

Proposed Heads of Agreement

The following are the Head of Agreement proposed for a new Memorandum of Agreement (MOA) with Parks Foundation, Calgary for the Parks Foundation Operating Endowment Fund to replace the current MOA that expires on December 31, 2022. The items identified in italics are amended compared to the existing MOA:

1. Five year agreement term with an option to renew for up to a total of ten years.
2. Interest earned on The City of Calgary's original \$2 million endowment investment is only to be used to support Parks Foundation's administrative costs during the term of the agreement *with no restrictions on the Foundation's ability to request further operating funds from The City for consideration.*
3. The *initial protected principal* of the endowment fund (\$2 million) would not be eroded.
4. Any interest earned on the principal above the administrative requirements of the Foundation within a given year *would not be added to the principal, but instead available in future years.*
5. The Foundation will create an investment policy, to be approved by Council, *that complies with the Municipal Government Act (Alberta), and Municipal Investment Regulation (Alberta).*
6. The Foundation's annual budget will continue to be brought forward to City Council through processes in place for The City's Civic Partners, as required under the Operating Funding Agreement in place between The City and the Foundation.
7. Under the provisions of the *Income Tax Act* (Canada), and following any City policies and procedures for issuing tax receipts and any requirements set out by the Canada Revenue Agency, the Foundation can issue tax receipts on behalf of The City (as an Agent of The City in this capacity).
8. The City may nominate up to two representatives to be appointed to the Board of Directors, *with the restriction that one be a member of the Saddledome Foundation removed.*
9. The City Treasurer *or delegate* will be a member of the Foundation's Finance Committee.