



One Calgary

2019-2022 Service Plans and Budgets



2020 Mid-Cycle Adjustments SAVE Adjustments, Other Base Reductions and New Investments For Approval

2020 November 9

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Introduction

This document is the approval document for budget adjustments arising from the SAVE business cases, other base operating budget reductions and new investments. The adjustments are grouped primarily by department with an additional section for the cross-corporate SAVE Business Cases and new investments.

The SAVE program has an overall financial impact of \$33.6 million (described in Attachment 4). Of that amount \$26.4 million in base savings, \$0.9 million in base revenue and \$8.1 million in one-time expenditures (\$10.7 million in one-time implementation costs less \$2.6 million in one-time savings) have operating budget adjustments that require Council approval. Additional base operating budget reductions totalling \$63.4 million were found throughout The City. Proposed new investments, which originate from a combination of previous Council direction and Administration recommendation, require \$5.9 million base and \$3.2 million in one-time funding (\$2.4 million in 2021 and \$0.8 million in 2022). These changes result in an overall \$84.8 million base reduction and a \$10.5 million one-time increase to the 2021 net operating budget.

The table on the next page further breaks out the adjustments and base/one-time impacts by department.

In the table below and in the rest of the tables in this attachment:

- Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).
- Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).



| Department Name | SAVE Program | | | Other Reductions | New Investments | | |
|--|---|--|---|--------------------------------------|---|--------------------------------------|---|
| | 2021 | | | 2021 | 2021 | | 2022 |
| | Net Operating Impact (\$000s) - One-Time Note 1 | Net Operating Impact (\$000s) - Base Revenues Note 2 | Net Operating Impact (\$000s) - Base Savings Note 2 | Net Operating Impact (\$000s) - Base | Net Operating Impact (\$000s) - One-Time Note 3 | Net Operating Impact (\$000s) - Base | Net Operating Impact (\$000s) - One-Time Note 3 |
| Chief Financial Officer's Department | - | - | \$522 | \$1,104 | - | (\$617) | - |
| City Manager's Office | - | (\$149) | \$1,091 | \$274 | (\$1,770) | - | (\$170) |
| Community Services | - | \$150 | \$3,439 | \$4,780 | - | (\$2,500) | - |
| Deputy City Manager's Office | - | \$47 | - | \$623 | (\$187) | (\$836) | (\$187) |
| Mayor & Council | - | - | - | \$70 | - | - | - |
| Planning & Development | - | - | - | \$125 | - | (\$2,000) | - |
| Transportation | - | - | - | \$3,033 | - | - | - |
| Utilities & Environmental Protection | - | - | - | \$3,874 | (\$480) | - | (\$480) |
| Police Services | - | - | - | \$10,000 | - | - | - |
| Corporate Programs - Investment Income | - | - | - | \$4,000 | - | - | - |
| Corporate Programs - General Revenue | - | \$900 | - | - | - | - | - |
| Corporate Programs - Capital Financing Costs | - | - | \$5,000 | \$5,000 | - | - | - |
| Corporate Programs - Corporate Costs | (\$8,109) | - | \$16,349 | \$30,500 | - | - | - |
| Total | (\$8,109) | \$948 | \$26,401 | \$63,383 | (\$2,437) | (\$5,953) | (\$837) |



Note 1: One-time SAVE Implementation Costs of \$10.7 million are offset by \$2.6 million in one-time savings with the balance of \$8.1 million funded by the Budget Savings Account as detailed in note 4 on page 6.

Note 2: Cross-corporate savings and new investments are shown in their respective departments, including Corporate Programs. Most of the savings shown in Corporate Programs will be distributed to service budgets as the cross-corporate business cases are implemented.

Note 3: One-time investments of \$3.2 million are funded by the Fiscal Stability Reserve.

