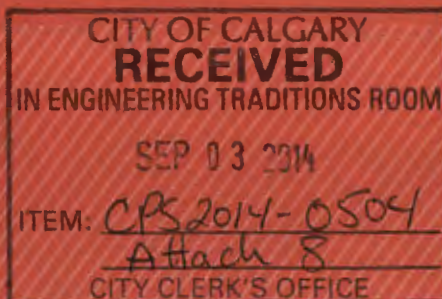


Calgary Economic Development is a conduit, connector, catalyst & storyteller

Action Plan 2015-2018 Business Plan & Budget Summary



calgary economic
development
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Mission & Mandate

Mission: We advance opportunities for smart growth to achieve individual, business and community potential for the Calgary Region.

Mandate: Calgary Economic Development works with businesses, government and community partners to position Calgary as the location of choice for the purpose of:

- Attracting business investment
- Fostering trade
- Growing Calgary's workforce
- Stewarding Calgary's Economic Strategy



2013 Annual Achievements

2013 Key Service & Activities (Links to Council Priorities 2012-2014)

Sector Development and Business Investment Activity: *(Priority B2)*

- Assisted 17 companies in expansion, attraction and relocation projects impacting 2,000 jobs
- Completed the inaugural Stampede Investment Forum

Film and Television: *(Priority B2)*

- Completed \$153 Million in Film and TV production revenue
- Secured Municipal, Provincial and private sector funding to build a Calgary film studio facility

Global Business Centre and Trade Missions: *(Priority B4)*

- Hosted 18 tenants at the Global Business Centre; 10 have moved on to establish facilities in Calgary
- Led Consider Canada City Alliance investment mission to Europe and investment mission to China

2013 Annual Achievements

Promoting Calgary: (Priority B4)

- Created the award-winning '*Right Here*' Calgary video
- Launched the *Calgary Economic Development Strategy*

Workforce Development: (Priority B4)

- Hosted the National Skills Conference
- Completed labour attraction mission to Ontario with Mayor Nenshi
- Completed Careers in Manufacturing pilot project

Soul of the City Speaker Series: (Priority Z9)

- Held five 'Soul of the City' events
- Initiated a community grant program with the Calgary Foundation

2013 Annual Achievements

WORKshift: *(Priority B4)*

- Completed business plan for national roll-out, positioning Calgary as a leader in flexible work and telecommuting adoption

Business Recovery Taskforce: *(Priority Z1, Z7)*

- Co-chaired, with the Calgary Chamber of Commerce, the Business Recovery Taskforce in the aftermath of the June flood
- Conceived and executed a \$1.4M marketing 'Rediscover your City/Region' campaign

Leveraging Calgary Economic Development Resources: *(Priority Z1)*

- Over \$3M (38%) of Calgary Economic Development's revenue leveraged from the private sector, community partners and other levels of government

Action Plan 2015-2018

Trends and Issues:

- Calgary is the leading economic region in Canada
 - Growth-related challenges to address strong migration
 - Cost of living and doing business
 - Workforce recruitment and retention
- National responsibility around market access for Energy
- Industry diversification leveraging our strength in Energy
- Greater collaboration in support of City marketing and related economic development efforts (in support of the Economic Strategy)
- Alignment between real estate developers and the City
- Calgary regional partnership and positioning Calgary as Western Canada's distribution hub
- Local focus for global success

Action Plan 2015-2018

Priorities & Actions:

Business Development, Trade and Investment

- Conduct a new intensive **local business outreach** and business development program across targeted industry sectors
- Lead and/or participate in revenue-neutral inbound and outbound **trade and investment missions** that generate leads for investment and business matching

Workforce Development

- Provide **online resources** for workforce recruitment and people considering moving to Calgary
- Lead **recruitment missions** that promote Calgary as a destination for skilled workers and employees
- Develop '**Connector**' programs to direct graduates and recent migrants into local career opportunities

Action Plan 2015-2018

Priorities & Actions:

Community Development

- Conduct **Soul of the City events and community engagement** to broaden and deepen our stakeholder base and reaffirm support for Community Economic Development

Calgary Film Centre

- Operate a **film studio** and support related screen and digital media growth

Stakeholder Relations

- Leverage private and public sector resources to achieve a **60:40 revenue split** between our City base-grant and all other revenue
- Be a strategic resource in **support of strong relationships** between the City and the business and real estate development community

Action Plan 2015-2018

Priorities & Actions:

Place Marketing

- Develop and **execute a marketing and communications strategy** to position Calgary as the location of choice to live, work and do business

Economic Development Strategy

- Provide **stewardship and reporting and foster collaboration** for implementation of the City's Economic Strategy across numerous stakeholders



Performance Measures 2015 - 2018

Business Development, Trade and Investment:

- Corporate expansions, relocations and new investment
 - 60 client success stories contributing 6,000 - 8,000 new or retained jobs
- Lead or support up to 16 trade and investment events
- Improve Global Financial Centres Index Ranking

Workforce Development:

- Execute workforce development and recruitment programming that is self-sustaining with partnership revenue
- Track job placement from recruitment fairs

Community Development:

- Complete up to 24 events that are self-sustaining and broaden and deepen our stakeholder base and reaffirm support for Community Economic Development

Performance Measures 2015 - 2018

Calgary Film Centre:

- Operate a financially sustainable film studio
- Increase film and television production from \$153 Million (2013) to \$250 Million per year by 2018

Stakeholder Relations:

- Leverage private and public sector resources to achieve a minimum 60:40 revenue split against our operating grant
- Increase revenue from \$1.6 to \$2.4 Million by 2018

Place Marketing:

- Execute and collaborate on a minimum of four national/international marketing campaigns with reportable outcomes against objectives

Economic Development Strategy:

- Report annually on the City's Economic Development Strategy implementation
- Identify incremental and collaborative opportunities and outcomes achieved through the new collaborative leadership model

Resources Leveraged

Calgary Economic Development Financial Leverage 2013 (Audited)

	2012	2013
Total Base Revenue (City grant)	\$ 4,735,399	\$ 4,780,279
Leveraged Revenue – Private	\$ 1,710,191	\$ 1,512,736
Leveraged Revenue – Government	\$ 753,392	\$ 1,113,272
Leveraged Revenue – Deferred	\$ 396,857	\$ 377,231
Leveraged Revenue – Investment	\$ 19,517	\$ 17,715
Total Leveraged Revenue	\$ 2,879,957	\$ 3,020,954
TOTAL REVENUE	\$ 7,615,356	\$ 7,801,233
% of Leveraged Revenue	37.82%	38.72%

Resources to be Leveraged

Action Calgary

- Continued growth and expansion of Calgary Economic Development's corporate partnership program
- Demonstrated incremental growth over the past five years

Government Programs

- Leverage our program budget by partnering with other levels of government and applying to funding programs

Signature Events and Sponsorships

- Seek sponsorships and fees for events and missions to offset costs

Calgary Film Centre

- Intended to be financially self-sustaining with some Calgary Economic Development costs offset by a management services agreement for marketing and administrative services

WORKshift:

- Intended to be financially self-sustaining with some Calgary Economic Development costs offset by a management services agreement for marketing and administrative services

2015-2018 Operating & Capital Budgets

Calgary Economic Development operating efficiencies:

- Partner with other governments or businesses to leverage the revenue we receive from the City to generate additional revenue
- Diligent in reviewing all fixed and project costs
- Review all positions that become vacant to determine alternative options to reduce our overall costs
 - Reduce senior management and staff levels

2015-2018 Operating & Capital Budgets

Core Services – City Funded

- Core staff-intensive business development, research services directed towards business retention, expansion and attraction
- All administration and overhead costs

Program Activities – Supported by Private Sector, Government and Community Partners

