

Calgary



PFC2021-0221
Attachment 2



2020 Year-End Accountability Report

Reporting on the One Calgary 2019-2022 Service Plans and Budgets

Table of Contents

Table of Contents	2
Executive Summary	3
The City's COVID-19 Response	4
Modernizing Municipal Government	5
Service Plan Performance	6
Contributing to Citizen's Priorities	7
A Prosperous City	8
A City of Safe & Inspiring Neighbourhoods	9
A City That Moves	10
A Healthy & Green City	11
A Well-Run City	12
Measuring Overall Corporate Performance	13
Operating Budget Overview	14
Capital Budget Overview	15
Debt Overview	16

Executive Summary

2020 was a challenging year. However, we remain committed to delivering the One Calgary 2019-2022 Service Plans and Budgets, even while responding to the changing needs of citizens and businesses during the COVID-19 pandemic and through an economic downturn. The Year-End Accountability Report demonstrates The City of Calgary's (The City's) progress towards delivering our four-year Service Plans and Budgets.

Achieving Council's direction against a background of uncertainty regarding the extent and duration of COVID-19 impacts, rapidly changing public health orders, a projected financial gap due to decreased revenue from altered service demand, and changing costs were a challenge. However, even in 2020's changing environment, services were able to make progress on the Citizen Priorities identified in the One Calgary Service Plans and Budgets.

- Performance measure results for 2020 demonstrated 52 per cent of measures were meeting or exceeding forecast expectations.
- For 2020, 82 per cent of our strategies were on track or completed, and 14 per cent identified challenges.

The 2020 operating variance for the City is \$219.3 million and comprises COVID-19 impacts of (\$114.4) million resulting from cost increases and revenue declines offset by \$146.2 million from savings initiatives and cost avoidance as well as \$187.5 million from the Municipal Operating Support Transfer (MOST) which was announced later in the year. This led to a contribution of \$55.8 million to the Operating Budget Savings Account (BSA) and \$163.5 million to the Fiscal Stability Reserve (FSR) to be used for ongoing pandemic needs and economic recovery.

The COFLEX program will enable Administration to optimize both Municipal Operating Support Transfer funding and savings from other ongoing expenditure management initiatives to address ongoing impacts of COVID-19. All eligibility and stipulation criteria for MOST funding was met.

The City invests in infrastructure projects and programs to support service delivery and to help build a great city. Throughout 2020, services have adapted to supply and material limitations, increased COVID-19 health and safety guidelines, and human resources constraints. COVID-19 has also presented opportunities to accelerate projects due to facility closures and reduced road usage. Actual capital investment in 2020 was \$1.2 billion (55.2 per cent of the \$2.1 billion budget). Capital budget savings of \$1.5 million were the result of budget refinements and projects being completed under budget.

In 2020, the capital portfolio was rebalanced to accommodate the \$73 million Municipal Sustainability Initiative reduction. Further, we successfully applied for \$152.8 million of Municipal Stimulus Program (MSP) funding to support job creation and contribute to economic recovery.

The 2020 Year-End Accountability Report enables citizens and Council to ensure objectives are being achieved and provides a springboard for future recovery and resilience. This report contains:

- an overview of our COVID-19 response;
- summaries that describe how we are delivering on Citizen Priorities;
- tracking of approved performance measures;
- updates on how our strategies are progressing; and
- comparing budgeted expenditures to actual expenditures and explaining any variances.

The complete 2020 Year-End Accountability Report is available on calgary.ca.

The City's COVID-19 Response

A State of Local Emergency (SOLE) was declared on 2020 March 15 to 2020 June 12, and a second SOLE started on 2020 November 25, which remained in effect through the end of the year. The Calgary Emergency Management Agency (CEMA) worked collaboratively with City services, community organizations, and our provincial and federal partners to coordinate The City's COVID-19 response, and to deliver prevention programs and intervention activities.

With Council's endorsement, The City put in place a COVID-19 governance structure. This structure allowed us to be nimble and agile in our emergency response while planning for medium and long-term impacts. Throughout 2020 the four objectives of our COVID-19 response remained consistent.



Since the onset of COVID-19, we have maintained a flexible approach to changing service demands and public health orders. Throughout much of 2020, The City's Relaunch Working Group took a measured approach to staging program and service resumptions in accordance with provincial orders.

The COVID-19 Executive Response Group guided The City's non-emergency response to the COVID-19 pandemic. In November, we announced the COFLEX Program, which manages the Municipal Operating Support Transfer (MOST) funding from other orders of government, The City of Calgary's response and recovery efforts as well as expenditure and investment management initiatives. The program ensured that funding decisions were optimized for maximum benefit to citizens and businesses in Calgary.

Through the four response areas (Coping with COVID-19, Preparing for uncertainty around COVID-19, Supporting our Partners during COVID-19, and Planning for life with and after COVID-19), the COFLEX program assessed opportunities with a lens for future operations to best serve Calgarians.

Administration used an agile, variance-based approach to manage the impacts of COVID-19, demonstrated through the use of temporary service changes and associated savings. This allowed us to quickly respond to the evolving situation by closing and reinstating services as soon as possible, focusing efforts on supporting citizens and businesses.

Throughout the year, we delivered six updates to Council on service and financial impacts due to COVID-19, providing important context for decision-making and for longer-term strategic choices throughout the year. COVID-19 reporting was an important public record of our decisions as we moved through this evolving situation. It was an opportunity to share current and projected service and financial (operating and capital) impacts, as well as commitments to savings with Council, leadership and the public.

Modernizing Municipal Government

Administration's Rethink to Thrive strategy was approved by Council in June 2020. Rethink to Thrive is directed at our internal employee audience and is intended to help provide focus to Administration, provide opportunities to grow and strengthen our culture, and outline how we will work together to support the delivery of Council's direction.