Cross-Corporate

Cross-Corporate SAVE Business Case Adjustments

List of Net Budget Adjustments by Business Case

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

2022 amounts shown are incremental, not cumulative. These numbers are estimates, only included to indicate the scale of future financial commitment or benefit that would be expected should the 2021 adjustments be approved.

| Save Business Case # | Title of Adjustment | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|----------------------|--|---------------------------------------|-----------------|--|--|
| S1 | Budget Modernization | Corporate programs* | Base | \$5,000 | \$5,000 |
| | | Corporate programs* | One-time | -\$300 | -\$300 |
| S2 | Business Meetings and Travel | Corporate programs* | Base | \$1,591 | \$1 |
| S3 | Category Management and Strategic Sourcing | Corporate programs* | Base | \$3,110 | \$4,190 |
| | | Corporate programs* | One-time | -\$700 | -\$900 |
| S4 | Contract Compliance | Corporate programs* | Base | -\$700 | \$1,100 |
| | | Corporate programs* | One-time | \$2,600 | \$4,300 |
| | | Corporate programs* | One-time | -\$400 | \$0 |
| S5 | Data Sales | Data Analytics and Information Access | Base - Revenue | \$28 | \$28 |
| | | Corporate Governance | Base - Revenue | \$19 | \$19 |
| | | Corporate Programs | Base - Revenue | \$900 | \$900 |
| | | Corporate programs* | One-time | -\$66 | \$0 |
| S6 | Digital Service Enablement | Citizen Information & Services | Base | \$512 | \$0 |
| | | Property Assessment | Base | \$10 | \$20 |



| Save Business Case # | Title of Adjustment | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|----------------------|---|---------------------------|-----------------|--|--|
| | | Recreation Opportunities | Base | \$321 | \$60 |
| | | Recreation Opportunities | Base - Revenue | \$150 | \$50 |
| | | Corporate programs* | Base | -\$105 | \$0 |
| | | Corporate programs* | One-time | -\$34 | \$0 |
| S7 | Duplicate and Fragmented functions | Corporate programs* | Base | \$0 | \$1,669 |
| | | Corporate programs* | One-time | -\$182 | -\$547 |
| S8 | Energy Budgeting | Corporate programs* | Base | \$1,589 | \$339 |
| | | Corporate programs* | One-time | -\$296 | -\$145 |
| S9 | External Counsel | Corporate programs | Base | \$60 | \$65 |
| S10 | External Memberships | Corporate programs* | Base | \$196 | \$0 |
| S11 | Financial Reserves Optimization (Refer to Note 4) | Corporate programs | Base | \$5,000 | \$0 |
| S12 | Fleet Operational Change | Corporate programs* | Base | \$36 | \$0 |
| | | Corporate programs* | One-time | \$24 | \$0 |
| S13 | Fleet Operator Management | Corporate programs* | Base | \$193 | \$214 |
| S14 | Fleet Utilization | Corporate programs* | Base | \$120 | \$473 |
| S15 | Future of Office Work & Footprint Reduction | Corporate programs* | Base | \$513 | \$0 |
| | | Corporate programs* | One-time | -\$204 | \$0 |
| S16 | Insource Maintenance of Fire Department Light Duty Vehicles | Corporate programs* | Base | \$50 | \$0 |
| | | Fire & Emergency Response | Base | \$23 | \$4 |
| S17 | Process Automation (Refer to Note 5) | Corporate programs* | Base | \$483 | \$1,210 |
| | | IT Solutions & Support | Base/One-Time | \$0 | \$0 |
| | | Corporate programs* | One-time | -\$288 | -\$252 |
| S18 | Span of Control | Corporate programs* | Base | \$4,214 | \$4,214 |
| | | Corporate programs* | One-time | -\$6,192 | \$0 |

**Reflects business cases where savings and costs are held centrally in Corporate Programs until they can be accurately allocated to services during implementation*

For Council Approval

Cross-Corporate SAVE Business Case Adjustments (continued)

Note 4: #S10 Financial Reserves Optimization – SAVE Business Case

The following are savings identified in the business case that are not budget adjustments, however are proposed releases from Reserves and have been included in business case savings calculations:

| Reserve | 2021 (\$000s) | 2022 (\$000s) |
|---|---------------|---------------|
| IT Reserve | \$2,200 | \$0 |
| Revolving Fund Reserve for General Land Purchases | \$2,200 | \$2,200 |