- Place-marketing (marketing campaigns)
- International business development (trade missions)
- Workforce development and recruiting programs
- Local and signature events

Project Management – Management Service Agreements

- WORKshift
- Calgary Film Centre

2015-2018 Operating Budgets

CPS2014-0504
ATTACHMENT 19
CORRECTED DISTRIBUTIONS
Page 16 of 141

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	4,963,865	5,149,212	5,341,179	5,539,765
Other operating grants	192,000*	218,000*	243,000*	269,000*
Earned revenue from operations	700,000	735,000	771,750	810,338
Donations and fundraising revenue	1,450,000	1,522,500	1,598,625	1,678,556
Operating expenses	7,780,244	7,935,849	8,094,566	8,256,487
Net of revenue and expenses	(474,379)	(311,317)	(140,012)	41,202
Opening operating reserves	997,540	523,161	212,024	72,013
Ending operating reserves	523,161	212,024	72,013	113,215

Risks & Challenges

Escalating Office Rents

- Historically Calgary Economic Development has benefited from a \$0-net lease in City-owned space at the TELUS Convention Centre (pay operating costs only)
- Advised in June 2014 that we will be required to pay escalating lease rates for our office space
- Calgary Economic Development has not budgeted for lease rate increases and is asking that our operating grant be adjusted to accommodate this cost increase as follows:

Year	\$
2015	42,000
2016	63,000
2017	83,000
2018	104,000

Unintended consequences of not funding:

- Calgary Economic Development utilizing program dollars to meet new budget
- Reduced ability to leverage stakeholder funds by an additional 40% for program funding.

Alignment with Council Priorities

Council Priorities - Economic growth and competitiveness (*Calgary Economic Development's response to corresponding priorities*)

Council Priority P1- Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.

- **Position Calgary as 'the' global business centre for energy** as the basis for attracting talent, investment and innovation and to capitalize on our strength in energy to further develop and diversify our economy
- Foster industry engagement in the development of an **Energy Innovation and Information Centre**

Council Priority P2 - Advance purposeful economic diversification and growth.

- Sector development strategies fostering growth and diversification in **Financial Services, Transportation and Logistics, Energy, Real Estate and Creative Industries**
- Building the **Calgary Film Centre** to foster growth of our screen industries

Alignment with Council Priorities

Council Priority P3 - *Support civic, business and community partners, as well as business revitalization zones, to collaborate and **attract local and global investment**.*

- **Conduct a local business outreach program** to further support business retention and expansion opportunities
- Facilitate business investment via **trade missions, marketing campaigns and business development activities**
- We are **stewarding the City's Economic Development Strategy** which engages multiple community stakeholders

Council Priority P4 - *Cut red tape and continue to foster a competitive tax environment to help small business succeed.*

- We **advise business** in securing development approvals
- Constituted **Commercial Real Estate Advisory Committee** composed of representatives from the development community to share intelligence, trends and best practices with the City

Alignment with Council Priorities

Council Priority P5 - *Seek out partnerships with other governments and community partners to achieve community well-being.*

- Work with other governments, community and private sector partners to **leverage our City grant by an 40%** and to improve the effectiveness of our service delivery

Council Priority P6 - *Increase **affordable and accessible housing** options.*

- Struck a **Workforce Housing Committee** to advise the City in support of workforce attraction and retention

Conclusion

Position Calgary Economic Development as the 'best in class' economic development organization

- Initiated the Consider Canada City Alliance to leverage business development
- Hosting the Economic Developers Association of Canada annual conference
- Recipient of more marketing and economic development awards than any other city

Position Calgary Economic Development as a key collaborator

- Leveraged more private sector funding than any Economic Development Agency in Canada
- Developed a community brand that has been adopted by other civic partners
- Uniquely qualified to steward the City's Economic Strategy
- Proven ability to align efforts of community, private sector and government partners

Sustained revenue growth

- Maximized City's operating grant and management capacity to support our economic development mandate

thank you.