In November 2019, Council directed the Solutions for Achieving Value and Excellence (SAVE) program to target a reduction in tax-supported operating budgets of \$24 million in 2021 and \$50 million in 2022 to deliver modern and affordable municipal lines of service within our City mandate. To deliver this work, The City partnered with Ernst and Young (EY) to form a unified program team in 2020. Informed by feedback from Calgarians, Council, front-line employees, and working closely with service owners, the team undertook a rigorous and strategic approach to savings that reduced the need for the across-the-board reductions.

The program prioritized opportunities which support modernization, have limited citizen impacts, and have the ability to produce tangible savings in 2021. The program surpassed the \$24 million target, identifying \$26 million in net base budget savings, \$1 million in revenue and additional one-time savings. Budget adjustments related to these were approved by Council during the Mid-Cycle Adjustments in November 2020. The team continues to work collaboratively across the organization to implement the approved savings in 2021 while also progressing work towards the 2022 target, which was subsequently revised to \$51.2 million.

Service Plan Performance

Up-to-date performance data, key highlights, and operating and capital budget information for each service are available in Attachment 3 – Service Pages.

Performance Against Plan



- Performing as Planned
- Challenge in Achieving Forecast
- Not Available

Performance measure results for 2020 demonstrate 52 per cent of measures were meeting or exceeding forecast expectations, and 31 per cent were experiencing challenges in achieving expected performance. A sizable proportion of performance measures (17 per cent) were not available to report due to factors such as the inability to offer certain services due to COVID-19 restrictions or unavailable data sources such as the 2020 Civic Census and Corporate Employee Survey.

Performance measures such as timeliness in customer service, public trust and confidence, and falling revenues continue to be monitored closely.

Progress of our Strategy Against Plan

For 2020, 82 per cent of our strategies were on track or completed, and 14 per cent identified challenges. Only 1 per cent had not yet started and were planning to start in 2021, and 3 per cent of the strategies had stopped due to 2019 and 2020 budget adjustments processes. Given current COVID-19 impacts, the continuing local economic challenges our city faced and the reductions from original spending plans, this is an accomplishment to be proud of.

Progress of the 622 strategies in the Service Plans and Budgets for 2020 sorted by Citizen Priority is available in Attachment 4 – Strategy Progress Report.



- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

In 2020, The City received over 26 internal and external awards. A list of our collective accomplishments is in Attachment 5.

Contributing to Citizen's Priorities

The City is advancing Citizen Priorities every day by delivering services that matter to Calgarians like water supply, parks, waste and recycling, public transit and emergency services. The status of each Citizen Priority is summarized in the following pages with 2020 highlights noted below.

The City is always aspiring to be one of the most livable cities in the world. In 2020, The City was able to pivot the majority of service delivery to Calgarians with little to no disruption. Work continued cross-corporately to meet citizen priorities while continually supporting Calgarians.



How we supported local business:

- Created the #BuyLocalYYC campaign to encourage Calgarians to shop locally.
- Offered temporary 15-minute grace period parking in ParkPlus zones and afternoon rush hour relaxations for on-street parking to support restaurant and business pick-up and delivery.
- Provided no-cost sidewalk patio permits to mitigate the impact of social distancing requirements on restaurants.
- The Local Deals feature on the MyParking app allowed businesses to offer coupons for products and services to ParkPlus users, driving traffic to their businesses while encouraging contact-less service options.
- Made changes to policies and rules to enable businesses to operate outdoors and in vacant spaces, and parking requirements were removed for commercial uses.

How we supported the local economy:

- Major capital projects continued including the BMO Centre expansion, the Event Centre development and the Green Line project.
- Designed and built multiple major transportation projects such as the Crowchild Trail Upgrades and Ring Road connectors, as well as other upgrades in our city. This created approximately 1,900 construction jobs.
- Initiatives to offer tax penalty and deadline relief were provided to property owners and business operators through the pandemic. In addition, refinements were made to the TIPP program to allow property owners to join the program with more flexibility and less initial cost.
- A digital intake process was launched which allowed more customers to apply for building permits online.
- The Youth Employment Centre recorded over 22,000 youth visits in 2020, a significant increase from the 13,000 figure from 2019. The increase can be attributed to COVID-19 as the unemployment rate for youth in Calgary is now sitting at roughly 22 per cent.

How we protected the public and the environment:

- Developed a mobile app to help monitor and act when parks became too crowded as Calgarians used our parks more than ever.
- River flood damage resiliency work mitigated an estimated \$90 million per year in damages to City assets and private property.
- The [Calgary.ca/athome](https://calgary.ca/athome) portal was quickly launched following recreation facility shutdowns due to COVID-19, in order to continue to provide programs and activities for Calgarians to stay active, creative and connected.
- To mitigate needle debris across communities, a partnership with the Alpha House Needle Response team was formed ensuring the safety of citizens and promoting safe neighbourhoods.
- Steps were made towards Calgary's commitment to anti-racism with the first public consultation on systemic racism taking place in 2020 July, along with recruitment and selection of the Anti-Racism Action Committee members.
- Accelerated the lead replacement program, which will work with customers to replace all known lead services on public and private property.

All of the above were accomplished while maintaining a strict focus on balancing service levels with the need to keep municipal tax rates low. Our achievements won 21 awards from external organizations in 2020.

