Protective Services, Finance & Supply
Operational – M. Halat, Manager, Compliance Services & Livery Transportation

Review Schedule: Last Review: 2013 Next Review: 2016

Mall Programming Fund\$ 754

Operating Reserve (\$000s)

(2014)**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: 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	744	1,017	1,002	987	980
Investment income	16	18	22	26	22
Contributions to operations	-	-	(7)	(11)	(15)
Contributions to capital financing (1)	(6)	(291)	-	-	-
Closing balance	<u>754</u>	<u>744</u>	<u>1,017</u>	<u>1,002</u>	<u>987</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 – L. Mandryk, Acting Finance Lead, PDA, Finance & Supply
Operational – B. Barrington, Program Manager, Centre-West, Local Area Planning & Implementation**Review Schedule:** Last Review: 2012 Next Review: 2015

Parks Foundation Reserve

\$ 2,257
(2014)

Operating Reserve (\$000s)

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: yes no

Related Budget Programs:

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

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	2,114	2,099	2,100	2,087	1,981
Investment income	218	90	74	88	181
Contributions from operations	-	-	-	-	-
Contributions to operations	(75)	(75)	(75)	(75)	(75)
Closing balance	<u>2,257</u>	<u>2,114</u>	<u>2,099</u>	<u>2,100</u>	<u>2,087</u>

Source Contacts: Financial – T. LePrieur, Finance Lead, Parks, Finance & Supply
Operational – A. Charlton, Director, Parks

Review Schedule: Last Review: 2013 Next Review: 2016

Self-Insurance Reserve

\$ 7,000
(2014)

Operating Reserve (\$000s)

Authorization: FB86-130, FB94-26, FCS2010-19 and PFC2012-0606

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, as well as general liability and property insurance claims. 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 \$7.2 billion.

Conditions: 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</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.

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: 2012 Next Review: 2015

Snow and Ice Control (SNIC) Reserve

Operating Reserve (\$000s)

\$ -
(2014)**Authorization:** PFC2012-0045**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:** Maximum approved balance: \$10,500

Fund balance cannot exceed \$10,500 equivalent to three years of \$3,500 potential budget shortfalls for above average severity years and coinciding with a three year business plan and budget cycle. If the reserve fund is depleted to zero in a future year, Administration will advise Council.

Restrictions: As stated above.**Funding Sources:** The SNIC reserve fund will receive initial funding from the Fiscal Stability Reserve (FSR) of \$7,000 (\$3,500 in 2012 and \$3,500 in 2013). The reserve will be replenished from any surplus in the Roads' SNIC budget in winters with below average severity.

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.

The SNIC reserve fund will receive additional funding from the FSR of \$10,000 (\$5,000 in 2015 and \$5,000 in 2016).

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	4,141	3,220	-	-	-
Contributions to operations	(4,141)	(2,579)	(280)	-	-
Contribution from FSR	-	3,500	3,500	-	-
Closing balance	-	4,141	3,220	-	-

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

Tax Loss Provision Reserve**\$ 37,398**
(2014)

Operating Reserve (\$000s)

Authorization: FCS2007-45**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	39,823	39,823	36,329	33,146	29,630
Contributions from operations	-	-	3,494	3,183	3,516
Contributions (to) from other sources (1)	(2,425)	-	-	-	-
Closing balance	<u>37,398</u>	<u>39,823</u>	<u>39,823</u>	<u>36,329</u>	<u>33,146</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\$ -
(2014)

Operating Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	-	31,258	5,243	24,992	2,141
Surplus (1)	-	-	31,258	5,243	24,992
Transfer to Fiscal Stability Reserve	-	(31,258)	(5,243)	(24,992)	(2,141)
Surplus	-	-	31,258	5,243	24,992

(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

911 Communications Centre Capital Financing Reserve

\$ 11,830
(2014)

Capital Reserve (\$000s)

Authorization: GP98-21, FCS2004-59, FCS2010-10 and PFC2014-0847**Purpose:** To fund future capital improvements/upgrades to the 911 Public Safety communications centre.**Conditions:** As per purpose.**Restrictions:** Funds to be used as per purpose.**Funding Sources:** A portion of revenue generated from the monthly fee charged to Calgarians. (\$0.37 per voice phone line)Investment income: yes no**Related Budget****Programs:**

Operating Program: #002 Public Safety Communications

Capital Program: #045 Public Safety Communications

Special Reporting**Requirements:**

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	8,821	6,612	3,440	900	750
Contributions from operations	3,498	2,611	3,227	3,540	150
Contributions (to) capital financing	(489)	(402)	(100)	-	-
Transfer (to) from Police Reserve (1)	-	-	45	(1,000)	-
Closing balance	<u>11,830</u>	<u>8,821</u>	<u>6,612</u>	<u>3,440</u>	<u>900</u>

(1) As per report C2011-71, this is a onetime transfer of \$1,000 from the 911 Communications Centre Capital Financing Reserve to Calgary Police Service Capital Program 032 (reserve used as mechanism for transfer) for the purposes of upgrading The City's Public safety Motorola Digital Radio System.

Source Contacts:Financial Lead – A. Szaflarski, Finance Lead, PSC, Finance & Supply
Operational Lead – R. Hinse, Commander, Public Safety Communications**Review Schedule:**

Last Review: 2014

Next Review: 2017

Artificial Turf Field Lifecycle Reserve

(formerly the Major Regional Facilities Reserve)
Capital Reserve (\$000s)

\$ 1,548
(2014)

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: 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	1,047	2,108	428	197	-
Contributions from operations	476	298	271	225	197
Investment income	25	40	10	6	-
Contribution to capital	-	3,601	(3,601)	-	-
Transfer (to) from Reserve for Future Capital	-	(5,000)	5,000	-	-
Closing balance (1)	<u>1,548</u>	<u>1,047</u>	<u>2,108</u>	<u>428</u>	<u>197</u>

(1) In 2014, the Artificial Turf Lifecycle Maintenance Reserve deviated 33% from its 2014 projection. In 2013, the City took over operations of the Soccer Centre and when determining the 2014 budget it was not known whether the Soccer Centre would remain under City operations and therefore was not included resulting in an increase over projection due to revenues from the Soccer Centre that were transferred to the reserve.

