

### Net-Zero Operating Budget Adjustments - For Approval (\$000s)

**Purpose:** To provide operating budget adjustments required to better align the 2022 expenditure, revenue and recovery budgets with business needs.

**Notes:** Per Council Policy CFO006 Budget Reporting Policies, Administration can authorize net budget adjustments up to \$400 thousand per department if the gross adjustment amount does not exceed \$2 million per service per calendar year. The items below are being presented to Council for approval as they exceed this threshold either individually or when combined with revisions previously approved in the calendar year.

- All adjustments are base unless otherwise stated
- Positive numbers represent an increase in expenditures or a decrease in revenue/recoveries
- Negative numbers represent a decrease in expenditures or an increase in revenue/recoveries

Service	Expenditures	Recoveries	Revenues	Net Impact	Reasons for Adjustment
Calgary 9-1-1	2,850	-	(2,850)	-	Adjustment to 911 Provincial Levy Revenue to match current revenue projections. This will be offset by updated projections for Reserve Contributions.
Corporate Programs - Common Revenues	11,337	-	(11,337)	-	Service 1 (Investment Income): increase in revenues due to higher principal balances and returns offset by increase in expenditures due to higher allocations to reserves. Service 2 (Taxation): Adjustment to reduce property tax revenue offset by increase in grant-in-lieu tax revenue.
Corporate Programs - Common Revenues	-	-	(2,000)	(2,000)	
Corporate Programs - Common Revenues	-	-	2,000	2,000	
Corporate Programs - Common Revenues	(6,692)	-	6,692	-	Offsetting lower Utilities return on equity through provisions within corporate costs.
Parks & Open Spaces	1,000	(1,000)	-	-	Adjustment of Snow and Ice Control (SNIC) budget to match historic and future plans. A portion of the SNIC work is covered by the SNIC reserve. This adjustment covers the planned contracted work and offsetting reserve coverage.
Police Services	4,700	-	(4,700)	-	Correction based on changes made by the provincial government in 2019 to increase administration fees related to fine revenues and biological work (DNA). There are additional revenues and positions for the Alberta Law Enforcement Response Teams (ALERT) and the Body Worn Camera program. Includes 35.5 Full Time Equivalents (FTE <sup>1</sup> ).
Police Services	5,000	-	(5,000)	-	One-Time Anti-Racism and Call Response Funds: Due to the length of time it took to set up the infrastructure and program implementation all of the funds were not able to be spent on a timely basis in 2021. The Calgary Police Service wants to continue to explore alternative call responses and address anti-racism opportunities. The proposed adjustments are best estimates at this time. Council's approval represents approval to revise the amounts to the actual unspent amount at the end of 2021. Actual amounts will be reported in the 2021 Year-End Budget Revisions Report. Note: These funds will be transferred to the Court Fine Reserve from unspent 2021 base funding dedicated to this initiative and withdrawn in 2022. Council approval is needed to process the reserve transactions.
Urban Forestry	725	-	(725)	-	Increase in seasonal staff connected to tree planting/pruning, offset by a transfer from the Parks Endowment & Sustainment Reserve.
Social Programs	(2,895)	-	2,895	-	Adjustment related to grants and revenues no longer available as funding sources. \$258 thousand – Reduction in Expenditures Salary & Wage to match Youth Employment Centre grants that are no longer available \$2.6 million – Reduction in Expenditures Salary & Wage to match Probation contract cancelled by Government of Alberta \$7 thousand– Reduction in Expenditures Non-Salary & Wage to match other revenues no longer available to City Hall School and Seniors Home Maintenance
Wastewater Collection & Treatment	21,257	-	(21,257)	-	Off-site levy revenue adjustment based on land development forecast. Water and Wastewater return on equity is adjusted based on current forecast. Self-supported savings resulting from SAVE projects are included.
Water Treatment & Supply	10,081	-	(10,081)	-	Operating budget adjustments net to zero including reserve transfers.
<b>Total</b>	<b>47,363</b>	<b>(1,000)</b>	<b>(46,363)</b>	<b>-</b>	

<sup>1</sup> Full Time Equivalence (FTE) refers to a full time position (35 – 40 hours per week) or a combination of positions (in whole or in part) that provide the same number of working hours as a full time position.

