

Winter Maintenance Reserve

\$ 14,868
(2022)

Operating Reserve (\$000s)

Authorization: PFC2012-0045, C2014-0863, PFC2018-1125 and C2022-1051 and C2024-xxxx

Purpose: Council directed Administration to establish a Snow and Ice Control (SNIG) reserve during the 2012-2014 Business Plan and Budget. The reserve shall be used by business units to supplement their annual SNIG (Winter Maintenance) budgets in order to maintain Council’s approved SNIG Winter Maintenance Policy during years with above average severity (the number of snow events and a combination of snow, ice, freezing rain, temperature and wind). The reserve was updated to reflect Council directives to enhance winter maintenance service levels.

Calgary Transit’s contribution to this reserve may be used by Transit or Mobility for eligible expenditures, in accordance with the Memorandum of Understanding between Calgary Transit and Mobility dated 2018 October 1 and as defined in the Council Policy on Snow and Ice Control (LPT2011-57) Winter Maintenance Policy (xxxx) to ensure the safety of all mobility network users.

Conditions: Fund balance cannot exceed \$15,000 \$22,000 per C2014-0863 C2024-xxxx.

Restrictions: Withdrawals from the Mobility-funded portion of this reserve by business units other than Mobility require approval by the Reserve Operational Lead.

Related Budget Information: Operating Various department IDs
Department ID:

Funding Sources: The reserve will be replenished from any surplus in Mobility’s (SNIG) Winter Operations budget in winters with below average severity. Contribution of \$9,500 in year 2018 to the reserve from the Fiscal Stability Reserve (FSR) was approved in Action Plan 2015-2018.

The reserve may be replenished from any surplus from Calgary Transit’s snow removal priority accessibility budget. In situations where a full contribution from both the Mobility and Calgary Transit budget surpluses would cause the reserve to exceed its maximum balance, Mobility’s surplus shall be the Reserve Financial Lead shall determine which surplus is contributed to the reserve first.

Mobility will work with Finance at the end of April and December of each year to determine the required draw or replenishment of funds to the SNIG Winter Maintenance Reserve. Mobility’s SNIG Winter Operations budget will not be adjusted in order to maintain the established baseline budgets.

C2022-1051 provides up to \$2,000 for increased trouble spot service response over 4 years drawing from SNIG Winter Maintenance reserve when a snow emergency has not been declared.

Reserve approved to record allocation of investment income:
 Yes No

Special Reporting Requirements: The terms of reference will be reviewed prior to the beginning of each business planning and budget cycle. If the reserve fund is depleted to zero in a future year, Administration will advise Council.

Current Activity (\$000s):

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Opening balance	13,046	6,260	-	5,426	12,482
Contributions from (to) operations	2,558	6,615	4,350	(5,426)	(17,177)
Contribution from Calgary Transit	1,251	1,418	1,910	-	621
Contribution to Parks	(1,987)	(1,247)	-	-	-
Contribution from FSR	-	-	-	-	9,500
Closing balance	<u>14,868</u>	<u>13,046</u>	<u>6,260</u>	<u>-</u>	<u>5,426</u>

Closing balance attributable to:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Mobility	13,617	11,628	4,350	-	4,805
Calgary Transit	1,251	1,418	1,910	-	621
Closing balance	<u>14,868</u>	<u>13,046</u>	<u>6,260</u>	<u>-</u>	<u>5,426</u>

Commitments as at Dec 31, 2022 (\$000s):

Balance (as at Dec 31, 2022)	14,868
Council approved commitments	<u>(2,000)</u>
Remaining balance	<u>12,868</u>

Source Contacts:

Business Unit –	Mobility
Financial Lead –	J. Nguyen, Finance Lead
Operational Lead –	C. Hewitt, Manager Maintenance



ADMINISTRATION PROCEDURE

Procedures for Financial Reserves

Associated Policy:	Financial Reserves FA-050(A)
Approved by:	Chief Financial Officer and City Manager
Effective date:	2016/11/01
Next Revision Date:	2018/11/01
Department:	Chief Financial Officer's Department
Division / Section:	Corporate Financial Reporting (CFR)

PURPOSE

The purpose of this administration procedure document is to define the roles, responsibilities of all parties associated with administering financial reserves.