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THE CITY OF CALGARY

Action Plan

2015 – 2018

Calgary Convention Centre Authority Action Plan 2015-2018

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Overview of CCCA Responsibilities

1. **Calgary TELUS Convention Centre** (through an agreement with the City of Calgary)
 - Management, marketing and operations
 - Building stewardship and protection of asset
2. **Glenbow Museum** (through an agreement with The City of Calgary)
 - Maintenance, engineering, housekeeping and capital project supervision
3. **Retail spaces in the North Building** (through an agreement with The City of Calgary)
 - Basic property management services
4. **Meetings and Conventions Calgary** (through an agreement with the CHA)
 - Management and operation of destination sales and marketing for MC&IT
5. **Food and Beverage Services Agreement** (joint agreement – Hotel, City, CCCA)
 - Management & administration of contract
6. **TELUS Naming and Business Rights** (joint agreement – TELUS, City, CCCA)
 - Management of contract

How Convention Centres Contribute

Economic Impact:

- Attract new spending

- Contribute to GDP

Arms of Economic Development:

- Attract new business/academic/research visitors

- Increase international and national awareness of city

- Provide forums for business to business, networking

Are venues for education: help to satisfy need for life long learning

Are hubs for community activities

How Convention Centres Contribute (cont.)

Examples of our link to the community

Post secondary institutions and business community

Are key to the bid process

Academics and business leaders as ambassadors

Conventions highlight local business, academic focus and strengths

Examples of events hosted in 2013:

- World Petroleum Council Youth Forum
- Social Enterprise World Forum

Examples of bids won in 2013:

- Canadian Anesthesiologists' Society
- 2014 EB Games Conference

Calgary Economic Development

Joint activities strengthen our reach to the community (Soul of the City)

Joint identification of relevant opportunities

Branding strategy

How Convention Centres Contribute (cont.)

Tourism Industry

Programs through Travel Alberta, Canadian Tourism Commission help leverage resources

Ongoing interaction with:

- Meeting and event planners
- Hotels
- Show services
- AV companies
- Offsite venues
- Tourism Calgary
- Stampede

Memberships and active participation: PCMA, MPI, IAVM, AIPC, etc.

The Community at Large

Meetings:	Centre hosts most in Canada
Social Events:	(Premier's Dinner, Grads, Fundraisers)

2013 Highlights and Results

1. Financial Results

Revenue

Earned Revenue	\$24,294,441
City Grant	<u>1,699,838</u>
Total	25,994,279
MCC	2,405,415

Expenses

Operating	25,055,979
MCC	2,405,415
Profit Before Amortization and MRR	938,301
Net Profit	473,628

External Audit: Clean audit

2013 Highlights and Results – (cont.)

2. Impact of Flood

Lost business	\$754,378
Damage to building	137,408
Insurance:	
Gross Profit/LOSS(Business Interruption)	350,562
Received	325,562
Deductible	25,000
Building/Plant/Equipment	
Received	17,608
Pending	119,800

2013 Highlights and Results – (cont.)

3. Asset Management

2013 Capital Improvements

(Renovations, building enhancements & equipment)

CTCC	\$838,872
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Glenbow	94,086
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Funding Sources: CTCC

CTCC Operating Reserve	247,737
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CTCC Major Replacement Reserve	229,142
--------------------------------	---------

CPRIIP	72,053
--------	--------

MSI	189,890
-----	---------

Western Economic Diversification	100,050
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Funding Sources: Glenbow: MSI	94,086
-------------------------------	--------

Capital Improvements CTCC : 2005 - 2013

			2013
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Renovations	6,687,330	6,687,330	-
Building enhancements	1,099,962	274,866	825,096
Computer equipment	764,703	561,574	203,129
Other equipment	2,640,439	1,397,683	1,242,756
	11,192,434	8,921,453	2,270,981

Capital Budget Process:

- Rolling capital budget reviewed annually

Priorities:

1. Life safety or code related and business continuity
2. Life cycle/energy efficiency
3. Upgrades to satisfy client needs

