

Summary of Significant Reserve Accounts Activities

* December 31, 2021 projections are as at September 30, 2021 and vary accordingly from the approved reserve budgets reported in Fall SOBA .

(\$ millions)

Significant Reserves are reserves that:

- have an ending balance in the reporting period equal to or greater than \$10.0M,
- have a deficit balance at the end of 2020, or
- have required minimum and/or target balance thresholds.

Reserve	Activity	Projection	Actual		
		2021*	2020	2019	2018
Affordable Housing	Opening Balance	\$ 49.7	\$ 45.0	\$ 37.0	\$ 31.4
	<i>Additions:</i>				
	Transfer from operations- Affordable Housing and Other Program operating surplus	\$ 6.0	\$ 6.0	\$ 6.0	\$ 5.2
	Transfer from operations - First Place Program Operating surplus	\$ 0.8	\$ 0.6	\$ 3.0	\$ 1.2
	<i>Withdrawals:</i>				
	Transfer to operations - funding of Affordable Housing and other grants expenses	\$ (1.1)	\$ (1.2)	\$ (0.4)	\$ (0.5)
	First Place surplus site admin fee	\$ (0.2)	\$ (0.4)	\$ (0.2)	\$ (0.2)
Transfer to capital	\$ -	\$ (0.3)	\$ (0.5)	\$ -	
	Closing Balance	\$ 55.2	\$ 49.7	\$ 45.0	\$ 37.0
Brownfield Redevelopment	Opening Balance	\$ (2.3)	\$ (2.9)	\$ (2.9)	\$ (1.9)
	<i>Additions:</i>				
	Transfer from operations - incremental tax-levy	\$ 2.7	\$ 0.6	\$ -	\$ -
	<i>Withdrawals:</i>				
Transfer to operations - offset Brownfield grant expense	\$ (1.0)	\$ -	\$ -	\$ (1.0)	
	Closing Balance	\$ (0.6)	\$ (2.3)	\$ (2.9)	\$ (2.9)
Community Revitalization Levy - Belvedere	Opening Balance	\$ (11.0)	\$ (10.1)	\$ (9.1)	\$ (7.0)
	<i>Additions:</i>				
	Transfer from operations - annual CRL surplus	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i>				
	Transfer to operations - offset annual CRL deficit	\$ (1.5)	\$ (0.9)	\$ (1.0)	\$ (0.8)
	Debt payment to Land Enterprises (Fort Road - prior to establishment of Belvedere CRL)	\$ -	\$ -	\$ -	\$ (1.3)
	<i>Interest Earned:</i>				
		\$ -	\$ -	\$ -	
	Closing Balance	\$ (12.5)	\$ (11.0)	\$ (10.1)	\$ (9.1)

Community Revitalization Levy - Downtown	Opening Balance	\$ (13.8)	\$ (19.9)	\$ (23.6)	\$ (22.8)
	<i>Additions:</i>				
	Transfer from operations - annual CRL surplus	\$ 2.5	\$ 8.6	\$ 6.3	\$ -
	<i>Withdrawals:</i>				
	Arena Debt Repayment	\$ (2.5)	\$ (2.5)	\$ (2.5)	\$ -
	Transfer to operations - offset annual CRL deficit	\$ -	\$ -	\$ -	\$ (0.8)
	<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ (13.8)	\$ (13.8)	\$ (19.9)	\$ (23.6)	
Community Revitalization Levy - Quarters	Opening Balance	\$ (12.2)	\$ (8.7)	\$ (8.2)	\$ (7.8)
	<i>Additions:</i>				
	Transfer from operations - annual CRL surplus	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i>				
	Transfer to operations - offset annual CRL deficit	\$ (2.3)	\$ (0.9)	\$ (0.5)	\$ (0.4)
	Contaminated site remediation	\$ -	\$ (1.0)	\$ -	\$ -
	Brighton Block and Edmonton Downtown Farmers Market Association subsidy	\$ -	\$ (0.9)	\$ -	\$ -
	Brighton Block Historical site Rehabilitation	\$ -	\$ (0.7)	\$ -	\$ -
	Other	\$ (0.0)	\$ -	\$ -	\$ -
	<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ (14.5)	\$ (12.2)	\$ (8.7)	\$ (8.2)	
Developer Recoveries	Opening Balance	\$ 11.9	\$ 12.1	\$ 17.8	\$ 41.4
	<i>Additions:</i>				
	Transfer from operations - Developer Fees		\$ 1.0	\$ 0.3	\$ 3.5
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (5.6)	\$ (1.3)	\$ (5.6)	\$ (27.0)
	Transfer to operations - 41 Avenue/Queen Elizabeth Highway 2 Interchange			\$ (0.6)	\$ (0.3)
<i>Interest Earned:</i>	\$ 0.0	\$ 0.0	\$ 0.2	\$ 0.2	
Closing Balance	\$ 6.3	\$ 11.9	\$ 12.1	\$ 17.8	