DEFINITIONS

1. **Capital Deposits** – Monies received for various capital projects from land developers, pursuant to development agreements or the Municipal Government Act, and from other governments, through grants and the provincial 5 cents per litre fuel tax revenues sharing agreement.
2. **Financial Lead** – The City staff member who ensures proper accounting for all transactions associated with the reserves, appropriate reporting of all reserve financial activity, and compliance with the reserves authorizing documents.
3. **Operational lead** – The City staff member who manages ongoing activities of the financial reserve and ensures compliance with the reserves authorizing documents.
4. **Generally Accepted Accounting Principles (GAAP)** - The accounting principles for municipal government as recommended by the Canadian Institute of Chartered Accountants and the Public Sector Accounting Board.
5. **Reserve** - Funds authorized by Council to be set aside for funding of future operating or capital expenditures.
6. **Reserve Condition** - Council mandated terms on how funds are to be raised and or maintained.

7. **Reserve Restriction** - Council mandated terms limiting the use of reserve funds.
8. **Allocated funds** – Reserve funds set aside as per purpose of reserve and are allocated to a specific project.
9. **Unallocated funds** – Reserve funds set aside as per purpose of reserve but are not yet assigned to a specific project.

PROCEDURES

1.0. Approval Process

- 1.1. All requests to create a new reserve, amend or close an existing reserve shall follow the same approval process:
 - 1.1.1. The request will be initiated by the Director of the originating Business Unit (BU) using the appropriate reserve template. Refer to Appendix A, B or C. Alternatively requests may arise from the Triennial Reserve Review process. Such requests do not require a reserve template.
 - 1.1.2. The Director shall forward the completed template along with any other supporting documentation to the Chief Financial Officer (CFO) for approval.
 - 1.1.3. The CFO reviews and forwards the request to the City Manager for approval.
 - 1.1.4. The City Manager then forwards to the Priorities and Finance Committee (PFC) with a recommendation to Council for approval.
 - 1.1.5. Once the request is approved by Council, the report shall be forwarded to the Financial Reporting Office in order to create the administrative documents required for the reserve.
- 1.2. In the event that a change request is denied, an explanation shall be provided to the requestor.

2.0. Creating a New Reserve

- 2.1. All new reserve requests must include a completed reserve creation template (refer to Appendix A), authored by the Director of the originating BU.
- 2.2. The completed template report, along with any other supporting documentation, shall be forwarded to the CFO for approval. Approval of request follows process outlined in section 1 above.
- 2.3. All new reserves shall be disclosed in the Annual Report on Reserves and Long Term Liabilities (the Annual Reserves Report) in the year the approvals take effect

and thereafter based upon the reporting requirements for the Annual Reserves Report.

- 2.4. In the event that a reserve is shared between two or more BUs, the BU Director's will appoint one primary BU contact.

3.0. Amending an Existing Reserve

- 3.1. Amendments may be undertaken either proactively by the BU or as a result of the Triennial Reserve Review process and include changes to any of the following:
 - 3.1.1. Purpose,
 - 3.1.2. Funding source, including changes to funding formulas,
 - 3.1.3. Minimum, maximum or target balances,
 - 3.1.4. Condition, and/or
 - 3.1.5. Restriction.
- 3.2. To amend an existing reserve, the BU Director shall complete the Reserve template – Amending an Existing Reserve (refer to Appendix B) and provide additional supporting documentation as required. Amendments as a result of the Triennial Reserve Review process do not require a reserve template, but do require approval from the Triennial Reserve Review Administrative Committee, the appropriate BU Director and Council.
- 3.3. Approval of amendment follows process outlined in section 1.
- 3.4. All amendments shall be disclosed in the Annual Reserves Report in the year the amendments take effect and for up to four years thereafter based upon the reporting requirements for the Annual Reserves Report.

4.0. Closing a Reserve

- 4.1. Closing a reserve may be undertaken:
 - 4.1.1. As a response to the Triennial Reserve Review process; or
 - 4.1.2. When the purpose of the reserve has been achieved; or
 - 4.1.3. Proactively by the originating BU.
- 4.2. If the closure is requested by the BU, then a report shall be prepared by the BU Director that shall address at minimum the following criteria (refer to Appendix C - Closing an Existing Reserve):
 - 4.2.1. Why the reserve is no longer required;
 - 4.2.2. Impact of the closure on the program(s) the reserve funded;

- 4.2.3. What will replace the program(s), if applicable;
- 4.2.4. Recommended use of any unspent reserve funds; and
- 4.2.5. Timeframe for wind down and closure.
- 4.3. If the closure is recommended by the Triennial Reserve Review Administrative Committee, a template is not required, but closure must be approved by the Triennial Reserve Review Administrative Committee, the appropriate BU Director and Council.
- 4.4. Approval of closures follows process outlined in section 1.
- 4.5. All closed reserves shall be disclosed in the Annual Reserves Report in the year the closure take effect for up to four years thereafter based upon the reporting requirements for the Annual Reserves Report.

