

THE CITY OF CALGARY
RESERVES AND LONG-TERM LIABILITIES
BALANCES 2025

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REPORT OVERVIEW

INTRODUCTION

This report is presented in accordance with the requirements contained within the Council Policy on Reserves CP2025-13. This report provides financial information on The City of Calgary's (The City's) reserves and long-term liabilities balances as at 2025 December 31, and highlights the accountability systems with respect to The City's reserves. This report supplements the information and disclosures on reserve balances contained in The City's 2025 Annual Financial Report (AC2026-0181) and supports Executive Committee in fulfilling its responsibilities for oversight of financial and budget matters.

BACKGROUND

Reserves are a key component of sound financial management and long-term fiscal sustainability for The City. They allow The City to plan for future capital replacement, manage funding for major initiatives, and respond to economic volatility and unexpected events.

Reserves are governed through Council-approved policy and are regularly reviewed to ensure they remain aligned with The City's financial strategies, service delivery requirements, and risk profile. A balanced approach to funding, use, and target levels is considered a leading practice in municipal financial management and contributes to The City's strong financial position and credit rating.

RESERVES MANAGEMENT AND REPORTING

Reserves are governed by the Council Policy, which establishes the framework for planning, budgeting, reporting, and ongoing management. Reserve activity is integrated into The City's multi-year business planning and budgeting process to align funding and use with Council priorities. Council approves budgets that include the planned use of reserves, while Administration manages reserves in accordance with their approved purpose, conditions, and restrictions, and reports on their use and balances.

Administration previously followed the Financial Reserves Policy (FA-050) to guide operational management, including compliance, documentation, and periodic reviews. This policy is being repealed and replaced with an updated Administration policy to align with the Council Policy and streamline governance, reporting, and accountability.

Within this framework, Corporate Financial Reporting coordinates reserve reporting, maintains related controls, and ensures reserve balances are accurately reported in both The City's Annual Financial Report and the Annual Reserves and Long-Term Liabilities Balances Report.

INVESTMENT INCOME ALLOCATIONS

Treasury manages The City's investments, including reserve funds. Investment income is allocated only to reserves approved by Council to receive it. Eligible capital deposits and other fund balances may also receive allocations. In 2025, \$99 million investment income was allocated. Income earned on reserves that are not eligible for allocation is recorded as general revenue.

LONG-TERM LIABILITIES

In addition to reserves, The City has long-term liabilities such as capital deposits and employee benefit obligations. These balances have specific purposes and restrictions and are included in this report for completeness, given their size and importance to The City's overall financial position.

RESERVES AND LONG-TERM LIABILITIES BALANCES

FINANCIAL TABLES

YEAR-OVER-YEAR RESERVES BALANCES
AS AT DECEMBER 31
(\$000's)

This table summarizes reserve balances over the past two years, grouped by operating, capital, and sustainment categories, with reserve types identified to support interpretation of trends.

	Type	Page	2025	2024
Operating Reserves				
Calgary Police Service Court Fine Revenue Operating Reserve	CF	15	2,421	4,000
Calgary Police Service Helicopter Maintenance Reserve	CF	16	2,777	1,011
Children's Reserve Fund	E	17	5,098	5,322
Family & Community Support Service (FCSS) Stabilization Fund	C	18	5,822	5,995
Fiscal Stability Reserve	C/CF	19	1,352,564	1,214,131
Group Life Reserve	L	23	2,477	2,197
Health, Safety and Wellness Reserve	CF	24	17,903	17,769
Heritage Calgary Reserve	E	25	1,376	1,346
Heritage Incentive Reserve	CF	26	3,257	3,059
Mall Programming Fund	E	27	812	934
Parking Revenue Reinvestment Reserve	CF	28	5,679	5,224
Parks Foundation Reserve	E	29	2,745	2,609
Self - Insurance Reserve	L	30	2,000	2,000
Winter Maintenance Reserve	C	31	8,334	7,518
Tax Loss Provision Reserve	Closed C	33	-	-
			1,413,265	1,273,115
Capital Reserves				
911 Communications Centre Capital Financing Reserve	CF	34	21,918	22,362
Artificial Turf Field Lifecycle Reserve	C/CF	35	9,224	9,120
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	37	7,500	5,207
Calgary Police Service Capital Reserve	CF	39	19,541	25,218
Community Investment Reserve	CF	41	139,701	156,814
Debt Servicing Reserve	C	43	-	-
Established Area Investment Fund	CF	45	23,144	32,391
Green Line Fund	CF	47	269,680	182,753
Information Technology Reserve	CF	49	47,857	41,540
Legacy Parks Reserve	CF	51	81,658	64,555
Major Capital Projects Reserve	CF	53	352,993	430,281
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged Reserve	C/CF	55	829,486	962,386
TELUS Convention Centre Reserve	L	58	385	205
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	CF	59	-	-
			1,803,087	1,932,832
Sustainment / Combined Operating & Capital Reserves				
Business Licence Sustainment Reserve	CF	60	9,144	9,546
Calgary Parking Capital Reserve Fund	CF	61	162,539	158,416
Calgary Parking Long Term Investment Fund	Closed C	62	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	Closed CF	63	-	-
Community Sustainability Reserve	L	65	956	1,391
Corporate Housing Reserve	L	67	77,517	64,655
Downtown Improvement Fund ⁽¹⁾	CF	70	688	1,489
Fleet Services Reserve	CF	71	8,286	11,470
General Hospital Legacy Reserve	CF	72	17,702	17,660
Golf Course Reserve	C/CF	73	23,985	20,414
Livery Transport Services Sustainment Reserve	CF	74	14,069	10,624
Opportunity Calgary Investment Fund	L	75	67,885	60,619
Parks Endowment and Sustainment Reserve	CF/E	77	18,476	11,370
Perpetual Care of the Municipal Cemeteries Reserve	CF	79	26,726	26,860
Planning & Development Services Sustainment Reserve	C/CF	80	77,660	96,913
Public Art Reserve	CF	81	4,935	4,935
Land Servicing Reserve	CF	82	138,434	164,649
Revolving Fund Reserve for General Land Purchases	C/CF	83	108,325	85,930
Utility Sustainment Reserve	C/CF	85	165,667	215,183
Waste and Recycling Sustainment Reserve	C/CF	86	43,409	31,675
			966,403	993,799
Total Reserves			4,182,755	4,199,746

(1) The Downtown Improvement Fund was reclassified from a capital reserve to a combined operating & capital reserve per EC2023-0466.

Reserve Type:
C - Contingency Reserve
CF - Cash Flow Reserve
E - Endowment Reserve
L - Legislated/Contractual Requirement

RESERVE RECONCILIATION AND LONG-TERM LIABILITY BALANCES
AS AT DECEMBER 31
(\$000's)

	2025	2024
Total Reserves (per page 3)	4,182,755	4,199,746
LESS: Amounts included in the Reserve Report but recorded in Operating or Capital Fund in the Annual Financial Report		
Unappropriated Operating Fund Surplus (Note 18)	(259,308)	(276,278)
Revolving Fund for General Land Purchases	(108,325)	(85,930)
ADD: Amounts not included in the Reserve Report but recorded in the Reserve Fund in the Annual Financial Report		
Attainable Homes Calgary Corporation - Operating Fund	500	500
Calgary Arts Development Authority Ltd. - Operating Fund	1,598	1,598
Calgary Housing Company - Surplus	66,063	57,805
Calgary Public Library - Operating Fund	-	993
Reserves per 2025 Annual Financial Report (Note 20)	3,883,283	3,898,434

Note: This reconciles total reserves per the Reserves and Long-Term Liabilities Balances 2025 Report to reserves balances per The City's 2025 Annual Financial Report, by excluding items such as current year surplus and Revolving Fund for General Land Purchases, while including other items such as reserves held by Related Authorities.

YEAR-OVER-YEAR LONG TERM LIABILITIES BALANCES
AS AT DECEMBER 31
(\$000's)

This table shows long-term liabilities balances information for the past two years. The long-term liabilities are grouped as capital deposits and employee benefit obligations.

	Page	2025	2024
<u>Long-Term Liabilities</u>			
<u>Capital Deposits</u>			
Eau Claire Improvement Fund	88	1,549	1,481
Canada Community Building Fund (CCBF)	89	145,113	142,089
Local Government Fiscal Framework (LGFF)	90	63,119	212,161
Miscellaneous Capital Deposits ⁽¹⁾	91	452,485	309,617
Municipal Sustainability Initiative (MSI)	93	130,103	28,350
Off-site and Centre City Levies	95	691,534	534,535
Plus 15 Fund	97	28,784	29,835
Total Capital Deposits		1,512,687	1,258,068
<u>Employee Benefit Obligations</u>			
Defined Benefit Pension Plans (Registered & Non-Registered)	98	76,977	87,956
Funded Vacation and Overtime Liability	99	342,638	311,191
Other Retirement Benefits Liability	100	113,340	112,825
		532,955	511,972
Total Long-Term Liabilities		2,045,642	1,770,040

(1) The comparative figure for 2024 has been adjusted to reflect a reclassification of opening balances, consistent with the presentation in the Annual Financial Report.

Note: In addition to reserves, The City has commitments in the form of long-term liabilities, such as, capital deposits and employee benefit obligations. Capital deposits are funds available for the purpose of capital spending and have specific restrictions and conditions around their usage, as defined in the Glossary. Employee benefit obligations is another significant liability held by The City with specific purpose and contractual conditions. Due to the significance of these liabilities, these amounts are included in this report for informational purposes.

VARIANCE EXPLANATIONS FOR CURRENT YEAR CHANGE - OPERATING
AS AT DECEMBER 31
(\$000's)

This table provides explanations for the year-on-year change in operating reserve balances. The threshold used for providing explanations is \$4,000 or 20% change in reserves balances relative to the prior year.

	Type	Page	2025	2024	Change \$	Change %	Change Note
Operating Reserves							
Calgary Police Service Court Fine Revenue Operating Reserve	CF	15	2,421	4,000	(1,579)	(39%)	1
Calgary Police Service Helicopter Maintenance Reserve	CF	16	2,777	1,011	1,766	175%	2
Children's Reserve Fund	E	17	5,098	5,322	(224)	(4%)	
Family & Community Support Service (FCSS) Stabilization Fund	C	18	5,822	5,995	(173)	(3%)	
Fiscal Stability Reserve	C/CF	19	1,352,564	1,214,131	138,433	11%	3
Group Life Reserve	L	23	2,477	2,197	280	13%	
Health, Safety and Wellness Reserve	CF	24	17,903	17,769	134	1%	
Heritage Calgary Reserve	E	25	1,376	1,346	30	2%	
Heritage Incentive Reserve	CF	26	3,257	3,059	198	6%	
Mall Programming Fund	E	27	812	934	(122)	(13%)	
Parking Revenue Reinvestment Reserve	CF	28	5,679	5,224	455	9%	
Parks Foundation Reserve	E	29	2,745	2,609	136	5%	
Self - Insurance Reserve	L	30	2,000	2,000	-	0%	
Winter Maintenance Reserve	C	31	8,334	7,518	816	11%	
Tax Loss Provision Reserve	Closed	C	33	-	-	-	-
			1,413,265	1,273,115	140,150	11%	

Change Explanation (Threshold: Greater than 20% or \$4,000):

1. Calgary Police Service Court Fine Revenue Operating Reserve: The decrease in the reserve is due to a transfer out of the reserve of \$1,579 in 2025 to fund the Calgary Police Service year-end operating deficit.

2. Calgary Police Service Helicopter Maintenance Reserve: The increase in the reserve is due to contributions of \$809 from the operating fund and a one-time City contribution of \$3,025 (C2025-0668), partially offset by increased expenditures primarily related to a main gearbox overhaul for one helicopter \$2,077.

3. Fiscal Stability Reserve - The reserve increased by \$138,433, reflecting funding of \$309,653 partially offset by \$171,220 in expenditures and transfers.

Funding was driven mainly by the current year operating surplus \$259,308, interest income \$25,971, operating contingency funds no longer required and inter-business unit loan repayments \$7,953 and transfers from other reserves (\$14,421 from Reserve for Future Capital and \$2,000 from the Lifecycle Maintenance and Upgrade Reserve).

Expenditures and transfers was driven mainly by Council-approved one-time items \$120,377, a transfer to the Opportunity Calgary Investment Fund \$15,000, funding of flood resiliency projects' non-capital expenditures \$33,435, and corporate financing for various initiatives, including resiliency projects, the Clean Energy program, Accelerating Housing Development, and the Safer Mobility Plan \$2,408.

VARIANCE EXPLANATIONS FOR CURRENT YEAR CHANGE - CAPITAL
AS AT DECEMBER 31
(\$000's)

This table provides explanations for the year-on-year change in capital reserve balances. The threshold used for providing explanations is \$4,000 or 20% change in reserves balances relative to the prior year.

	Type	Page	2025	2024	Change \$	Change %	Change Note
Capital Reserves							
911 Communications Centre Capital Financing Reserve	CF	34	21,918	22,362	(444)	(2%)	
Artificial Turf Field Lifecycle Reserve	C/CF	35	9,224	9,120	104	1%	
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	37	7,500	5,207	2,293	44%	1
Calgary Police Service Capital Reserve	CF	39	19,541	25,218	(5,677)	(23%)	2
Community Investment Reserve	CF	41	139,701	156,814	(17,113)	(11%)	3
Debt Servicing Reserve	C	43	-	-	-	-	
Established Area Investment Fund	CF	45	23,144	32,391	(9,247)	(29%)	4
Green Line Fund	CF	47	269,680	182,753	86,927	48%	5
Information Technology Reserve	CF	49	47,857	41,540	6,317	15%	6
Legacy Parks Reserve	CF	51	81,658	64,555	17,103	26%	7
Major Capital Projects Reserve	CF	53	352,993	430,281	(77,288)	(18%)	8
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged	C/CF	55	829,486	962,386	(132,900)	(14%)	9
TELUS Convention Centre Reserve	L	58	385	205	180	88%	10
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	CF	59	-	-	-	-	
			1,803,087	1,932,832	(129,745)	(7%)	

Change Explanation (Threshold: Greater than 20% or \$4,000):

- Asphalt and Crusher Plant Lifecycle Capital Reserve:** The increase in the reserve is primarily due to contributions from Mobility operations totalling \$2,430 and investment income of \$83, partially offset by capital expenditures of \$216.
- Calgary Police Service Capital Reserve:** The decrease in the reserve is primarily due to vehicle expenditures of \$12,994 and Red Light Camera expenditures of \$465, partially offset by operating fund contributions of \$7,743.
- Community Investment Reserve:** The decrease in the reserve is primarily due to increased spending in 2025 related to approved capital projects \$61,700 including the MNP Community and Sports Centre Aquatic Upgrade, Saddle Ridge Athletic Park and Glenmore Twin Arena, offset by \$42,000 contributions from vacated tax room.
- Established Area Investment Fund:** The decrease in the reserve is primarily due to increased pace of public realm improvement projects undertaken during the year, including River Park and Sandy Beach \$4,000, South Bow Pathway Pumphouse Park \$3,000 and Richmond Green Park Redevelopment \$2,000. The reserve is intended to be drawn down to fund public realm improvements under the Established Area Growth and Change Strategy.
- Green Line Fund:** The increase is largely due to Council approved annual funding of \$103,778, offset by \$16,851 in reserve utilization in 2025 for capital costs incurred.
- Information Technology Reserve:** The increase in the reserve balance is primarily due to higher-than-planned net contributions during the year of \$8,253 driven by favourable operating results during the year, including expenditure savings and/or higher than anticipated revenues, as well as lower-than-expected reserve draws \$2,208 and actual project expenditures driven by lower than anticipated spending in the IT development pool project due to changes in work schedules. These balances are expected to be utilized in future years as planned activities progress.
- Legacy Parks Reserve:** The increase in the reserve balance is primarily due to the receipt of excess ENMAX dividends of \$23,000. Contribution amounts vary annually based on the level of dividends declared by ENMAX. The increase was partially offset by contributions to capital related to park development, park upgrades and project development projects of \$7,437.
- Major Capital Projects Reserve:** The decrease in the reserve balance is primarily due to Event Centre capital financing allocations of \$115,000, partially offset by corporate investment income of \$28,000 and interest income of \$9,000 from a loan to Calgary Municipal Land Corporation.
- Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged:** The net decrease in the reserve is primarily due to higher contributions to capital financing of \$124,890, partially offset by a \$33,831 in one-time fund transfers in the prior year.
- TELUS Convention Centre Reserve:** The increase in the reserve balance is primarily due to the annual contribution of \$180 from City operations, combined with no drawdowns from the reserve in 2025.

VARIANCE EXPLANATIONS FOR CURRENT YEAR CHANGE - SUSTAINMENT
AS AT DECEMBER 31
(\$000's)

This table provides explanations for the year-on-year change in sustainment reserve balances. The threshold used for providing explanations is \$4,000 or 20% change in reserves balances relative to the prior year.