Financial Stabilization	Opening Balance	\$ 129.0	\$ 123.9	\$ 130.3	\$ 125.1
	<i>Additions:</i>				
	Transfer from operations - prior year tax-supported operating surplus	\$ 40.4	\$ 20.1	\$ -	\$ 31.6
	Transfer from operations	\$ 7.6	\$ -	\$ 5.3	\$ 1.6
	<i>Withdrawals:</i>				
	Transfer to FSR Appropriated - funding approved from FSR for specific projects by City Council	\$ (64.0)	\$ (15.0)	\$ (9.4)	\$ (15.6)
	Tax-supported operating deficit	\$ -	\$ -	\$ (2.3)	
	Internal transfer (FSR to Planning and Development Reserve)	\$ -	\$ -	\$ -	\$ (12.5)
	Closing Balance	\$ 113.0	\$ 129.0	\$ 123.9	\$ 130.3
	Minimum Balance Threshold	\$ 110.4	\$ 110.4	\$ 113.4	\$ 106.2
Target Balance	\$ 183.2	\$ 183.2	\$ 188.2	\$ 176.2	

Minimum reserve balance of 5% of general government expenses, and a target balance of 8.3%, as per City Policy C217D Reserve and Equity Accounts, to manage Financial risk exposure to the City.

A reserve policy for the FSR is being presented as Recommendation #6 of this report.

Financial Stabilization - Appropriated	Opening Balance	\$ 213.3	\$ 51.3	\$ 68.1	\$ 85.1
	<i>Additions:</i>				
	COVID-19 Funding - 2020 funding strategies	\$ -	\$ 158.2	\$ -	\$ -
	COVID-19 Funding - portion of 2020 year-end tax-supported surplus	\$ 25.0	\$ -	\$ -	\$ -
	COVID-19 Funding - transfer from Neighbourhood Renewal Reserve	\$ 17.0	\$ -	\$ -	\$ -
	Operating projects approved in the year	\$ 23.6	\$ 9.5	\$ -	\$ 13.9
	Carryforward requests for prior year projects	\$ 7.8	\$ 3.8	\$ 5.2	\$ 8.0
	Equity Loan Write off (Waste Management Services non-regulated operations)	\$ 7.6	\$ -	\$ -	\$ -
	Capital projects approved in the year	\$ -	\$ 5.0	\$ 3.7	\$ 2.1
	Funding from operations	\$ -	\$ 3.2	\$ 3.2	\$ 5.1
	<i>Withdrawals:</i>				
	COVID-19 Pandemic funding	\$ (119.8)	\$ -	\$ -	\$ -
	Funding of operating expenditures	\$ (47.9)	\$ (6.9)	\$ (14.3)	\$ (24.4)
	Waste Equity Loan Write-off	\$ (7.6)	\$ -	\$ -	\$ -
	Funding of capital expenditures	\$ (7.3)	\$ (0.7)	\$ (3.2)	\$ (0.5)
	EPCOR Drainage Stranded Costs	\$ (5.4)	\$ (8.6)	\$ (8.8)	\$ (12.7)
	Funding released back to unappropriated FSR	\$ -	\$ (1.5)	\$ (2.7)	\$ (8.3)
	Closing Balance	\$ 106.4	\$ 213.3	\$ 51.3	\$ 68.1

Fleet Services - Vehicle Replacement	Opening Balance	\$ 25.3	\$ 28.4	\$ 25.2	\$ 19.2
	<i>Additions:</i>				
	Transfer from operations - Fleet replacement charges	\$ 21.4	\$ 24.0	\$ 25.8	\$ 37.6
	Proceeds on sale of assets	\$ 3.2	\$ 1.2	\$ 1.0	\$ 1.0
	<i>Withdrawals:</i>				
	Transfer to capital - funding for fleet replacement	\$ (22.4)	\$ (28.4)	\$ (23.5)	\$ (32.5)
Closing Balance	\$ 27.5	\$ 25.3	\$ 28.4	\$ 25.2	