5.0. **Withdrawing from Reserves**

- 5.1. To withdraw from a reserve, contact the Finance Lead assigned to the reserve.
 - 5.1.1. The Finance Lead will ensure withdrawals comply with the reserve's authorizing documents and that sufficient funds are available.

6.0. **Responsibilities**

6.1. **Operational Lead**

- 6.1.1. The operational lead shall:
 - a. Ensure that funds from the reserve are being used in accordance with the purpose of the reserve;
 - b. Ensure that all reserve conditions and/or restrictions are being adhered to;
 - c. Ensure that contributions to the reserve are in accordance with the reserve's purpose;
 - d. Ensure that the reserve is compliant with its minimum and maximum balances as authorized by Council, if applicable;
 - e. Review reconciliations and or periodic reports;
 - f. Forward all relevant reserve documentation to the financial lead for inclusion in a Reserve Reference Binder (Binder) (see below for binder details);
 - g. Prepare long-range plans of reserve contributions and expenditures;
 - h. Attest, by way of signature, to the reserve's compliance with its purpose, conditions, and restrictions, on the annual reserves

template and checklist for the Annual Reserves Report (refer to Appendix D, E, F and G) ;

- i. Participate in the Triennial Reserve Review process as required; and
- j. Initiate change requests if required.

6.2. Financial Lead

6.2.1. The financial lead shall ensure that all reserve transactions comply with and are in accordance with:

- a. Generally Accepted Accounting Principles (GAAP);
- b. The reserve's authorizing documents;
- c. The reserve's conditions and/or restrictions;
- d. All applicable City policies and bylaws; and
- e. All applicable regulations and legislation.

6.2.2. The financial lead shall prepare routine or adjusting journal entries for the reserve upon request by the operational lead and shall ensure that all such entries are:

- a. Properly approved by the operational lead;
- b. Properly approved by the financial lead, if performed by another party;
- c. Processed consistently, accurately and in a timely fashion.

6.2.3. The financial lead is also responsible for the following administrative functions:

- a. Providing current and timely reserve information;
- b. Ensuring operating and capital budgets include reserve activity where applicable;
- c. Attesting, by way of signature, to the accuracy and completeness of the annual reserves template and checklist for the Annual Reserves Report (refer to Appendix D, E, F and G);
- d. Participating in the Triennial Reserve Review process as required; and
- e. Assisting with reserve change requests as required.

- 6.2.4. The financial lead shall ensure that reserve records are:
- a. Sufficient, complete and accurate;
 - b. Reconciled periodically as required; and
 - c. Properly maintained in a Binder as per 6.2.5. below.
- 6.2.5. The financial lead shall prepare and maintain a Binder for all reserves falling under his or her responsibility. The Binder shall contain the following:
- a. All authorizing documents for that reserve, as approved by Council;
 - b. A summary document outlining the purpose of the reserve;
 - c. A description of funding sources for the reserve, including calculations;
 - d. Copies of annual reserve template reports and annual checklists;
 - e. Operational and capital budget programs for the reserve, where applicable;
 - f. A revision history for the binder;
 - g. Results of reserve reviews, including the Triennial Reserve Review;
 - h. Appropriate accounting backup, including approvals;
 - i. Reconciliation documentation and other current activity reports, if any; and
 - j. The reserve's investment income eligibility status.
- 6.2.6. The reserve binder may be stored either electronically or on paper. However, all documents in a reserve binder shall be stored in the same medium.

6.3. Finance Managers

- 6.3.1. Finance Managers provide a financial oversight role, and are responsible for the following:
- a. Reviewing the Annual Reserves Report for accuracy prior to release;
 - b. Reviewing and responding, if necessary, to draft results of the Triennial Reserve Review process prior to release;
 - c. Assisting with reserve change request proposals as required (refer to Appendix A - Request to Create a New Reserve, Appendix B - Amending an Existing Reserve, or Appendix C - Closing an Existing Reserve); and

- d. Ensuring recommendations from the Triennial Reserve Review process are implemented, as required.