	Type	Page	2025	2024	Change \$	Change %	Change Note
Sustainment / Combined Operating & Capital Reserves							
Business Licence Sustainment Reserve	CF	60	9,144	9,546	(402)	(4%)	
Calgary Parking Capital Reserve Fund	CF	61	162,539	158,416	4,123	3%	1
Calgary Parking Long Term Investment Fund	Closed C	62	-	-	-	-	
Cash-in-Lieu Lifecycle Sustainment Reserve	Closed CF	63	-	-	-	-	
Community Sustainability Reserve	L	65	956	1,391	(435)	(31%)	2
Corporate Housing Reserve	L	67	77,517	64,655	12,862	20%	3
Downtown Improvement Fund	CF	70	688	1,489	(801)	(54%)	4
Fleet Services Reserve	CF	71	8,286	11,470	(3,184)	(28%)	5
General Hospital Legacy Reserve	CF	72	17,702	17,660	42	0%	
Golf Course Reserve	C/CF	73	23,985	20,414	3,571	17%	
Livery Transport Services Sustainment Reserve	CF	74	14,069	10,624	3,445	32%	6
Opportunity Calgary Investment Fund	L	75	67,885	60,619	7,266	12%	7
Parks Endowment and Sustainment Reserve	CF/E	77	18,476	11,370	7,106	62%	8
Perpetual Care of the Municipal Cemeteries Reserve	CF	79	26,726	26,860	(134)	(0%)	
Planning & Development Services Sustainment Reserve	C/CF	80	77,660	96,913	(19,253)	(20%)	9
Public Art Reserve	CF	81	4,935	4,935	-	0%	
Land Servicing Reserve	CF	82	138,434	164,649	(26,215)	(16%)	10
Revolving Fund Reserve for General Land Purchases	C/CF	83	108,325	85,930	22,395	26%	11
Utility Sustainment Reserve	C/CF	85	165,667	215,183	(49,516)	(23%)	12
Waste and Recycling Sustainment Reserve	C/CF	86	43,409	31,675	11,734	37%	13
			966,403	993,799	(27,396)	(3%)	

Change Explanation (Threshold: Greater than 20% or \$4,000):

- 1. Calgary Parking Capital Reserve Fund:** The increase in the reserve is primarily due to investment income of \$4,268 and contributions from operations of \$4,000, partially offset by contributions to capital of \$4,145 which were lower 2025 compared to 2024 due to the Lot 25 Structural Improvement project and Lot 36, 28 and 60 upgrades winding down in 2025.
- 2. Community Sustainability Reserve:** The decrease in the reserve is primarily due greater funding provided to community partners of \$435, due to increased community association requests and higher approved funding allocations.
- 3. Corporate Housing Reserve:** The increase in the reserve is primarily due to the transfer of \$11,000 of unused Land Fund operating budget to the reserve.
- 4. Downtown Improvement Fund:** The Downtown Improvement Fund was reclassified from a capital reserve to a combined operating & capital reserve per EC2023-0466. The decrease in the reserve is primarily due to increased capital spending of \$826, including the Downtown Stephen Avenue project.
- 5. Fleet Services Reserve:** The decrease in the reserve is primarily due to drawdowns from the Fleet Reserve of \$3,000 to offset higher interest expense and depreciation costs.
- 6. Livery Transport Services Sustainment Reserve:** The increase in the reserve is primarily due to the 2025 surplus within the Livery Service Line of \$3,532, resulting from higher revenue and staff vacancies during the year.
- 7. Opportunity Calgary Investment Fund:** The increase in the reserve is primarily due to a Council-approved transfer of \$15,000 per year from the Fiscal Stability Reserve for 2025–2028, totalling \$60,000, as authorized under report EC2025-0406 and investment income of \$2,479. The increase was partially offset by contributions to operations of \$10,213, which includes \$8,534 payments to grant recipients and \$1,679 operating grants to Opportunity Calgary Investment Fund Ltd.
- 8. Parks Endowment and Sustainment Reserve:** The increase in the reserve is primarily due to contributions from the Government of Canada related to the 2 Billion Trees Program of \$13,970 offset by contributions to capital related to the trees program of \$6,873.
- 9. Planning & Development Services Sustainment Reserve:** The decrease in the reserve from the previous years is primarily due to higher withdrawals to fund approved capital projects. A combination of capital project expenditures in 2025 contributed to the reserve draw, including, the Working Space Initiative \$6,800, Vehicle Acquisition \$3,700, Business Technology Sustainment \$3,800 and Service Improvements Modernization \$4,600.
- 10. Land Servicing Reserve:** The decrease in the reserve is primarily due to outflows from the reserve for capital expenditures in land development activities of \$42,880 and for transfers including the downtown conversion program funded from the reserve of \$16,394, offset by gross proceeds of land sales transferred to the reserve of \$33,145.
- 11. Revolving Fund Reserve for General Land Purchases:** The increase in the reserve is primarily due to an increase in repayments from business units for balances owed to the reserve for land acquisitions in prior years and other net contributions from business operations of \$14,252 and for net contributions for land sales of \$10,845. These inflows are offset by capital expenditures during the year on land acquisitions and other activities funded from the reserve of \$2,702.
- 12. Utility Sustainment Reserve:** The decrease in the reserve balance is primarily due to higher capital financing requirements, reflecting higher operational contributions owed to the reserve of approximately \$100,000 in increased capital spending compared to the previous year. In the current year there was a focus on fully utilizing the capital budget to deliver better services to Calgarians. This focus on spending the approved council budget is one of the main contributors to the increase in capital spending from previous years.
- 13. Waste and Recycling Sustainment Reserve:** The increase in the reserve is primarily due to higher contributions from operations and investment income of \$22,029, driven by increased landfill and cart revenue. This was partially offset by asset retirement obligations for landfills of \$3,567 and contributions to capital financing of \$6,729.

INVESTMENT INCOME ALLOCATIONS: 2-YEAR TREND
FOR THE YEARS ENDED DECEMBER 31
(\$000's)

This table shows information on the eligibility for investment income allocations for each reserve. For reserves that are approved to receive investment income allocations, the table provides a two-year history of the allocations for these reserves. Investment income not allocated to reserves is allocated to general revenue.

	Type	Page	Investment Income Allocations	2025	2024
Operating Reserves					
Calgary Police Service Court Fine Revenue Operating Reserve	CF	15	N	-	-
Calgary Police Service Helicopter Maintenance Reserve	CF	16	N	-	-
Children's Reserve Fund	E	17	Y	120	126
Family & Community Support Service (FCSS) Stabilization Fund	C	18	Y	121	141
Fiscal Stability Reserve	C/CF	19	Y	25,971	22,074
Group Life Reserve	L	23	Y	55	69
Health, Safety and Wellness Reserve	CF	24	N	-	-
Heritage Calgary Reserve	E	25	Y	30	34
Heritage Incentive Reserve	CF	26	Y	(150)	289
Mall Programming Fund	E	27	Y	21	22
Parking Revenue Reinvestment Reserve	CF	28	Y	177	218
Parks Foundation Reserve	E	29	Y	258	204
Self - Insurance Reserve	L	30	Y	-	-
Winter Maintenance Reserve	C	31	N	-	-
Tax Loss Provision Reserve	Closed C	33	N	-	-
				26,603	23,177
Capital Reserves					
911 Communications Centre Capital Financing Reserve	CF	34	N	-	-
Artificial Turf Field Lifecycle Reserve	C/CF	35	Y	191	192
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	37	Y	83	104
Calgary Police Service Capital Reserve	CF	39	P	5	13
Community Investment Reserve	CF	41	Y	2,572	3,100
Debt Servicing Reserve	C	43	Y	-	1,302
Established Area Investment Fund	CF	45	Y	542	726
Green Line Fund	CF	47	N	-	-
Information Technology Reserve	CF	49	P	94	62
Legacy Parks Reserve	CF	51	Y	1,390	1,243
Major Capital Projects Reserve	CF	53	Y	37,327	17,409
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged	C/CF	55	N	-	-
TELUS Convention Centre Reserve	L	58	N	-	-
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	CF	59	Y	-	-
				42,204	24,151
Sustainment / Combined Operating & Capital Reserves					
Business Licence Sustainment Reserve	CF	60	Y	197	249
Calgary Parking Capital Reserve Fund	CF	61	Y	4,268	5,212
Calgary Parking Long Term Investment Fund	Closed C	62	Y	-	1,185
Cash-in-Lieu Lifecycle Sustainment Reserve	Closed CF	63	Y	-	226
Community Sustainability Reserve	L	65	N	-	-
Corporate Housing Reserve	L	67	Y	760	789
Downtown Improvement Fund ⁽¹⁾	CF	70	Y	25	33
Fleet Services Reserve	CF	71	N	-	-
General Hospital Legacy Reserve	CF	72	Y	378	415
Golf Course Reserve	C/CF	73	Y	483	415
Livery Transport Services Sustainment Reserve	CF	74	Y	256	187
Opportunity Calgary Investment Fund	L	75	Y	2,479	2,015
Parks Endowment and Sustainment Reserve	CF/E	77	Y	351	175
Perpetual Care of the Municipal Cemeteries Reserve	CF	79	Y	588	755
Planning & Development Services Sustainment Reserve	C/CF	80	Y	2,356	3,453
Public Art Reserve	CF	81	N	-	-
Land Servicing Reserve	CF	82	N	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	83	Y	1,887	2,700
Utility Sustainment Reserve	C/CF	85	Y	12,677	9,276
Waste and Recycling Sustainment Reserve	C/CF	86	Y	3,195	3,624
				29,900	30,709
Total Investment Income Allocations to Reserves				98,707	78,037

(1) The Downtown Improvement Fund was reclassified from a capital reserve to a combined operating & capital reserve per EC2023-0466.
(2) The Heritage Incentive Reserve has negative investment income for 2025 to correct a calculation error from 2024.

Investment Income Allocations:

Y - Receives allocations
N - Does not receive allocations; investment income allocated to general revenue
P - A component of the reserve receives an allocation

BALANCE CONDITIONS
AS AT DECEMBER 31
(\$000's)

Council approves reserve conditions at the time reserves are created or subsequent to their creation. This table provides information on the balance conditions for each reserve that has an approved balance condition.

	Type	Page	2025	Reserve Balance Conditions			
				Minimum	Maximum	Target	Principal
Operating Reserves							
Calgary Police Service Court Fine Revenue Operating Reserve	CF	15	2,421	-	-	-	-
Calgary Police Service Helicopter Maintenance Reserve	CF	16	2,777	-	-	-	-
Children's Reserve Fund	E	17	5,098	-	-	-	4,433
Family & Community Support Service (FCSS) Stabilization Fund	C	18	5,822	-	-	-	-
Fiscal Stability Reserve	C/CF	19	1,352,564	219,979	-	659,938	-
Group Life Reserve	L	23	2,477	2,477	-	-	-
Health, Safety and Wellness Reserve	CF	24	17,903	-	-	-	-
Heritage Calgary Reserve	E	25	1,376	-	-	-	1,338
Heritage Incentive Reserve	CF	26	3,257	-	-	-	-
Mall Programming Fund	E	27	812	-	-	-	688
Parking Revenue Reinvestment Reserve	CF	28	5,679	-	-	-	-
Parks Foundation Reserve	E	29	2,745	-	-	-	2,000
Self - Insurance Reserve	L	30	2,000	2,000	2,000	-	2,000
Winter Maintenance Reserve	C	31	8,334	4,000	22,000	-	-
Tax Loss Provision Reserve	Closed C	33	-	-	-	-	-
Capital Reserves							
911 Communications Centre Capital Financing Reserve	CF	34	21,918	-	-	-	-
Artificial Turf Field Lifecycle Reserve	C/CF	35	9,224	-	-	-	345
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	37	7,500	-	7,500	-	-
Calgary Police Service Capital Reserve ⁽¹⁾	CF	39	19,541	-	2,500	-	-
Community Investment Reserve	CF	41	139,701	-	-	-	-
Debt Servicing Reserve	C	43	-	-	-	-	-
Established Area Investment Fund	CF	45	23,144	-	-	-	-
Green Line Fund	CF	47	269,680	-	-	-	-
Information Technology Reserve ⁽²⁾	CF	49	47,857	9,453	11,972	-	-
Legacy Parks Reserve	CF	51	81,658	-	-	-	-
Major Capital Projects Reserve	CF	53	352,993	-	-	-	-
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged	C/CF	55	829,486	-	-	124,972	-
TELUS Convention Centre Reserve	L	58	385	200	-	-	-
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	CF	59	-	-	-	-	-
Sustainment / Combined Operating & Capital Reserves							
Business Licence Sustainment Reserve	CF	60	9,144	-	-	-	-
Calgary Parking Capital Reserve Fund	CF	61	162,539	-	-	-	-
Calgary Parking Long Term Investment Fund	Closed C	62	-	-	-	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	Closed CF	63	-	-	-	-	-
Community Sustainability Reserve	L	65	956	-	-	-	-
Corporate Housing Reserve	L	67	77,517	-	-	-	-
Downtown Improvement Fund ⁽³⁾	CF	70	688	-	-	-	-
Fleet Services Reserve	CF	71	8,286	-	10,000	-	-
General Hospital Legacy Reserve	CF	72	17,702	-	-	-	-
Golf Course Reserve	C/CF	73	23,985	-	-	-	1,000
Livery Transport Services Sustainment Reserve	CF	74	14,069	-	-	-	-
Opportunity Calgary Investment Fund	L	75	67,885	-	-	-	-
Parks Endowment and Sustainment Reserve	CF/E	77	18,476	-	-	-	-
Perpetual Care of the Municipal Cemeteries Reserve	CF	79	26,726	7,000	-	-	-
Planning & Development Services Sustainment Reserve	C/CF	80	77,660	-	-	100,787	-
Public Art Reserve	CF	81	4,935	-	-	-	-
Land Servicing Reserve	CF	82	138,434	-	-	-	-
Revolving Fund Reserve for General Land Purchases	C/CF	83	108,325	-	-	-	-
Utility Sustainment Reserve ⁽⁴⁾	C/CF	85	165,667	-	-	109,899	-
Waste and Recycling Sustainment Reserve	C/CF	86	43,409	-	-	43,570	-

(1) The maximum amount for Calgary Police Service Capital Reserve only relates to the Pay-As-You-Go portion of the reserve.

(2) The minimum and maximum amounts for Information Technology Reserve only relate to the hardware replacement portion of the reserve.

(3) The Downtown Improvement Fund was reclassified from a capital reserve to a combined operating & capital reserve per EC2023-0466.

(4) The reserve is split between Sustainment Funds (\$108,315), Offsite Levy Funds (\$52,600) and Future Year Capital Funds (\$4,752). The target balance solely pertains to the Sustainment Funds portion of the reserve.

BALANCE BY COMMITMENTS
AS AT DECEMBER 31
(\$000's)

This table shows reserve commitments as at December 31, 2025. These commitments include budgeted reserve inflows/outflows for the 2023 - 2026 Service Plans and Budgets, Council approved commitments, and legislated and external commitments. These amounts are further supported by supplementary details in each respective reserve appendix.

	Type	Page	2025	Reserve Balance by Commitments		
				Funding	Commitments	Remaining Balance
			A	B	C	A+B-C
Operating Reserves						
Calgary Police Service Court Fine Revenue Operating Reserve	CF	15	2,421	-	-	2,421
Calgary Police Service Helicopter Maintenance Reserve	CF	16	2,777	-	-	2,777
Children's Reserve Fund	E	17	5,098	120	4,553	665
Family & Community Support Service (FCSS) Stabilization Fund	C	18	5,822	-	-	5,822
Fiscal Stability Reserve	C/CF	19	1,352,564	19,332	1,109,615	262,281
Group Life Reserve	L	23	2,477	-	2,477	-
Health, Safety and Wellness Reserve	CF	24	17,903	1,688	1,700	17,891
Heritage Calgary Reserve	E	25	1,376	3,060	1,338	3,098
Heritage Incentive Reserve	CF	26	3,257	5,100	636	7,721
Mall Programming Fund	E	27	812	-	812	-
Parking Revenue Reinvestment Reserve	CF	28	5,679	-	-	5,679
Parks Foundation Reserve	E	29	2,745	-	2,745	-
Self - Insurance Reserve	L	30	2,000	-	2,000	-
Winter Maintenance Reserve	C	31	8,334	-	950	7,384
Tax Loss Provision Reserve	Closed C	33	-	-	-	-
			1,413,265	29,300	1,126,826	315,739
Capital Reserves						
911 Communications Centre Capital Financing Reserve	CF	34	21,918	-	18,125	3,793
Artificial Turf Field Lifecycle Reserve	C/CF	35	9,224	189	2,402	7,011
Asphalt and Crusher Plant Lifecycle Capital Reserve	CF	37	7,500	200	2,374	5,326
Calgary Police Service Capital Reserve	CF	39	19,541	10,665	20,376	9,830
Community Investment Reserve	CF	41	139,701	206,682	346,383	-
Debt Servicing Reserve	C	43	-	476,032	476,032	-
Established Area Investment Fund	CF	45	23,144	1,000	11,937	12,207
Green Line Fund	CF	47	269,680	1,909,782	2,171,952	7,510
Information Technology Reserve	CF	49	47,857	9,563	25,619	31,801
Legacy Parks Reserve	CF	51	81,658	4,930	80,218	6,370
Major Capital Projects Reserve	CF	53	352,993	346,661	366,648	333,006
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged	C/CF	55	829,486	222,260	991,934	59,812
TELUS Convention Centre Reserve	L	58	385	180	565	-
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	CF	59	-	-	-	-
			1,803,087	3,188,144	4,514,565	476,666
Sustainment / Combined Operating & Capital Reserves						
Business Licence Sustainment Reserve	CF	60	9,144	134	2,972	6,306
Calgary Parking Capital Reserve Fund	CF	61	162,539	-	-	162,539
Calgary Parking Long Term Investment Fund	Closed C	62	-	-	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	Closed C	63	-	-	-	-
Community Sustainability Reserve	L	65	956	-	123	833
Corporate Housing Reserve	L	67	77,517	927	67,005	11,439
Downtown Improvement Fund ⁽¹⁾	CF	70	688	176	752	112
Fleet Services Reserve	CF	71	8,286	-	-	8,286
General Hospital Legacy Reserve	CF	72	17,702	770	16,675	1,797
Golf Course Reserve	C/CF	73	23,985	1,158	3,275	21,868
Livery Transport Services Sustainment Reserve	CF	74	14,069	562	1,252	13,379
Opportunity Calgary Investment Fund	L	75	67,885	51,800	119,685	-
Parks Endowment and Sustainment Reserve	CF/E	77	18,476	2,351	20,827	-
Perpetual Care of the Municipal Cemeteries Reserve	CF	79	26,726	2,668	2,828	26,566
Planning & Development Services Sustainment Reserve ⁽²⁾	C/CF	80	77,660	1,854	83,551	(4,037)
Public Art Reserve	CF	81	4,935	-	-	4,935
Land Servicing Reserve ⁽³⁾	CF	82	138,434	38,155	243,966	(67,377)
Revolving Fund Reserve for General Land Purchases	C/CF	83	108,325	22,927	103,786	27,466
Utility Sustainment Reserve	C/CF	85	165,667	547,766	583,892	129,541
Waste and Recycling Sustainment Reserve	C/CF	86	43,409	20,876	21,726	42,559
			966,403	692,124	1,272,315	386,212
Total Reserves			4,182,755	3,909,568	6,913,706	1,178,617

(1) The Downtown Improvement Fund was reclassified from a capital reserve to a combined operating & capital reserve per EC2023-0466.