A Prosperous City

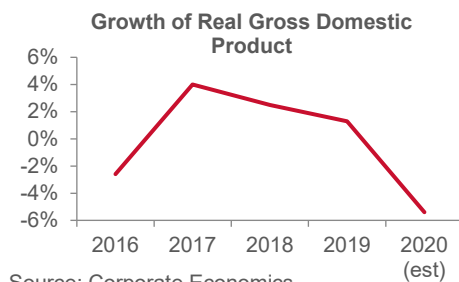
Citizen Priority Status



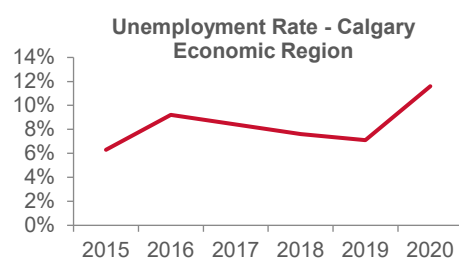
- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

67 per cent of strategies that align to A Prosperous City were on track or completed in 2020.

How is Calgary doing?



Source: Corporate Economics



Source: Corporate Economics

Economic disruption

In 2020, the compounding effects of plunging oil prices and the disruption stemming from the COVID-19 pandemic has contracted economic growth in the Calgary Economic Region by an estimated 5.4 per cent. This is in contrast to the average growth from 2017 to 2019 due to firmer oil prices and employment growth.

Employment struggles

The 2020 unemployment rate was 11.6 per cent, with a peak of 15.0 per cent in 2020 June. Five consecutive months of employment growth occurred between July and November before the provincial government re-declared a state of public health emergency in December. The 2020 December unemployment rate of 10.1 per cent is well above the 6.8 per cent rate in 2019 December.

What did The City do in 2020?

As the local economy was beginning to gain momentum in early 2020, after modest growth between 2017 and 2019, the COVID-19 pandemic made it even tougher on local businesses. The City provided support to businesses and communities as they navigated a fluctuating environment.

- ★ City inspectors worked with the business community to maintain safety code compliance as many operations pivoted to different business models and products, including brewery and distillery hand sanitizers and outdoor patio spaces.
- ★ The City secured \$52.5 million in provincial and federal funding to repair 260 existing City affordable homes and develop 263 new affordable homes.
- ★ Calgary Public Library developed and expanded virtual services in response to COVID-19. Despite closures and other restrictions, the Library network delivered over 10.8 million circulations, and digital events were watched over 400,000 times.
- ★ The Multi Agency School Support Team maintained essential prevention and intervention supports to at-risk children and youth while schools were shut down. As schools reopened in the fall, The Multi Agency School Support Team was one of the few programs allowed in person access to students, a testament of the value these professionals provide to children and youth and to the community.
- ★ Opened 16 new affordable homes in Rosedale for Calgary Housing Company tenants with a virtual grand opening in the summer of 2020. The project was delivered through modular construction and leveraged remnant parcels of land.



A City of Safe & Inspiring Neighbourhoods

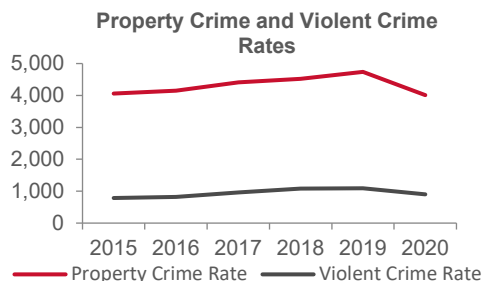
Citizen Priority Status



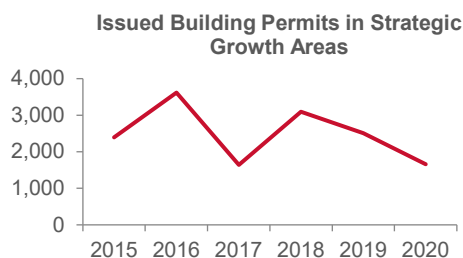
- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

83 per cent of strategies that align to A City of Safe & Inspiring Neighbourhoods were on track or completed in 2020

How is Calgary doing?



Source: Calgary Police Service



Source: Planning & Development

Safety remains a focus

The rate of violent crime in 2020 dropped to pre-2017 levels. The Calgary Police Service has undertaken many initiatives to mitigate higher-severity violence, including shootings and firearms-involved crime. Property crime rates dropped to 2015 levels, where vehicle crime and break and enters were driven down across the city. In 2020, The Calgary Police Service implemented enhanced online crime reporting to provide safer reporting options for both citizens and police officers.

Strategic growth slows

Strategic growth areas include greater downtown, main streets, and activity centers. In 2020, the number of building permits issued in these areas declined to 2017 levels, due in large part to the economic climate and COVID-19 pandemic. Several new apartment buildings were completed or near completion, resulting in unabsorbed units creating less incentive for large multi-family projects.

What did The City do in 2020?

Feeling safe within the community was on the forefront of Calgarians' minds more than ever in 2020. The City continued to deliver programs and services to support Calgarians through this challenging period.

- ★ Community groups were able to access \$2.7 million in COVID-19 relief funds from The City to offset the negative impact of facility closures due to public health restrictions. Neighbourhood Partnership Coordinators were key to supporting these groups and 95 per cent of Community Associations and Social Recreation Groups felt their Neighbourhood Partnership Coordinators positively impacted their overall level of functioning.
- ★ The Historic Resource Grant Program supported owners of historic buildings with \$259,000 in grant funding in 2020, bringing the total grant support to date to \$4.3 million. In 2020 a further seven historic buildings were granted legal protection by Council, bringing the city's total to 106.
- ★ Fire Prevention Week was entirely virtual in 2020 and reached a wider audience than previous years (300,725 Calgarians). Engagement included a quiz on Instagram, Facebook posts targeting areas with higher levels of fire risk, and collaborations with community partners and restaurants to promote fire safety education.
- ★ As a first step to address systemic racism, the Calgary Police Service and Calgary Neighbourhoods co-developed the Community Safety Investment Framework to fund initiatives to address crisis prevention and response in our city and shift demand away from police as the default first responders to Calgarians experiencing mental or emotional distress.