6.4. Business Unit Directors

6.4.1. Business Unit Directors provide an operational oversight role, and are responsible for the following:

- a. Reviewing reserve reports and general activities to ensure continued consistency with Business Unit goals and objectives;
- b. Reviewing and responding, if necessary, to the draft results of the Triennial Reserve Review process prior to release;
- c. Ensuring reserves continue to meet Council goals and objectives; and
- d. Ensuring recommendations from the Triennial Reserve Review process are implemented.

6.5. Corporate Financial Reporting (CFR)

6.5.1. CFR is responsible to ensure that reserve balances are accurately reported in the City's Annual Financial Statements and in the Annual Reserves Report. The Financial Reporting section of CFR shall:

- a. Request the completion of report templates and checklists for every reserve, in accordance with the Year End reporting calendar;
- b. Review the annual reserve checklists and reserve templates for accuracy and completeness;
- c. Reconcile reserve balances schedules with the general ledger balances;
- d. Follow-up with operational and financial leads as required;
- e. Prepare the Annual Reserves Report and cover report for review by the Chief Financial Officer (CFO); and
- f. Provide the CFO with an annual exception report listing all reserves that are non-compliant with their stated conditions, restrictions or approved minimum and maximum balances.

6.5.2. The Internal Control & Policy Coordination section of CFR shall oversee the Triennial Reserve Review process and follow up on any recommendations derived from the review.

6.6. Chief Financial Officer

- 6.6.1. The CFO is the primary conduit of information between the operational and financial leads and the City Manager.
- 6.6.2. The following reports shall be forwarded to the City Manager only upon approval by the CFO:
 - a. The annual triennial review report, including all recommendations;
 - b. All open, amend, or close a reserve requests;
 - c. Any one-time or unanticipated contributions to a reserve;
 - d. Any one-time use of reserve funds other than as per the stated purpose of the reserve; and
 - e. Any over or under funding action plan.
- 6.6.3. The CFO shall also:
 - a. Approve the Annual Reserves Report and submit it to the PFC prior to end of June each year.
 - b. Review the annual non-compliance report prepared by CFR.
- 6.6.4. The CFO is also responsible for responding to any reserve-related inquiries from Council or a Council committee.

6.7. City Manager

- 6.7.1. The City Manager is responsible for the overall alignment of The City's reserves to Council's goals and objectives.
- 6.7.2. The City Manager shall receive administrative reports regarding reserves upon approval by the CFO.
- 6.7.3. Reports shall be submitted to PFC only after approved by the City Manager.

7.0. Administering a Reserve

7.1. One-time contributions or use of funds not defined in authorizing documents

- 7.1.1. All one-time use of funds or contributions greater than \$200,000 not defined in the authorizing documents are to be reviewed by the CFO, then the City Manager and then forwarded to PFC with a recommendation to Council for approval.
- 7.1.2. One-time contributions up to \$200,000 are to be reviewed by the CFO and forwarded to the City Manager for approval.

- 7.1.3. All one-time use of funds or contributions not defined in authorizing documents will be reported in the Annual Reserves Report for the year in which the transaction occurred.

7.2. Investment Income

- 7.2.1. Reserves meeting specific criteria shall earn and retain investment income. The criteria required for a reserve to earn investment income are:
 - a. Endowment funds contributed to the reserve,
 - b. Legacy funds contributed to a reserve, including funds transferred from a closed reserve that earned investment income,
 - c. Funds where external agreements specify investment income will be earned; or
 - d. Specifically mandated to earn investment income by Council.
- 7.2.2. Where a reserve is comprised of a variety of funding sources, only the funding sources identified above shall earn investment income.
- 7.2.3. Investment income shall accrue to appropriate reserves, as identified above, at a blended rate provided by Treasury in accordance with the Treasury – Interest Rate Determination & Allocation Procedures.

7.3. Instances of over or under funding

- 7.3.1. The appropriate department shall prepare an action plan to return a reserve back into compliance when:
 - a. A reserve has been over funded and has exceeded its applicable maximum target balance as approved by Council; or
 - b. A reserve has been under funded and does not maintain its applicable minimum target balance as approved by Council.
- 7.3.2. The action plan will be reviewed by the CFO and the City Manager and will be reported to PFC and Council, for information only, as part of the Annual Reserves Report.