Funds in Lieu - Residential	Opening Balance	\$ 21.9	\$ 26.6	\$ 23.2	\$ 18.5
	<i>Additions:</i>				
	Developer contributions	\$ 2.5	\$ 1.1	\$ 5.0	\$ 6.0
	Utility Right of Way Fees	\$ -	\$ 0.0	\$ 0.0	\$ 0.6
	Proceed from land sales	\$ -	\$ -	\$ 1.2	\$ 0.0
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (12.7)	\$ (6.0)	\$ (3.2)	\$ (2.2)
	Other	\$ -	\$ -	\$ (0.1)	\$ -
	<i>Interest Earned:</i>	\$ 0.2	\$ 0.2	\$ 0.5	\$ 0.3
	Closing Balance	\$ 11.9	\$ 21.9	\$ 26.6	\$ 23.2
Interim Financing	Opening Balance	\$ (37.8)	\$ (40.6)	\$ (32.7)	\$ (29.7)
	<i>Additions:</i>				
	Downtown Arena (Non-CRL) - rent revenue	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3
	Downtown Arena (Non-CRL) - ticket surcharge revenue	\$ 6.2	\$ 6.2	\$ 6.2	\$ 6.2
	Downtown Arena (Non-CRL) - redirection of Northlands subsidy	\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7
	Downtown Arena (Non-CRL) - property tax on parkades	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3
	Transfer from Downtown CRL	\$ 2.5	\$ 2.5	\$ 2.5	\$ -
	Annexation Agreement with Leduc County	\$ 0.5	\$ 0.5	\$ -	\$ -
	Westwood Transit Garage Remediation	\$ -	\$ 2.7	\$ -	\$ -
	<i>Withdrawals:</i>				
	Transfer to operations - Downtown Arena (non-CRL) debt servicing	\$ (18.2)	\$ (18.2)	\$ (18.2)	\$ (18.2)
	Transfer to operations - offset variance for Edmonton Tower lease - tax-levy requirement vs. accounting	\$ (2.2)	\$ (2.2)	\$ (2.2)	\$ (2.2)
	Annexation Agreement with Leduc County	\$ -	\$ -	\$ (4.8)	\$ -
	Westwood Transit Garage Remediation	\$ -	\$ -	\$ (2.7)	\$ -
	Closing Balance	\$ (37.8)	\$ (37.8)	\$ (40.6)	\$ (32.7)
Local Improvements	Opening Balance	\$ 137.9	\$ 123.0	\$ 119.7	\$ 116.8
	<i>Additions:</i>				
	Local improvement tax revenue	\$ 18.6	\$ 24.7	\$ 13.0	\$ 11.9
	<i>Withdrawals:</i>				
Transfer to operations - funding for local improvement debt servicing	\$ (10.2)	\$ (9.8)	\$ (9.6)	\$ (9.0)	
Closing Balance	\$ 146.3	\$ 137.9	\$ 123.0	\$ 119.7	