A City That Moves

Citizen Priority Status

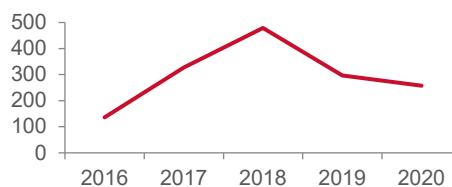


- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

86 per cent of strategies that align to A City that Moves were on track or completed in 2020.

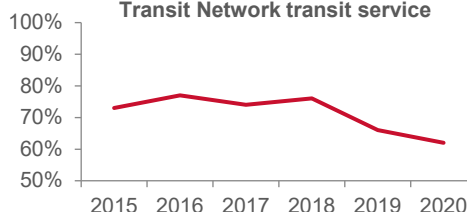
How is Calgary doing?

Snow and ice control service requests for sidewalks and pathways per 100,000 population



Source: Transportation

Percent population within walking distance of Base and Primary Transit Network transit service



Source: Transportation

Enhanced winter mobility

In 2020 the enhanced snow response pilot improved accessibility and increased mobility of pedestrians along sidewalks and pathways. The enhanced funding was used to clear pedestrian infrastructure within 24 hours of snow stopping, contributing to reduced pedestrian slips and falls.

Reduced network access

In 2020 there was a reduction in transit service associated with the COVID-19 ridership decrease that impacted the total base and Primary Transit Network service investments. Service reduction on bus and Ctrain routes due to decreased demand directly affected this indicator.

What did The City do in 2020?

Due to COVID-19, the way people worked and moved around the city changed in 2020. The City tailored service delivery to keep Calgarians moving as safely and efficiently as possible to meet their rapidly changing needs.

- ★ The MyFare app was launched, enabling use of electronic fares on Calgary Transit. Coupled with this launch, installation of barriers/shields onboard Calgary Transit Vehicles enabled return to normal fare payment system.
- ★ The City converted 10.3 kilometres of roadway into 14 adaptive roadways, making room for people to walk, wheel and scoot while keeping a safe distance.
- ★ An increase in our roadway network monitoring was undertaken to better understand changes to traffic volumes and patterns, using a variety of tools already in place.
- ★ The Accessible Taxi Incentive Program enabled over 6,800 accessible trips through the on-demand centralized dispatch pilot and generated approximately \$1.6 million to help reduce the financial burden for Accessible Taxi Plate Licence owners and to improve customer service for individuals using on-demand wheelchair accessible taxis. Improved pedestrian accessibility, removing 136 obstacles from pathways, retrofitting more than 300 curb cuts, and adding 700 new tactile pads. Tactile pads are a universally accessible change in the texture of the walking surface to cue people to an approaching edge requiring proceeding with caution. As part of Active and Safe Routes to School program, curb extensions and crosswalks were added near schools to improve safety for students walking and wheeling to school.
- ★ Three main streets projects completed phase 1 of construction in 2020 (17th Avenue SW, 37 Street SW, and Bowness Road Montgomery), building social and economic focal points for communities with safe, sustainable and beautiful streets for residents and businesses.



A Healthy & Green City

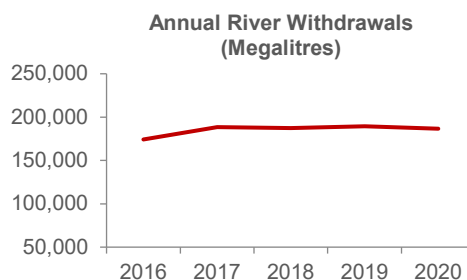
Citizen Priority Status



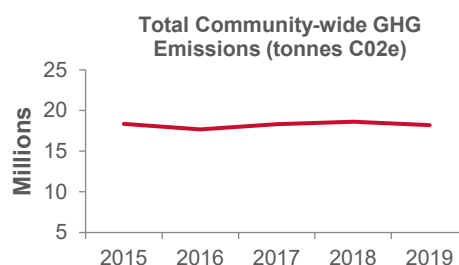
- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

83 per cent of strategies that align to A Healthy & Green City were on track or completed in 2020.

How is Calgary doing?



Source: Water Treatment and Supply



Source: Environmental Management

Wise water use

Focusing on the long-term sustainability and resilience of rivers is essential to meet the immediate and future needs of a growing city and region. Calgarians continue to be water-wise, reducing water usage over the last 17 years. In 2020, 186,571 megalitres were withdrawn from the Bow and Elbow Rivers, staying below the 2003 Water Efficiency Plan benchmark of 212,500 megalitres.

Reduced emissions

In 2020, COVID-19 restrictions impacted energy use across all sectors. Vehicle fuel use decreased by 18 per cent, which was due to drops in public transit and private vehicle use for daily commuting. A full update will be available in 2021 Q3.

What did The City do in 2020?

Providing opportunities to support Calgarians health while staying safe has never been more important. We accelerated work to meet the increase demands for outdoor activities and changes in customer needs.

- ★ Glenmore Dam Gates were completed in 2020, helping bring Calgary's flood risk exposure down to half of what it was in 2013. The Glenmore Dam increases The City's water supply resiliency to better manage low river flows in the winter and high river flows in the spring and improves recreational experience for pathway users.
- ★ With the acquisition of land on the border of the city, a future regional park and cemetery for north central Calgary is one step closer to reality.
- ★ Held the first virtual Mayor Environmental Expo, which drew 10,000 participants, more than double the participants in 2019. The City also provided 22 live-streamed sessions and 20 pre-recorded sessions throughout the month of 2020 June for students of all grades.
- ★ New features were introduced in parks including: a firepits pilot project (bookable with free permits), ice bikes (at Bowness Park), expanded cross-country ski trails, two new outdoor rinks (at Barb Scott and Tomson Family Parks) and skating trails (at North Glenmore and Bowness Parks).
- ★ The Canopy Expansion Seedling pilot project explored where there may be opportunities to plant seedlings instead of more mature nursery-hardened trees across the city. These seedlings can be planted at a lower cost in strategic areas, such as along roadways where they reduce mowing costs. In 2020, 116,000 seedlings were planted.
- ★ Expanded the landfill gas management system to reduce greenhouse gas emissions.