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

Review Schedule: Last Review: 2013 Next Review: 2016

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Calgary Police Service Capital Reserve

Capital Reserve (\$000s)

\$ 30,978
(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	18,066	17,293	11,685	11,851	8,634
Contributions from operations	6,760	7,190	9,457	1,122	7,000
Contributions from Parking Land Acquisition Reserve (1)	-	-	7,500	7,000	-
Contributions to capital financing	(6,295)	(6,417)	(11,349)	(8,288)	(3,783)
Closing Balance	<u>18,531</u>	<u>18,066</u>	<u>17,293</u>	<u>11,685</u>	<u>11,851</u>

(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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	751	718	801	1,150	1,358
Contributions from operations	15	17	12	91	66
Investment Income (AFIS only)	17	16	18	29	37
Contributions to capital financing	-	-	(113)	(469)	(311)
Closing Balance	<u>783</u>	<u>751</u>	<u>718</u>	<u>801</u>	<u>1,150</u>

Current Activity (000's): Red Light Camera

	<u>2013</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	7,115	5,412	5,165	6,492	5,503
Contributions from operations	3,119	2,917	2,693	2,595	1,829
Contributions to capital financing	(1,070)	(1,214)	(2,446)	(3,922)	(840)
Closing Balance	<u>9,164</u>	<u>7,115</u>	<u>5,412</u>	<u>5,165</u>	<u>6,492</u>

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	2,430	2,500	2,500	2,501	845
Contributions from operations	2,499	2,325	2,500	2,044	2,325
Contributions to capital financing	(2,429)	(2,395)	(2,500)	(2,045)	(669)
Closing Balance	<u>2,500</u>	<u>2,430</u>	<u>2,500</u>	<u>2,500</u>	<u>2,501</u>

Consolidated Closing Balance (2)

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
30,978	28,362	25,923	20,151	21,994

(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, Deputy Chief, Calgary Police Service

Review Schedule: Last Review: 2014 Next Review: 2017

Calgary Police Service Pay-As-You-Go Reserve - CLOSED\$ -
(2014)

Capital Reserve (\$000s)

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 x 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	2,501	845
Contributions from operations	-	-	-	2,044	2,325
Contributions to capital	-	-	-	(2,045)	(669)
Consolidation into CPS Capital	-	-	-	-	-
Financing reserve (1)	-	-	-	(2,500)	-
Closing balance	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> 2,501</u>

(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

\$ 168,302
(2014)

Capital Reserve (\$000s)

Authorization: C2004-60, NM2004-17, CPS 2005-24, NM2006-05, C2007-74, C2008-76, LAS2008-101, CPS2011-39, FCS2011-18, and LAS2011-59

Purpose: The reserve will collect a portion of the 3% additional GST savings obtained by municipalities on expenditures incurred after February 1, 2004. The reserve funds will be collected over approximately until 2013 (up to \$102,100).

NM2006-05 directs Administration to allocate \$100,000 (following the completion of the first commitment of GST funds to the Community Investment Fund and representing approximately 10 years of future GST refunded dollars) to assist in the development and redevelopment of recreational, sport and arts and culture infrastructure. The current eligible projects are as follows: Downtown Library facility - \$40,000; Calgary Zoo facility - \$30,000; Heritage Park facility - \$10,000; TELUS World of Science facility - \$20,000; and Fort Calgary facility - \$2,100. Any additional funds needed for Community Investment Reserve administration will come from interest accruing in the reserve.

Council approved CPS2011-39 to fund priority community infrastructure capital and FCS2011-18 to amend the Community Investment Reserve to reflect this new source of funding. The amendment to the reserve is to hold the ongoing annual funding for community infrastructure starting in 2011 and to reflect the new scope of projects for which it is to be used and that the investment income generated from the new capital dollars also remain within the reserve.

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: As per purpose. Any interest returned to The City from recipients of funds from the Community Investment Fund (funding source recommended for approval).
CPS2011-39 (\$42,000 per year) is funded from tax room vacated by the Province.

Investment income: yes no

Related Budget Programs: 2004: All business unit operating budgets and corporate programs
2005 & after: Program 840 – Capital Financing
2012: Program 633 – Council Priority

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	151,077	112,223	76,959	36,914	40,929
Investment income	3,272	2,689	2,152	989	1,077
Contributions from operations	8,919	8,919	8,919	12,939	8,919
Contributions from operations (1)	348	295	154	-	-
Contribution from operations (CPS2011-39)	42,000	42,000	42,000	42,000	-
Contributions from operation (interest from HP)	-	-	-	-	13
Contributions to operations (2)	-	(120)	(372)	(2,151)	(174)
Contributions from Reserve for Future Capital	1,500	1,500	1,500	1,500	1,500
Contributions to capital projects	(25,304)	(15,459)	(14,775)	(15,232)	(15,350)
Transfer to other reserves (3)	(62)	(194)	(4,314)	-	-
Transfer to other reserves (4)	(13,448)	(776)	-	-	-
Closing Balance (5)	168,302	151,077	112,223	76,959	36,914

- (1) A Per LAS2011-59, The Community Investment Reserve incurred \$1,965 in expenses for the lease surrender agreement for the Father David Bauer Arena. These expenses are expected to be recovered from 2012 – 2018.
- (2) Office of Capital and Asset Management salary & wage recovery from Community Investment Fund Reserve for staff helping on Community Investment Fund Projects.
- (3) Transfer \$62 to Office of Land Servicing & Housing – Real Estate Services Reserve for funding Bow Valley College facilities in Block 40 as approved for \$5,791 in LAS2007-36 and LAS2008-101.
- (4) Transfer of \$13,448 to Corporate Financing for debt servicing charges of 4 new recreation centres approved for \$17,000 annually (\$250,000 debt with 20 year term) in Council report C2012-10 (2012 Feb 6) and recommended in PFC2012-0248.
- (5) Committed amounts included in the closing balance total \$168,302 for future projects.

Source Contact: Financial Lead(s) – J. Salazar, Finance Lead, CNS, Finance & Supply
S. MacFayden, Finance Manager, CSPS & Legislative, Finance & Supply
Operational Lead(s) – S. Dalgleish, General Manager, Community Services & Protective Services

Review Schedule: Last Review: 2013

Next Review: 2016

Container Capital Reserve - CLOSED\$ -
(2014)

Capital Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	472	376
Contributions from operations	-	-	-	250	335
Contributions to capital	-	-	-	(46)	(239)
Transfer to Waste and Recycling Sustainment reserve	-	-	-	(676)	-
Closing balance	-	-	-	-	472

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)

\$ 36,073
(2014)

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:**
- 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; and
 - 5) 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, and
 - 6) Investment income.

Related Budget Programs:

Operating Program: #488 Land Servicing & Housing
Capital Program: #489 Public Housing

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	34,105	46,749	45,153	65,589	42,935
Investment income	597	784	868	1,539	1,669
Contributions from operations (1)	3,016	3,496	13,208	5,443	41,133
Contributions to operations	(1,644)	(3,304)	(3,656)	(10,318)	(11,278)
Contributions to capital (2)	(1)	(13,620)	(8,824)	(17,100)	(8,870)
Closing balance	<u>36,073</u>	<u>34,105</u>	<u>46,749</u>	<u>45,153</u>	<u>65,589</u>

(1) Includes provincial block funding of \$4,162 for 2012, \$37,457 for 2010 and \$47,923 for 2009. 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.

(2) Contributions to capital:

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.