(2) The remaining balance is negative as the capital budget was approved to 2028, while inflows only include those in the current budget cycle ending in 2026.

(3) The remaining balance is negative as the commitments are expected to be funded by future inflows not yet approved by Council as of December 31, 2025.

2025 RESERVES SCHEDULE: BY DEPARTMENT

	Operating/ Capital/ Sustainment	Jan. 1/25 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer between Reserves	Investment Income	Other	Dec. 31/25 Closing Balance
Planning & Development Services									
Business Licence Sustainment Reserve	S	9,546	-	727	(1,326)	-	197	-	9,144
Established Area Investment Fund	C	32,391	-	-	(11,737)	1,948	542	-	23,144
Heritage Calgary Reserve	O	1,346	-	-	-	-	30	-	1,376
Heritage Incentive Reserve	O	3,059	-	348	-	-	(150)	-	3,257
Mall Programming Fund	O	934	(143)	-	-	-	21	-	812
Parking Revenue Reinvestment Reserve	O	5,224	(726)	1,004	-	-	177	-	5,679
Planning & Development Services Sustainment Reserve	S	96,913	(2,612)	-	(18,997)	-	2,356	-	77,660
Infrastructure Services									
Downtown Improvement Fund	C	1,489	-	-	(826)	-	25	-	688
Green Line Fund	C	182,753	-	103,778	(16,851)	-	-	-	269,680
Land Servicing Reserve	S	164,649	-	14,217	(42,880)	(16,394)	-	18,842	138,434
Revolving Fund Reserve for General Land Purchases	S	85,930	-	24,375	(3,623)	(244)	1,887	-	108,325
Community Services & Calgary Police									
911 Communications Centre Capital Financing Reserve	C	22,362	-	-	(444)	-	-	-	21,918
Artificial Turf Field Lifecycle Reserve	C	9,120	-	1,292	(1,379)	-	191	-	9,224
Calgary Police Service Capital Reserve	C	25,218	-	9,282	(14,964)	-	5	-	19,541
Calgary Police Service Court Fine Revenue Operating Reserve	O	4,000	(1,579)	-	-	-	-	-	2,421
Calgary Police Service Helicopter Maintenance Reserve	O	1,011	(2,077)	3,843	-	-	-	-	2,777
Children's Reserve Fund	O	5,322	(344)	-	-	-	120	-	5,098
Community Investment Reserve	C	156,814	-	42,000	(61,685)	-	2,572	-	139,701
Community Sustainability Reserve	S	1,391	-	-	-	-	-	(435)	956
Corporate Housing Reserve	S	64,655	-	11,216	(642)	1,528	760	-	77,517
Family & Community Support Service (FCSS) Stabilization Fund	O	5,995	(999)	705	-	-	121	-	5,822
Fiscal Stability Reserve	O	1,214,131	(120,377)	7,953	(33,435)	(987)	25,971	259,308	1,352,564
Livery Transport Services Sustainment Reserve	S	10,624	-	3,532	(343)	-	256	-	14,069
Opportunity Calgary Investment Fund	S	60,619	-	-	-	15,000	2,479	(10,213)	67,885
Public Art Reserve	S	4,935	-	-	-	-	-	-	4,935
TELUS Convention Centre Reserve	C	205	-	180	-	-	-	-	385

	Operating/ Capital/ Sustainment	Jan. 1/25 Opening Balance	Contribution to Operations	Contribution from Operations	Transfer to Capital Fund	Transfer between Reserves	Investment Income	Other	Dec. 31/25 Closing Balance
Operational Services									
Asphalt and Crusher Plant Lifecycle Capital Reserve	C	5,207	-	2,426	(216)	-	83	-	7,500
Calgary Parking Capital Reserve Fund	S	158,416	-	4,000	(4,145)	-	4,268	-	162,539
Calgary Parking Long Term Investment Fund	S	-	-	-	-	-	-	-	-
Cash-in-Lieu Lifecycle Sustainment Reserve	S	-	-	-	-	-	-	-	-
Fleet Services Reserve	S	11,470	(1,380)	-	-	-	-	(1,804)	8,286
General Hospital Legacy Reserve	S	17,660	-	-	(336)	-	378	-	17,702
Golf Course Reserve	S	20,414	-	2,891	-	-	483	197	23,985
Legacy Parks Reserve	C	64,555	-	-	(7,437)	23,150	1,390	-	81,658
Parks Endowment and Sustainment Reserve	S	11,370	(6,873)	13,970	(342)	-	351	-	18,476
Parks Foundation Reserve	O	2,609	(122)	-	-	-	258	-	2,745
Perpetual Care of the Municipal Cemeteries Reserve	S	26,860	(836)	1,736	(1,622)	-	588	-	26,726
Winter Maintenance Reserve	O	7,518	-	9,404	(4,007)	-	-	(4,581)	8,334
Utility Sustainment Reserve	S	215,183	-	294,523	(356,716)	-	12,677	-	165,667
Waste and Recycling Sustainment Reserve	S	31,675	(14,125)	29,392	(6,728)	-	3,195	-	43,409
Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve	C	-	-	-	-	-	-	-	-
Corporate Planning & Financial Services									
Debt Servicing Reserve	C	-	-	29,752	(11,731)	(18,021)	-	-	-
Group Life Reserve	O	2,197	-	225	-	-	55	-	2,477
Major Capital Projects Reserve	C	430,281	-	-	(114,615)	-	37,327	-	352,993
Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged	C	962,386	-	237,098	(371,598)	1,600	-	-	829,486
Tax Loss Provision Reserve	O	-	-	-	-	-	-	-	-
People, Innovation & Collaboration Services									
Health, Safety and Wellness Reserve	O	17,769	(2,061)	2,195	-	-	-	-	17,903
Information Technology Reserve	C	41,540	-	17,716	(11,493)	-	94	-	47,857
Law, Legislative Services & Security									
Self - Insurance Reserve	O	2,000	-	-	-	-	-	-	2,000
Total Per 2025 Reserves and Long-term Liabilities Report		4,199,746	(154,254)	869,780	(1,100,118)	7,580	98,707	261,314	4,182,755

Glossary

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 revenue sharing agreements.

Capital Reserve – A reserve to fund approved capital programs, projects and expenditures.

Cashflow Reserve – A reserve to fund planned future actions. The purpose is to smooth the cash demands of these planned future actions or to accumulate funds to ensure sustainability of these planned services and actions. These reserves will generally have a budget.

Commitments – A planned future outflow from the Reserve balance, approved by Council or senior management, or required by legislation or contractual obligation, to be used for the purpose as defined within the specific Reserve and in accordance with Conditions and Restrictions.

Condition – Council or externally mandated terms on how funds are to be raised and / or maintained.

Contingency Reserve – A reserve to fund approved actions during an unexpected event. These reserves may be business unit specific or corporately maintained. These reserves are not expected to have a budget but will generally have conditions as to adequacy of balances.

Funding – Council approved budget and other expected inflows to the Reserve balance, from funding sources approved within the specific Reserve Conditions and Restrictions.

Endowment Fund – A fund usually established through donations or third-party funding, created to provide income for a long-term ongoing purpose. Such funds are usually held in perpetuity and no encroachment on principal is allowed.

Investment Income Allocation – The process for allocating investment incomes to reserves by Treasury based on specific criteria defined in the Financial Reserves Procedures that support Administration policy FA-050 Financial Reserves. Only reserves that meet these criteria receive an allocation of investment income.

Legislated Reserve – A reserve fund created and maintained by legislation or external agreements. This legislation or agreement defines the terms and conditions of the reserve.

Operating Reserve – A reserve to fund operating expenditures for one-time projects, pilot programs, to stabilize operating budgets for unanticipated fluctuations in revenues or expenditures, to comply with a contractual agreement, or for contingency funds for operational emergencies.

Remaining Balance – Funds available for future use within the specific Reserve Conditions and Restrictions as approved by Council.

Reserve – Funds authorized by Council to be set aside for funding of future operating and / or capital expenditures.

Restriction – Council or externally mandated terms limiting the use of reserve funds.

Review Schedule – Schedule for the review of the reserve as part of the triennial reserve review program in accordance with Council Policy on Reserves CFO013.

Sustainment Reserve – A reserve to fund both operating and capital expenditures for activities that are treated as self-sustaining.

Administrative Review Committee – The Committee mandated with conducting the review of reserves as part of the triennial reserve review process, reporting on the review to Executive Committee and Council and making recommendations based on the findings from the review.

APPENDIX 1

OPERATING, CAPITAL

AND SUSTAINMENT RESERVES

Calgary Police Service Helicopter Maintenance Reserve

\$ 2,777
(2025)

Operating Reserve (\$000s)

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 (CPS) helicopters, minimizing major fluctuations in the CPS Operating budget.

Conditions: Funds are to be used to finance maintenance of the CPS helicopters.

Restrictions: As per purpose.

Funding Sources: To be funded from the Calgary Police Service operating budget.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	1,011	1,725
Contributions from operations	3,843	808
Contributions to operations	<u>(2,077)</u>	<u>(1,522)</u>
Closing balance	<u>2,777</u>	<u>1,011</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	2,077
Budgeted inflows (outflows)	<u>-</u>
Remaining balance	<u>2,077</u>

Business Unit – Calgary Police Service

Children's Reserve Fund

\$ 5,098
(2025)

Operating Reserve (\$000s)

Purpose: To support access for low-income families and their children (up to 18 years of age) or directly for low-income children, to programs which will enhance their social well-being (including arts, recreation and sports programs).

Conditions: Administration may use up to 100 per cent of the annual interest earned to help fund operating programs for children and youth. Interest earned not used in a year can be carried forward into future years.

Restrictions: None.

Funding Sources: As per Report FCS2004-22 in 2004 all funds from the Emerging Social Issues Reserve have been transferred to a new Children's Reserve Fund. Other sources are at the discretion of Council.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	5,322	5,196
Investment income	120	126
Contributions to operations	(344)	-
Closing balance	<u>5,098</u>	<u>5,322</u>

Closing balance consists of:

Principal amount	4,433	4,433
Accumulated investment income	665	889
Closing balance	<u>5,098</u>	<u>5,322</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	5,098
Investment income	120
Council Approved Commitments ⁽¹⁾	(120)
Balance restriction ⁽²⁾	<u>(4,433)</u>
Remaining balance	<u>665</u>

(1) Council Approved Commitments relate to the SAVE Initiative C2020-1215. The SAVE initiative reduced the Neighbourhood Programming base budget by \$120 and replaced it with an annual base budget contribution from the Children's Reserve Fund.

(2) Council, at its meeting of 1989 April 17, agreed that the proceeds from the sale or lease of a portion of the Children's Service Centre site be used to establish a special children's fund. The Children's Reserve was later created with this fund. The terms of the reserve restricted the use of the principal.

Business Unit – Recreation and Social Programs

Family & Community Support Service (FCSS) Stabilization Fund \$ 5,822
Operating Reserve (\$000s) (2025)

Purpose: The reserve is used to:

- Cover any shortfalls in case the Provincial FCSS allocation of funds is less than expected at any given year;
- Respond to emerging social issues; and
- Support clearly defined capacity-building initiatives as per Council's Policy of FCSS.

Conditions: None.

Restrictions: Agencies wishing to access funds, must meet the requirements stated above under Purpose. In addition, they are required to complete an application. Administration will review the application and may consult with community partners to determine the project's impact and viability. Administration will seek Council's approval to draw funds from the FCSS Stabilization Fund annually.

Funding Sources:

1. Unexpended or surplus funds from previously allocated ongoing and one-time contributions.
2. Any increase to the provincial or municipal portion of the FCSS budget announced after Council's approval of allocation for the year.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	5,995	6,627
Investment income	121	141
Contributions from operations ⁽¹⁾	705	723
Contributions to operations ⁽²⁾	(999)	(1,496)
Closing balance	<u>5,822</u>	<u>5,995</u>

(1) Contribution from operations:

- 2025: Internal program surplus of \$514 and returned surplus from external grant funded organizations of \$191.
- 2024: Internal program surplus of \$623 and returned surplus from external grant funded organizations of \$100.

(2) Contributions to operations:

- 2025: Council authorized access for up to \$1,000 from the FCSS Stabilization Fund to support non-profit organizations for emerging social issues and capacity-building initiatives in CD2024-1119.
- 2024: Council authorized access for up to \$1,500 from the FCSS Stabilization Fund to support non-profit organizations for emerging social issues and capacity-building initiatives in CD2023-0953.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	5,822
Council Approved Commitments	<u>-</u>
Remaining balance	<u>5,822</u>

Business Unit – Community Strategies

Fiscal Stability Reserve

Operating Reserve (\$000s)

\$ 1,352,564
(2025)

Purpose:

Fiscal Stability Reserve (FSR): Beginning in January 2005, the reserve was 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; and
- Investment income from the reserve would be used to fund one-time operating budget expenditures.

Budget Savings Account (BSA): Regular Budget Savings Account: To encourage and provide incentives for business units to seek annual savings, innovation and efficiencies, within their operating and capital budgets, including, but not limited to the use of “savings accounts”.

Community Economic Resiliency Fund (CERF): As per Council directive, to set aside funding from corporate surplus / intentional savings to CERF within the BSA for initiatives that support Calgarians and local businesses affected by the challenging economic conditions in Calgary. The CERF provides the opportunity to respond to the needs of the community in three ways; citizens see the direct benefit of the fund through frozen fees for key City services, non-profits and business units are able to maintain service levels and meet the increasing demand through the emergency fund and can be used as a direct stimulus to the economy by investing in initiatives for economic development and affordable housing.

Conditions:

FSR: The FSR reserve component must maintain a minimum balance of 5 per cent of The City’s tax-supported gross expenditures (net of recoveries). The FSR component target balance is set at 15 per cent of The City’s tax supported gross expenditures (net of recoveries).

For the purpose of comparison to the target and minimum balance, the reserve’s balance is considered net of commitments.

BSA: None.

Restrictions:

FSR: None.

BSA: To remain responsive to current economic conditions The City will retain flexibility in the uses of these funds in the short-term.

Any savings generated by business units may fund the BSA. Funds will be allocated 50 per cent to initiatives at the business unit level and 50 per cent to initiatives at the corporate level; or, at 100 per cent to corporate to mitigate the impacts of economic downturns.

Any savings generated in Corporate Revenue & Costs, unless as directed by Council, will be directed to the FSR as per Council’s current direction.

Funding Sources: FSR: 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.

Reserve approved to record allocation of investment income:

Yes No

BSA: Funding for the savings account will be generated by favourable budget variances identified by business units through the management of their operating and capital budgets and by Corporate Revenue & Costs as directed by Council.

With the approval of PFC2021-1002 to merge FSR and BSA and support from Chief Financial Officer, business units are no longer required to contribute favourable budget variances to BSA at year end as budget variances will be transferred to FSR at year end close.

Capital funding sources are subject to restrictions which potentially limit the uses of any funds saved. Any potential capital savings identified would require disposition in a manner consistent with the terms and conditions of any governing policies or agreements.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
FSR Opening Balance	1,214,131	1,000,966
Investment income	25,971	22,074
Contribution from operations ⁽¹⁾	7,953	20,306
Contribution to operations ⁽²⁾	(120,377)	(91,611)
Contribution to capital ⁽³⁾	(33,435)	(16,176)
Transfers between reserves ⁽⁴⁾	(987)	2,294
Current year surplus	259,308	276,278
Closing balance	<u>1,352,564</u>	<u>1,214,131</u>
BSA Opening balance	-	111,832
Operating BSA transfer to other reserves ⁽⁵⁾	-	(98,251)
CERF transfer to other reserves ⁽⁵⁾	-	(13,581)
Closing balance	<u>-</u>	<u>-</u>
Total Reserve Closing Balance	<u>1,352,564</u>	<u>1,214,131</u>

- (1) Contribution from operations in 2025 & 2024 came from inter-business unit loan repayments from Mobility and Climate and Environment, and the transfer of various unspent contingency funds (i.e., property tax, legal, and other contingencies that were no longer required).
- (2) Council approved one-time operating budget items per C2021-0524, C2021-1436, PFC2021-1278, C2022-1051, C2023-1148, C2024-1097, EC2025-0422, IP2025-0381, and C2025-0901.
- (3) Contribution to Capital:
 2025: Consists of \$13,228 for capital costs escalation per C2023-1148, C2024-1097, and C2025-0397, \$4,430 for capital items included in 2023-2026 budget per C2022-1051, \$14,273 for Greater Downtown Plan per C2021-0524, \$1,068 for unfunded capital projects per C2021-0436, \$436 for Genesis Centre Outdoor Artificial Turf project per C2018-1212.
 2024: Consists of \$15,487 for capital items included in 2023-2026 budget per C2022-1051, \$428 for Greater Downtown Plan per C2021-0524, \$381 for unfunded capital projects per C2021-0436, partially offset by (\$120) returned from Genesis Centre Outdoor Artificial Turf project per C2018-1212.
- (4) Transfer between reserves:
 2025: Transfer of \$14,421 from Reserve for Future Capital (RFC) and \$2,000 from Lifecycle Maintenance and Upgrade Reserve (LMUR) due to IT capital relinquishment per C2025-0901, and (\$15,000) to Opportunity Calgary Investment Fund per EC2025-0406, Transfer to various business units' "FSR flow through reserves" including (\$1,250) for Clean Energy Improvement Program per EC2022-0113, (\$130) for Accelerating Housing Development per EC2025-0117, (\$1,000) for Safer Mobility Plan CD2025-0357, and (\$28) for resiliency projects.
 2024: Transfer of \$98,251 from Operating BSA reserve and \$13,581 from BSA-CERF as FSR and BSA are merged per PFC2021-1002, \$52,570 from Debt Servicing Reserve (DSR) per EC2024-1276, \$20,000 from Calgary Parking Long-Term Investment Fund (LTIF) per EC2024-0836, \$300 from Tax Loss Provision (TLP) Reserve per EC2024-1276, and (\$136,408) to RFC and LMUR per C2024-0552. Transfer to various business units' "FSR flow through reserves" including (\$44,214) for Public Transit per C2023-1148 and EC2023-0065, (\$1,650) for Clean Energy Improvement Program per EC2022-0113, (\$134) for Civic Partnership Program per EC2022-1378, (\$1) for Extended Producer Responsibility per C2019-0129, and (\$1) for resiliency projects.
- (5) Transfer of (\$98,251) from Operating BSA reserve and (\$13,581) from BSA-CERF to FSR, see footnote 4, Transfer between reserves, 2024.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	1,352,564
Budgeted activity inflows less investment income ⁽¹⁾	392
Investment Income (estimate at 1.6%)	18,940
Budgeted activity outflows ⁽²⁾	(348,905)
Council Approved Commitments ⁽³⁾	(530,172)
Balance restrictions ⁽⁴⁾	(230,538)
Remaining balance*	<u>262,281</u>

(1) Budgeted activity inflows less investment income:

\$392 Inter-business unit loan repayments with interest expected from Climate and Environment (CE).