These funds will be transferred to the Budget Savings Account to be used to fund the one-time SAVE implementation costs. The City is accepting a slightly increased financial risk, when it comes to managing the sustainability of reserves

| Tax Loss Provision | 2021 (\$000s) | 2022 (\$000s) |
|---|---------------|---------------|
| 2020 Tax Loss Provision – Release of Excess | \$10,000 | \$0 |

The release of excess funds from the 2020 Tax Loss provision reflects funds collected for the Provision for Reduction in Assessments as identified in C2020-0382 that are no longer deemed required following the resolution of some assessment appeals. These funds will be transferred to the Budget Savings Account, rather than the Tax Loss Provision Reserve or Fiscal Sustainability Reserve. \$3.7M will be used to fund one-time SAVE implementation costs, with the balance in 2021 used to reduce the tax loss provision in the 2021 Property Tax Bylaw. The City will assume slightly higher risks that there could be limited capacity and resources for certain services to be resilient and flexible.

Note 5: #S16 Process Automation – SAVE Business Case

The following costs are part of the business case, however a net zero budget adjustment is required for IT Solutions & Support as they are being funded from IT Reserves:

| | 2021 (\$000s) | 2022 (\$000s) |
|---|---------------|---------------|
| Base Expenditure | -\$30 | -\$45 |
| One-time Expenditures | -\$540 | -\$200 |
| Base/One-Time Revenue (Reserve Funding) | \$570 | \$245 |

For Council Approval

Cross-Corporate New Investments

List of Net Budget Adjustments by Investment Name

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

| New Investment # | Investment Name | Description | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|------------------|--|---|--------------------------------|-----------------|--|--|
| N1 | Financial Task Force Implementation | The Financial Task Force (FTF) was established by Council to explore mid and long-term solutions to improve Calgary's financial resilience. This new investment is requested to implement recommendations of the FTF. | Procurement & Warehousing | Base | -\$662 | - |
| | | | Property Assessment | Base | -\$527 | - |
| | | | Citizen Information & Services | Base | -\$40 | - |
| | | | Financial Support | Base | -\$50 | - |
| N2 | Economic Resilience Task Force (ERTF) – Medium-Term Economic Recovery Programs | To attract investments and create jobs for economic recovery and resilience. 4 programs are recommended: (1) Green investments and financing, (funding required) (2) Innovation through public procurement, (funding required) (3) Better value from City assets, and (4) Youth and community spirit. | Environmental Management | One-Time | -\$480 | -\$480 |
| | | | Procurement & Warehousing | One-Time | -\$187 | -\$187 |
| | | | | Base | -\$174 | - |

For Council Approval

Chief Financial Officer's Department

Chief Financial Officer's Department Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|----|--------------------------------|---|---|----------------------------|--|
| R1 | Citizen Information & Services | Citizen Information & Services (CIS) Operational Reductions | CIS will be reducing contract allocations for supporting the 311 system through upgrades. | Internal Service Reduction | \$46 |
| R2 | Financial Support | Change in funding source | Change in funding model to align staff working on the investment program. This change reflects the move in Treasury internally performing some of the investment management work that was previously charged and performed externally. | Change in Funding Model | \$203 |
| R3 | Human Resources Support | HR Support Prioritization | HR Support will realize efficiencies in operations and will prioritize on-going work to minimize any negative impact on the employee experience. We will continue to support Council direction, including: anti-racism and collective bargaining, among others. | Internal Service Reduction | \$192 |
| R4 | IT Solutions & Support | Reduction of IT Salary and Wage Budget | Reduction of salary and wage budget within IT. Reduction will increase IT reliance on recoveries. If there is a change to the level of recoveries, IT's ability to deliver service will be impacted. | Change in Funding Model | \$402 |
| R5 | Property Assessment | Salary & Wage (S&W) Reduction | S&W reduction. There will be an increased risk to the financial stability of The City due to less staff resources to address increased tribunal activity, take part in collaborative conversations with customers and overall assessment processes. | Internal Service Reduction | \$138 |