LRT	Opening Balance	\$ 56.1	\$ 40.5	\$ 32.8	\$ 31.2
	<i>Additions:</i>				
	Tax Levy (dedicated) - Valley Line LRT	\$ 51.4	\$ 46.1	\$ 35.8	\$ 26.1
	Pre-2015 Tax-Supported Debt Servicing Room	\$ 7.2	\$ 1.6	\$ 0.9	\$ -
	Tax-levy allocation - original LRT funding	\$ 5.1	\$ 5.1	\$ 5.1	\$ 5.1
	<i>Withdrawals:</i>				
	Valley Line - funding for debt servicing and P3 contractor financing charges	\$ (24.8)	\$ (34.5)	\$ (32.2)	\$ (28.2)
	Transit Security Safety and Enhancements	\$ (1.7)	\$ (1.8)	\$ (0.7)	\$ -
	South LRT - excess debt charges over Federal gas tax	\$ (0.9)	\$ (0.9)	\$ (0.9)	\$ (0.9)
	Capital expenses	\$ (8.2)			
Valley Line - funding for % for Art	\$ -	\$ -	\$ (0.3)	\$ (0.5)	
Closing Balance	\$ 84.2	\$ 56.1	\$ 40.5	\$ 32.8	
Neighbourhood Renewal	Opening Balance	\$ 18.5	\$ 2.0	\$ (15.1)	\$ (38.6)
	<i>Additions:</i>				
	Dedicated tax levy - capital	\$ 161.3	\$ 156.0	\$ 156.0	\$ 156.3
	Transfer from operations	\$ -	\$ 1.8	\$ 3.0	\$ 1.5
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (139.2)	\$ (141.3)	\$ (141.9)	\$ (134.3)
	COVID-19 Funding - transfer to FSR - appropriated	\$ (17.0)	\$ -	\$ -	\$ -
Closing Balance	\$ 23.6	\$ 18.5	\$ 2.0	\$ (15.1)	
Parkland	Opening Balance	\$ 18.6	\$ 20.6	\$ 19.7	\$ 19.2
	<i>Additions:</i>				
	Transfer from operations	\$ 1.3	\$ 2.5	\$ 0.5	\$ 0.9
	Transfer from operations - Proceeds from land sales	\$ -	\$ 0.2	\$ -	\$ -
	<i>Withdrawals:</i>				
	Transfer to capital - land acquisitions	\$ (14.2)	\$ (4.9)	\$ (0.1)	\$ (0.8)
	<i>Interest Earned:</i>	\$ 0.1	\$ 0.2	\$ 0.4	\$ 0.3
Closing Balance	\$ 5.8	\$ 18.6	\$ 20.6	\$ 19.7	
Pay-As-You-Go capital	Opening Balance	\$ 122.7	\$ 185.9	\$ 159.3	\$ 165.5
	<i>Additions:</i>				
	Transfer from operations (**)	\$ 140.4	\$ 55.4	\$ 127.3	\$ 101.9
	Proceeds on sale of assets	\$ -	\$ 0.3	\$ 0.3	\$ 0.5
	Transfer from Pay-As-You-Go capital - Edmonton Police Service	\$ -	\$ 7.3	\$ -	\$ -
	Other	\$ -	\$ -	\$ 0.3	\$ 0.1
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (98.4)	\$ (126.1)	\$ (101.4)	\$ (108.5)
Transfer to operations	\$ -	\$ -	\$ -	\$ (0.2)	
Closing Balance	\$ 164.8	\$ 122.7	\$ 185.9	\$ 159.3	

** At the April 27, 2020, City Council meeting, Council approved a one-time \$46.5 million decrease in the operating transfer to the PAYG Capital Reserve for 2020, to offset the financial effects of COVID-19. The PAYG Capital Reserve will be reimbursed through a reduction in capital expenditures intended to be funded through PAYG in the 2023 capital budget, resulting in no overall impact to the corporate funding pool during this capital budget cycle.

Pay-As-You-Go capital - Edmonton Police Service	Opening Balance	\$ 7.0	\$ 13.7	\$ 11.6	\$ 14.0
	<i>Additions:</i>				
	Transfer from operations	\$ 18.4	\$ 10.1	\$ 10.0	\$ 7.5
	Proceeds on sale of assets	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.5
	Other	\$ -	\$ -	\$ 0.0	\$ -
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (12.3)	\$ (9.8)	\$ (8.3)	\$ (10.3)
	Transfer to Pay-As-You-Go capital reserve	\$ -	\$ (7.3)	\$ -	\$ -
	Closing Balance	\$ 13.3	\$ 7.0	\$ 13.7	\$ 11.6

Planning and development	Opening Balance	\$ 16.5	\$ 16.1	\$ 16.3	\$ 6.4
	<i>Additions:</i>				
	Transfer from operations - annual Development Services Branch surplus	\$ 7.5	\$ 1.2	\$ 0.5	\$ -
	Correction of over contribution of 2018 business licensing revenue	\$ -	\$ -	\$ 1.1	
	Transfer from the Financial Stabilization reserve	\$ -	\$ -	\$ -	\$ 12.5
	Transfer from operations				\$ 4.1
	<i>Withdrawals:</i>				
	Transfer to capital	\$ (0.9)	\$ (0.8)	\$ (1.8)	\$ (1.6)
	Transfer to operations - offset annual Development Services Branch deficit	\$ -	\$ -	\$ -	\$ (5.1)
	Closing Balance	\$ 23.1	\$ 16.5	\$ 16.1	\$ 16.3
Minimum Balance Threshold	\$ 15.4	\$ 15.6	\$ 19.0	\$ 18.6	
Target Balance	\$ 38.6	\$ 39.0	\$ 47.5	\$ 46.5	

Minimum reserve balance of 30% of budgeted reserve funded branch expenses and a target balance of 75%, as per City Policy C610 Fiscal Policy for the Planning and Development Business. The minimum balance is to stabilize the Planning and Development Business across extended periods of time.