A Well-Run City

Citizen Priority Status

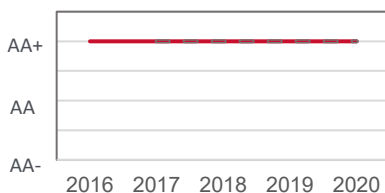


- Completed/Progressing as planned
- Emerging Challenges
- Challenges Materialized
- Strategy stopped
- Not Started

85 per cent of strategies that align to A Well-Run City were on track or completed in 2020.

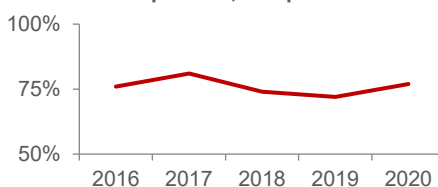
How is Calgary doing?

City of Calgary's Credit Rating



Source: Standard & Poor's

Percentage of Calgarians who say The City has communicated well about its services, programs, policies, and plans



Source: Communications

Strong financial management

The City maintained its AA+ and AA (high) ratings with Standard & Poor's Global Ratings and the Dominion Bond Rating Service, respectively, throughout the downturn and uncertainty resulting from the COVID-19 pandemic. Strong budgetary performance, particularly debt and reserve management practices, were cited as key contributors.

Effective Communications

Slightly more than three-quarters (77 per cent) of citizens agreed that The City has communicated well about its services, programs, policies and plans in the past six months. This marked a 5-point jump from fall 2019 and was a positive result considering the COVID-19 pandemic. This measure warrants close monitoring as citizen reaction and City response to the pandemic evolves over time.

What did The City do in 2020?

2020 required services within The City to adapt quickly and efficiently to the changing needs of Calgarians, while continuously striving to be fiscally responsible.

- ★ Together with Treaty 7, Metis Nation of Alberta Region 3 and Indigenous Calgarians, Calgary began the work to co-create an Indigenous relations governance model. This will be a first in Canada.
- ★ The City continued to implement best practices for citizens and employees' health and safety, including managing COVID-19 impacts through safety protocols.
- ★ The City implemented the Tag-A-Bag program in 2020 October to take a first step towards greater fairness in our garbage collection fees. Encouraging Calgarians to reduce the amount of garbage put out for collection helps contribute to our goal to divert 70 per cent of waste from City landfills by 2025.
- ★ Calgary completed the City's largest solar power plant at Shepard Landfill in 2020 (4.3 megawatts), producing enough electricity to power 800 average Calgary homes while producing over \$400,000 in net savings and 3,300 tonnes of Compressed Hydrogen Gas greenhouse gas (GHG) reductions per year.
- ★ Calgary Fire Department opened Station 43 in Walden, the first modular temporary station in the city. The structure can be transported and redeployed as needed, lowering capital spending requirements for future temporary stations.
- ★ Upgraded video surveillance at over 60 City sites, improving safety monitoring and crime prevention.



Measuring Overall Corporate Performance

Our citizens' opinions and satisfaction are an important element in decision-making and building trust for The City. The overall results from the Citizen Satisfaction survey indicated the quality of life in Calgary remains strong, and two-thirds of residents were satisfied with the overall level and quality of City services and programs; however, the results showed there was an overall downward trend and decline of performance.

Administration's Rethink to Thrive strategy was introduced in 2020 with objectives to improve our reputation and reduce the cost of government. There are a number of strategic initiatives underway, such as the Solutions for Achieving Value and Excellence (SAVE) program and Organizational Realignment to help address citizens' concerns.

The COVID-19 pandemic and Calgary's continued economic downturn had a significant impact on the community and reduced revenues for the organization and its partners. The City responded by shifting its focus to emergency response, supporting the community and reducing costs.

In 2020, we took bold action in managing our budgets to support Calgary's economic recovery and COVID-19 response. Taking a least-harm approach to those services citizens continue to rely on every day, we worked hard to further reduce costs while continuing to modernize services and invest in key priorities to better serve the changing needs of Calgarians. Despite fiscal pressures and increased demand for City services, The City has maintained its AA+ credit rating.

Overall Corporate Performance Measure		2015	2016	2017	2018	2019	2020
Vision	Calgary is a great place to make a life	84%	82%	81%**	83%†	79%	77%
	Calgary is a great place to make a living	80%	65%	68%**	71%	63%	58%
	On the right track to being a better city 10 years from now	88%	86%	82%**	84%	76%	70%
Strategy	How much do you trust or distrust The City of Calgary? <i>(percentage of citizens who trust The City of Calgary)</i>	NA	NA	62%**	60%	52%	48%
	The City of Calgary's credit rating	AA+	AA+	AA+	AA+	AA+	AA+
Value	Overall satisfaction with level and quality of City services and programs	80%	79%	73%**	77%	74%	67%
	Satisfaction with the overall level and quality of customer service	80%	80%	78%*	78%	74%	75%
	The City does a good job of providing citizens with information about how their property tax dollars are invested in various City services	65%	63%	60%**	60%	55%	56%