For Council Approval

Chief Financial Officer's Department Reduction Packages (continued)

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|--------------------------------------|---------------------|---|----------------------------|--|
| R6 | Strategic Marketing & Communications | Position Reduction | Strategic Marketing & Communications will be giving up a vacant permanent base-funded position. | Internal Service Reduction | \$123 |
| SUBTOTAL | | | | | \$1,104 |

For Council Approval

City Manager’s Office

City Manager’s Office SAVE Business Cases

List of Net Budget Adjustments by Business Case

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

2022 amounts shown are incremental, not cumulative. These numbers are estimates, only included to indicate the scale of future financial commitment that is made should the 2021 adjustments be approved.

| Save Business Case # | Title of Adjustment | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|--|---------------------|---------------------|-----------------|--|--|
| S19 | Civic Census | Municipal Elections | Base | \$1,091 | \$0 |
| | | Municipal Elections | Base - Revenue | -\$149 | -\$5 |
| | | Corporate programs* | One-time | -\$18 | \$0 |
| *Reflects business cases where savings and costs are held centrally in Corporate Programs until they can be accurately allocated to services during implementation | | | | | |

For Council Approval

City Manager's Office Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|-----------------------------|--|---|----------------|--|
| R7 | Corporate Security | Reduction achieved by removing a growth position within Corporate Security's leadership - a Manager position | Corporate Security launched Enterprise Security Risk Management using Archer's Governance/Risk/Compliance platform and included these objectives in its five-year plan. The One Calgary approved growth position of 'Manager' planned for 2020 is not required. | Efficiency | \$60 |
| R8 | Council & Committee Support | Elimination of Legislative Meeting Agenda Printing | The City Clerk's Office has ceased printing legislative meeting agendas for Council/Committee members, administration, and the media. This transition was already planned before COVID, though COVID made implementation more urgent. | Efficiency | \$90 |
| R9 | Executive Leadership | City Manager's Office (CMO) reduction in consulting budget. | This reduction will limit the ability of the CMO to provide consultants for Strategic Meetings of Council, meetings of the Administrative, Senior and Corporate Management Team meetings, and the ability to sponsor special projects across the organization. | Other | \$19 |
| R10 | Executive Leadership | Corporate Initiatives (CI) | Decrease CI's base budget by reducing the budget amount in Employee Recognition/Banquet and in Other Exp/Contingency and take the remaining allocation from the consulting budget. | Efficiency | \$29 |
| R11 | Legal Counsel & Advocacy | Reduction in contractor budget | Reducing the budget for external contractors. There will be minimal to no impact to service delivery or customers. | Other | \$76 |
| SUBTOTAL | | | | | \$274 |

For Council Approval

City Manager’s Office New Investments

List of Net Budget Adjustments by Investment Name

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

| New Investment # | Investment Name | Description | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|------------------|---------------------------------------|--|----------------------|-----------------|--|--|
| N3 | Business and Local Economy (BLE) Team | The BLE team was established to advance the work of the Business Environment Pillar of the Calgary in the New Economy Strategy, including aligning cross-corporate efforts to be more consistent and streamlined in supporting businesses. | Executive Leadership | One-Time | -\$270 | -\$170 |
| N4 | 2021 General Election | \$1.5M of additional one-time operating for 2021 general election. \$718K driven by COVID-related measures and planning. | Municipal Elections | One-Time | -\$1,500 | - |

For Council Approval

Community Services

Community Services SAVE Business Cases

List of Net Budget Adjustments by Business Case

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

2022 amounts shown are incremental, not cumulative. These numbers are estimates, only included to indicate the scale of future financial commitment that is made should the 2021 adjustments be approved.