Sanitary Servicing Strategy Fund	Opening Balance	\$ 56.6	\$ 66.3	\$ 68.7	\$ 70.1
	<i>Additions:</i>				
	User Fees and Utility Contributions	\$ 22.8	\$ 17.5	\$ 18.4	\$ 20.7
	<i>Withdrawals:</i>				
	Transfer to Epcor - to fund sanitary sewer trunk capital costs	\$ (26.0)	\$ (27.8)	\$ (22.1)	\$ (23.3)
	<i>Interest Earned:</i>	\$ 0.6	\$ 0.6	\$ 1.4	\$ 1.2
Closing Balance	\$ 54.0	\$ 56.6	\$ 66.3	\$ 68.7	

Tax-Supported Debt	Opening Balance	\$ 5.5	\$ 5.4	\$ 6.5	\$ 5.1
	<i>Additions:</i>				
	Transfer from operations - excess of budgeted tax-supported debt servicing over actual tax-supported debt servicing	\$ -	\$ 2.7	\$ 1.7	\$ 1.5
	<i>Withdrawals:</i>				
	Transfer to operations - offset shortfall of budgeted tax-supported debt servicing over actual tax-supported debt servicing	\$ -	\$ (2.7)	\$ (2.7)	\$ (0.2)
	Closing Balance	\$ 5.5	\$ 5.5	\$ 5.4	\$ 6.5
	Minimum Balance Threshold	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

Minimum reserve balance is \$1.0 as per October 31, 2012 council report *2012 Reserves Review - 2012CA177*, which recommended a \$1 million minimum reserve balance to stabilize debt servicing costs within a year, or to fund capital on a pay-as-you go basis.

Traffic Safety and Automated Enforcement	Opening Balance	\$ 20.4	\$ 17.0	\$ 15.4	\$ 29.2	
	<i>Additions:</i>					
	Automated enforcement revenues	\$ 28.6	\$ 49.5	\$ 52.9	\$ 46.7	
	<i>Withdrawals:</i>					
	Edmonton Police Service	\$ (22.3)	\$ (22.3)	\$ (22.3)	\$ (22.3)	
	Traffic Safety section	\$ (14.5)	\$ (13.3)	\$ (13.0)	\$ (14.1)	
	Capital - Safe Crossings (previously Crosswalk Safety) (CM-66-2585)	\$ (3.8)	\$ (2.5)	\$ (2.5)	\$ -	
	Community Facility Partner Capital Grant Program	\$ (1.8)	\$ (2.9)	\$ (2.9)	\$ (2.9)	
	Capital - School Safety (CM-66-2590)	\$ (1.7)	\$ (1.7)	\$ (0.8)	\$ -	
	Capital - 2020 Street Safety Priorities (CM-66-2595)	\$ (0.9)	\$ (0.3)	\$ -	\$ -	
	Road Safety Strategy - Marketing	\$ (0.7)	\$ (0.3)	\$ (0.5)	\$ (0.5)	
	Capital - Speed Limit Reduction (CM-66-2580)	\$ (0.7)	\$ -	\$ -	\$ -	
	Capital - Regulated Safety Upgrades at Railway Crossings (CM-66-2194)	\$ (0.6)	\$ -	\$ -	\$ -	
	Capital - Community Traffic Safety Countermeasures (CM-66-2555)	\$ (0.1)	\$ (0.1)	\$ (1.2)	\$ (3.4)	
	Corporate Traffic Safety Initiatives	\$ -	\$ (2.2)	\$ (3.3)	\$ (4.4)	
	Capital - Traffic Safety Engineering Measures (CM-66-2550)	\$ -	\$ (0.5)	\$ (0.9)	\$ (4.0)	
	Capital - Traffic Safety (CM-66-2545)	\$ -	\$ -	\$ (2.7)	\$ (4.1)	
	Capital - Traffic Signals - Pedestrian Vehicle Safety (CM-66-2520)	\$ -	\$ -	\$ (1.3)	\$ (5.2)	
	Other	\$ (0.3)	\$ (0.2)	\$ (0.3)	\$ -	
	<i>Interest Earned:</i>	\$ -	\$ 0.2	\$ 0.3	\$ 0.5	
		Closing Balance	\$ 1.6	\$ 20.4	\$ 17.0	\$ 15.4
		Minimum Balance Threshold	\$ 2.0	\$ 2.3	\$ 2.5	\$ 2.6

Minimum reserve balance 5% of budgeted revenues, City Policy *C579B Traffic Safety and Automated Enforcement Reserve*, the minimum reserve balance is set to manage the risk associated with the volatility of automated enforcement revenue.