7.4. Submitting reports directly to Council

- 7.4.1. Any report being submitted directly to Council must be approved by the CFO and the City Manager prior to the report being added to Council's agenda, and shall be done only on an exception basis.

8.0. Triennial Review of All Reserves

- 8.1.1. The purpose of the Triennial Reserve Review process is to ensure that:
 - a. Reserve activity meets all authorizing documents requirements;
 - b. Reserve activity is in accordance with City reserve policies and procedures;
 - c. The reserve's purpose, conditions and/or restrictions are still relevant; and
 - d. The reserve is still required in its current form.
- 8.1.2. The review shall be completed by a Triennial Reserve Review Administrative Committee comprised of:
 - a. The Chief Financial Officer (CFO);
 - b. Finance Manager, Corporate Budget Office;
 - c. Finance Manager, Corporate Financial Reporting;
 - d. A General Manager; and
 - e. A Business Unit Director.
- 8.1.3. The CFO shall chair the Triennial Reserve Review Administrative Committee and CFR shall determine a review schedule for the reserves before the beginning of each year of the three year cycle. The schedule shall be prepared based on the following objectives:
 - a. The number of reserves reviewed should be similar for each year of the cycle;
 - b. The total dollar value of reserves reviewed should be similar for each year of the cycle;
 - c. Related reserves should be reviewed as a group in the same year; and
 - d. Where possible and except as provided by c. above, financial leads who are responsible for multiple reserves should have a balanced obligation for each year of the cycle.
- 8.1.4. Each open reserve shall be reviewed not less than once every three years. However, high-risk reserves may be reviewed more frequently at the discretion of CFR or the Triennial Reserve Review Administrative Committee.

- 8.1.5. The review for each identified reserve will cover a period including the current year and the previous full year of operations for that reserve.
- 8.1.6. The Triennial Reserve Review Administrative Committee shall examine the following:
- a. Ongoing relevance of the reserve's stated purpose;
 - b. Accurate disclosure of the reserve's funding sources;
 - c. Appropriateness of the reserve's funding sources;
 - d. Appropriateness of the reserve's current level of funding;
 - e. Appropriateness of the reserve's balance;
 - f. Contributions from operations;
 - g. Reserve expenditures;
 - h. Reserve transfers and any other reserve related entries;
 - i. Compliance of the reserve's activities with regards to the reserve's mandate and all other City policies and procedures; and
 - j. Completeness and accuracy of the disclosure of financial information on the Annual Reserves Report.
- 8.1.7. By the end of the year, the Triennial Reserve Review Administrative Committee shall prepare a report for PFC and Council, which will include:
- a. The criteria used to evaluate the reserves;
 - b. A summary of all findings;
 - c. Any applicable recommendations, based upon the findings;
 - d. Follow up of the previous year's review recommendations; and
 - e. A complete list of reserves to be reviewed during the following year.
- 8.1.8. Reserve review recommendations require approval from PFC and Council.
- 8.1.9. The BU responsible for the reserve for which a recommendation was made in the report shall respond to the recommendation and remediate any deficiency within a reasonable time frame and in accordance with City policies and procedures.
- 8.1.10. The Annual Reserves Report shall be updated with the last reserve review date and the next scheduled review date, as applicable.

9.0. CONSEQUENCES OF NON-COMPLIANCE

9.1. Failure to adhere to these procedures may result in:

- 9.1.1. Loss of reputation for The City if its financial stewardship is perceived to be non-transparent.
- 9.1.2. Violation of the Municipal Government Act if reserves are not correctly identified and recorded.
- 9.1.3. Violation of Council policy or external agreements if the conditions and restrictions of reserves are not followed.
- 9.1.4. Disciplinary action against any employee found to be in violation of this policy.

SUPPORTING REFERENCES AND RESOURCES

Please note that some of the items listed below may not be publicly available.

References to related corporate-wide procedures, forms and resources

- Triennial Reserve Review process
- Reserve Administrative Procedures
- Interest Rate Determination and Allocation Procedures

References to related [Council policies](#), bylaws and [administration policies](#)

- Reserves Policy (Council Policy CFO013)
- Financial Reserves Policy (Administration Policy FA-050(A))

Other references and resources

- Municipal Government Act (MGA)

REVISION HISTORY

<u>Review Date</u>	<u>Description</u>
2016/11/01	Update Procedures
2010/11/15	New Procedures

Appendix A Reserve Template – Request to Create a New Reserve

Reserve Name

Purpose of New Reserve

(Brief description of reason for a new reserve)

Type of Reserve

(Whether operating, capital or sustainment)

Expected Time Period

(Will the reserve be for a specific project that will have a finite life?)