| Save Business Case # | Title of Adjustment | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) | 2022 Net Operating Budget Impact of Package (\$000s) |
|----------------------|--|--------------------------------|-----------------|--|--|
| S20 | Bylaw Enforcement & Animal Services CSR Worker App | Bylaw Education & Compliance | Base | \$115 | \$115 |
| S21 | Civic Partnerships Funding | Economic Development & Tourism | Base | \$2,512 | \$0 |
| | | Recreation Opportunities | Base | \$89 | \$0 |
| | | Corporate programs* | One-time | -\$2,000 | \$0 |
| S22 | Value-Added Fitness/Nutrition for Firefighters | Fire & Emergency Response | Base | \$379 | \$39 |
| | | Corporate programs* | One-time | -\$54 | \$0 |

**Reflects business cases where savings and costs are held centrally in Corporate Programs until they can be accurately allocated to services during implementation*

Community Services Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|--|------------------------------------|---|-------------------------|--|
| R12 | Affordable Housing | Capitalize Position | Capitalizing 1.0 FTE maintains essential staff for management of development projects, but results in the loss of one new unit or 12 regenerated units as capital funding is diverted for staffing costs. This may result in fewer Calgarians housed. | Change in Funding Model | \$140 |
| R13 | Arts & Culture | Relinquish inflation allocation | Elimination of previously approved increases to meet inflation. Actual inflation rates were lower than calculated increases. | Other | \$265 |
| R14 | Bylaw Education & Compliance | Staff Resourcing Alignment | Recovery from Waste & Recycling will provide additional bylaw resource support to improve compliance for the regulation and control of storage, collection and disposal of waste. | Change in Funding Model | \$170 |
| R15 | Emergency Management & Business Continuity | Salary, wage and fringe savings | Reduction through the salary, wage and fringe accounts. Review of the labour cost budget and realignment of salaries has identified uncommitted capacity which can now be put forward as a reduction. | Efficiency | \$120 |
| R16 | Fire & Emergency Response | Capitalize positions and equipment | Capitalization of 3.5 FTEs and equipment maintains capital support functions but reduces the funding available for replacement of routinely used protective and fire equipment (ex. duty gear) since capital budget will be directed to support staffing costs. | Change in Funding Model | \$660 |

For Council Approval

Community Services Reduction Packages (continued)

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|---------------------------|---|--|---------------------------------------|--|
| R17 | Fire & Emergency Response | Reduction in base support positions | Reduction of 2.5 FTEs in asset maintenance (0.5 FTE), fleet analysis (1 FTE) and education and training (1 FTE). This will result in decreased capacity to support frontline crews with training, fleet operations and fire apparatus maintenance. | Internal Service Reduction | \$290 |
| R18 | Fire & Emergency Response | Reduction of training, travel and conference budget | Reduction of training opportunities, professional development, travel and conference budgets. Impacts include department reputation, the ability to keep up to date with industry best practice and quality of service delivery. | Internal Service Reduction | \$150 |
| R19 | Neighbourhood Support | Do not launch new grant for community | Do not proceed with delivery of a grant aimed to support community groups to more effectively represent the diverse interests of their community and to support resident-driven initiatives to create engaged neighbourhoods. | Reduction in planned Service increase | \$1,700 |
| R20 | Parks & Open Spaces | Admin Support Optimization | Decrease in internal support for Calgary Parks' services. Demands for administrative support have decreased due to COVID. Reductions may result in slower response times for internal, 3-1-1 and public inquiries. | Internal Service Reduction | \$300 |
| R21 | Parks & Open Spaces | Festival and Events Staff Consolidation | Merger of Festival and Events staff in Calgary Parks and Calgary Recreation for efficiencies and effectiveness. | Efficiency | \$300 |

For Council Approval

Community Services Reduction Packages (continued)