2010: Major Projects: Louise Station (\$2,583), Manchester North (\$4,318), Lomond (\$1,242), Vida (\$1,941), Parkhill (\$1,692), Vista Grande (\$34) and recovery of land transfer \$2,940

Source Contact: Financial – J. Tchinkova, Finance Lead, Land Servicing & Housing, Finance & Supply
Operational – G. Sokolan, Coordinator Affordable Housing, Land Servicing & Housing

Review Schedule: Last Review: 2012 Next Review: 2015

Debt Servicing Reserve\$ 52,570

Capital Reserve (\$000s)

(2014)

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.
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 UE2007-07 for Waste & Recycling Services – for Blue Cart project up to \$8 million.
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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	52,570	67,769	72,996	82,827	87,991
Investment income	1,207	1,473	2,027	2,698	2,820
Contributions (to) from operations					
Debt Charge Savings	94,752	94,752	94,752	92,480	90,254
Principal Payment	(39,374)	(54,506)	(57,981)	(54,156)	(53,070)
Interest Payment	(14,875)	(16,918)	(19,024)	(20,854)	(21,833)
Loan to Calgary Municipal Land Corp. (CMLC) (3)	-	-	10,000	-	-
Contributions (to) from other Reserves					
Contribution to LMUR (1)	(11,710)	(10,000)	(10,000)	(10,000)	(10,000)
Contribution to PAYG (2)	(30,000)	(30,000)	(25,000)	(20,000)	(15,000)
Loan to WRS - Blue Cart project (4)	-	-	-	-	1,665
Closing Balance	<u>52,570</u>	<u>52,570</u>	<u>67,769</u>	<u>72,996</u>	<u>82,827</u>

- (1) As per report FCS2006-42 and FCS2008-28, the amounts transferred to Lifecycle Maintenance & Upgrade Reserve is:
- fixed amount of \$10,000 annually: 2007 to 2014
- funding not committed to tax supported debt: none in 2010 to 2013, \$1,710 for 2014
- (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 is fully paid at the end of 2012;
- (4) As per report UE2007-07, this is an internal funding loan to Blue Cart project repayable from user fees starting in 2009. This loan was fully paid at the end of 2010.

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

Review Schedule: Last Review: 2013 Next Review: 2016

Downtown Improvement Fund
Excluding Stephen Avenue Heritage Area Society Fund

\$ 3,372
(2014)

Capital Reserve (\$000s)

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

Purpose: The downtown Improvement Fund was created in 1986 to assist in the implementation of public improvement projects in the Downtown. FB94-93 amended the Reserve to use \$60 annually for smaller capital projects downtown.

Conditions: Funds are to be used for high priority downtown improvement projects through the capital budget process. As per LPT2008-74, an ongoing annual expenditure up to a maximum of \$300 can be spent on small-scale improvements in the downtown area. This condition was amended as part of the Triennial Reserve Review (PFC2012-0606) as follows: "The annual maximum the reserve may fund is \$300 plus any accrued carry-forward spending from previous years." As well, as per PUD2012-03, Council authorized exceeding the annual \$300 funding limit by \$250 for 2012.

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

Funding Sources: License fees charged to commercial users of public rights-of-way (OD84-45). In December 1985, Council adopted Commissioners' Report OD85-120 to retain license fees revenues obtained from commercial users of public areas to be used by the city for the purpose of tree planting, parks, landscaping and minor improvements.

In 1989, the Fund was allocated \$1,400 from the lease of setbacks and air rights from the Eaton's Centre project.

Investment income: 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

Fleet Services Capital Reserve\$ 4,042
(2014)

Capital Reserve (\$000s)

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>2013</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	630
Contributions from operations	4,042	-	-	-	-
Contributions to capital financing	-	-	-	-	(630)
Closing balance	4,042	-	-	-	-

Source Contacts: Financial - T.Nguyen, Acting Finance Manager, Deputy City Manager's Office, Corporate Administration, and Chief Financial Officer Department, Finance & Supply
Operational – M. Belzile, Manager Business Operations, Fleet Services**Review Schedule:** Last Review: 2011

Next Review: 2014

Landfill Capital Financing Fund - CLOSED\$ -
(2014)

Capital Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	23,587	16,282
Contribution from User surcharges	-	-	-	7,398	7,463
Contribution from Waste Mgmt Charges	-	-	-	631	4,026
Investment income	-	-	-	628	539
Contribution to capital	-	-	-	(17,737)	(4,723)
Transfer to Sustainment Reserve	-	-	-	(14,507)	-
Closing balance	-	-	-	-	23,587

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\$ -
(2014)

Capital Reserve (\$000s)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	-	9,688
User surcharges	-	-	-	6,345	-
Investment income	-	-	-	1,159	558
Contribution to operations	-	-	-	(164)	(148)
Contribution to capital	-	-	-	(171)	(322)
Transfer (to)/From Landfill Closure Liability (1)	-	-	-	3,300	(9,776)
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. In 2010, the full balance of \$9,776 (2009 - \$600) was transferred from the Landfill Closure Fund to the landfill closure liability to partially fund the increase required for the Provision for Landfill Rehabilitation.

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\$ -
(2014)

Capital Reserve (\$000s)

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: 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>2013</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	10,794	9,829
Contributions from user surcharges	-	-	-	7,379	12,165
Contributions from residential recycling	-	-	-	14,980	3,575
Investment Income	-	-	-	359	413
Contributions to operations	-	-	-	(3,851)	(10,815)
Contributions to capital	-	-	-	(251)	(4,373)
Transfer to Sustainment Reserve	-	-	-	(29,410)	-
Closing balance	-	-	-	-	10,794

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

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

Legacy Parks Reserve

Capital Reserve (\$000s)

\$ 23,033
(2014)

Authorization: LPC2003-17, NM2003-36, NM2003-40, C2003-67, C2006-62, NM2007-35, C2008-76, LPC2008-02, CPS2009-36, M2010-08, NM2012-05 and LPC2012-0809

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.

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: yes no

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	19,738	13,332	9,695	15,733	31,737
Contributions from/(to) operations	6,150	9,900	8,700	3,300	18,800
Investment income	435	287	234	375	648
Contributions to capital	(3,290)	(3,781)	(5,297)	(9,713)	(35,452)
Closing balance	<u>23,033</u>	<u>19,738</u>	<u>13,332</u>	<u>9,695</u>	<u>15,733</u>

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

\$ 97,251
(2014)

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);

Investment income: ___ yes x no

Related Budget Programs:

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

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	125,729	102,075	92,205	75,477	55,404
Contributions from operations	36,071	33,051	29,552	24,884	23,289
Contributions from Debt Servicing Reserve	11,710	10,000	10,000	10,000	10,000
Contributions from Property Tax Room (2)	10,231	62,346	10,231	-	-
Contributions to capital	(87,558)	(81,830)	(38,545)	(20,797)	(13,216)
Transfer from Misc Capital - Fire (1)	151	12	120	655	-
Transfer (to) from Misc Capital - Transit (1)	917	75	(1,488)	1,986	-
Closing balance (3)	<u>97,251</u>	<u>125,729</u>	<u>102,075</u>	<u>92,205</u>	<u>75,477</u>

(1) As per report FCS2011-34, the Misc Capital Fire and Transit reserves are transferred into the LMUR.