(2) Budgeted activity outflows to General Revenue Program DEPT ID 11661:

Council approved one-time operating budget items per C2021-0524, C2021-1436, C2022-1051, C2023-1148, C2024-1097, EC2025-0422, and C2025-0901.

(3) Council approved commitments consist of \$475,370 capital items from other business units, \$46,680 operating items on a draw as needed basis, \$8,000 contributions to other reserves and \$122 flood resiliency projects. Please note that the budget resides with individual business units.

\$475,370 Capital items on a draw as needed basis including:

- \$30,212 for Greater Downtown Plan per C2021-0524
- \$10,744 for unfunded Council proposed capital investment in 2022 Adjustments per C2021-1436
- \$40,084 for Capital items included in 2023-2026 budget per C2022-1051
- \$57,500 for new capital investments per C2023-1148
- \$134,000 for Green Line Phase 1 per EC2024-0809
- \$15,000 for Recreation unfunded projects per C2024-1097
- \$9,500 for Police firearms range per C2024-1097
- \$2,434 for capital cost escalation in multiple projects per C2024-1097
- \$12,781 for capital cost escalation in multiple projects per C2025-0397
- \$11,700 for Bus refurbishment per C2025-0397
- \$151,415 for capital projects approved in C2025-0901

\$46,680 Operating items on a draw as needed basis including:

- \$45,000 for Reinvesting in Opportunity Calgary Investment Fund per EC2025-0406
- \$1,550 for Clean Energy Improvement Program per EC2022-0113
- \$130 for Accelerating Housing Development per EC2025-0117

\$8,000 Contributions to other reserves including \$3,000 to Heritage Incentive Reserve and \$5,000 to Heritage Calgary Reserve Fund.

\$122 Flood resiliency projects on a draw as needed basis per C2014-0316, C2014-0774, PFC2015-0536, PFC2015-0697, and PFC2021-0429.

On February 17, 2026, Council approved a recommendation to provide corporate funding through the transfer from the Fiscal Stability Reserve to Utility Sustainment Reserve, as needed, to a maximum \$50,000 to support financial sustainability in the Water line of service over the periods of 2025 and 2026. This amount has not been included within Council Approved Commitments since it was approved after December 31, 2025.

(4) Restricted minimum balance of 5 per cent of The City's estimated tax-supported gross expenditures (net of recoveries).

Business Unit – Finance

Group Life Reserve

\$ 2,477
(2025)

Operating Reserve (\$000s)

Purpose: To satisfy contractual obligations under the Group Life benefit contract between The City and The Canada Life Assurance Company (Canada Life).

Conditions: 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 per cent 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 per cent of the Refund Billed Premium for the last complete policy year.

Restrictions: Externally restricted by the contractual obligations under the Group Life benefit contract between The City and Canada Life.

Funding Sources: Operating Budget ID: # CO-PRG 787 Employee Benefits

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	2,197	2,143
Investment income	55	69
Contributions from (to) operations	225	(15)
Closing balance	<u>2,477</u>	<u>2,197</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	2,477
External restriction ⁽¹⁾	<u>(2,477)</u>
Remaining balance	<u>-</u>

(1) The complete reserve balance is externally restricted by the contractual obligations under the Group Life benefit contract between The City and Canada Life.

Health, Safety and Wellness Reserve

\$ 17,903
(2025)

Operating Reserve (\$000s)

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: Future Workers Compensation Board (WCB) rebates and dividends will be allocated 75 per cent to the Health, Safety and Wellness (HSW) Reserve and 25 per cent to Employee Benefits program. The Human Resources and Occupational Health and Safety business units share responsibility for the HSW Reserve. Each business unit manages and reports independently on its portion which is derived from half of the 2008 opening balances plus half of the annual contributions to the reserve.

Restrictions: None.

Funding Sources: Annual funding of \$600 per year is collected through the employee benefit rate. 75 per cent of WCB rebates and dividends to The City are also transferred to the reserve.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	17,769	18,315
Contributions from operations:		
Employee benefits rate	600	600
WCB rebate	1,595	1,186
Contributions to operations		
Safety (OH&S)	(328)	-
Health & Wellness (HR)	(1,733)	(2,332)
Closing balance	<u>17,903</u>	<u>17,769</u>

Closing balance attributable to:

Safety (OH&S)	8,620	7,851
Health & Wellness (HR)	9,283	9,918
Closing balance	<u>17,903</u>	<u>17,769</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	17,903
Budgeted activity inflows	1,688
Budgeted activity outflows	<u>(1,700)</u>
Remaining balance	<u>17,891</u>

Business Units – **Human Resources**
 Occupational Health & Safety

Heritage Calgary Reserve

\$ 1,376
(2025)

Operating Reserve (\$000s)

Purpose: Provide financial operating resources for the overall activities and responsibilities of Heritage Calgary (HC).

Conditions: Reserve will maintain a minimum, protected balance of \$1,338. This is the value of the initial funding and establishing endowment principal amount for this reserve's predecessor, the Calgary Heritage Authority Legacy Endowment Fund; refer to Funding Sources for additional information.

Restrictions: Funds are to be used at the sole discretion of the HC to support their activities as mandated by the Calgary Heritage Authority Amendment Act (2022).

Funding Sources: The opening balance of this reserve is funded through the transfers from the Calgary Heritage Authority 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.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	1,346	1,422
Investment income	30	34
Contributions to Heritage Calgary	-	(110)
Closing balance	<u>1,376</u>	<u>1,346</u>

Closing balance consists of:

Principal	1,338	1,338
Accumulated net interest	38	8
Closing balance	<u>1,376</u>	<u>1,346</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	1,376
Budgeted contribution from Fiscal Stability Reserve	3,000
Investment income	60
Principal restriction ⁽¹⁾	<u>(1,338)</u>
Remaining balance	<u>3,098</u>

(1) The principal endowment balance of \$1,338 is restricted. Refer to reserve conditions for more information.

Heritage Incentive Reserve

Operating Reserve (\$000s)

\$ 3,257
(2025)

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

The Heritage Incentive Reserve (the Reserve) is an essential component the City of Calgary's efforts toward encouraging property owners to designate and conserve their heritage properties. The Reserve provides financial assistance to private owners acting as responsible stewards of Calgary's heritage. It provides a mechanism to allow funding to be paid at the right time for approved projects, to support owners of heritage properties to:

- Promote the rehabilitation and economic re-use of privately-owned heritage properties.
- Address inequities that property owners assume when rehabilitating heritage properties.
- Revitalize and rehabilitate derelict or underutilized privately-owned heritage properties.
- Promote the retention of heritage properties and their integration into evolving communities and commercial districts.
- Incentivize private owners of properties with identified heritage value to designate them as Municipal Heritage Resources under the Historical Resources Act of Alberta.

Conditions: Specific Conditions relating to use of the Reserve are detailed in EC2024-0383.

Restrictions: Historic Resource Conservation Grant Guidelines document was introduced with EC2024-0383; includes the Reserve Conditions and Restrictions. The Grant Guidelines can be changed through administrative process and do not need to be approved by Council.

Funding Sources: To be funded annually from operating department ID 91771 - City & Regional Planning

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	3,059	1,718
Investment income	(150)	289
Contributions from operations	348	1,052
Closing balance	<u>3,257</u>	<u>3,059</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	3,257
Budgeted contribution from Fiscal Stability Reserve	5,000
Investment income	100
Other restricted commitments	<u>(636)</u>
Remaining balance	<u>7,721</u>

Business Unit – City & Regional Planning

Mall Programming Fund

\$ 812
(2025)

Operating Reserve (\$000s)

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 four representatives with one-year terms from Genra / 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.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	934	916
Investment income	21	22
Contributions to operations	(143)	(4)
Closing balance	<u>812</u>	<u>934</u>

Closing balance consists of:

Principal amount	688	688
Accumulated net investment income	124	246
Closing balance	<u>812</u>	<u>934</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	812
Interest balance restrictions ⁽¹⁾	(124)
Principal balance restrictions ⁽²⁾	<u>(688)</u>
Remaining balance	<u>-</u>

(1) Consists of the accumulated net investment income restricted for the MPFMC to manage (OE2001-03).

(2) The principal of the fund is subject to Council approval (OE2001-03).

Business Unit – Downtown Strategy

Parking Revenue Reinvestment Reserve

\$ 5,679
(2025)

Operating Reserve (\$000s)

Purpose: To hold monies generated from surplus returns from Calgary Parking parking revenues. The money is to be used for investment in public realm improvements and services in paid parking areas. The intent of the policy is to improve infrastructure in paid parking areas to improve streetscapes, urban design and improve the success of the area. It provides a line of sight between the collection of paid parking and area reinvestment. The complete policy is defined in Calgary Parking Policies section 3.

Conditions: The funds should be restricted to uses that support public realm improvements only. Funds are internally restricted, but the reserve may fund other improvements at The City’s discretion. Projects will be proposed by the business areas generating revenues and by The City. The projects will be approved jointly.

Restrictions: None.

Funding Sources: 10 per cent of on street paid parking net revenue, and 100 per cent of Market Permit net revenue. Calgary Parking Policies section 3 provides the complete policy detailing the calculations.

Reserve approved to record allocation of investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	5,224	4,875
Investment income	177	218
Contributions to operations	(726)	(1,145)
Contributions from Calgary Parking	1,004	1,276
Closing balance	<u>5,679</u>	<u>5,224</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	5,679
Budgeted outflows ⁽¹⁾	-
Remaining balance	<u>5,679</u>

(1) This reserve is for supporting public realm improvements. However, the anticipated contribution to the reserve is sufficient to cover upcoming anticipated expenditures.

Business Unit – Partnerships

Parks Foundation Reserve

\$ 2,745
(2025)

Operating Reserve (\$000s)

Purpose: Create an Endowment Fund and use the investment income to fund the administrative costs of Parks Foundation Calgary – a City of Calgary Civic Partner.

Conditions: Should Parks Foundation Calgary remove the funds from the Endowment Fund, except as outlined in the Restrictions below, The City will request the return of the funds in the Parks Foundation Calgary’s Operating Endowment Fund.

Restrictions: Only investment earnings as outlined in the Memorandum of Agreement may be withdrawn to be used for administrative services of Parks Foundation Calgary.

Funding Sources: The City contributed \$200 to the operating endowment for every \$300 Parks Foundation Calgary raised for capital endowment, up to a maximum contribution by The City of \$2,000, which was reached in 1998.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	2,609	2,535
Investment income	258	204
Contributions to operations	(122)	(130)
Closing balance	<u>2,745</u>	<u>2,609</u>

Closing balance consists of:

Principal	2,000	2,000
Accumulated net investment	745	609
Closing balance	<u>2,745</u>	<u>2,609</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	2,745
External restrictions ⁽¹⁾	<u>(2,745)</u>
Remaining balance	<u>-</u>

(1) The reserve is an endowment fund, where funds are segregated and managed by Parks Foundation via an external investment manager.

Self-Insurance Reserve

\$ 2,000
(2025)

Operating Reserve (\$000s)

Purpose: The City is self-insured pursuant to section 825 of the Insurance Act of Alberta for automobile insurance and is required to maintain a separate fund. To be compliant with regulatory requirements a minimum of \$2,000 within the Self-Insurance Reserve must be allocated specifically to address automobile liabilities.

Conditions: Interest is only earned up to the amount required to maintain a reserve balance of \$2,000.

Restrictions: In accordance with legislation, 100% of the reserve is externally restricted.

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

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	2,000	2,000
Closing balance	<u>2,000</u>	<u>2,000</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	2,000
External commitments ⁽¹⁾	<u>(2,000)</u>
Remaining balance	<u>-</u>

(1) To be compliant with regulatory requirements, a minimum of \$2,000 must be allocated specifically to address auto liabilities.

Winter Maintenance Reserve

\$ 8,334
(2025)

Operating Reserve (\$000s)

Purpose:

Council directed Administration to establish a Snow and Ice Control reserve during the 2012-2014 Business Plan and Budget debates. The reserve shall be used by business units to supplement their annual Winter Maintenance budgets in order to maintain Council's approved 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 and as defined in the Winter Maintenance Policy (C2024-06), to ensure the safety of all mobility network users.

Conditions:

Reserve will maintain a minimum target balance of \$4,000.

Reserve will maintain a maximum target balance of \$22,000 per IP2024-0103.

Restrictions:

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

The eligible expenditures are those activities as defined in the Council Policy on Winter Maintenance (C2024-06).

\$8,912 from the Winter Maintenance Reserve (equivalent to the favourable 2023 Winter Operations Budget) to be used for street repairs which shall be allocated to the Pavement Rehabilitation Capital Program in 2024-2025 (IP2024-0103).

Funding Sources:

The reserve will be replenished from any surplus in Mobility's Winter Operations budget. 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 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, the Reserve Financial Lead shall determine which surplus is contributed to the reserve first.

Mobility will work with Finance each year to determine the required draw or replenishment of funds to the Winter Maintenance Reserve. Mobility's 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 Winter Maintenance reserve when a snow emergency has not been declared.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	7,518	15,000
Contributions from (to) from operations	9,404	(728)
Contributions to capital	(4,007)	(4,457)
Contribution from (to) Calgary Transit	(2,500)	257
Contribution to Parks	(2,081)	(2,554)
Closing balance	<u>8,334</u>	<u>7,518</u>

Closing balance attributable to:

Mobility	6,398	3,082
Calgary Transit	1,936	4,436
Closing balance	<u>8,334</u>	<u>7,518</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	8,334
Budgeted activity outflows	(450)
Council Approved Commitments	<u>(500)</u>
Remaining balance	<u>7,384</u>

Business Unit – Mobility

Tax Loss Provision Reserve - CLOSED

\$ -
(2025)

Operating Reserve (\$000s)

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 reserve balance shall be determined by the Chief Financial Officer with input from the Tax Provision Steering Committee. The reserve balance shall not exceed the current year's Tax Loss Provision Contingency Liability balance.

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: Any unused funds from the Tax Loss Provision Contingency Liability will be contributed to this reserve up to the balance determined per the reserve conditions.

Reserve approved to record allocation of investment income:
 Yes No

Special Reporting Requirements: None.

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	-	300
Transfers between reserves ⁽¹⁾	-	(300)
Closing balance	<u>-</u>	<u>-</u>

(1) 2024: Close this reserve and transfer the remaining balance of \$300 to the Fiscal Stability Reserve as per EC2024-1276.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	-
Commitments	<u>-</u>
Remaining balance	<u>-</u>

Business Unit – Finance

911 Communications Centre Capital Financing Reserve

\$ 21,918
(2025)

Capital Reserve (\$000s)

Purpose: To fund future capital improvements and upgrades to the Calgary 911 Communications Centre.

Conditions: None.

Restrictions: None.

Funding Sources: A portion of revenue generated from the monthly fee charged to citizens on landline phones.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	22,362	22,453
Contributions to capital financing	(444)	(91)
Closing balance	<u>21,918</u>	<u>22,362</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	21,918
Budgeted outflows	<u>(18,125)</u>
Remaining balance	<u>3,793</u>

Business Unit – Emergency Management & Community Safety

Artificial Turf Field Lifecycle Reserve

\$ 9,224
(2025)

Capital Reserve (\$000s)

Purpose: Per FCS2010-19, expenditures associated with artificial turf field replacement. In 2018, funds for the Genesis Centre Environmental Contingency were added to the reserve.

Conditions: None.

Restrictions: The Genesis Centre Environmental Contingency of \$285 plus accumulated interest of \$60 is externally restricted for potential environmental events at the Genesis Centre.

Funding Sources: Beginning in 2010, annual contribution from Recreation and Social Programs' actual net revenue generated by artificial turf field rentals fees.