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|---------------------------|---|---|-------------------------|--|
| R22 | Pet Ownership & Licensing | Workforce Restructuring | To meet citizen expectations while achieving budget reductions, a leadership position was eliminated resulting in a streamlined reporting structure. | Efficiency | \$115 |
| R23 | Recreation Opportunities | Relinquish inflation allocation | Elimination of previously approved increases to meet inflation. Actual inflation rates were lower than calculated increases. | Other | \$450 |
| R24 | Social Programs | Mill rate reduction replaced by reserve interest income | Reduction of base mill rate budget from Neighbourhood Programming in Social Programs. Funding will be replaced by accessing the interest income of the Children's Reserve. Funding level will remain unchanged and there will be no impact to service levels. | Change in Funding Model | \$120 |
| SUBTOTAL | | | | | \$4,780 |

For Council Approval

Community Services New Investments

List of Net Budget Adjustments by Investment Name

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

| New Investment # | Investment Name | Description | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|------------------|-------------------------------------|--|----------------------|-----------------|--|
| N5 | Calgary's Commitment to Anti-Racism | In June, Council directed: an Anti-Racism Action Committee develop a community anti-racism strategy; The City re-evaluate all internal practices and policies and offer mandatory training; and for CPC, CPS and Public Safety Task Force to address racism. | Community Strategies | Base | -\$2,500 |

For Council Approval

Deputy City Manager’s Office

Deputy City Manager’s Office Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|-------------------------------------|--------------------------------|---|----------------------------------|--|
| R25 | Corporate Governance | Reduction in manageable costs | Reduction in consulting budget. Some planned work will be delayed but there will be minimal impact on service levels. | Internal Service Reduction | \$51 |
| R26 | Data Analytics & Information Access | Reduction in business expenses | Saving is identified through cost reductions in business expenses; specifically, office supplies, conferences and meetings. This reduction will have minimal impact on the service level. | Efficiency | \$60 |
| R27 | Facility Management | Public Access Program | Facility Management will not expand the Public Access Program beyond what is currently in place. | Citizen-Facing Service Reduction | \$157 |
| R28 | Facility Management | Wireless Communications | Facility Management is participating in the new wireless plan that IT has negotiated. This has resulted in lower ongoing monthly wireless costs. | Efficiency | \$50 |
| R29 | Facility Management | Capitalization of Position | Facility Management is aligning the work of the Capital Conservation Grant team with the proper funding source. | Change in Funding Model | \$135 |
| R30 | Facility Management | Reduction in Security Services | Corporate Security is adjusting the service offering at various Facility Management facilities. | Internal Service Reduction | \$40 |
| R31 | Infrastructure Support | Reduction in business expenses | Saving is identified through cost reductions in business expenses; specifically, office supplies, conferences and meetings. This reduction will have minimal impact on the service level. | Efficiency | \$53 |

For Council Approval

Deputy City Manager’s Office Reduction Packages (continued)

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|---------------------------|--|--|----------------|--|
| R32 | Land Development & Sales | Reduction in Business Expenses | There is no direct impact to our service or citizens because the business expense reduction is related to a discretionary consulting budget. | Efficiency | \$9 |
| R33 | Procurement & Warehousing | Intentional management of headcount and associated budgets | Alignment of Salary and Wage budget to current FTE count. | Efficiency | \$55 |
| R34 | Real Estate | Real Estate Reduction | The reduction of \$13K in business expenses will not affect delivery of Real Estate services. | Efficiency | \$13 |
| SUBTOTAL | | | | | \$623 |

For Council Approval

Mayor & Council

Mayor & Council Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|-----------------|---|---|----------------|--|
| R35 | Mayor & Council | Councillor, Ward and Mayor Budget Reduction | Reduction in Mayor, Councillor and Ward Office budgets. | Efficiency | \$70 |

For Council Approval

Planning & Development

Planning & Development Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|------------------------|---------------------|--|----------------|--|
| R36 | City Planning & Policy | Capacity Reduction | For City Planning & Policy work plan initiatives, this will reduce capacity to accommodate scope expansion, conduct research and analysis studies, and obtain technical expertise, leading to potential quality and timing implications. | Other | \$125 |

For Council Approval

Planning & Development New Investments

List of Net Budget Adjustments by Investment Name

Positive numbers: Reduction to net operating budget (Savings / Additional Revenue).