(2) As per report M2012-0828 and C2013-0330, the Additional Tax Room funds are transferred to the LMUR annually.

(3) Committed amounts included in the closing balance total \$50,197 for future projects.

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

Review Schedule: Last Review: 2014

Next Review: 2017

Miscellaneous Capital Reserve – Calgary Transit - CLOSED\$ -
(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	2,344	2,102
Contributions from operations	-	-	-	992	242
Contributions to capital financing	-	-	-	(1,350)	-
Transfer to lifecycle Maintenance (1)	-	-	-	(1,986)	-
Closing balance	-	-	-	-	2,344

(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 fire assets and future funds received from Alberta Health Services are to be segregated and used exclusively for fire protective equipment.

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

Miscellaneous Capital Reserve – Fire - CLOSED\$ -
(2014)

Capital Reserve (000's)

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):

	2014	2013	2012	2011	2010
Opening balance	-	-	-	515	449
Contributions from operations	-	-	-	140	66
Transfer to Lifecycle Reserve (1)	-	-	-	(655)	-
Closing balance	-	-	-	-	515

(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**\$ 32,657**

Capital Reserve (\$000s)

(2014)**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	24,688	19,991	12,801	18,578	14,129
Contributions from Calgary Parking Authority	7,639	4,276	6,907	3,300	3,975
Contributions to Capital Financing (1)	-	-	-	(2,442)	-
Contributions to Capital Financing (3)	(248)	-	-	-	-
Transfer to Other Reserves (2)	-	-	-	(7,000)	-
Investment Income Allocation	578	421	283	365	474
Closing balance	<u>32,657</u>	<u>24,688</u>	<u>19,991</u>	<u>12,801</u>	<u>18,578</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 services for acquisition of a police parkade through the Calgary Police Services 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, Sr. Finance Lead, Calgary Transit and Transportation Infrastructure, Finance & Supply
Operational – C. Blaschuk, Acting Manager, Transportation Strategy, Transportation Planning**Review Schedule:** Last Review: 2012

Next Review: 2015

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Reserve for Future Capital (RFC)**\$ 318,286**

Capital Reserve (\$000s)

(2014)**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 (including third party leases, self-supported operations recovery, and corporate accommodation properties sales) and space provision funds for new employees (FCS2010-027).
2. Franchise Fee amounts in excess of budget (FCS2004-062)
3. Contribution from Debt Servicing Reserve (DSR) for Pay-as-You-Go (PAYG) funding, up to \$30,000 as of 2013 (FCS2008-028)
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 CouncilInvestment income: ___ yes x no**Related Budget Programs:**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	269,629	271,888	255,491	232,534	251,054
Net contribution from operations	155,979	78,539	89,713	88,993	72,923
Transfer from Debt Servicing Reserve ("DSR")	30,000	30,000	25,000	20,000	15,000
Contribution from Parking Authority	1,000	1,000	1,000	1,000	1,000
Disbursement for capital financing	(136,822)	(107,225)	(94,981)	(75,378)	(104,797)
Disbursement for debt prepayment	-	(3,073)	(2,835)	(3,667)	(1,146)
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 (3)	<u>318,286</u>	<u>269,629</u>	<u>271,888</u>	<u>255,491</u>	<u>232,534</u>
Represented By:					
Allocated					
Red light camera reserve (1)	-	-	-	-	6,491
Property owners' local improvement repayments	-	-	3,072	2,835	3,667
RFC Flow Through	96,791	26,231	15,758	20,141	-
Unexpended pay-as-you-go	63,641	71,484	78,057	72,073	59,312
Unexpended reserve for future capital	20,051	64,824	58,381	103,674	92,008
Unallocated					
RFC - contingency (2)	<u>137,803</u>	<u>107,090</u>	<u>116,620</u>	<u>56,768</u>	<u>71,056</u>
	<u>318,286</u>	<u>269,629</u>	<u>271,888</u>	<u>255,491</u>	<u>232,534</u>

- (1) Per FCS2011-34, the red light camera reserve balances are transferred to the Calgary Police Services Capital Reserve.
- (2) Per FCS2011-34, the target balance for contingency purposes is 10% of previous year's capital less self-funded capital projects. As such the \$137,803 includes \$73,275 as the target contingency balance with the remaining \$64,528 as unallocated.
- (3) Committed amounts included in the closing balance total \$49,728 for future capital projects.

Source Contact: Financial/Operational – R. Liu, Sr. Finance Lead, 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

\$ 84,505
(2014)

Capital Reserve (000's)

Authorized: Commissioners' Report FB98-43, 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 3 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 – 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening Balance	52,347	58,654	49,799	28,161	26,793
Investment Income	1,317	1,089	839	838	489
Contributions from land sales	35,869	12,711	6,177	5,106	11,555
Contributions (to) from operations	1,739	2,181	2,401	2,532	2,071
Contributions (to) from capital	(3,005)	(17,447)	3,510	(2,829)	(1,463)
Contributions (to) from other reserves	-	(1,429)	(2,068)	531	(11,284)
Net transfers to (from) restricted reserve (1)	(3,762)	(3,412)	(2,004)	15,460	-
Closing Balance	<u>84,505</u>	<u>52,347</u>	<u>58,654</u>	<u>49,799</u>	<u>28,161</u>

(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 \$6,282.

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\$ -
(2014)

Capital Reserve (\$000s)

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: 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	8,624	7,786
Investment income	-	-	-	252	200
Contribution from operations	-	-	-	3,609	3,609
Contribution to capital	-	-	-	178	(923)
Transfer to/from Real Estate Reserve	-	-	-	(1,867)	(2,048)
Transfer to Utility Sustainment Reserve	-	-	-	(10,796)	-
Closing balance	-	-	-	-	8,624

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

Source Contacts: Financial – Sr. 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)

\$ 253
(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	200	200	315	220	280
Contributions from operations	180	180	180	180	180
Contributions to capital	(127)	(180)	(295)	(85)	(240)
Closing balance	<u>253</u>	<u>200</u>	<u>200</u>	<u>315</u>	<u>220</u>

Source Contacts: Financial – J. Salazar, 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)

\$ -
(2014)**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: yes no**Related Budget Programs:**

Capital Program: #507 Other Recreation Facilities

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	1,443	1,406
Investment income	-	-	-	30	37
Contributions to capital	-	-	-	(1,473)	-
Closing balance	-	-	-	-	1,443

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)

\$ 5,715
(2014)

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.