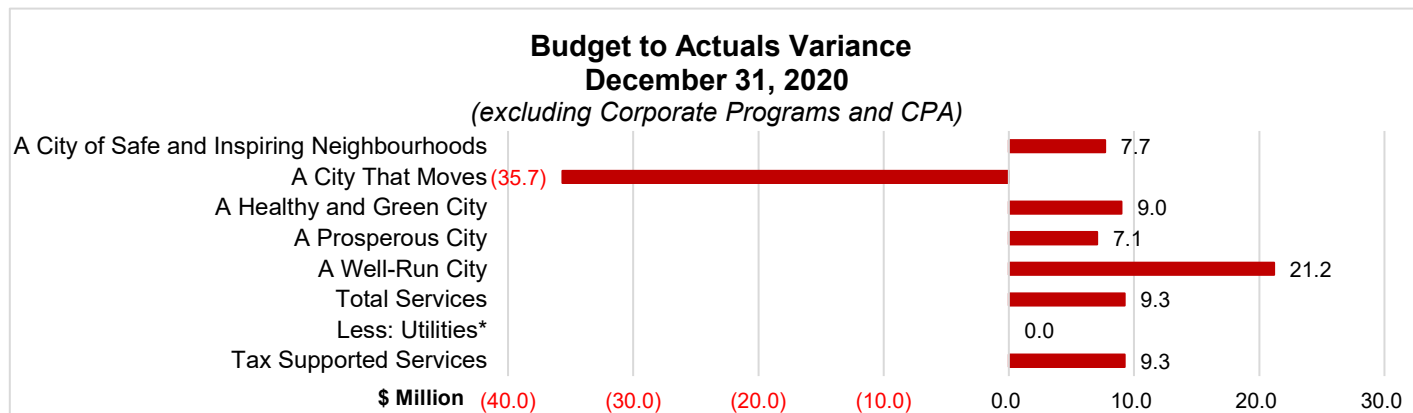
*Fall: August-September 2017

**Late fall: November 2017

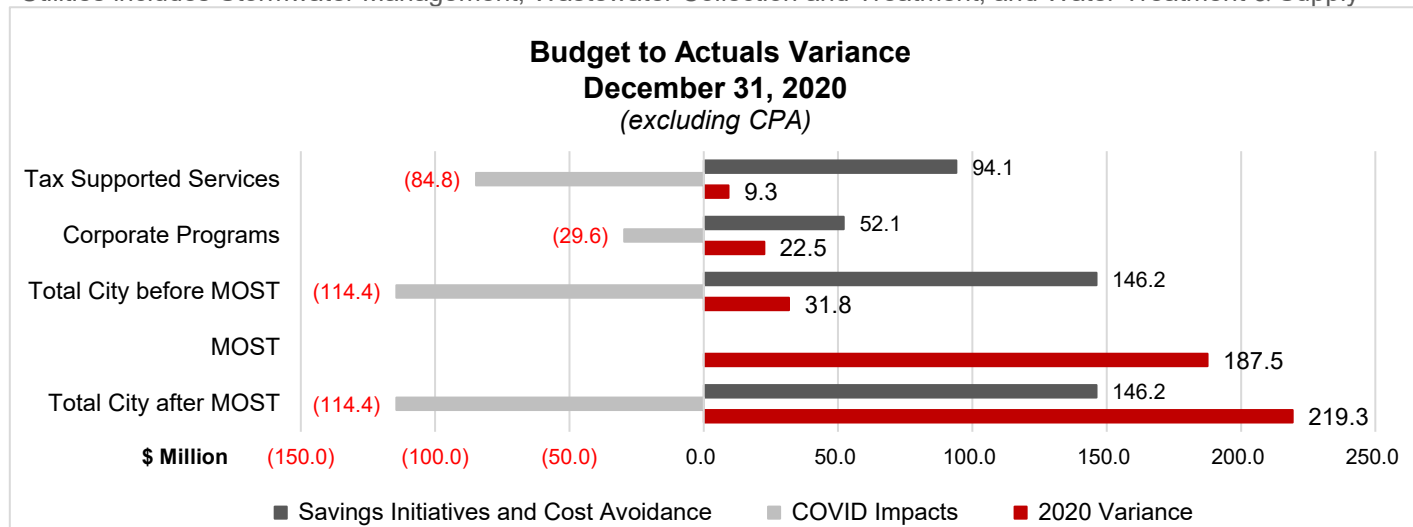
† Fall 2018

Source: 2020 Citizen Satisfaction Survey, Standard & Poor's Global Ratings

Operating Budget Overview



*Utilities includes Stormwater Management, Wastewater Collection and Treatment, and Water Treatment & Supply