In a fiscal year when there are negative net revenues from a facility, a special contribution from that facility's gross artificial turf revenue to this reserve may be made if all the following conditions are met:

- 1) The negative net revenues were caused by unforeseen circumstances affecting artificial turf operations at the affected facility,
- 2) The contribution does not exceed the average of the prior five years' contribution from the affected facility,
- 3) The contribution is approved by the Director of Recreation and Social Programs and
- 4) The net deficit to the impacted facility is funded using available surpluses from other Recreation facilities and will not result in a net budget deficit across Recreation.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

Artificial Turf Reserve	<u>2025</u>	<u>2024</u>
Opening balance	8,781	8,731
Investment income	185	187
Contributions from operations	1,292	1,100
Contributions to capital	(1,379)	(1,237)
Closing balance	<u>8,879</u>	<u>8,781</u>
Genesis Centre Environmental Contingency	<u>2025</u>	<u>2024</u>
Opening balance	339	334
Investment income	6	5
Closing balance	<u>345</u>	<u>339</u>
Total Reserve closing balance	<u>9,224</u>	<u>9,120</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	9,224
Budgeted outflows ⁽¹⁾	(2,050)
Budgeted inflows	189
Balance restriction	<u>(352)</u>
Remaining balance ⁽²⁾	<u>7,011</u>

- (1) The commitments correspond to the chronogram of turf replacements in different artificial turf fields in City facilities. The capital budget for artificial turf replacement projects will be requested as projects are ready to proceed. Currently Council has approved \$2,050 for the artificial turf replacement at Shouldice Athletic Park and Soccer Center (Annex).
- (2) The reserve balance supports future turf field replacements. Over the next 10 years 14 fields will require turf replacements at a projected cost of \$20,500.

Asphalt and Crusher Plant Lifecycle Capital Reserve

\$ 7,500
(2025)

Capital Reserve (\$000s)

Purpose: To finance capital expenditures relating to Mobility – Plants Operations as budgeted through The City’s annual capital budget process or a specific Council approval.

Conditions: Funds must be used to finance capital expenditures relating to Mobility - Plant Operations only.

As per report FCS2004-22, in 2004 this reserve will reflect only the funds available for capital improvement and not the inventory.

Restrictions: None.

Funding Sources: Proceeds from sale of surplus Mobility – Plants assets, interest income and any excess of Mobility – Plants revenues or recoveries over expenditures after other fund transfers. Where the reserve has reached its maximum balance, or if the balance of the reserve is deemed sufficient by the Director of Mobility to fund Plants upgrade work within the four-year business cycle, Mobility may elect to withhold all or a portion of the contributions to this reserve.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	5,207	7,500
Investment income	83	104
Contributions from operations	2,426	-
Contributions to capital	(216)	(2,397)
Closing balance	<u>7,500</u>	<u>5,207</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	7,500
Budgeted inflows	200
Budgeted outflows	<u>(2,374)</u>
Remaining balance	<u>5,326</u>

Business Unit – Mobility

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Calgary Police Service Capital Reserve

\$ 19,541
(2025)

Capital Reserve (\$000s)

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:

Pay-As-You-Go (see restrictions).

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.

Reserve approved to record allocation of investment income:

X Yes (AFIS only) No

Current Activity (\$000s):

Vehicles	<u>2025</u>	<u>2024</u>
Opening balance	17,342	21,657
Contributions from operations	6,705	-
Contributions to capital	(12,994)	(4,315)
Closing balance	<u>11,053</u>	<u>17,342</u>

AFIS	<u>2025</u>	<u>2024</u>
Opening balance	200	385
Investment income (AFIS only)	5	13
Contributions from operations	34	-
Contributions to capital	-	(198)
Closing balance	<u>239</u>	<u>200</u>

Pay-As-You-Go	<u>2025</u>	<u>2024</u>
Opening balance ⁽¹⁾	2,500	2,500
Contributions from operations	1,505	-
Contributions to capital	(1,505)	-
Closing balance	<u>2,500</u>	<u>2,500</u>

Red Light Camera	<u>2025</u>	<u>2024</u>
Opening balance	5,176	5,652
Contributions from operations	1,038	415
Contributions to capital	(465)	(891)
Closing balance	<u>5,749</u>	<u>5,176</u>

Consolidated Closing Balance ⁽²⁾	<u>19,541</u>	<u>25,218</u>
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(1) Per FCS2004-22, a maximum amount of \$2,500 to be held in the reserve (at December 31).

(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.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	19,541
Budgeted inflows	10,665
Budgeted outflows	<u>(20,376)</u>
Remaining balance	<u>9,830</u>

Business Unit – Calgary Police Service

Community Investment Reserve

\$ 139,701
(2025)

Capital Reserve (\$000s)

Purpose:

- 1) To invest in priority community capital infrastructure and address emerging community needs.
- 2) To target the reduction of the growing infrastructure gap as identified through the Community Services capital infrastructure investment strategy.

Conditions: None.

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

PFC2012-0248 approved allocation of VTR and GST funding for the debt servicing of four New Recreation Facilities (until 2034).

CPS2015-0647 approves administration to use the proposed guiding principles to allocate the VTR funding over the course of the next two business plan and budget cycles (to 2026).

Funding Sources:

- 1) Investment income generated from the reserve: to fund the cost of project management and other associated program costs.
- 2) Federal GST rebate effective Feb 01, 2004: \$102,100 (2004-2013 approx. per NM2004-17 and CPS2005-24).
- 3) Federal GST rebate effective Feb 13, 2006: \$100,000 (2014-2023 approx. per NM2006-05).
- 4) VTR: \$42,000 annually (effective 2011).

Reserve approved to record allocation of investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	156,814	147,820
Investment income	2,572	3,100
Contributions from other sources ⁽¹⁾	-	2,810
Contribution to capital - GST ⁽²⁾	(3,962)	(4,191)
Contributions from VTR	42,000	42,000
Contributions to capital - VTR ⁽²⁾	(57,723)	(34,725)
Closing balance	<u>139,701</u>	<u>156,814</u>

(1) 2024: Includes residual funds from land sales proceeds (PFC2021-0834).

(2) Includes debt servicing payments for Regional Recreation Centres.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	139,701
Budgeted inflows	206,682
Budgeted outflows ⁽¹⁾	(276,383)
Other commitments ⁽²⁾	<u>(70,000)</u>
Remaining Balance ⁽³⁾	<u>-</u>

- (1) Includes four Regional Recreation Centers debt repayment and approved capital budgets for Fire Stations, Recreation Facilities and MNP Upgrade.
- (2) Internally restricted funding strategy for Major Capital Project – Foothills Fieldhouse \$70,000 (C2021-0911).
- (3) Future uncommitted VTR funding allocations: \$15,000 available in 2029, \$29,000 per year for 2030-2033 and \$42,000 in 2034 and thereafter.

Business Unit – Community Services

Debt Servicing Reserve

Capital Reserve (\$000s)

\$ -
(2025)

Purpose: For principal and interest payments of tax-supported debt.

FCS2006-42, the reserve may be used as a source to cover for potential short-fall of funds for self-sufficient tax supported debt.

FCS2008-28, Contribute to Lifecycle Maintenance and Upgrade Reserve (LMUR) and Reserve for Future Capital (RFC).

PFC2021-1002, Re-direct property tax revenue directly to the LMUR instead of flowing through the Debt Servicing Reserve.

Conditions: The reserve will be reviewed annually by the Corporate Budget Office and any available funding not committed for tax supported debt will be transferred to the LMUR. (FCS2006-42).

Re-direct property tax revenue of \$10,000 directly to the LMUR instead of flowing through the Debt Servicing Reserve. (PFC2021-1002).

Restrictions: None.

Funding Sources: The reserve is funded \$29,752 annually from property taxes as at December 31, 2022. This amount started an allocation of \$94,752, equivalent to 84 per cent of a pre-1996 tax-supported debt servicing budget of \$112,800 and was reduced by \$10,000 per C2020-1215 and additional \$40,000 per PFC2021-1002. The contribution from property taxes was reduced to \$29,752 per C2021-1436 commencing in 2022.

Reserve approved to record allocation of investment income:

 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	-	52,570
Contributions from operations ⁽¹⁾	29,752	29,752
Contribution from other sources ⁽⁴⁾	-	1,302
Contributions to debt repayment	(11,731)	(14,694)
Contributions to LMUR ⁽²⁾	(18,021)	(16,360)
Contributions to FSR ⁽³⁾	-	(52,570)
Closing balance	<u> -</u>	<u> -</u>

(1) 2024: As per EC2024-1276, transfer the \$52,570 reserve balance to the Fiscal Stability Reserve and determine if the reserve is still required in future.

Commitments as at Dec 31, 2025 (\$000s)⁽¹⁾:

Balance (as at Dec 31, 2025)	-
Budgeted inflows	476,032
Budgeted outflows	<u>(476,032)</u>
Remaining balance	<u>-</u>

(1) Reserve commitments are to fund tax-supported debt scheduled to 2041. Any available funding not committed for tax supported debt will be transferred to the LMUR Reserve.

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Green Line Fund

\$ 269,680
(2025)

Capital Reserve (\$000s)

Purpose:

The Green Line Fund was established to pool municipal funding for the Green Line Project. Federal infrastructure funding models require each order of government to contribute a portion of total project costs; this reserve holds The City’s funding.

The total capital and/or wind down funding for this program is provided over a 30-year period, with a portion of The City’s funding being made available for capital costs in periods subsequent to construction. As a result, the Program will require debt to fund expenditures during construction. The Green Line Fund will then be used as a funding source to repay this debt.

When capacity within the reserve exists, the reserve may be used to bridge timing differences that occur between when expenditures are incurred and funding from senior government funding partners is subsequently received. Any amount used to bridge these timing differences is to be replenished upon receipt of funding from senior government funding partners.

Conditions:

None.

Restrictions:

Funds of the Property Tax Room to be used as per Council approval (C2013-0330, C2017-0288, C2017-1123, PFC2019-0040 and C2024-1045).

The 2017 tax room was initially approved and allocated to fund financing costs for the Program (C2017-1123). After further consideration this restriction was removed to enable The City to optimize funding of either Program capital costs or financing costs during any given year (PFC2019-0040).

Funding Sources:

Includes:

- Tax Room funds (C2013-0330 and C2017-0288)
- 2013 Tax Room (2015-2044) - \$1,563,450 (or \$52,115 per year for 30 years)
- 2017 Tax Room (2018-2044) - \$638,901 (or \$23,663 per year for 27 years)

Increase municipal funding (EC2024-0871):

- Incremental \$8 million per year in each of 2025-2031, (to be funded through other reductions or efficiencies, other revenues, tax revenues, or any source) - \$224,000,000
- Allocation of \$16 million in tax growth funding per year in each of 2025-2031 - \$112,000,000
- \$208,000,000 from the Reserve for Future Capital
- A transfer of \$4 million per year in each of 2024-2031 from the Public Transit operating budget to the Green Line Fund - \$32,000,000
- Administration prioritizes 75% of any tax-supported operational savings in 2025 – 2031 - \$134,000,000

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	182,753	172,799
Contribution from operations	8,000	-
Contribution from other sources ⁽¹⁾	95,778	287,778
Contributions to capital	(16,851)	(277,824)
Closing balance	<u>269,680</u>	<u>182,753</u>

(1) Contribution from other sources in 2025 consists of \$75,778 from tax room funds (C2013-0330), \$16,000 from tax growth funding (EC2024-0871) and \$4,000 from the Public Transit operating budget (EC2024-0871).

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	269,680
Budgeted inflows	1,909,782
Budgeted outflows	<u>(2,171,952)</u>
Remaining balance	<u>7,510</u>

Corporate Telecom - Fibre Optics	<u>2025</u>	<u>2024</u>
Opening balance	4,393	2,711
Investment income	94	62
Contributions from operations	2,286	2,742
Contributions to capital	<u>(2,729)</u>	<u>(1,122)</u>
Closing balance	<u>4,044</u>	<u>4,393</u>

Hardware Replacement	<u>2025</u>	<u>2024</u>
Opening balance	11,059	11,080
Contributions from operations	5,558	4,802
Contributions to capital	<u>(4,800)</u>	<u>(4,823)</u>
Closing balance	<u>11,817</u>	<u>11,059</u>

Enterprise Software Growth	<u>2025</u>	<u>2024</u>
Opening balance	15,102	10,870
Contributions from operations	-	5,700
Contributions to capital	<u>-</u>	<u>(1,468)</u>
Closing balance	<u>15,102</u>	<u>15,102</u>

Consolidated Closing Balance	<u>47,857</u>	<u>41,540</u>
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Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	47,857
Budgeted inflows	9,463
Investment income	100
Budgeted outflows	(13,378)
Other restricted commitments	(2,788)
Balance Restriction ⁽¹⁾	<u>(9,453)</u>
Remaining balance	<u>31,801</u>

(1) The reserve must maintain a minimum balance of \$9,453 for lifecycle replacement of hardware.

Legacy Parks Reserve

\$ 81,658
(2025)

Capital Reserve (\$000s)

Purpose: Provides funding to acquire, create new and enhance existing parks and open spaces for the benefit of Calgarians, now and in the future.

Conditions: None.

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

Funding Sources: ENMAX dividends received in excess of the annual budgeted dividend amount are contributed to the Legacy Parks Reserve.

Reserve approved to record allocation of investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	64,555	61,625
Investment income	1,390	1,243
Contributions to capital	(7,437)	(1,313)
Transfer from Reserve for Future Capital ⁽¹⁾	23,150	3,000
Closing balance	<u>81,658</u>	<u>64,555</u>

(1) The transfer relates to the ENMAX dividend surplus, as it flows through the Reserve for Future Capital.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	81,658
Investment income	4,930
Budgeted outflows	<u>(80,218)</u>
Remaining balance	<u>6,370</u>

Business Unit – Parks & Open Spaces

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Major Capital Projects Reserve

\$ 352,993
(2025)

Capital Reserve (\$000s)

Purpose:

1. To provide a funding source for long-term capital projects which includes:
 - Event Centre
 - Arts Commons Transformation (Phase 1)
 - Multi-Sport Field House
2. To fund repayable internal loans to related authorities for the BMO Centre expansion project as per Council's direction (C2019-0349).

Conditions:

None.

Restrictions:

- The funds from the following sources are restricted within the Major Capital Projects Reserve to fund the Event Centre project (C2023-0482):
- Interest income earned \$50,000

Funding Sources:

1. Repayment of BMO Centre expansion internal loan principal and interest (VR2019-0013) beginning in 2028.
2. The City's portion of the facility fee to be received under the Event Centre agreements (C2019-0964, C2023-0482) beginning in 2028.
3. Interest income earned on reserve balance.
4. Future funding sources to be added to the fund other than investment income earned on the reserve balance will be based on Council's direction and approval (C2019-0525).

Reserve approved to record allocation of investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	430,281	412,687
Investment income	37,327	17,409
Contributions (to) from capital ⁽¹⁾	(114,615)	33,078
CMLC loan from BMO Expansion ⁽²⁾	-	(32,893)
Closing balance	<u>352,993</u>	<u>430,281</u>

(1) Contributions (to) from capital relates to the Event Centre project. The inflow in 2024 is due to capital financing returned from the Event Centre project.

(2) CMLC loan comprises of the funds internally loaned to CMLC for the BMO Centre expansion with repayment occurring over the term of 20 years with semi-annual fixed annuity payments commencing on June 1, 2028.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	352,993
Investment income	13,423
Budgeted outflows ⁽¹⁾	<u>(366,648)</u>
Remaining balance	(232)
CMLC loan repayment via CRL (2028-2047) ⁽²⁾	<u>333,238</u>
Remaining balance	<u>333,006</u>

(1) The complete reserve balance is committed towards:

- Event Centre project (C2019-0964, C2023-0428)
- Arts Commons Transformation Phase I (C2021-1372)

(2) CMLC loan comprises of the funds internally loaned to CMLC for the BMO Centre expansion with repayment occurring over the term of 20 years with semi-annual fixed annuity payments commencing on June 1, 2028.

Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged

Capital Reserve (\$000s)

\$ 829,486
(2025)

Purpose:

Reserve for Future Capital Reserve (RFC):

1. To fund various capital projects as per Council approval;
2. To hold Pay-As-You-Go (PAYG) funding which helps to pay for The City's maintenance and upgrade projects, project producing assets with a useful life of five years or less and for grant-funded projects, costs ineligible to be paid using grant funding;
3. To hold contingency funds (for unforeseen projects or new emergency needs).

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

Conditions:

RFC: A target balance for contingency purposes is 10 per cent of previous year's capital spending less Municipal Sustainability Initiative (MSI) and less self-funded capital projects (FCS2011-034).

LMUR: None.

Restrictions:

RFC: Facilities lease / sales revenue be reserved for corporate accommodation facilities and sites managed by FM (FCS2010-027).

LMUR:

1. 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 (FCS2011-34)

Calgary Fire Department redirects a portion of operating budget to Fire Miscellaneous Capital Reserve to fund leases of temporary fire stations. Redirected budget (\$3,326) must be used to fund lease payments for ten years for temporary fire stations (C2021-1436)

2. Net proceeds from the sale of surplus transit capital assets are to be used exclusively for transit capital purchases (FCS2011-034)
3. Funds of the Property Tax Room to be used as per Council approval (M2012-0828)

- Funding Sources:** Funding sources for RFC include:
1. Facilities lease / sales revenue and space provision funds for new employees (FCS2010-27)
 2. Franchise Fee amounts in excess of budget (FCS2004-62)
 3. PAYG funding from operations. Contribution from property tax for PAYG funding previously flowing from the Debt Service Reserve (PFC2021-1002)
 4. PAYG funding increase every 4-year planning period with population and non-residential construction inflation (FCS2008-028)
 5. Transfer of Provincial Disaster Recovery reimbursement of 2013 Flood operating costs to RFC to fund resiliency capital projects (C2014-0774)
 6. Other funding sources as directed by Council

- Funding sources for LMUR include:
1. 2.6 per cent annual property taxes (FCS2008-28)
 2. \$10,000 per year from operations (PFC2021-1002)
 3. The Debt Servicing Reserve will be reviewed annually, and any available funding not committed for tax supported debt will be transferred to the LMUR (FCS2006-42)
 4. Net proceeds from sale of surplus Calgary Transit and Calgary Fire Department assets and funds received from AHS (FCS2011-34)
 5. Tax Room funds (M2012-0828)
 6. Calgary Fire Department's operating budget of \$3,326 is redirected to Fire Miscellaneous Capital Reserve to fund leases of temporary fire stations.