Operational: (1) Transfer from the Lifecycle Assistance and Energy Reserve in 2008, \$580

Capital: (2) Transfer from corporate favorable operating variance in 2008, \$3000

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	5,285	5,036	3,736	3,737	3,580
Contributions from operations	-	15	39	52	157
Contributions from other reserves	789	707	2,287	-	-
Contributions to operations	(124)	(473)	(1,026)	(53)	-
Transfer between reserves	(235)	-	-	-	-
Closing balance	<u>5,715</u>	<u>5,285</u>	<u>5,036</u>	<u>3,736</u>	<u>3,737</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 Culture, Recreation

Review Schedule: Last Review: 2013 Next Review: 2016

Development & Building Approvals (DBA) Sustainment Fund

\$ 76,247
(2014)

Combined Operating & Capital Reserve (\$000s)

Authorization: FB2003-49, C2005-68, FCS2005-33, FCS2006-37, FCS2007-45, 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	48,701	30,794	27,488	36,071	38,189
Investment income	1,377	826	682	860	1,034
Contributions from (to) operations	30,085	20,080	6,826	(1,770)	2,185
Contributions to capital	(3,916)	(2,999)	(4,202)	(7,673)	(5,337)
Closing balance	<u>76,247</u>	<u>48,701</u>	<u>30,794</u>	<u>27,488</u>	<u>36,071</u>

Source Contacts: Financial – L. Mandryk, Acting Finance Lead, PDA, Finance & Supply,
A. Szaflarski, Finance Lead, 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\$ 529
(2014)

Combined Operating and Capital Reserve (\$000s)

- 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: yes no

Related Budget

Programs: Operating Program: #426 Recreation
Capital Program: #505 Golf Courses

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	327	148	111	438	1,379
User surcharges	183	166	-	169	156
Investment income	19	13	27	25	49
Contributions from operations	-	389	532	2	-
Contributions to operations	-	-	-	-	(477)
Contributions to capital	-	-	(30)	(31)	(177)
Debenture repayments	-	(389)	(492)	(492)	(492)
Closing balance	<u>529</u>	<u>327</u>	<u>148</u>	<u>111</u>	<u>438</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)

\$ 171
(2014)**Authorization:** C2005-80, 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 ReserveInvestment income: ___ yes x no**Related Budget Programs:** Operating Program: #616, Land Use Planning & Policy**Special Reporting Requirements:** None**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	171	171	271	285	285
Transfers to operations	-	-	(100)	(14)	-
Closing balance	<u>171</u>	<u>171</u>	<u>171</u>	<u>271</u>	<u>285</u>

Source Contacts: Financial – L. Mandryk, Acting Finance Lead, PDA, Finance & Supply
Operational – T. Mahler, Manager, Local Area Planning & Implementation**Review Schedule:** Last Review: 2012 Next Review: 2015

Parks Endowment and Sustainment Reserve (formerly Parks Maintenance Reserve)

\$ 1,291
(2014)

Externally Restricted Sustainment Reserve (\$000s)

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 \$210 (2013 - \$218),
- Variety Park Endowment Fund - the fund is available for the maintenance and lifecycle for the spray park features and infrastructure. Fund balance is \$132 (2013 - \$133),
- Olympic Plaza endowment - the fund is available for lifecycle maintenance and upgrades to Olympic Plaza. Fund balance is \$131 (2013 - \$129).

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:

- Canada Energy/Birth Place Forest \$96 (2013 - \$71)
- Playfields; fund balance is \$13 (2013 - \$166).
- Rawlinson Estate's contribution. Both principal and interest must be used in the Inglewood Bird Sanctuary operations; fund balance is \$28 (2013 - \$27).
- Urban Forestry; fund balance is \$15 (2013 - \$15).
- Remaining balance of \$665 (2013 - \$426) is made up of miscellaneous projects.

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	1,184	1,408	1,334	1,836	1,549
Investment income	29	28	31	49	43
Contributions from operations	686	455	403	340	415
Contributions to capital	(20)	-	-	-	-
Contributions to operations	(588)	(707)	(360)	(891)	(171)
Closing balance	<u>1,291</u>	<u>1,184</u>	<u>1,408</u>	<u>1,334</u>	<u>1,836</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\$ 12,549

Combined Operating & Capital Reserve (\$000s)

(2014)

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: yes no**Related Budget****Programs:**

Operating Program: #445 Parks

Capital Program: #504 Cemeteries

Special Reporting**Requirements:**

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	10,359	8,635	7,873	8,383	7,006
Investment income	258	193	186	218	206
Contributions from operations	3,180	2,416	1,746	1,549	2,503
Contributions to operations	(1,024)	(795)	(962)	(1,693)	(1,064)
Transfers to capital	(224)	(90)	(208)	(584)	(268)
Closing balance	<u>12,549</u>	<u>10,359</u>	<u>8,635</u>	<u>7,873</u>	<u>8,383</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

\$ 97,664
(2014)

Combined Operating & Capital Reserve (\$000s)

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 of 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	80,552	76,122	78,809	35,851	11,561
Contributions (to)/from operations for land sales	43,139	6,213	4,479	28,185	21,053
Contributions (to)/from operations	-	(902)	(883)	(864)	(740)
Transfer (to)/From Other Reserves (1)	2,233	3,714	5,267	(5,612)	14,958
Investment income	96	92	114	171	129
Contributions to capital financing (2)	(28,356)	(4,687)	(11,664)	21,078	(12,302)
Transfer (to)/from reserve from Equity in Land inventory	-	-	-	-	1,192
Closing balance (2)	<u>97,664</u>	<u>80,552</u>	<u>76,122</u>	<u>78,809</u>	<u>35,851</u>

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

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 Midfield 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 Midfield 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 New Mobile Home Park Lands and received \$674 for interest and General Land servicing. Received \$2,046 from Finance and \$1,868 from Water Services.

2010: Transfer from Water Services \$2,048 for repayment of Shepard Wetland Projects, \$1,842 from Finance and \$11,068 from CPB for Midfield TP Projects LAS2009-126 including interest and development.

(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 – J. Potts, Land Servicing Manager, Office of Land Servicing &
Housing

Review Schedule:

Last Review: 2012

Next Review: 2015

Utility Sustainment Reserve\$ 49,153
(2014)

Combined Operating & Capital Reserve (\$000s)

Authorization: FCS2011-32, 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	44,076	52,226	18,982	-	-
Investment income	1,034	971	469	-	-
Transfer from Reserves	-	-	-	17,608	-
Transfer to Real Estate Reserve	-	-	(2,269)	-	-
Contributions from (to) operations	100,738	70,589	40,139	1,374	-
Contributions from (to) capital financing	(96,695)	(79,710)	(5,095)	-	-
Closing balance	<u>49,153</u>	<u>44,076</u>	<u>52,226</u>	<u>18,982</u>	<u>-</u>

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Sustainment Funds	5,008	4,467	3,676	6,812	-
Acreage Assessment funds	29,061	23,209	16,556	1,374	-
Future Year Capital funds	15,084	16,400	31,994	10,796	-
Total Reserve	<u>49,153</u>	<u>44,076</u>	<u>52,226</u>	<u>18,982</u>	<u>-</u>