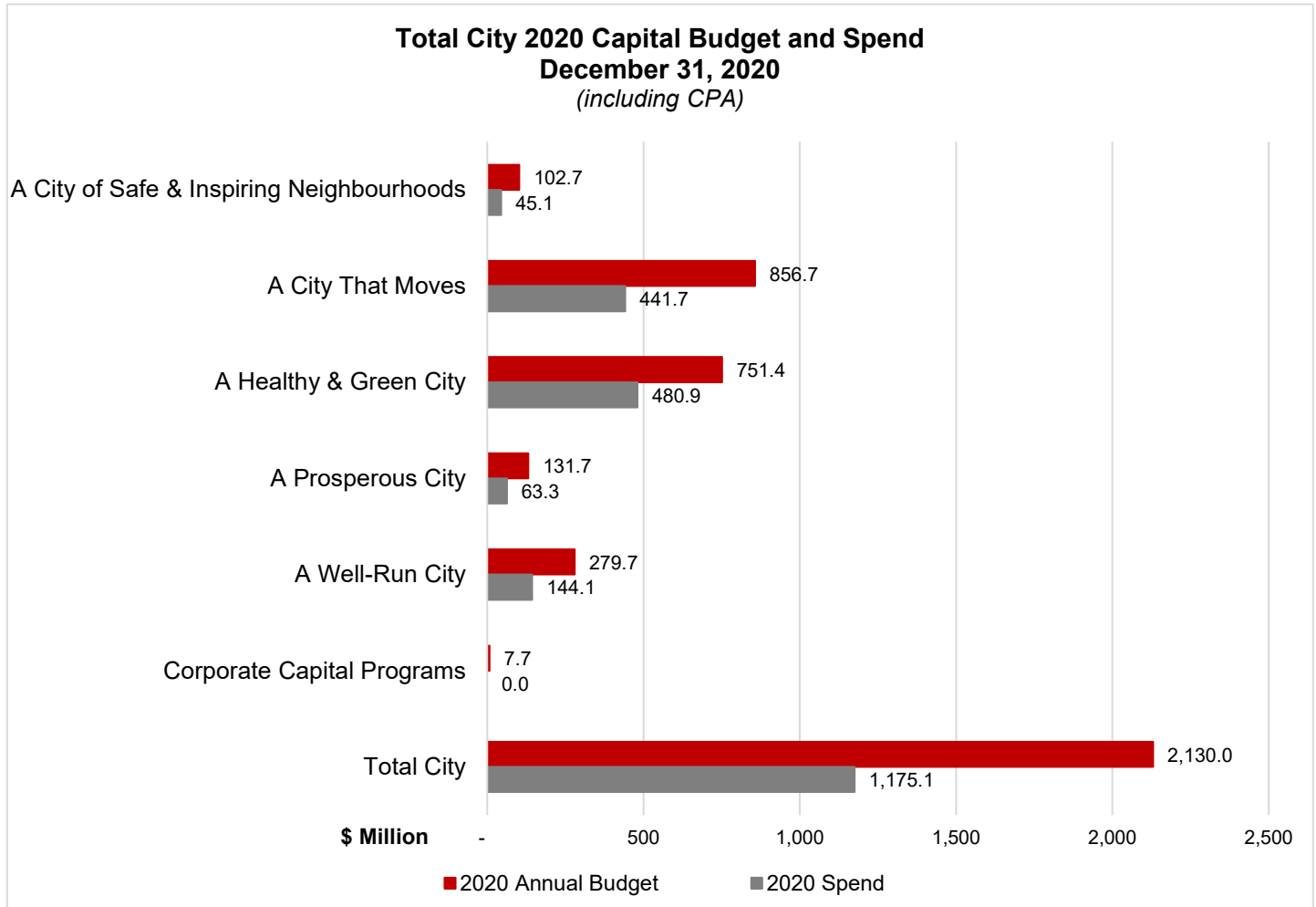
The City's favourable variance of \$219.3 million was a combined effect of:

- (1) Tax supported service variance of \$9.3 million:
 - COVID-19 impacts of (\$84.8) million primarily relating to the closure of recreation facilities, reduced transit ridership and lower building permit and fine revenue as well as incremental expenses for facility cleaning, IT equipment and pandemic supplies;
 - Offset by \$94.1 million from savings initiatives and cost avoidance such as delayed hiring and temporary service changes.
- (2) Corporate Programs' variance of \$22.5 million:
 - COVID-19 impacts of (\$29.6) million primarily driven by lower dividend and enforcement revenue from Calgary Parking Authority and waived fines and penalties in the Taxation program;
 - Offset by \$52.1 million from savings initiatives to intentionally manage corporate contingencies and centralized service budgets that were not allocated during the year.
- (3) Municipal Operating Support Transfer (MOST) of \$187.5 million.

Of the \$219.3 million, \$55.8 million was transferred to the Operating Budget Savings Account (BSA) and \$163.5 million was transferred to the Fiscal Stability Reserve (FSR).

The COFLEX program will enable Administration to optimize both Municipal Operating Support Transfer funding and other ongoing expenditure management initiatives to address ongoing impacts of COVID-19.