Reserve approved to record allocation of investment income:
 Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	962,386	977,167
Contributions from operations	237,098	236,855
Contributions to capital financing	(371,598)	(251,404)
Transfer (to) from Fiscal Stability Reserve	(16,421)	136,408
Transfer from Debt Servicing Reserve	18,021	16,360
Transfer to Green Line Fund	-	(208,000)
Transfer from Parking Long Term Investment Fund	-	23,000
Transfer from Legacy Parks Reserve	-	32,000
Closing balance	<u>829,486</u>	<u>962,386</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	829,486
Budgeted activity inflows less investment income	201,862
Budgeted activity outflows	(921,278)
Other restricted commitments ⁽¹⁾	20,398
Balance restrictions ⁽²⁾	<u>(70,656)</u>
Remaining balance	<u>59,812</u>

(1) Projected transfers from Debt Servicing Reserve, per FCS2006-42.

(2) Balance restrictions include:

- Calgary Fire Department and Calgary Transit Capital Reserves to be used exclusively for fire protection equipment and transit capital purchases per FSC2011-34: \$10,246
- RFC flow-through reserves:
 - #100141 - FM-Reserved for Future Capital: \$35,071
 - #100155 - FM-Fac General Reserve: \$0
 - #110110 - TR-Transportation Infrastructure Reserve: \$20,474
 - #110115 - TR-Reserve CPA: \$4,865

**Business Unit – Finance
Facilities
Public Spaces Delivery
Calgary Fire Department
Calgary Transit**

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

\$ 385
(2025)

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: None.

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

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	205	200
Contributions from operations	180	180
Contributions to operations	-	(175)
Closing balance	<u>385</u>	<u>205</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	385
Budgeted inflows	180
Budgeted outflows	(365)
Balance restriction ⁽¹⁾	<u>(200)</u>
Remaining balance	<u>-</u>

(1) A minimum balance of \$200 must be maintained in the combination of this reserve and the Telus Convention Centre's restricted cash balance.

Business Unit – Civic Partners

Canada Infrastructure Bank Zero Emission Bus (ZEB) Reserve

\$ -
(2025)

Capital Reserve (\$000s)

Purpose: A funding source for a portion of the costs and expenses associated with purchasing and installing two replacement batteries in each Zero Emission Bus (ZEB).

Conditions: To be used solely for funding a portion of the cost and expenses associated with purchasing and installing two replacement batteries for each ZEB that from time to time is acquired by The City of Calgary (“The City”) using funds from one or more advances pursuant to the Credit Agreement between The City and the Canada Infrastructure Bank (the “Credit Agreement”).

Restrictions: The City must establish and maintain this reserve prior to the maturity date of the Credit Agreement and use the funds deposited in the reserve including any interest thereon solely for the purpose of paying permitted reserve account expenditures.

Funding Sources: In accordance with the cost saving regime in the Credit Agreement, an amount will be deposited into the reserve account by The City until the 12th anniversary of the payment commencement date unless otherwise agreed by both parties.

Reserve approved to record allocation of investment income:
 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	-	-
Contributions from operations	-	-
Contributions to operations	-	-
	<hr/>	<hr/>
Closing balance	<hr/> -	<hr/> -

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	-
Budgeted inflows	-
Budgeted outflows	-
Balance restriction	-
Remaining balance	<hr/> - <hr/>

Business Unit – Calgary Transit

Business Licence Sustainment Reserve

\$ 9,144
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: The Business Licence Reserve will be used to stabilize the budget during fluctuations in the business sector to ensure consistent, sustainable, self-supporting customer and regulatory services.

The reserve will be used for the following specific uses:

- Stabilize the operating budget
- Fund one-time operating expenditures
- Fund the capital expenditures

Conditions: None.

Restrictions: None.

Funding Sources: Business Licence annual operating surplus as of 2014 and future years.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	9,546	11,234
Investment income	197	249
Contributions from (to) operations	727	(1,120)
Contributions to capital	<u>(1,326)</u>	<u>(817)</u>
Closing balance	<u>9,144</u>	<u>9,546</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	9,144
Investment income	134
Budgeted outflows	(1,388)
Council approved commitments	<u>(1,584)</u>
Remaining balance	<u>6,306</u>

Business Unit – Development Business and Building Services

Calgary Parking Capital Reserve Fund

\$ 162,539
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: The purpose of this reserve is to ensure sufficient funds exist to meet all capital needs as detailed in the Calgary Parking Capital Asset Management Plan.

Conditions: The adequacy of the fund balance and annual contributions will be reviewed on an annual basis.

Restrictions: Funds are to be used to support the Calgary Parking Capital Asset Management Plan. Expenditures are approved through the approval of the Calgary Parking budget by Council.

Funding Sources: The Reserve will be funded through annual budget contributions as determined by the Asset Management Plan and approved by Council. All investment income generated within the fund will be reinvested annually.

Reserve approved to record allocation of investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	158,416	116,395
Investment income	4,268	5,212
Contributions from operations	4,000	5,276
Contributions to capital	(4,145)	(16,538)
Transfer from Cash In Lieu ⁽¹⁾	-	37,602
Transfer from Long Term Investment Fund ⁽²⁾	-	11,745
Transfer to Parking Revenue Reinvestment Reserve	-	(1,276)
Closing balance	<u>162,539</u>	<u>158,416</u>

(1) The closing balance in the Cash-in-Lieu Lifecycle Sustainment Reserve of \$37,602 was transferred to the Calgary Parking Capital Reserve in March 2024 per the 2023 Triennial Reserve Report, EC2023-0466.

(2) The closing balance in the Calgary Parking Long Term Investment Fund Reserve of \$11,745 was transferred to the Calgary Parking Capital Reserve per EC2024-0836.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	162,539
Budgeted inflows	-
Budgeted outflows	-
Remaining balance	<u>162,539</u>

Business Unit – Mobility

Calgary Parking Long Term Investment Fund – CLOSED

\$ -
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: The purpose of this reserve is to provide a source of financing for the acquisition or development of new assets which will contribute to the long-term stability of Calgary Parking.

Conditions: The adequacy of the fund balance and annual contributions will be reviewed on an annual basis as part of the budget process.

Restrictions: Funds are to be used to support Calgary Parking acquisition and development activities. Withdrawals will be based on the annual budget approved by Council.

Funding Sources: The Reserve will be funded through proceeds from dispositions of Calgary Parking assets as well as periodic contributions from surplus working capital, if available. All investment income generated within the fund will be reinvested annually.

Reserve approved to record allocation of investment income:
 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	-	53,560
Investment income	-	1,185
Transfer to Fiscal Stability Reserve ⁽¹⁾	-	(20,000)
Transfer to Reserve for Future Capital ⁽¹⁾	-	(23,000)
Transfer to Calgary Parking Capital Reserve ⁽¹⁾	-	(11,745)
Closing balance	<u> -</u>	<u> -</u>

(1) The Calgary Parking Long Term Investment Fund closed in 2024; \$20,000 was transferred to the Fiscal Stability Reserve, \$23,000 was transferred to the RFC/LMUR and the remaining balance of \$11,745 was transferred to the Calgary Parking Capital Reserve per EC2024-0836.

Business Unit – Mobility

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Community Sustainability Reserve

Sustainment Reserve (\$000s)

\$ 956
(2025)

Purpose:

The purpose of the Community Sustainability Reserve is to provide interim support to assist community organizations in need of short-term assistance to address operational shortfalls. This reserve is intended to assist organizations so that they may continue to operate and meet the needs of their community and / or the citizens of Calgary at large. Funding is available to provide financial support and if applicable, resources such as consultation support, in order to maximize the capacity and sustainability of an organization to contribute to inspiring neighbourhoods. Funding is provided for:

- Stabilization and redevelopment assistance to organizations that encounter unexpected financial circumstances or have been dealing with organizational or governance issues for more than a year.
- Professional consulting services support to organizations in any area that may impact sustainability to deliver improved programs and services to citizens, whether in crisis or not.

Conditions:

In order to qualify for funding, community associations and social recreational organizations must have an active lease or licence of occupation with The City through the Community Association or Social Recreation Leasing Policy CSPS011 – Lease / Licence of Occupation to Community Organizations.

Qualifying organizations must agree to work with Administration to develop and implement recommendations resulting from professional reviews, where possible and reasonable.

The maximum funding amount for operational use is \$200 over a 5-year period of time and approved by the Director of Calgary Neighbourhoods. The maximum funding amount includes both stabilization and redevelopment assistance.

Restrictions:

As per purpose and conditions.

Funding Sources:

The Community Sustainability Reserve received a one-time transfer of \$580 from the Lifecycle Assistance and Energy Reserve (CPS2008-39) for operating purposes and \$3,000 from corporate in 2008 (C2008-76) for capital purposes. The purpose of the reserve was amended in 2016 so that the remaining reserve balance at Dec 31, 2015 of \$2,270 could only be used for operational purposes.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	1,391	1,522
Contributions to other sources	(435)	(131)
Closing balance ⁽¹⁾	<u>956</u>	<u>1,391</u>

(1) The Community Sustainability Reserve is in the process of being wound down and closed per the recommendation in EC2024-1276.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	956
Other Restricted Commitments ⁽¹⁾	<u>(123)</u>
Remaining balance	<u>833</u>

(1) Other Restricted Commitments represent Community Sustainability Reserve funding approved by Council for the following:

- Beltline Neighbourhood Community Association – (\$9.9)
- Rutland Park Community Association – (\$8.8)
- Lakeview Community Association – (\$20.0)
- Parkhill-Stanley Park Community Association – (\$77.6)
- Albert Park-Radisson Heights Community Association – (\$6.7)

Business Unit – Partnerships

Corporate Housing Reserve

\$ 77,517
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose:

To support the development of affordable rental, social and special needs housing infrastructure and operating costs associated with affordable housing initiatives. Starting 2019, the reserve also accumulated the unspent portion of the Housing Incentive Program budget for later use, under circumstances where an entire incentive cannot be paid out in a single year. Starting 2024, the reserve also accumulates the unspent portion of the Housing Land Fund budget for later use, under circumstances where an entire budget cannot be paid out in a single year.

Council approved the use of the Public Housing Reserve to fund deficits in the CHP portfolio (C2021-0297).

Conditions:

In accordance with the terms of reference established for the reserve, the reserve 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 partnership / joint venture.

Funds contributed by a grant will be managed and used in accordance with the terms of the applicable grant agreement.

Per PFC2019-1385, funds contributed for the Housing Incentive Program are to be tracked and used separately from other funds in this reserve.

Per CD2024-0155, funds contributed for the Housing Land Fund are to be tracked and used separately from other funds in this Reserve.

Restrictions:

External - \$2 Internal - \$40,650

2 per cent 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 or as part of the Housing Incentive Program or the Housing Land Fund Program, 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 Utilities and Corporate Services Committee; 5 per cent of gross industrial land sales proceeds. Industrial land sales typically come with building commitments and options for repurchase within 30 months.
- 2) Lease revenues generated from The 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.
- 5) As approved in LA2000-206, 20 per cent of net eligible revenues generated from Real Estate & Development Services residential portfolio be transferred annually to Corporate Housing Capital Reserve to fund municipally operated housing initiatives.
- 6) Base operating funds budgeted for the Housing Incentive Program that are unspent at year-end and anticipated to be disbursed in future years, and
- 7) Base operating funds budgeted for the Housing Land Fund that are unspent at year-end and anticipated to be disbursed in future years.
- 8) Investment income.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	64,655	42,076
Investment income	760	789
Contributions from operations	11,216	22,236
Contributions to capital ⁽¹⁾	(642)	(684)
Transfer to reserve ⁽²⁾	1,528	238
Closing balance	<u>77,517</u>	<u>64,655</u>

(1) Contributions to capital:
2025: Rundle (\$642)
2024: Rundle (\$684)

(2) Transfers to reserves represent 5 per cent of the Industrial land sale revenue that was contributed from operations.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	77,517
Budgeted activity inflows	927
Budgeted activity outflows	(16,262)
Council approved commitments ⁽¹⁾	(40,649)
Other commitments ⁽²⁾	(3,002)
Balance restrictions ⁽³⁾	<u>(7,092)</u>
Remaining Balance	<u>11,439</u>

(1) Council approved commitments include the following:

- Bridge Attainable Housing Society restricted reserve (LAS2010-51) – (\$2,491)
- Housing Incentive Program restricted reserve (PFC2019-1385) – (\$7,294)
- Land Fund (CD2024-0155) – (\$30,864)

(2) Other commitments include the following:

- Block Grant Funding restricted reserve amount of (\$2).
- Attainable Homes (\$3,000)

(3) Land sales:

Industrial land sales agreements include a repurchase option (typically 30 months). If repurchase option is exercised by The City, the 5% proceeds on the sale transferred to the Reserve will be refunded to the buyer. Proceeds from land sales should not be committed until the repurchase term has lapsed.

2023 sales – (\$1,865)

2024 sales – (\$3,699)

2025 sales – (\$1,528)

Downtown Improvement Fund
Excluding Stephen Avenue Heritage Area Society Fund
Combined Operating & Capital Reserve (\$000s)

\$ 688
(2025)

Purpose: The Downtown Improvement Fund assists in the implementation of public improvement projects in the Greater Downtown. Funds are to be used for high priority downtown improvement projects through the capital budget process. Reserve funds may be used to help fund operating maintenance costs of specialty assets in the Centre City.

Conditions: None.

Restrictions: The reserve can only be used in the Greater Downtown as defined in the 2021 Greater Downtown Plan and includes the Beltline. Funds are to be used for high priority downtown improvement projects through the capital budget process.

Funding Sources: License fees charged to commercial users of public rights-of-way.

Funds included in approved capital projects set aside for extraordinary maintenance of specialty assets (PFC2015-0917).

Reserve approved to record allocation of investment income:
 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	1,489	1,609
Investment income	25	33
Contributions from operations	-	1
Contributions to capital	(826)	(154)
Closing balance	<u>688</u>	<u>1,489</u>
Carry-forward available:		
Opening carry-forward	376	80
Annual spending limit	450	450
Annual expenditures	(826)	(154)
Accrued year-end carry-forward	<u>-</u>	<u>376</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	688
Budgeted inflows	158
Investment income	18
Budgeted outflows	(752)
Remaining balance	<u>112</u>

Business Unit – Public Spaces Delivery

Fleet Services Reserve

\$ 8,286
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: The Fleet Services Reserve will be used to stabilize the budget during fluctuations in the external market value of retired assets, unbudgeted increase in depreciation and interest expenses, as well as to sustain operations during unexpected inflationary pressures and cost escalations. This will help Fleet Services ensure consistent sustainable services as well as provide its clients the most efficient services possible.

The Fleet Services Reserve will also be used to fund Capital Expenditures.

Conditions: The maximum balance of this reserve is \$10,000.

Restrictions: The reserve may only contribute to Fleet & Inventory’s operating program to fund net asset disposal losses and only to the amount of any net asset disposal loss in the year, depreciation and interest expenses exceeding budget in the year and to sustain operations during unexpected inflationary pressures and cost escalations not budgeted for (which enables Fleet Services to meet its performance measures). This reserve may not contribute any amount to operating that would create or increase a net favourable operating surplus for Fleet & Inventory.

Funding Sources: Allocation of operating proceeds from disposal of capital assets and operating budget surpluses from Fleet & Inventory Business Unit excluding Warehouse & Inventory activity.

Reserve approved to record allocation of investment income:
 Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	11,470	7,223
Loss on asset disposals	(1,647)	(421)
Contributions (to) from operations	(1,380)	5,591
Contributions to capital	-	-
Contributions to other sources-Green Fleet	(157)	(923)
Closing balance	8,286	11,470

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	8,286
Commitments	-
Remaining balance	8,286

Business Unit – Fleet & Inventory

General Hospital Legacy Reserve

\$ 17,702
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: This reserve contains the funds allocated to the Calgary General Hospital Legacy Fund, generated from the revenues generated by the use, redevelopment and sale of the Calgary General Hospital, Bow Valley Centre lands (Bridges Project). The purpose of the Calgary General Hospital Legacy Fund is to support healthy Calgary initiatives and programs by encouraging government, private / corporate and non-profit participation in the health of Calgarians.

Conditions: None.

Restrictions: Monies are restricted by Terms of Reference set forth in CPS98-37, PUD2016-0524 and PFC2021-1235.

Funds shall be disbursed only for the continuation of the Bridges Project, the Bridgeland-Riverside Multimodal Pedestrian Bridge project, or for healthy Calgary initiatives. Funds shall be disbursed only with the recommendation of the Calgary General Hospital Legacy Review Committee and approval by Council.

Funding Sources: Initial Funding: Transfer of balances as at Dec 31, 2020 in the General Hospital Legacy Endowment Fund Bridges Project of the Land Servicing Reserve.

Ongoing Funding: Net proceeds from the sale of remaining land inventory in the Bridges Project, accumulated interest and other donations or grants.

Reserve approved to receive investment income:
 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	17,660	17,733
Investment income	378	415
Contribution to capital (land sales)	<u>(336)</u>	<u>(488)</u>
Closing balance	<u>17,702</u>	<u>17,660</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	17,702
Investment income	770
Budgeted outflows	<u>(16,675)</u>
Remaining balance	<u>1,797</u>

Business Unit – Parks & Open Spaces

Golf Course Reserve

\$ 23,985
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: To fund golf course capital projects and to finance any golf course operating budget deficit.

Conditions: None.

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

Private contributions of \$1,000 were received in 2017 and will be used towards upgrade and maintenance projects at the Shaganappi Golf Course.

Funding Sources: Surcharge on all golf passes and green fees and additional budget surplus transferred from golf course and recreation operations.