Negative numbers: Increase in net operating budget (Additional costs / Loss of Revenue).

| New Investment # | Investment Name | Description | Service | Adjustment Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|------------------|---|--|------------------------|-----------------|--|
| N6 | Heritage Conservation Tools and Incentives - Base Increase to the City-wide Historic Resource Conservation Grant Program. | A \$2 million increase to the annual base budget of the City-wide Heritage Conservation Grant Program from \$500,000 to \$2.5 million, amending the program terms to dedicate \$2 million to non-residential sites and \$500,000 to residential sites. | City Planning & Policy | Base | -\$2,000 |

Transportation

Transportation Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|---------------------|--|---|----------------------------------|--|
| R37 | Public Transit | Process Improvements - Alternate service delivery | This base budget reduction is from using alternate service delivery model for vehicle cleaning function in Calgary Transit. Partial savings were submitted as part of 2020 reductions and remaining savings, mentioned here will be utilized for 2021. | Efficiency | \$1,412 |
| R38 | Specialized Transit | Service related efficiencies - contractual service | This budget reduction will be achieved from contractual service delivery. Changes in upcoming contract(s) will allow for more efficient service delivery. There will be no impact to the service or customers. | Efficiency | \$500 |
| R39 | Streets | Increase capital recoveries | Pavement lifecycle work that was historically tax-supported will be recovered from capital programs. This will result in more observable curb deficiencies but will not further reduce the overall pavement quality through the end of this business cycle. | Citizen-Facing Service Reduction | \$621 |
| R40 | Streets | Street light outage response | Funding supporting the planned acceleration of street light outage response to 10-15 days will be relinquished. Target response times will remain 25-30 days without this funding. | Citizen-Facing Service Reduction | \$500 |
| SUBTOTAL | | | | | \$3,033 |

For Council Approval

Utilities & Environmental Protection

Utilities & Environmental Protection Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|-------------------|---|--|-------------------------|--|
| R41 | Waste & Recycling | Reducing Property Tax Impact for Citizens | Waste & Recycling Services has reduced its reliance on property taxes by \$3.9M annually for 2021 and on by switching the funding for the Community Recycling Depot Program from tax to Waste & Recycling Services sustainment reserve. This will reduce the property tax impact for citizens while they continue to experience the same level of service. | Change in Funding Model | \$3,874 |

For Council Approval

Police Services

Police Services Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----|-----------------|------------------------------------|--|---------------------------------------|--|
| R42 | Police Services | Eliminate Growth Positions in 2021 | The One Calgary 2019-2022 Service Plan and Budgets included increased funding in 2021 to add 60 new positions. These positions were approved to address population growth, city expansion, and increasing crime trends. CPS intends to mitigate the loss of this growth by implementing recommendations from the Service Optimization Review, exploring alternative call response models and further efficiencies through the use of technology and process optimization | Reduction in Planned Service Increase | \$10,000 |

For Council Approval

Corporate Programs

Corporate Programs Reduction Packages

List of Proposed Base Reductions by Service

| # | Service | Title of Adjustment | Adjustment Description | Reduction Type | 2021 Net Operating Budget Impact of Package (\$000s) |
|-----------------|---|--------------------------------------|--|----------------|--|
| R43 | Corporate Programs - Common Revenue | Increase in Investment Income | An increase to the Investment Income & Financial Charges Program 858 as a result of the revised Investment Policy. | Other | \$4,000 |
| R44 | Corporate Programs – Corporate Costs & Debt Servicing | Reduction in Capital Financing Costs | A reduction in the tax supported funding contribution to the debt servicing reserve reflecting ongoing and future debt servicing need. | Other | \$5,000 |
| R45 | Corporate Programs – Corporate Costs & Debt Servicing | Reduction to Corporate Costs | Reduction in corporate contingencies (including salary and wage assumptions) reflecting higher risk tolerance | Other | \$30,500 |
| SUBTOTAL | | | | | \$39,500 |