Inspections and Verifications - 2013

Fire Alarm Verification

Elevator and Escalator Inspection

Insurance Inspection

Ongoing Preventative Maintenance Program:(Main Boss system)

Business Performance Indicators

Annual benchmarking through Convention Centres of Canada, PWC

Total Delegates:	250,000	
Non Resident Delegates	55,000	
Economic Impact:	Total Direct Spending	\$34,328,000
	Contribution to GDP	19,130,000
Number of Events:	Conventions	29
	Trade and Consumer Shows	12
	Meetings & Social	609
Occupancy Levels:	Macleod Hall	70%
	Exhibition Hall	62%
	Overall	53%
LAPP Audit Score		99%
Health & Safety Audit Score		94%

2015 – 2018 Priorities:

Fulfill mandate to market, manage and operate the Centre in a fiscally responsible manner while maximizing economic benefit to the city as a whole.

Maximize utilization levels and revenues.

Focus on operational efficiencies and cost controls.

Retain people in an environment that emphasizes health and safety, encourages professional growth and development, and recognizes the importance of teamwork.

2015 – 2018 Priorities: (cont.)

Develop and implement a comprehensive strategy to ensure business sustainability for the Centre.

Broaden and enhance communication activities with key stakeholders.

Maintain a strong presence in the meetings and conventions sector both nationally and internationally.

Enhance the customer experience through improved technology and other infrastructures.

Work with City to implement recommendations from Governance Audit Review.

Challenges Going Forward

Budget is worst case scenario.

Business sustainability most critical issue (reducing revenues from conventions and increasing costs).

Mitigating strategies under review:

1. Other revenue generating opportunities
2. Increased yield management practices (e.g. discontinue booking meetings that do not contribute to the bottom line)
3. Opening only a section of the building to the meetings market, thus placing the booking of rooms at the discretion of the Centre, rather than client preference
4. Reduced security levels, including the delivery of security services on the Plus 15 system
5. Full building closure, including the Plus 15 system, on dark days
6. Closure of the Plus 15 system between 6 pm and 6 am on days when there are no evening events
7. Reduced capital expenditures

2015 – 2018 Budget Projections

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants*	1,758	1,817	1,878	1,941
Other operating grants	0	0	0	0
Earned revenue from operations	20,900	24,160	23,697	20,616
Donations & fundraising revenue	0	0	0	0
Operating expenses**	23,692	26,170	27,048	25,787
Net of revenue and expenses	-1,033	-193	-1,472	-3,229
Opening operating reserves	3,936	2,902	2,709	1,236
Ending operating reserves	2,902	2,709	1,236	-1,992
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	180	180	180	180
Requested City of Calgary lifecycle grants	775	1,125	225	0
Other capital grants***	0	686,522	2,449,200	3,420,000
Other capital revenues	1,459	1,443	0	0
Capital expenditures	2,234	3,225	2,674	3,420
Ending capital reserves	180	180	180	180

*Includes \$180,000 MRR **Includes amortization costs for actual and proposed capital projects ***Grants required to complete proposed capital projects to preserve operating reserves