Reserve approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	20,414	15,694
Investment income	483	415
Contributions from operations	2,891	4,095
User surcharges	197	210
Closing balance	<u>23,985</u>	<u>20,414</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	23,985
Investment income	1,158
Budgeted activity outflows	(2,275)
External restriction ⁽¹⁾	<u>(1,000)</u>
Remaining balance	<u>21,868</u>

(1) Private contributions of \$1,000 were received in 2017 that will be used towards upgrade and maintenance projects at the Shaganappi Golf Course.

Livery Transport Services Sustainment Reserve

\$ 14,069
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: To stabilize livery fees and financing which would benefit the industry while achieving a balanced budget without tax rate support.

The reserve is used by Livery Transport Services to:

1. Stabilize the operating budget;
2. Fund one-time operating expenditures; and
3. Fund capital expenditures that directly support livery transport services

Conditions: None.

Restrictions: As per purpose.

Funding Sources: The Livery Transport Services' operating surpluses.

Reserve approved to record allocation of investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	10,624	6,656
Investment income	256	187
Annual operating surplus	3,532	4,060
Contributions to capital	(343)	(279)
Closing balance	<u>14,069</u>	<u>10,624</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	14,069
Budgeted activity inflows less investment incom	300
Investment income	262
Budgeted outflows	<u>(1,252)</u>
Remaining balance	<u>13,379</u>

Business Unit – Emergency Management & Community Safety

Opportunity Calgary Investment Fund (OCIF)

\$ 67,885
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose:

1) The OCIF represents a commitment by municipal government to invest in catalyst projects to strengthen the local economy.

The goals of the OCIF include, but are not limited to:

- Help create the right conditions for growth
- Diversify the local economy
- Leverage municipal funds for additional private and public sector investments
- Create employment lands and stimulate employment
- Create a return on investment (both direct and indirect)
- Support The City's downtown vacancy challenges
- Increase The City's property tax assessment base

2) Per PFC2018-0187, the OCIF will earn interest according to The City's procedures. The amount of interest may be used to cover direct cost of administrating the OCIF subject to the prior approval of the Chief Financial Officer and the City Manager of The City.

Conditions:

Per PFC2018-0187, fund allocation must go through the evaluation and approval process as outlined in the terms of reference.

Per C2018-0966, agreement between The City and OCIF sets out the terms and conditions for the management of the fund.

Per PFC2021-0608, Opportunity Calgary Investment Fund Ltd. can direct up to \$10,000 in OCIF monies to investment vehicles established and operated by third parties subject to terms and conditions in the Terms of Reference, Investment Policy Statement and Operating and Funding Agreement.

Restrictions:

Per Alberta's Municipal Government Act (MGA) municipalities are restricted from providing the following:

- Municipal tax relief
- Loans with the exception as per s.264

Per the authorization document C2017-0370, the principal balance of the OCIF will not be used to fund communications, marketing, or public relations.

Per the authorization document PFC2018-0187, the investment income generated by the OCIF can be used to fund the direct operating costs of administrating the OCIF.

PFC2018-0187 defines decision making authority levels for access to the OCIF.

Per C2018-0966, agreement between The City and the OCIF sets out the terms and conditions for the management of the fund.

- Funding Sources:**
- 1) In 2017, Council approved the following funding sources to the OCIF:
 - \$10,000 from the Fiscal Stability Reserve (FSR)
 - \$20,000 from the Planning & Development Sustainment Reserve
 - \$25,000 from Corporate Programs
 - 2) In 2018, an additional \$20,000 was transferred from the Planning & Development Sustainment Reserve and \$25,000 from the Budget Savings Account Reserve.
 - 3) In 2025, Council approved transfer of \$15,000 per year over four years starting 2025 through 2028 from Fiscal Stability Reserve, total \$60,000.

Reserve approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	60,619	71,247
Investment income	2,479	2,015
Contribution from FSR	15,000	-
Contributions to other sources ⁽¹⁾	(8,534)	(10,050)
Contributions to other sources ⁽²⁾	<u>(1,679)</u>	<u>(2,593)</u>
Closing balance	<u>67,885</u>	<u>60,619</u>

(1) Disbursements related to purpose 1) as defined in the purpose section.

(2) Disbursements related to purpose 2) as defined in the purpose section.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	67,885
Investment income	6,800
Contribution from FSR	45,000
Other commitments ⁽¹⁾	(112,885)
Other commitments ⁽²⁾	<u>(6,800)</u>
Remaining balance	<u>-</u>

(1) The other commitments include funds approved by the Opportunity Calgary Investment Fund Ltd. Board of Directors under the Council-approved Terms of Reference (PFC2021-0608) and specified in Contribution Agreements signed by OCIF and grant recipients.

(2) The other commitments include funds for the 2025 outstanding portion of annual OCIF operating budget approved under the terms of the Operating and Funding Agreement executed between The City and OCIF.

Parks Endowment and Sustainment Reserve

\$ 18,476
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: This reserve is a temporary repository for contributions to the development and operations of The City's 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: None.

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 park 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 (Principal - \$200) - the investment income is available for maintenance / lifecycle of Wildland Parks; fund balance is \$248 (2024 - \$243),
- Variety Park Endowment Fund (Principal - \$100) - the fund is available for the maintenance and lifecycle for the spray park features and infrastructure. Fund balance is \$164 (2024 - \$175),
- Olympic Plaza endowment (Principal - \$119) - the fund is available for lifecycle maintenance and upgrades to Olympic Plaza. Fund balance is \$119 (2024 - \$170).

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.

Restricted Funds contained within the Parks Endowment and Sustainment Reserve include:

- Clearwater Land Exchange \$390 (2024 - \$390)
- Thomson Family Park Maintenance \$840 (2024 - \$889)
- Playfields \$151 (2024 - \$100)
- Tree Planting \$10,707 (2024 - \$3,383)
- Richmond Green \$5,663 (2024 - \$5,952)
- Remaining balance of \$193 (2024 - \$119) is made up of miscellaneous individual contributions under \$100.

Funding Sources: Contributions / payments received from various parties and net proceeds from sale or exchange of park land approved by Council to be contributed to this reserve.

Reserve approved to receive investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	11,370	6,473
Investment income	351	175
Contributions from operations	13,970	1,700
Contributions to operations	(6,873)	(624)
Contributions to capital	(342)	(2,812)
Contributions between reserves ⁽¹⁾	-	6,458
Closing balance	<u>18,476</u>	<u>11,370</u>

(1) Contributions between reserves pertain to the following:
2024: Revolving Fund for General Land Purposes \$6,458.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	18,476
Investment income	726
Budgeted inflows	1,625
Budgeted outflows	(10,877)
Balance restrictions ⁽¹⁾	<u>(9,950)</u>
Remaining balance	<u>-</u>

(1) The balance of this reserve is restricted as these are donation agreements with third parties as well as various donations, sponsorships and funds received from third parties for ongoing sustainment and education costs related to specific sites. Refer to Restrictions section for more details.

Perpetual Care of the Municipal Cemeteries Reserve

\$ 26,726
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: To fund operational activities associated with the perpetual maintenance and care of municipal cemeteries. Perpetual care includes mowing, trimming, irrigation and repair of graves, as well as general maintenance of the structures and buildings within the cemeteries.

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.

Conditions: None.

Restrictions: None.

Funding Sources: 40 per cent of the funds received by The City from the sale of cemetery plots, mausoleum crypts, columbarium niches, grave monuments and cemetery memorialization products shall be deposited into the Fund along with any annual Cemetery operating budget surplus.

Reserve approved to receive investment income:

X Yes ___ No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	26,860	27,205
Investment income	588	755
Contributions from operations ⁽¹⁾	1,736	1,541
Contributions to operations	(836)	(957)
Contributions to capital	(1,622)	(1,684)
Closing balance	<u>26,726</u>	<u>26,860</u>

(1) 40 per cent of the funds received by The City from the sale of cemetery plots, mausoleum crypts, columbarium niches, grave monuments and cemetery products.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	26,726
Budgeted inflows	2,668
Budgeted outflows	(2,828)
Remaining balance	<u>26,566</u>

Business Unit – Parks & Open Spaces

Planning & Development Services Sustainment Reserve

\$ 77,660
(2025)

Sustainment Reserve (\$000s)

Purpose: The reserve will be used for:

(a) Service level sustainment in response to variability of development and building activity and associated fee revenues, and

(b) Operating and capital expenditures to improve or sustain services which benefit the user and future applications as outlined in the Service Funding Principles.

Conditions: The reserve has a target balance of 75 per cent of the annual budgeted fee based operating expenditures. Should the fund exceed the target, the excess may be used as a contribution from the reserve to fee supported operations in the following year to adjust user fees.

Restrictions: None.

Funding Sources: Annual operating surpluses from fee supported operations.

Reserve approved to record allocation of investment income:
 X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	96,913	105,144
Investment income	2,356	3,453
Contributions (to) from operations	(2,612)	(5,122)
Contributions to capital ⁽¹⁾	<u>(18,997)</u>	<u>(6,562)</u>
Closing balance	<u>77,660</u>	<u>96,913</u>

(1) Contribution to capital is a flow through transfer from Development, Business & Building Services to Planning & Development Services GM and it is recorded as capital expense funding in Planning & Development Services GM.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	77,660
Budgeted inflows	1,854
Budgeted outflows	(38,906)
Council Approved Commitments ⁽¹⁾	<u>(44,645)</u>
Remaining balance ⁽²⁾	<u>(4,037)</u>

(1) Council approved 2026-2028 budgeted capital financing from reserve are for approved capital projects. Projects include Capital Assets and Vehicle Acquisition, Business Technology Sustainment, Service Improvements, Working Space Initiative, Modernizing Service Delivery and Furniture and workspace.

(2) The projected negative remaining balance is due to the timing of the budget cycle. Capital projects have been approved beyond 2026, while 2026 is the final year of the 2023 – 2026 budget cycle.

Business Unit – Development, Business and Building Services

Public Art Reserve

\$ 4,935
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose:

- The Public Art Reserve will be used to cover costs related to the following:
- a. Maintenance and conservation of the Public Art Collection stewarded by the Public Art (Partnerships) team;
 - b. Management, administration, promotion and related initiatives for the Public Art Program as delivered by the Public Art (Partnerships) team;
 - c. A portion of the operating costs of the third-party operator; and
 - d. Acquisition projects (including, but not limited to, commissions and direct purchase of existing artwork) and activations initiated by the Public Art Program (including, but not limited to, research, interpretation, exhibition, programming and education).

Conditions:

None.

Restrictions:

As per the 2023 May 4 agreement with Calgary Arts Development Authority Ltd. (CADA), the reserve provides a portion of funding to CADA in an amount of \$500 per year for the period of 2023-2026.

Funding Sources:

1. The annual amount transferred to the Public Art Reserve is approved by the Executive Leadership Team before each multi-year budget cycle.
2. Unexpended funds from previously allocated capital Public Art Contributions.

Reserve approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	4,935	5,435
Contributions to operations	-	(500)
Closing balance	<u>4,935</u>	<u>4,935</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	4,935
Budgeted inflows (outflows)	-
Remaining Balance	<u>4,935</u>

Business Unit – Partnerships

Land Servicing Reserve

\$ 138,434
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: To finance the acquisition and development of industrial, commercial and strategic redevelopment lands to optimize the potential and value of City land for sale.

Conditions: None.

Restrictions: None.

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

Reserve approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	164,649	215,072
Contributions from operations (land sales)	11,755	2,714
Contributions from (to) from operations	2,462	(85)
Contributions to capital (financing capital projects)	(42,880)	(45,405)
Contributions from capital (land sales)	18,842	1,663
Transfer between reserves ⁽¹⁾	(16,394)	(9,310)
Closing balance	<u>138,434</u>	<u>164,649</u>

(1) 2025: Includes transfers to Corporate Housing Reserve of (\$1,528) equal to 5 per cent of gross industrial sales, (\$580) of financing of current year approved capital budget expenditures for Peigan Trail Twinning project (C2023-1148) through Public Spaces Delivery business unit flow-thru reserves, and (\$14,286) of financing to Downtown Investment Opportunity Office Conversion Program (phase 1 and 2) (C2022-1051) through Downtown Strategy business unit flow thru reserve.

2024: Transfer to Corporate Housing Reserve of (\$238), equal to 5 per cent of gross industrial sales, (\$2,410) for financing of current year approved capital budget expenditures for Peigan Trail Twinning project (C2023-1148) through Public Spaces Delivery business unit flow-thru reserves, and (\$8,383) for financing to the Downtown Calgary Development Incentive Program (C2022-1051) through Downtown Strategy business unit flow thru reserve, partially offset by a transfer from Revolving Fund Reserve of \$1,721 from the net proceeds resulting from the sale of general lands for reimbursements of budgeted costs funded from Land Servicing Reserve.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	138,434
Budgeted inflows	38,155
Budgeted outflows ⁽¹⁾	<u>(243,966)</u>
Remaining balance ⁽²⁾	<u>(67,377)</u>

(1) Includes Contribution to Downtown Strategy (C2022-1051) – Operating Carry Forward Budget of \$17,331, Public Spaces Delivery (C2023-1148) – Capital Carry Forward Budget of \$1,086 and Capital Budget of \$225,549 for 2026 and thereafter.

(2) Uncommitted Balances from 2026 and thereafter: The projected negative remaining balance is on account of not including projected cash inflows into the reserve from net land sales revenues starting in 2027, as these budgets have not yet been approved by Council. The budgets for these revenues are planned to be approved as part of next business cycle and the projected negative reserve position will be reversed once these are incorporated in the above table. The negative balance in 2027 will be monitored over the business cycle and any further actions required for the financial sustainability of the reserve and service line will be addressed through the business planning and budgeting processes cycles.

Business Unit – Real Estate & Development Services

Revolving Fund Reserve for General Land Purchases

\$ 108,325
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: Land required for City use must often be purchased well in advance of construction, but the capital budget has funds only for projects commencing within the current four year budget cycle. The purpose of this reserve is to acquire land required for City use in a timely manner for projects beyond the four-year budget cycle, improvements to city-owned land and program administration.

Conditions: None.

Restrictions: None.

Funding Sources: Ongoing funding:

- Income from existing net land leases. Revenue from existing leases may be routed to business units based on approval of business case to the Corporate Land Committee (CLC).
- Acquisition fees received from business units for land purchases, net of related costs.
- Net proceeds from general land sales.
- Repayment of land purchases by business unit no later than year one of the next four-year budget cycle or other alternate pay back arrangements as may be approved by CLC.

Reserve approved to record allocation of investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	85,930	153,412
Investment income	1,887	2,700
Contributions from operations	12,364	3,995
Contributions from land sales	12,011	15,479
Contributions to capital	(3,623)	(78,415)
Transfer to other reserves ⁽¹⁾	(3,523)	(11,241)
Transfer from restricted reserves ⁽²⁾	3,279	-
Closing balance ⁽³⁾	108,325	85,930

(1) Transfers to other reserves:

2025: Transfer of net proceeds to various Bu's reserves resulting from sale of their general lands: (\$70) to Endowment & Sustainment Reserve and (\$175) to Transportation Infrastructure Reserve; and (\$3,278) for the intra-reserve activity with the restricted component of the reserve pertaining to the Attainable Homes Calgary Corporation (AHCC) receivable (refer to footnote 2).

2024: Transfer of net proceeds resulting from sale of sale of general lands to various BU reserves: (\$6,458) to Parks Endowment and Sustainment Reserve, (\$2,810) to CIR and (\$1,721) to Land Servicing Reserve; and transfer of (\$252) from sale of general land to Transportation Infrastructure Reserve.

(2) Transfer from restricted reserves:

This transfer represents internal reserve activity for repayments of mortgage balance for lands sold to AHCC. These land sales were set up as receivables. The funds are restricted until receipt of the funds. Receipt of funds was the earlier of:

- a) ten years from the advancement date, or
- b) in the event that AHCC had disposed of the property, or any portion thereof, the date AHCC receives proceeds of the sale to the third party.

AHCC repaid their full outstanding mortgage of \$3,279 with maturity date August 3, 2026 (EC2023-0038) in 2025.

(3) Total funding from the reserve in prior years for land acquisitions and expected to be repaid in future years is \$133,950. Any repayments to the reserve in future years will require approved capital budget allocations within the business unit's that steward these repayment obligations.

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	108,325
Investment income	2,093
Budgeted inflows	20,834
Budgeted outflows	(47,605)
Council Approved Commitments ⁽¹⁾	(4,299)
Other restricted commitments ⁽¹⁾	(26,882)
Internally restricted minimum balance ⁽²⁾	(25,000)
Remaining Balance	<u>27,466</u>

(1) Commitments include land acquisitions as approved by CLC, asset retirement obligations estimates and restrictions on certain balances within the reserve. Council approved reports for commitments include: IP2023-1191, C2023-0740 and PFC2021-0834 for land acquisition, Bylaw 11B2007, C2007-63 and C2007-64 for debt servicing obligations related to land acquisition and ground lease of the District Energy Plant.

(2) The \$25,000 is the administrative floor that was approved by the CLC for the current budget cycle as a reserve sustainability control.

Utility Sustainment Reserve

\$ 165,667
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: This reserve has been set up to provide an operating contingency to offset revenue fluctuations and manage cash flow, thereby ensuring funds are available to meet both operating and capital requirements and to provide for capital financing needs associated with capital expenditures.

Conditions: The targeted level for the sustainment portion of the reserve is 120 days of Utilities operating expenditures.

Restrictions: None.

Funding Sources: Utility rate revenues at planned contribution levels and annual operating budget variances.

Portion of offsite levies to be spent in future years.

Reserve approved to receive investment income:

X Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	215,183	245,719
Investment income	12,677	9,276
Contributions from operations	294,523	247,291
Contributions to capital financing	(356,716)	(287,103)
Closing balance	<u>165,667</u>	<u>215,183</u>
Sustainment funds	108,315	89,213
Offsite levy funds	52,600	44,904
Future year capital funds	4,752	81,066
Total Reserve	<u>165,667</u>	<u>215,183</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	165,667
Budgeted inflows less investment income	537,872
Investment income	9,894
Budgeted outflows	(535,550)
Restricted balance ⁽¹⁾	<u>(48,342)</u>
Remaining balance	<u>129,541</u>

(1) The restricted balance relates to off-site levy funds received from external developers and are to be used only for stipulated purposes as dictated by developer agreements and off-site levy Bylaws.