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

Last Review: 2013

Next Review: 2016

Waste and Recycling Sustainment Reserve\$ 41,968

Combined Operating & Capital Reserve (\$000s)

(2014)**Authorization:** FCS2011-33, 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: 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	33,808	41,911	58,162	-	-
Contributions from operations	25,551	23,445	21,585	-	-
Contributions from other sources (PAYG)	1,295	445	1,760	-	-
Contributions to capital financing	(15,310)	(26,951)	(18,892)	-	-
Contributions to operations (Landfill Closure Liability)	(2,773)	(4,600)	(20,500)	-	-
Transfer to Public Art Reserve	(603)	(442)	(204)	-	-
Transfer from reserves	-	-	-	58,162	-
Closing balance	<u>41,968</u>	<u>33,808</u>	<u>41,911</u>	<u>58,162</u>	<u>-</u>
Funds set aside for Sustainment purposes	10,278	9,657	8,804	9,237	-
Diversion	15,054	16,426	20,355	21,080	-
Landfill	6,002	1,185	6,294	21,976	-
Cash Requirement for Future Year Capital	10,634	6,540	6,458	5,869	-
Closing balance	<u>41,968</u>	<u>33,808</u>	<u>41,911</u>	<u>58,162</u>	<u>-</u>

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

Wastewater - CLOSED\$ -
(2014)

Combined Operating & Capital Reserve (\$000s)

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 x no

Related Budget**Programs:**

Operating Program: #250 Utilities

Capital Program: Various Capital Programs

Special Reporting**Requirements:**

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	5,000	5,000
Contributions to operations	-	-	-	(1,594)	357
Contributions to capital	-	-	-	-	(357)
Transfer to Utility Sustainment Reserve	-	-	-	(3,406)	-
Closing balance	-	-	-	-	5,000

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

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

Review Schedule: Not applicable – reserve closed

Waterworks - CLOSED\$ -
(2014)

Combined Operating & Capital Reserve (\$000s)

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 x no

Related Budget**Programs:**

Operating Program: #270 Utilities
Capital Program: Various Capital Programs

Special Reporting**Requirements:**

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	5,000	5,000
Contributions to operations	-	-	-	(1,594)	357
Contributions to capital	-	-	-	-	(357)
Transfer to Utility Sustainment Reserve	-	-	-	(3,406)	-
Closing balance	-	-	-	-	5,000

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

Source Contacts

Financial – Sr. 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

\$ 341,689
(2014)

Capital Deposit (\$000s)

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.

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Water Resources and Services	30,246	24,671	22,123	13,621	5,702
Roads	4,437	3,380	1,450	2,318	2,880
Transit	14,889	13,680	15,007	11,625	6,391
Parks & Recreation	58,478	85,775	80,471	65,287	45,188
Transportation Infrastructure	157,876	141,553	138,387	131,270	88,441
Civic Partners	16,453	14,092	11,993	8,752	5,723
Fire	45,104	38,298	41,640	32,560	20,414
Calgary Police Services	21,233	18,251	15,863	11,800	7,624
Community & Neighbourhood Services	30,746	-	-	-	-
Interdepartmental charge elimination	(37,773)	(23,214)	(22,432)	(24,921)	(17,128)
Total	<u>341,689</u>	<u>316,486</u>	<u>304,502</u>	<u>252,312</u>	<u>165,235</u>

Source Contacts:

F. Tse, Finance Lead, UEP, CFO Department;
L. Wong, Sr. 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, PSC, Finance & Supply;
B. Hutchins, Finance Manager, Calgary Police Services
B. Dykstra, Sr. Finance Lead, Utilities, Finance & Supply;

Alberta Municipal Infrastructure Program (AMIP) Agreement\$ 11,699
(2014)

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.

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: yes no

Related Budget Programs:

Capital Programs throughout The City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	25,969	45,351	105,402	162,253	135,320
Contributions from Province	-	-	-	-	76,533
Investment income	475	770	1,253	1,702	942
Contributions to capital	(14,745)	(20,152)	(61,304)	(58,553)	(50,542)
Closing balance	<u>11,699</u>	<u>25,969</u>	<u>45,351</u>	<u>105,402</u>	<u>162,253</u>

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

Cash in Lieu of Parking Fund\$ 8,882
(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	5,783	5,219	4,004	3,979	3,747
Contributions from developers (1)	2,858	397	982	-	-
Investment income	241	167	233	231	232
Contributions to capital (2)	-	-	-	(206)	-
Closing balance	<u>8,882</u>	<u>5,783</u>	<u>5,219</u>	<u>4,004</u>	<u>3,979</u>

(1) Contributions from developers:

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\$ 931
(2014)

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: yes no**Related Budget Programs:**

Capital Programs: #616, City Centre Initiatives

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	975	955	934	909	885
Investment income	21	20	21	25	24
Financing capital projects	(65)	-	-	-	-
Closing balance	<u>931</u>	<u>975</u>	<u>955</u>	<u>934</u>	<u>909</u>

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

Federal Gas Tax Fund

Capital Deposit (\$000s)

\$ -
(2014)

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.

Funding Sources: The Federal Gas Tax Fund is a per capita funding program totalling \$141,000 for The City over the five year period starting in 2005 and ending in 2009/2010. 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.

Investment income: yes no

Related Budget Programs:

Capital Programs throughout the City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	32,769	44,377	25,658	32,439	19,559
Contribution from federal government	-	59,378	79,555	39,200	59,378
Investment income	221	785	833	520	182
Contributions to capital	<u>(32,990)</u>	<u>(71,771)</u>	<u>(61,669)</u>	<u>(46,501)</u>	<u>(46,680)</u>
Closing balance	<u>-</u>	<u>32,769</u>	<u>44,377</u>	<u>25,658</u>	<u>32,439</u>

Source Contacts: Financial and Operational – R. Liu, Sr. Finance Lead, Corporate Budget Office, Finance & Supply

Basic Municipal Transportation Grant\$ 259,873
(2014)

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 Minister of Infrastructure 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: yes no

Related Budget Programs:

Capital Programs throughout The City

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	134,742	131,561	105,839	136,829	97,207
Contributions from Province	192,415	106,900	90,000	65,000	125,459
Investment income	4,793	3,636	2,943	2,647	1,796
Contributions to capital	<u>(72,077)</u>	<u>(107,355)</u>	<u>(67,221)</u>	<u>(98,637)</u>	<u>(87,633)</u>
Closing balance	<u>259,873</u>	<u>134,742</u>	<u>131,561</u>	<u>105,839</u>	<u>136,829</u>

Source Contact:

Financial and Operational – R. Liu, Sr. Finance Lead, Corporate Budget Office, Finance & Supply

Infrastructure Canada – Alberta Program (ICAP)\$ 173
(2014)