THE CITY OF CALGARY

Action Plan

2015 – 2018

Tourism Calgary *Action Plan 2015-2018*

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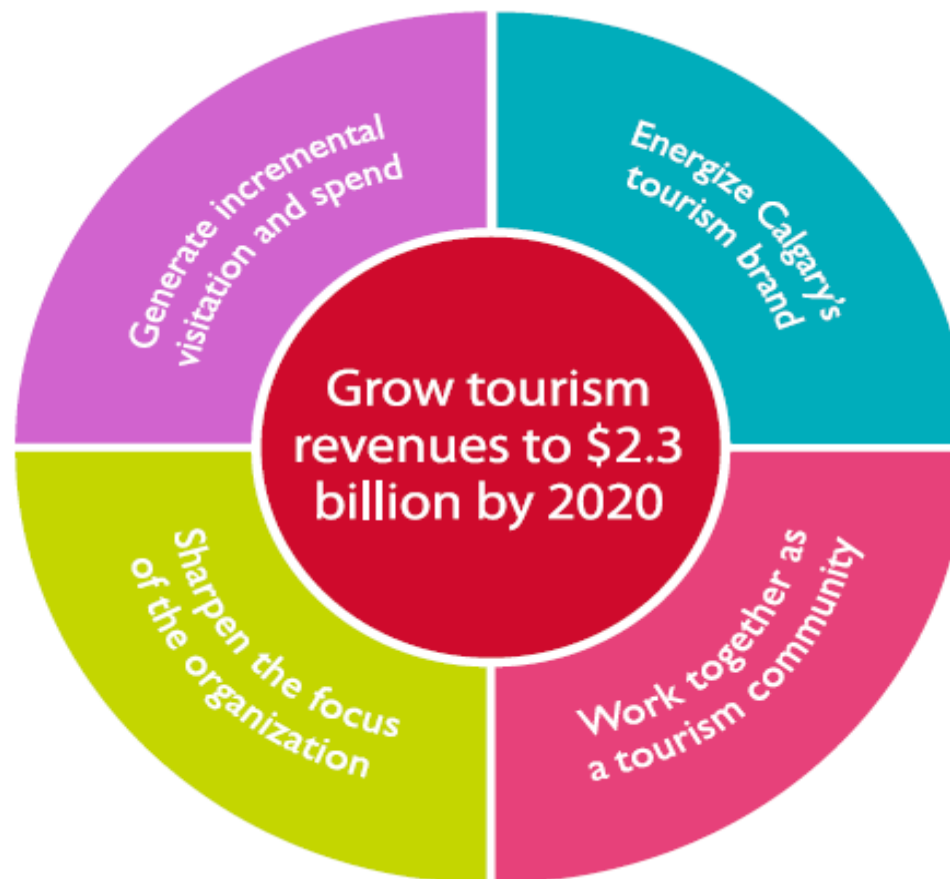
Tourism Calgary 2013 Achievements



- Doors open post-flood campaign;
- New, open-ended agreement with Calgary Hotel Association;
- 7.5 million visitors, contributing \$1.6 billion in spending.

Action Plan 2015-2018 – Business Plan

Tourism Calgary's strategic priorities – 2015 to 2018



Key performance measures from 2013:

Indicator	2013 target	2013 actual
- Events booked	42	50
- Room nights	50,000	44,044
- Annual occupancy	72%	73.1%
- Visitcalgary.com traffic	1.15 million	1.3 million
- Social media reach	43,750	72,303
- Partner contributions	\$725,000	\$719,363

2015-2018 Operating & Capital Budgets

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	2,519,372	2,613,443	2,710,875	2,811,665
Other operating grants	5,974,900	5,982,600	5,992,700	6,003,100
Earned revenue from operations	1,612,801	1,560,858	1,539,992	1,819,325
Donations & fundraising revenue	400,000	420,000	440,000	460,000
Operating expenses	10,507,073	10,576,901	10,683,567	10,794,090
Net of revenue and expenses	0	0	0	0
Opening operating reserves	0	0	0	0
Ending operating reserves				
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	508,050	734,610	944,540	1,126,060
Requested City of Calgary lifecycle grants	0	0	0	0
Other City of Calgary capital grants	0	0	0	0
Other capital revenues	291,560	266,930	238,520	248,090
Capital expenditures	65,000	57,000	57,000	41,000
Ending capital reserves	734,610	944,540	1,126,060	1,133,150

Risks and opportunities

Opportunities

- Expansion and development within Calgary (new attractions, airport expansion and increased hotel capacity);
- New agreement with the Calgary Hotel Association.

Risks

- Competition in the marketplace for the attention of travellers;
- Uncertainty in federal and provincial funding.