### Net-Zero Operating Budget Adjustments - For Information (\$000s)

**Purpose:** To provide operating budget adjustments required to better align the 2022 expenditure, revenue and recovery budgets with business needs.

**Notes:** Per Council Policy CFO006 Budget Reporting Policies, Administration can authorize net budget adjustments up to \$400 thousand per department if the gross adjustment amount does not exceed \$2 million per service per calendar year. The items below are being presented to Council for information as they are within this limit.

- All adjustments are base unless otherwise stated
- Positive numbers represent an increase in expenditures or a decrease in revenue/recoveries
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Service	Expenditures	Recoveries	Revenues	Net Impact	Reasons for Adjustment
Appeals & Tribunals	(300)	-	-	(300)	Transfer of \$300K in Salary & Wage from Appeals & Tribunals to Municipal Elections. Additional budget in Municipal Elections will fund positions that plan and deliver election events (Municipal Election, byelection, senate, vote of electors, ward boundaries) and City Clerk's Office initiatives.
Municipal Elections	300	-	-	300	
Building Safety	1,709	-	(1,709)	-	Adjusting salary budget in Planning & Development (PD) fee-supported service lines. Building Safety is increasing its staff complement to increase service level and to address increase in permit volume. Increase in salary budget is to be funded by PD fees, coming from higher permit volumes.
Development Approvals	(87)	-	87	-	Development Approval is adjusting its salary budget to properly align salary budget to current staff complement.
Building Safety	16	(16)	-	-	Adjustment to budget for approved 6 capital FTEs <sup>1</sup> , recovery from capital funding sources.
Development Approvals	102	(102)	-	-	
City Planning & Policy	671	(671)	-	-	
Development Approvals	1,201	-	(1,201)	-	Budget adjustment to reflect 9 new FTEs <sup>1</sup> in Community Planning due to increase in volume of approvals and work load. Funded by fee revenue.
Development Approvals	400	-	(400)	-	Adjustment for additional staff budget related to service improvement, funded by fee-supported revenue.
Building Safety	266	-	(266)	-	
Development Approvals	170	-	(170)	-	Realignment Initiative funded by development approvals fees.
Public Transit	(845)	845	-	-	Calgary Parking Authority (CPA) Recovery: Due to the reduced cash collected over the last few years, CPA recovery is being reduced by \$95 thousand. Parts cost and constructed inventory recovery: Budget adjustment to align reduced recoveries and parts costs related to constructed inventory to align the budget/actuals by \$750 thousand.
Fire Inspection & Enforcement	(160)	-	160	-	Reduce Revenue and Salary and Wage budget funding one Safety Codes Officer FTE <sup>1</sup> due to Business License and Fire Inspections Fees freeze. (1 FTE <sup>1</sup> held corporately).
Real Estate	208	-	(208)	-	The Encroachment bylaw was implemented in 2020. There is an increase in business activity from this bylaw implementation. Additional FTE <sup>1</sup> were approved for this function in 2021 to effectively manage the increased volumes. The adjustment is for incremental costs funded from revenue growth.
Stormwater Management	377	-	(377)	-	Off-site levy revenue adjustment based on land development forecast. Water and Wastewater return on equity is adjusted based on current forecast. Self-supported savings resulting from SAVE projects are included. Operating budget adjustments net to zero including reserve transfers.
Streets	(785)	-	785	-	Budgets no longer required due to evolving structure of operations.
<b>Total</b>	<b>3,243</b>	<b>56</b>	<b>(3,299)</b>	<b>-</b>	

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