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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	173	173	173	173	174
Contributions from:					
Provincial government	-	-	-	-	-
Federal government	-	-	-	-	-
Investment income	-	-	-	-	-
Contributions to capital	-	-	-	-	(1)
Transferred to other BU	-	-	-	-	-
Closing balance	<u>173</u>	<u>173</u>	<u>173</u>	<u>173</u>	<u>173</u>

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

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Miscellaneous Capital Deposits

Capital Deposit (\$000s)

\$ 185,252
(2014)

- 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Roads	49,709	51,445	43,130	42,232	37,768
Transit	9,555	10,014	6,530	12,762	13,100
Local Area Planning & Implementation (1)	9,801	10,886	9,310	5,269	4,107
City Wide Policy & Integration (2)	5,678	5,371	4,921	4,469	4,418
Transportation Infrastructure	22,092	22,059	19,716	24,195	26,253
Infrastructure & Information Services	436	609	609	586	598
Parks & Recreation	48,232	39,777	40,776	22,010	28,076
Water Resources & Water Services	4,268	4,578	4,802	4,853	6,330
Corporate Properties & Buildings	16	16	116	114	4,397
Environmental and Safety Management	2,000	2,000	2,000	2,000	-
Corp Revenue and Costs	33,940	112,665	-	-	-
Fire & PSC	8,266	6,791	5,309	3,811	3,293
Community & Neighbourhood Services	1,035	1,000	-	-	-
CFO	-	-	-	9	9
Calgary Police	-	-	-	-	350
Interdepartmental Charge Elimination	(9,776)	(10,253)	(8,763)	(3,388)	-
Closing balance	<u>185,252</u>	<u>256,958</u>	<u>128,456</u>	<u>118,922</u>	<u>128,699</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, Sr. Finance Lead, Roads, Finance & Supply;
 T. Johnson, Sr. Finance Lead, Calgary Transit & Transportation Infrastructure, Finance & Supply;
 L. Mandryk, Acting Finance Lead, PDA, Finance & Supply;
 T. Nguyen, Acting Finance Manager, Corporate Services, Finance & Supply;
 S. Macfayden, Finance Manager, CS & PS, Finance & Supply;
 B. Dykstra, Sr. Finance Lead, Water, Finance & Supply;

A. Felker, Finance Lead, Corporate Properties and Buildings, Finance & Supply;
 F. Tse, Finance Lead, Utilities, Finance & Supply;
 A. Szafarski, Finance Lead, Protective Services, Finance & Supply;

Municipal Sustainability Initiative (MSI)\$ 99,264
(2014)

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.

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: yes no

Related Budget Programs:

Various Programs

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	132,973	4,387	1,698	33,879	47,530
Investment income	3,652	1,480	1,232	909	736
Contributions from Province	252,944	254,155	256,926	256,337	254,174
Contributions to operations	-	-	-	-	(84)
Contributions to capital	(290,305)	(127,049)	(255,469)	(289,427)	(268,477)
Closing balance	<u>99,264</u>	<u>132,973</u>	<u>4,387</u>	<u>1,698</u>	<u>33,879</u>

Source Contacts

Financial and Operational – R. Liu, Sr. Finance Lead, Corporate Budget Office, Finance & Supply

New Deal for Federal Public Transit Trust

\$ -
(2014)

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: yes no

Related Budget Programs:

Transportation – Calgary Transit

Special Reporting Requirements:

None

Current Activity (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	-	-	-	24,956	30,521
Contribution from federal government	-	-	-	-	-
Investment income	-	-	-	271	190
Contributions to capital	-	-	-	(25,227)	(5,755)
Closing balance	-	-	-	-	24,956

Source Contacts: Financial and Operational – R. Liu, Sr. Finance Lead, Corporate Budget Office, Finance & Supply

Plus 15 Cash in Lieu Fund

Capital Deposit (\$000s)

\$ 23,999
(2014)**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: yes no**Related Budget Programs:**Operating Program: #616 Land Use Planning & Policy
Capital Program: various**Current Activity (\$000s):**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Opening balance	22,937	22,884	24,624	24,126	23,625
Investment income	511	476	534	656	651
Transfer to Facility Management	(606)	(132)	(1,086)	(158)	(157)
Transfer to Capital P856/P656-03W	-	(3,268)	(1,199)	-	-
Contributions from operations	1,157	2,977	11	-	7
Closing balance	<u>23,999</u>	<u>22,937</u>	<u>22,884</u>	<u>24,624</u>	<u>24,126</u>

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

Defined Benefit Pension Plans (Registered & Non Registered)\$ 68,153
(2014)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 14 of the 2014 consolidated financial statements contained in The City's 2014 Annual Report.

Conditions: As per purpose.

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

Funding Sources: Funding is from the Employee Benefits Program.

Related Budget Programs: Operating Programs: #787 Employee Benefits

Special Reporting Requirements: None

Current Balances (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Funded					
Registered defined benefit pension (1)	39,366	33,064	23,609	17,215	11,355
Non-reg. defined benefit pension (2)	28,787	26,809	20,081	16,398	15,333
Total	<u>68,153</u>	<u>59,873</u>	<u>43,690</u>	<u>33,613</u>	<u>26,688</u>

(1) Includes The City's Firefighters' Supplemental Pension Plan, The City Supplemental Pension Plan, The City Elected Officials Pension Plan, The City Police Supplemental Pension Plan.

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

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

Funded Vacation and Overtime Liability\$ 195,460
(2014)

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: Funds to be used for purpose as described above.

Funding Sources: In 2003 as per 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 – all city business units, Employee Benefits, City Business Units (banked overtime), and consolidated related authorities.

Special Reporting Requirements:

None

Current Balances (\$000s):

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
City Administration	12,104	12,325	11,498	11,148	10,775
Civic Partners	783	773	725	705	780
Community Services & Protective Services	34,954	33,367	32,588	31,822	31,348
Corporate Services	22,778	22,493	21,924	20,936	20,502
Planning Development & Assessment	9,148	9,894	9,724	9,878	9,654
Transportation	33,866	33,742	33,041	31,784	31,187
Utilities & Environmental Protection	22,734	21,809	20,235	18,900	17,706
Calgary Police Service	53,757	49,211	45,770	40,822	40,145
	<u>190,124</u>	<u>183,614</u>	<u>175,505</u>	<u>165,995</u>	<u>162,097</u>
RAWW Days	1,951	2,018	1,938	1,548	1,726
Related Authorities					
Calgary Parking Authority	472	491	531	513	653
Calgary Housing Company	1,567	1,510	1,362	1,206	1,208
Calgary TELUS Convention Centre	376	403	335	310	298
Calgary Municipal Land Corporation	28	31	25	34	38
Calgary Public Library	929	931	899	914	815
Attainable Homes Calgary Corporation	13	15	11	15	-
	<u>3,385</u>	<u>3,381</u>	<u>3,163</u>	<u>2,992</u>	<u>3,012</u>
	<u>195,460</u>	<u>189,013</u>	<u>180,606</u>	<u>170,535</u>	<u>166,835</u>

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\$ 160,036
(2014)

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, when coverage under the Alberta Seniors Plan begins. The City and the retirees share equally in the cost of benefits. The City also sponsors a non-contributory retiring allowance of up to 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 every three years as per section 3250 of Public Sector Accounting Standards (PSAS). Additional information is available in Note 14 of the 2014 consolidated financial statements contained in The City's 2014 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 Programs: #787 Employee Benefits

Special Reporting Requirements: None

Current Balances:

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Post Retirement Benefits (funded)	160,036	149,941	137,514	125,307	115,615
	160,036	149,941	137,514	125,307	115,615

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

2014 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 2014 supplementary schedule.