Alignment with Council Priorities

Tourism Calgary alignment with Council Priorities for 2015-2018

Economic growth and competitiveness:

- Working to grow leisure tourism and weekend visitation.

Community wellbeing:

- We promote, highlight and elevate local talent to international media and tourists.

Public safety:

- Working with provincial authorities and local community to promote crisis planning and business resiliency,

Heathy living:

- Calgary Sport Tourism Authority continues to make strategic investments in bid opportunities.



Questions?



THE CITY OF CALGARY

Action Plan

2015 – 2018

Talisman Centre *Action Plan 2015-2018*



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CALGARY

Talisman Centre 2013 Annual Achievements

Became a more effective and disciplined organization

- Followed a strategic plan, advancing 7 goals
- Developed and followed an Asset Management Plan, invested \$1.4M in capital upgrades and enhancements
- Focused on effective Board governance
- Measured impact and made improvements where needed

Invested in great communities and a vibrant urban fabric

- Supported 27 Sport Partners, 1000's of school aged children and 4 community associations
- Provided recreation and sport opportunities for approximately 1.5M people
- Increased transparency and accountability
- Improved service effectiveness and efficiency

Achievements

- Recognized as Best Fitness Facility in Calgary (ffwd)
- Recognized as Most Inclusive Facility in Calgary (Between Friends)
- Provided more subsidies than any other recreation centre in Calgary
- Inducted into the Mayor's Youth Council
- Year-end surplus budget
- High levels of customer and stakeholder satisfaction

Action Plan 2015-2018 – Business Plan

Deliver on Council Priorities to help create a prosperous city, a city of inspiring neighborhoods, a healthy and green city, and a well-run city.

Reinvest in the facility as per Article 15.1 of the Management and Operating Agreement, to ensure Talisman Centre remains a world class training and competition facility.

Serve the dual mandate by supporting athletes in their training and competition and meeting the recreation needs of all citizens of Calgary.

Follow the Centre's 5-year strategic plan through to completion.

Explore opportunities to expand the facility (in-skin and out-of-skin) to meet the growing needs of Calgarians.

Performance Measures

Talisman Centre measures performance through the following:

- Financial metrics – sales targets in the areas of membership, facility rentals and program registration
- Employee satisfaction survey
- Member and program satisfaction survey
- Competitive analysis (local and international)
- Annual employee performance reviews and future year goal setting linked to strategic plan and goals
- CEO performance plan
- Rates and Fees benchmark assessment study
- Annual admissions
- Facility visits
- Number of competitions/events
- Board of Governor survey

2015-2018 Operating & Capital Budgets

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	1,253,350	1,300,149	1,348,620	1,398,762
Other operating grants	-	-	-	-
Earned revenue from operations	9,489,041	9,707,289	9,930,557	10,158,959
Donations & fundraising revenue	-	-	-	-
Operating expenses	9,629,397	9,850,873	10,077,443	10,309,224
Net of revenue and expenses	1,112,994	1,156,565	1,201,734	1,248,497
Transfer to capital reserve	(1,112,994)	(1,156,565)	(1,201,734)	(1,248,497)
Opening operating reserves	1,000,000	1,000,000	1,000,000	1,000,000
Ending operating reserves	1,000,000	1,000,000	1,000,000	1,000,000
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	6,634,164	6,847,158	7,103,723	4,405,457
Requested City of Calgary lifecycle grants	500,000	500,000	500,000	500,000
Other City of Calgary capital grants	-	-	-	-
Transfer from operating reserves	1,112,994	1,156,565	1,201,734	1,248,497
Capital expenditures – moveable equipment	(400,000)	(400,000)	(400,000)	(400,000)
Capital expenditures – building (see note)	(1,000,000)	(1,000,000)	(4,000,000)	(3,000,000)
Ending capital reserves	6,847,158	7,103,723	4,404,457	2,753,954

2015-2018 Operating & Capital Budgets

HIGHLIGHTS:

Forecasted annual surplus

Maintain, upgrade and enhance the facility

- building modifications (approximately \$1M annually)
- program equipment (\$200K annually)
- high performance sport equipment (\$200K annually)
- facility expansion

Grow capital reserve fund

Invest in Talisman Centre's dual mandate – support for high performance sport, support for citizens of Calgary (recreation and wellness). Accessible and inclusive.