(Or, is the reserve for an ongoing program?)

Specific project or on-going program

(Is the request for a reserve due to a specific project with a finite end date?)

(Or is the reserve for an on-going program? If so, which one?)

Anticipated funding Source

(Provide a description of funding source. Whether endowment, grant one-time or otherwise, or whether annual contribution from operations)

(State whether the reserve will incur investment income or not?)

Calculations Associated with Funding Source(s) (if required)

(If funding is from operations, provide either the general formula calculation or set amount, whichever applies)

List Budget Programs Affected

(List all budget programs affected, for both contribution into the reserve and withdrawals from the reserve. Will operational and capital budgets be updated?)

Anticipated Target Balance for the Reserve

(Provide a brief description of the anticipated target balance for the reserve.)

(If reserve will not have a target balance, provide a brief explanation as to why – e.g. reserve set up for a program rather than a specific project.)

Other Reporting Requirements

(State any other required reporting requirements for the reserve, including any reports expected to be generated on reserve activities or any third party requirements.)

List and explain any Condition(s) and/or Restrictions

(Conditions are limitations placed on either the reserve balance or limitations on contributions to the reserve.)

(Restrictions are limitations placed on how the funds are to be used.)

(Funds can be classified as externally restricted, outside agency or regulatory body, internally restricted, by Council, or unrestricted.)

Consequence of not creating the reserve

(Provide a brief description of what happens if the reserve is not created?)
(What is the risk associated with not creating a reserve?)
(Are there any possible alternatives?)

Reserve Review Guideline

(State if the reserve should be reviewed more frequently than the minimum three years required by policy.)
(State if the reserve should be reviewed sooner than its next scheduled review period.)

List Key operating and financial contacts responsible (for information purposes only).

(List primarily positions rather than names)

If you need more information on this form please contact the Financial Reporting Officer, Nicole Hiscock via Teams.

Note, reports missing any of the above listed information shall not be considered for approval.

Appendix B Reserve Template – Amending an Existing Reserve

Name of Reserve: ~~SNOW AND ICE CONTROL (SNIC) RESERVE~~ to be renamed

Winter Maintenance Reserve

Is there a change to Purpose?

Original:

“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 by business units to supplement their annual SNIC budgets in order to maintain Council’s approved SNIC policy during years with above average severity (the number of snow events and a combination of snow, temperature and wind).

Calgary Transit’s contribution to this reserve may be used by Transit or Mobility for eligible expenditures, in accordance with the Memorandum of Understanding between Calgary Transit and Mobility dated 2018 October 1 and as defined in the Council Policy on Snow and Ice Control (LPT2011-57), to ensure the safety and mobility of Calgary Transit customers, pedestrians, cyclists and vehicles.”

Revised:

“Council directed Administration to establish a Snow and Ice Control (SNIC) reserve during the 2012-2014 Business Plan and Budget. The reserve shall be used by business units to supplement their annual ~~SNIC~~ (Winter Maintenance) budgets in order to maintain Council’s approved ~~SNIC~~ Winter Maintenance Policy during years with above average severity (the number of snow events and a combination of snow, ice, freezing rain, temperature and wind). The reserve was updated to reflect Council directives to enhance winter maintenance service levels.

Calgary Transit’s contribution to this reserve may be used by Transit or Mobility for eligible expenditures, in accordance with the Memorandum of Understanding between Calgary Transit and Mobility ~~dated 2018 October 1~~ and as defined in the Council ~~Policy on Snow and Ice Control (LPT2011-57)~~ Winter Maintenance Policy (xxxx) to ensure the safety of all mobility network users.

Funding Sources:

The reserve will be replenished from any surplus in Mobility’s ~~(SNIC) Winter Operations~~ budget ~~in winters with below average severity~~. Contribution of \$9,500 in year 2018 to the reserve from the Fiscal Stability Reserve (FSR) was approved in Action Plan 2015-2018.