	Operating/ Capital/ Sustainment	Jan. 1/14 Opening Balance	Contribution To Operations	Contribution From Operations	Transfer to Capital Fund	Transfer Between Reserves	Corp financing (investment income)	Other	Dec. 31/14 Closing Balance
Community Strategies & Neighbourhood Services									
Children's Reserve Fund	O	(4,595)	91	-	-	-	(101)	-	(4,605)
Community Sustainability & Public Art	S	(5,285)	359	-	-	(603)	-	(186)	(5,715)
FCSS Stabilization Fund	O	(3,688)	1,452	(1,474)	-	-	-	-	(3,710)
Fire & Public Safety Communication Centre									
911 Communications Centre Capital Financing	C	(8,821)	-	(3,498)	489	-	-	-	(11,830)
Parks and Recreation									
Golf Course Levy	S	(327)	-	(192)	-	-	(10)	-	(529)
Legacy Parks	C	(19,738)	-	-	3,291	(6,151)	(435)	-	(23,033)
Artificial Turf Field Lifecycle Reserve	C	(1,047)	-	(476)	-	-	(25)	-	(1,548)
Community Investment	C	(151,077)	13,447	(347)	24,523	(51,576)	(3,272)	-	(168,302)
Parks Endowment and Sustainment Reserve	S	(1,184)	589	(686)	19	-	(29)	-	(1,291)
Perpetual Care of the Municipal Cemetery System	S	(10,359)	1,024	(3,439)	225	-	-	-	(12,549)
Societies & Related Authorities									
Parks Foundation	O	(2,114)	84	(227)	-	-	-	-	(2,257)
TELUUS Convention Centre	C	(200)	-	(180)	127	-	-	-	(253)
Corporate Services									
Health Safety and Wellness	O	(7,566)	2,119	(5,528)	-	-	-	-	(10,975)
Innovative Technology	C	(15,867)	-	(9,849)	7,683	-	(156)	-	(18,189)
Fleet Services Capital Reserve	C	-	-	(4,042)	-	-	-	-	(4,042)
Corporate Revenue & Costs									
Debt Servicing	C	(52,570)	54,249	(54,752)	-	1,710	(1,207)	-	(52,570)
ENMAX Dividend Stabilization Reserve	O	(10,100)	-	(6,350)	-	-	-	-	(16,450)
Fiscal Stability Reserve	O	(365,460)	27,106	(85,334)	16,311	-	(8,504)	(27,490)	(443,371)
Group Life	O	(1,338)	-	(156)	-	-	-	-	(1,494)
Lifecycle Maintenance and Upgrade	C	(125,729)	-	(56,637)	87,600	(2,491)	-	6	(97,251)
Tax Loss Provision	O	(39,823)	2,425	-	-	-	-	-	(37,398)
Self Insurance	O	(7,000)	-	-	-	-	-	-	(7,000)
Land Use Planning & Policy & Development Approvals									
Calgary Heritage Authority Reserve	O	(1,698)	-	-	-	-	(38)	-	(1,736)
DBA Sustainment	S	(48,701)	3,461	(34,897)	3,915	-	(25)	-	(76,247)
Millican-Ogden Community Enhancement	S	(171)	-	-	-	-	-	-	(171)
Downtown Improvement	C	(3,207)	-	(142)	50	-	(73)	-	(3,372)
Heritage Incentive (Special Reserve Fund)	O	(1,283)	139	(225)	-	-	-	-	(1,369)
Mall Programming	O	(744)	-	-	6	-	(16)	-	(754)

2014 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 2014 supplementary schedule.

	Operating/ Capital Sustainme nt	Jan.1/14 Opening Balance	Contribution To Operations	Contribution From Operations	Transfer to Capital Fund	Transfer Between Reserves	Corp financing (investment income)	Other	Dec. 31/14 Closing Balance
Roads & Transportation Planning									
Asphalt and Crusher Plant Lifecycle Capital Reserve	C	(7,500)	-	(119)	2,256	-	-	-	(5,363)
LED Traffic Signal Display Re-Lamping Reserve	C	(5,622)	-	(697)	503	-	-	-	(5,816)
Livery Transport Services	O	(3,722)	2,241	(3,142)	184	-	(100)	-	(4,539)
Parking Land Acquisition	C	(24,688)	-	-	-	(7,391)	(578)	-	(32,657)
Snow and Ice Control	O	(4,141)	4,141	-	-	-	-	-	-
Office of Land Servicing and Housing									
Real Estate	S	(80,552)	-	(43,139)	28,356	(2,233)	(96)	-	(97,664)
Corporate Housing	C	(34,105)	1,645	(3,016)	1	-	(598)	-	(36,073)
Drainage									
Waste & Recycling Sustainment Reserve	S	(33,808)	2,773	(25,552)	14,016	603	-	-	(41,968)
Utility Sustainment Reserve									
	S	(44,076)	23,866	(125,638)	96,695	-	-	-	(49,153)
Calgary Police Service									
CPS Capital Financing (Vehicle/AFIS/Red Light/PayG)	C	(28,362)	-	(12,410)	9,794	-	-	-	(30,978)
CPS Court Fine Revenue Operating Reserve	O	(4,000)	-	-	-	-	-	-	(4,000)
Helicopter Maintenance	O	(2,706)	515	(809)	-	-	-	-	(3,000)
Calgary Housing Company									
	S	(17,010)	-	(5,579)	-	-	-	-	(22,589)
Calgary Public Library									
	S	(1,672)	-	1,099	-	-	-	-	(573)
Real Estate Services Internal Sale Elim (1)									
	C	2,203	-	-	-	-	-	(1,882)	321
Corporate Housing Internal Sale Elim (1)									
	C	6,752	-	-	-	-	-	-	6,752
Future Capital									
	C	(269,629)	200	(255,470)	138,404	68,029	-	180	(318,286)
Unappropriated Surplus									
		8,159	(8,159)	27,490					27,490
Total per 2014 Annual Financial Report									
		(1,434,171)	133,767	(715,413)	434,448	(103)	(15,263)	(29,372)	(1,626,107)

(1) Note these are internal sale elimination entries.