Capital Budget Overview

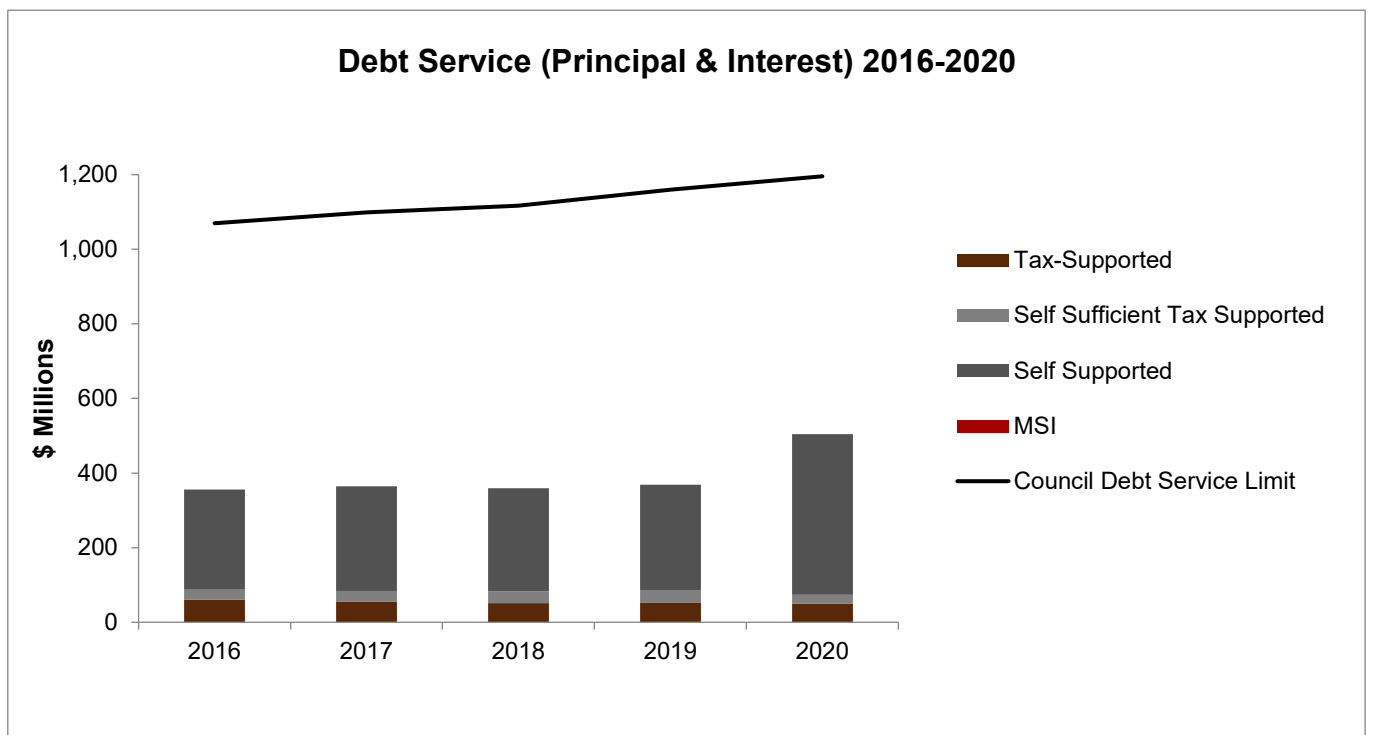
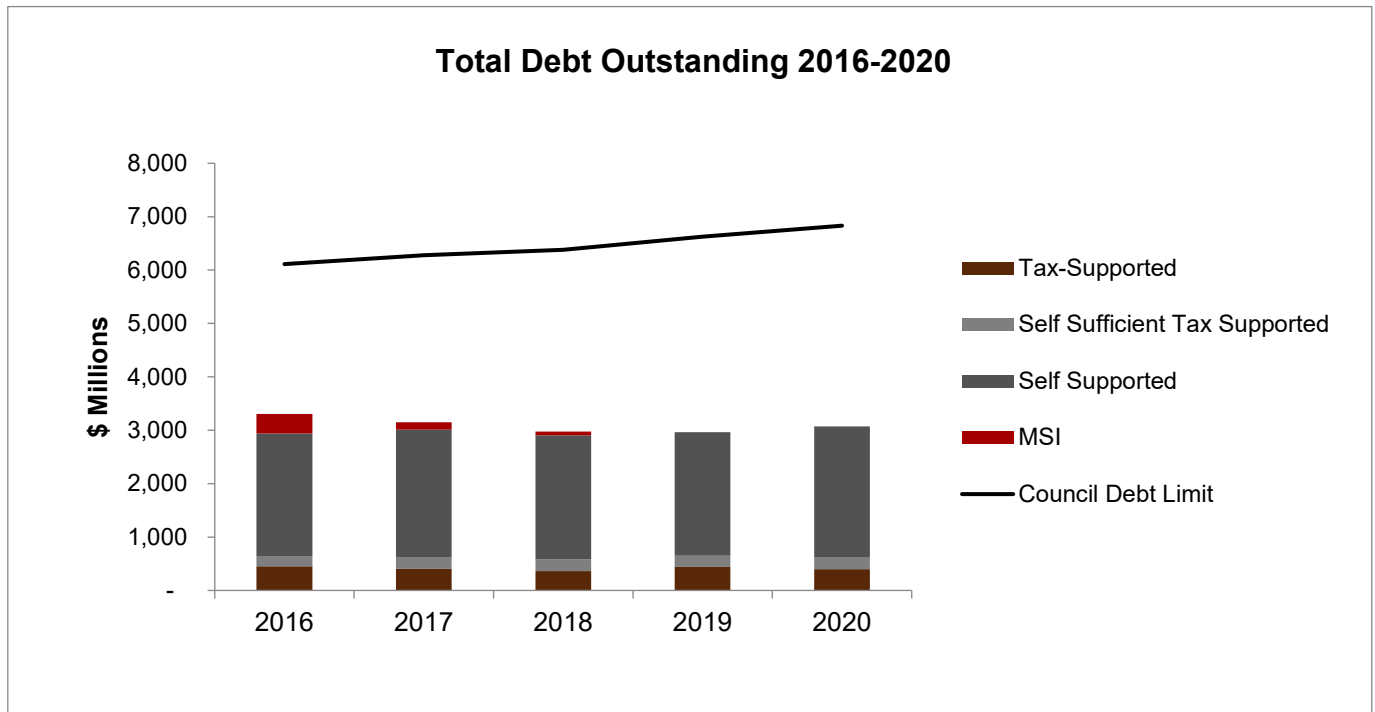


In 2020, The City's capital investment was \$1.2 billion (55.2 per cent of the \$2.1 billion budget). The tax supported component of The City's 2020 investment represents approximately \$0.8 billion of \$1.2 billion.

Corporate Programs holds capital funding previously transferred to Capital Budget Savings of \$7.7 million which will be reprioritized to other capital investments. 2020 contributions to Capital Budget Savings equal \$1.5 million.

COVID-19 has resulted in many changes to City services and facilities. Services have adapted to supply and material limitations, increased COVID-19 health and safety guidelines and human resources constraints. COVID-19 has also presented opportunities: upgrades to 26 recreation facilities and many roads were accelerated due to facility closures and reduced road usage.

Debt Overview



Total debt outstanding remains relatively steady in 2020 with an estimated outstanding balance of \$3.0 billion.