(2) On February 17, 2026, Council approved the recommendation to provide corporate funding through the transfer from the Fiscal Stability Reserve to Utility Sustainment Reserve, as needed, to a maximum \$50,000 to support financial sustainability in the Water line of service over the periods of 2025 and 2026. This amount has not been included within Budgeted inflows above as it was approved after December 31, 2025.

Business Unit – Water Services

Waste and Recycling Sustainment Reserve

\$ 43,409
(2025)

Combined Operating & Capital Reserve (\$000s)

Purpose: This reserve has been set up to provide an operating contingency to offset revenue fluctuations and to manage cash flow, thereby ensuring funds are available to meet both operating and capital requirements and to provide for capital financing needs associated with capital expenditures, as well as setting funds aside for the long-term landfill care and asset retirement obligations.

Conditions: A targeted level for the sustainment portion of the reserve is 120 days of Waste and Recycling Operating and Maintenance (O&M) costs.

Restrictions: None.

Funding Sources: User fees at planned contribution levels and annual operating budget variances generated from self-supported programs.

Reserve approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	31,675	53,340
Investment income	3,195	3,624
Contributions from operations	29,392	21,385
Contributions to asset retirement obligations	(3,567)	(2,587)
Contributions to debt financing	(10,558)	(8,568)
Contributions to capital financing	(6,728)	(35,519)
Closing balance	<u>43,409</u>	<u>31,675</u>
Sustainment funds	43,409	26,726
Future year capital funds	-	4,949
Total Reserve	<u>43,409</u>	<u>31,675</u>

Commitments as at Dec 31, 2025 (\$000s):

Balance (as at Dec 31, 2025)	43,409
Budgeted inflows	16,413
Investment income	4,463
Budgeted outflows ⁽¹⁾	<u>(21,726)</u>
Remaining balance	<u>42,559</u>

1) The reserve is committed to various projects and annual programs within the approved capital budget for the Waste and Recycling Service line. The \$5.1 million of budgeted activity outflows in 2026 includes capital funding for Program 256 and 258, including the following projects/programs:

- Composting Facility Expansion
- Capping & Cell Construction
- Facilities and General Equipment
- Carts, Bins and Containers
- Waste Management Facility Internal Roads and Fencing

Business Unit – Waste & Recycling Services

APPENDIX 2

LONG-TERM LIABILITIES

Capital Deposits

Employee Benefit Obligations

Eau Claire Improvement Fund

Capital Deposit (\$000s)

\$ 1,549
(2025)

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 District 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.

Capital deposit approved to receive investment income:
X Yes ___ No

Current Balance (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	1,481	1,418
Investment income	68	63
Closing balance	<u>1,549</u>	<u>1,481</u>

Business Unit – City & Regional Planning

Canada Community Building Fund

Capital Deposit (\$000s)

\$ 145,113
(2025)

Purpose: The Canada Community Building Fund (CCBF) is a federal infrastructure funding program established in 2005, formerly known as the federal Gas Tax Fund and now delivered as the Community Stream of the Build Communities Strong Fund. It provides stable, long term funding to municipalities to support essential public infrastructure and strong, sustainable communities. Funding flows from the federal government to provinces and territories, which then transfer it to municipalities under formal agreements updated in 2024.

Conditions: City Council must approve projects funded through the CCBF, and projects must comply with the requirements set out in the provincial Municipal Funding Agreement administered by Provincial Municipal Affairs. CCBF funding may be used only for eligible capital infrastructure and related planning activities and may not be used for routine maintenance, operating costs, or debt reduction. Funds must be applied to provincially approved infrastructure categories and used in accordance with program and reporting requirements.

Restrictions: Projects funded through the CCBF must be eligible under the terms and conditions set out in the applicable Municipal Funding Agreement administered by Provincial Municipal Affairs. The original Gas Tax Fund agreement established in 2005 and the subsequent agreement renewed in 2014 ended March 31, 2024. A new CCBF agreement covering the period from April 1, 2024 to March 31, 2034 is now in place, and all project eligibility and restrictions are governed by this current agreement and associated program guidelines.

Funding Sources: The federal Gas Tax Fund, now known as the CCBF, was established to provide municipalities with predictable, long term funding for municipal infrastructure. The program was legislated as a permanent federal funding source in Budget 2011, with stable annual funding beginning in 2014. A renewed funding agreement came into effect in 2014, providing continued flexibility in the use of funds, and the program has since been renewed under a new agreement covering the period from April 1, 2024 to March 31, 2034.

Capital deposit approved to receive investment income:

Yes No

Current Balance (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	142,089	211,861
Investment income	6,873	8,139
Contribution from federal government	117,509	38,090
Contributions to capital	(121,358)	(116,001)
Closing balance	<u>145,113</u>	<u>142,089</u>

Business Unit –

Finance

Local Government Fiscal Framework (LGFF)

\$ 63,119
(2025)

Capital Deposit (\$000s)

Purpose: The Local Government Fiscal Framework (LGFF) is Alberta's primary funding mechanism for providing local governments with predictable infrastructure grant support. The LGFF replaced the Municipal Sustainability Initiative (MSI), which was in place from 2007 to 2023. Capital Funding is legislated through The LGFF Act and is allocated to eligible governments based on a formula.

Conditions: City Council approval is required for projects funded through the LGFF. LGFF funding is provided to municipalities subject to meeting program requirements, including entering into a funding agreement with the province, using funds only for eligible provincially approved infrastructure related purposes, and maintaining proper financial records. Municipalities must report on the use of funds and comply with provincial accountability, audit, and compliance requirements. Failure to meet these conditions may result in funding being withheld or required to be repaid.

Restrictions: Capital projects must be deemed eligible in accordance with the LGFF Capital Project Funding Program Guidelines section 12. Eligible projects can include the purchase, construction, development, betterment, rehabilitation and non-routine maintenance of capital assets owned by a local government. Ineligible expenditures include operating costs, routine maintenance, leasing of assets, water licence costs and other non-capital expenditures.

Funding Sources: The LGFF is funded entirely from the Government of Alberta's general provincial revenues. Funding levels are not fixed; instead, total LGFF funding is adjusted annually through a Revenue Index Factor set out in the LGFF Act, which links municipal funding to the percentage change in Alberta's provincial revenues from three years prior. This approach ensures that local governments share both revenue growth and revenue declines experienced by the province. LGFF funding does not rely on municipal taxes or federal government contributions and is provided solely as a provincial grant to support eligible municipal capital infrastructure.

Capital deposit approved to receive investment income:

Yes No

Current Activity (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	212,161	223,865
Investment income	4,763	1,803
Contributions (to) capital financing	(223,402)	(13,507)
Contributions from Province	254,981	-
Contributions (to) other sources	(185,384)	-
Closing balance	<u>63,119</u>	<u>212,161</u>

Business Unit –

Finance

Miscellaneous Capital Deposits

Capital Deposit (\$000s)

\$ 452,485
(2025)

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, gravelling and transit shelters).

Portions of Calgary Transit, Calgary Police Service, Corporate Revenue & Costs, Emergency Management & Community Safety, Facilities, Mobility, Public Spaces Delivery and Water Services 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 Calgary Transit, Calgary Police Service, Corporate Revenue & Costs, Emergency Management & Community Safety, Facilities, Mobility, Public Spaces Delivery and Water Services deposit balances constitute unused Provincial / Federal capital grant funds that are to be spent on a cost-shared basis.

Investment income:

Business units with no investment income allocation: Facilities, Fleet & Inventory, Downtown Strategy, Partnerships, Public Spaces Delivery and Water Services.

Business units with an investment income allocation: Climate & Environment, Community Planning, Community Strategies, Corporate Revenue & Costs, Chief Housing Office, City & Regional Planning, Emergency Management & Community Safety, Greenline, Mobility, Parks & Open Spaces, Calgary Police Service, Calgary Transit and Utilities Delivery.

Current Balances (\$000s):

	<u>2025</u>	<u>2024</u>
Calgary Transit	10,721	8,264
Calgary Police Service	732	1,748
Chief Housing Office	54,201	-
City & Regional Planning	1,730	1,654
Climate & Environment	-	630
Community Planning ⁽¹⁾	59,831	47,217
Community Strategies	1,339	2,214
Corporate Revenue and Costs	7,630	7,299
Downtown Strategy	1,784	-
Emergency Management & Community Safety	11,468	10,908
Facilities	2,001	54
Fleet & Inventory	21	50
Green Line	139,028	49,029
Mobility	68,873	53,161
Parks & Open Spaces	84	42
Partnerships	358	52,404
Public Spaces Delivery	95,137	79,103
Utilities Delivery	3,897	3,018
Water Services	1,972	1,972
Interdepartmental charge elimination	(8,322)	(9,150)
Closing balance	<u>452,485</u>	<u>309,617</u>

(1) The comparative figure for 2024 has been adjusted to reflect a reclassification of opening balances, consistent with the presentation in the Annual Financial Report.

Business Units -

- Calgary Transit**
- Calgary Police Service**
- Chief Housing Office**
- City & Regional Planning**
- Climate & Environment**
- Community Planning**
- Community Strategies**
- Corporate Revenue and Costs**
- Downtown Strategy**
- Emergency Management & Community Safety**
- Facilities**
- Fleet & Inventory**
- Green Line**
- Mobility**
- Parks & Open Spaces**
- Partnerships**
- Public Spaces Delivery**
- Utilities Delivery**
- Water Services**

Municipal Sustainability Initiative (MSI)

Capital Deposit (\$000s)

\$ 130,103
(2025)

Purpose: The Municipal Sustainability Initiative (MSI) was established by the Province of Alberta to provide municipalities with predictable and sustainable funding to help address growth pressures and support long term municipal sustainability. The program assisted municipalities in planning, constructing, and maintaining infrastructure while strengthening their overall financial capacity. MSI funding allocations ended in 2023, and the program has been replaced by the LGFF beginning in 2024. Although MSI is no longer active, the program continues administratively until municipalities have fully expended their previously allocated MSI funding and met all reporting requirements.

Conditions: City Council approval was required for projects funded through the MSI, and municipalities were required to comply with provincial program guidelines and funding agreements administered by Alberta Municipal Affairs. MSI funding could be used only for approved purposes and was subject to provincial reporting, accountability, and audit requirements. Municipalities were required to track expenditures, submit regular financial and project reports, and retain documentation for audit purposes.

Restrictions: MSI funding was restricted to eligible capital infrastructure projects and approved program uses, and could not be applied to general operating expenditures or other ineligible costs. Unspent MSI funding, including credit items from allocations made between 2019 and 2023, cannot be transferred to the LGFF. Municipalities remain subject to the original MSI funding agreements and program guidelines until all allocated MSI funds have been fully expended and all reporting requirements have been met. Capital funding must be spent within five years of the allocation date; any funds not expended within this timeframe must be returned to the Province of Alberta. Funds carried forward are required to be spent on an approved project no later than December 31 2028, after which repayment is mandatory. These time limits and compliance requirements continue to be strictly enforced.

Funding Sources: The MSI was funded by the Government of Alberta through provincial general revenues and distributed to municipalities using prescribed allocation formulas. MSI funding incorporated two components: Component A, calculated using a formula weighted 48 per cent on a per capita basis, 48 per cent on education property tax requisitions, and 4 per cent based on kilometers of local roads; and Component B, which provided funding to Calgary and Edmonton based on litres of taxable road use gasoline and diesel fuel sold in the province.

Capital deposit approved to receive investment income:

Yes No

Current Balance (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	28,350	310,935
Investment income	6,221	6,777
Contributions from other sources	185,384	-
Contributions to capital	(89,852)	(289,362)
Closing balance	<u>130,103</u>	<u>28,350</u>

Business Unit – Finance

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Off-site and Centre City Levies

Capital Deposit (\$000s)

\$ 691,534
(2025)

Purpose: To fund capital infrastructure projects only, as authorized through Council approval of capital budgets.

Off-site Levy

The off-site levy portion of the reserve funds public infrastructure growth projects in / or to support new growth. Public infrastructure funded by this reserve include:

- Water distribution, wastewater collection, drainage, water and wastewater treatment
- Transportation connections and transit buses
- Public facilities including Fire Halls, Police Stations, Libraries and Recreation Centres

Centre City Levy

The centre city levy portion of the reserve funds public infrastructure growth projects in the Centre City Plan Area. They include:

- Water and wastewater collection & distribution
- Alternative transportation infrastructure and transit buses
- Parks
- Public facilities including Fire Halls, Police Stations, Libraries and Recreation Centres

Conditions: Funds are to be used for capital infrastructure projects funding.

Restrictions: Third party agreements:
- Obligation to provide capital in the future.

Funding Sources: Under the terms of development agreements or development permits, depending on the development area, an assessment per hectare, unit, gross floor area, or length of a parcel's frontage, is levied and/or charged.

Investment Income Treatment:

All off-site levy and centre city levy balances – investment income is added to the capital deposit balance.

Current Business Unit Balances: (\$000s)

	<u>2025</u>	<u>2024</u>
<u>Off-site Levy</u>		
Calgary Fire	87,096	83,793
Calgary Police Service	62,415	54,585
Calgary Transit	5,951	10,593
Civic Partners	41,847	37,537
Public Spaces Delivery	170,560	102,676
Recreation & Social Programs	175,050	159,744
Water Services	151,779	90,294
Subtotal	<u>694,698</u>	<u>539,222</u>
<u>Centre City Levy</u>		
Calgary Fire	446	397
Calgary Police Service	535	487
Calgary Transit	1,041	910
Civic Partners	1,125	961
Mobility	934	802
Public Spaces Delivery	338	607
Recreation and Social Programs	3,029	2,725
Utilities Delivery	5,602	5,545
Subtotal	<u>13,050</u>	<u>12,434</u>
Interdepartmental charge elimination	(16,214)	(17,121)
Closing Balance	<u>691,534</u>	<u>534,535</u>

Business Units-

**Calgary Fire
Calgary Police Service
Calgary Transit
Civic Partners
Mobility
Public Spaces Delivery
Recreation & Social Programs
Utilities Delivery
Water Services**

Plus 15 Fund
Capital Deposit (\$000s)

\$ 28,784
(2025)

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 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 Plus 15 System.

Capital deposit approved to record allocation of investment income:

X Yes ___ No

Current Balance (\$000s):

	<u>2025</u>	<u>2024</u>
Opening balance	29,835	27,019
Investment income	-	1,179
Contributions from operations	736	2,753
Contributions to capital	(1,787)	(1,116)
Closing balance	<u>28,784</u>	<u>29,835</u>

Business Unit – Facilities

Defined Benefit Pension Plans (Registered & Non-Registered) \$ 76,977
 (\$000s) (2025)

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. The City’s contributions are made in compliance with the funding requirements pursuant to the most recent actuarial valuation for funding purposes. The valuation is carried out by an independent actuary and is based on a number of demographic and economic assumptions. More information on each of these plans is available in Note 14 of The City’s 2025 Annual Financial Report.

Conditions: As per purpose.

Restrictions: Funds to be used for purpose as described.

Funding Sources: Operating Department ID: 11656 - CO-PRG 787 Employee Benefits

Current Balances (\$000s):

	<u>2025</u>	<u>2024</u>
Funded		
Registered defined-benefit pension ⁽¹⁾	28,585	41,559
Non-registered defined-benefit pension ⁽²⁾	<u>48,392</u>	<u>46,397</u>
Total	<u>76,977</u>	<u>87,956</u>

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

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

Funded Vacation and Overtime Liability

\$ 342,638
(2025)

(\$000s)

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

Conditions: This liability is recognized on the statement of financial position, with annual earned and deferred amounts being accrued to the current year's operating budget.

Restrictions: For the purpose as described above.

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

Current Balances (\$000s):

	<u>2025</u>	<u>2024</u>
Corporate Administration	3,212	2,061
Law and Legislative Services	8,454	7,010
Planning and Development Services	20,502	18,327
Corp Planning and Fin Services	14,358	13,706
Legislative	416	471
Infrastructure Services	15,710	13,495
People Innovation and Collab Service	32,590	30,366
Community Services	54,615	48,466
Operational Services	103,559	91,474
Calgary Police Services	82,453	79,493
RAWW Days	762	683
	<u>336,631</u>	<u>305,552</u>

Related Authorities

Attainable Homes Calgary Corporation	65	52
Calgary Arts Development Authority	51	36
Calgary Economic Development Ltd.	119	134
Calgary Housing Company	4,103	3,795
Calgary Municipal Land Corporation	216	157
Calgary Public Library	1,275	1,229
Calgary TELUS Convention Centre	178	236
	<u>6,007</u>	<u>5,639</u>
	<u>342,638</u>	<u>311,191</u>

Business Unit – Finance

Other Retirement Benefits Liability

(\$000s)

\$ 113,340
(2025)

Purpose: The City sponsors extended health, dental and life insurance benefits to qualifying retirees and their surviving spouses from the date of retirement to the age of 65. The City and the retirees share equally in the cost of benefits. The City also sponsors supplementary compensation benefits. The Retirement Benefits liability is determined through actuarial valuations for accounting purposes that are prepared annually as per section 3250 of PSAS. Additional information is available in Note 14 of The City's 2025 Annual Financial Report.

Conditions: As per purpose.

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

Funding Sources: Operating Budget ID: 11656 - CO-PRG 787 Employee Benefits

Current Balance (\$000s):

	<u>2025</u>	<u>2024</u>
The City of Calgary ⁽¹⁾	113,340	112,825
	<u>113,340</u>	<u>112,825</u>

(1) In 2024, the phase-out of the Retirement Allowance Program was completed, resulting in the termination of membership for approximately 290 remaining members. This led to a curtailment gain of \$757.