The reserve may be replenished from any surplus from Calgary Transit’s snow removal ~~priority~~ accessibility budget. In situations where a full contribution from both the Mobility and Calgary Transit budget surpluses would cause the reserve to exceed its maximum balance, ~~Mobility’s surplus shall be~~ the Reserve Financial Lead shall determine which surplus is contributed to the reserve first.

Mobility will work with Finance ~~at the end of April and December of~~ each year to determine the required draw or replenishment of funds to the ~~SNIC~~ Winter Maintenance Reserve. Mobility’s

SNIG Winter Operations budget will not be adjusted in order to maintain the established baseline budgets.

C2022-1051 provides up to \$2,000 for increased trouble spot service response over 4 years drawing from **the SNIG Winter Maintenance** reserve when a snow emergency has not been declared.

Is there a change to the expected Time Period?

No change.

Will the Anticipated funding source(s) change?

No change.

Any change to calculations associated with funding Source(s) (if required)?

(If funding is from operations, provide either the general formula calculation or set amount, whichever applies)

What is the new Anticipated Target Balance for the Reserve? (if applicable)

No change.

List Budget Programs Affected

This reserve is funded by the "Winter Operations" operating budget surplus, however, this amendment does not affect the budget.

Any change to Condition(s) and/or Restriction(s)?

Yes.

In thousands:

Fund balance cannot exceed ~~\$15,000~~ \$22,000 per ~~C2014-0863~~ C2024-xxxx.

What are the consequences of not amending the existing reserve?

The development of a new Winter Maintenance Council policy requires renaming of the Reserve to be consistent with the new policy and to achieve Council direction for assessment and modernization of the reserve.

Has the Operational Lead and Financial Lead agreed to the amendment?

Operational Lead: Chris Hewitt (Divisional Manager) Troy McLeod: Director Mobility, and Jim Nguyen, Finance Lead have agreed and prepared the proposed amendment.

Is there a supplemental report to support the Amendment request?

This proposed amendment to the reserve is moving in parallel with the update to the Winter Maintenance Policy C2024-xxxx.

List Key operating and financial contacts responsible (for information purposes only).

- Leader, Planning and Operation – Mobility
- Manager, Mobility Maintenance
- Director, Mobility
- Finance Lead, Mobility
- Finance Manager, Operational Services

If you need more information on this form please contact the Financial Reporting Officer, Nicole Hiscock via Teams.

Note, change reports missing any of the above listed information shall not be considered for approval.

Appendix C

Reserve Template – Closing an Existing Reserve

Name of Reserve:

What was the Purpose of the reserve?

(Brief description of purpose)

Was there a set Time Period for the reserve?

(Was the reserve set up for a specific project that had a finite life? Or an ongoing program?)

What were the funding source(s)?

(List funding sources, Endowment, grant one-time or otherwise, or whether annual contribution from operations) (Did the reserve incur investment income?)

What was the basic funding source(s) calculation(s) (if applicable)?

If a Target Balance existed, did the Reserve reach the target? (if applicable)

(Provide a brief description of the anticipated target balance for the reserve.)

(If reserve will not have a target balance, provide a brief explanation as to why – e.g. reserve set up for a program rather than a specific project.)

List Budget Programs Affected

(List all budget programs affected, for both contribution into the reserve and withdrawals from the reserve. Will operational and capital budgets be updated?)

List Condition(s) and/or Restrictions

(Conditions are limitations placed on either the reserve balance or limitations on contributions to the reserve.)

(Restrictions are limitations placed on how the funds are to be used.)

(Funds can be classified as externally restricted, outside agency or regulatory body, internally restricted, by Council, or unrestricted.)

What is the reason for closing the reserve?

(Did circumstances, such as council priorities, change?)

(Did the reserve reach a specific goal?)

What happens to the reserve balance (if applicable)?

(If a balance remains, will it be transferred to another reserve?)

(Or used in operations or for capital?)

Is there a supplemental report to support the request to close the reserve?

(If close request is an outcome of some other report, please include report as background)

List Key operating and financial contacts responsible (for information purposes only).

(List primarily positions rather than names)

If you need more information on this form please contact the Financial Reporting Officer, Nicole Hiscock via Teams.

Note, reports missing any of the above listed information shall not be considered for approval.

[Year End Reserve Checklists and Templates](#)

- Existing Reserves Checklist
- New Reserves Checklist
- Year End Reserves Template and Instructions
- Year End Deposit and Liability Template and Instructions