Attract local, national and international competitions

Position the facility as a world class place for training and competition

2015-2018 Operating & Capital Budgets

Highlights (continued):

Potential Expansion

- Delivering on the Centre's dual mandate to support athletes and citizens of Calgary
- Responding to growing demand and capacity issues
- Enhancing Talisman Centre's reputation as a world class training and competition facility
- Reacting to changing needs
- Fulfilling objectives outlined in the Recreation Master Plan, 10 year Strategic Plan for Sport, PAMA study and more.

Risks and challenges

- **Competition – local and national**
- **Capital requirements**
- **Changing needs and demands**



Alignment with Council Priorities

PRIORITY: A prosperous city
Community Well-Being

PRIORITY: A city of inspiring neighborhoods
Public Safety, Great Neighborhoods

PRIORITY: A healthy and green city
Healthy Living

PRIORITY: A well-run city



THE CITY OF CALGARY

Action Plan

2015 – 2018

Parks Foundation Calgary *Action Plan 2015-2018*



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Parks Foundation Calgary

2013 Annual Achievements

INTRODUCTION:

2013 was a very successful year for us. We appreciate the City's support for our operations which allows us to maintain our talented complement of seven staff.

PFC's programs and major capital project – the Rotary/Mattamy Greenway – continue to bring significant value to the City. Since 2009 to the end of 2013 – PFC has successfully leveraged City resources of \$7.1 million to our infrastructure and programs up to a total of over \$39 million in total value over this period. In %, the City's contribution makes up 18% of the total value. This success in the past and our promise for the future lies in PFC's unique ability to bring together diverse partners around a shared vision and leverage resources in infrastructure and programs in direct alignment with the City's stated priorities.

Building Playgrounds and Communities(BPC) Grant Program

- 16 playgrounds built in 2013 – valued at \$3.8 million
- Since 2009 – 2013 - 85 playgrounds valued at \$12 million; City's cash and in-kind is 14% - rest leveraged from other sources.
- By the end of 2014 – 100 playgrounds at nearly \$15 million

Horticultural Program (HP)

- This no fee program offers disadvantaged persons the ability to connect with nature. For the 2013 program, over \$100,000 was raised or carried forward from previous years allowing PFC to fund the program at four sites in 2013 – Haultain Park, Calgary Rotary Challenger Park, Twin Views Garden in Dover and an Enviroe site.

Parks Foundation Calgary

2013 Annual Achievements

Amateur Sport Grant Program (AMSP)

- Valued partnership with Calgary Flames and Saddledome Foundation
- 43% increase in new application groups resulting in \$238K awarded in 2013
- Since 1987 – more than \$10M to sport Groups in Calgary area

Bench Dedication Program

- 43 sponsored in 2013 – PFC's 23rd yr of facilitating – well over 1000

The Rotary/Mattamy Greenway

- Over \$40M raised – including major title sponsorship announced in 2013 - \$5M Rotary and \$5M Mattamy - City support enabling

ORP – “Energy Innovation Park” – working name

- Master Plan completed in 2013
- Sincerely appreciated funded of \$170K from Council Innovation Fund – matched by private donor

PartnerParks Admin Cost Allocation – free services to 42 community-initiated groups

Action Plan 2015-2018 – Business Plan

Synopsis of priorities and actions

Building Playgrounds and Communities Grant Program: Continue to work with the City of Calgary, corporate and community partners to build exciting play spaces that foster connections within communities in Calgary; align projects with City's budget and development goals. Estimate 15 per year, however grant funds for AD expire in 2015 – that is the catalyst that drives BPC as well as one full time staff dedicated to help communities.

Rotary/Mattamy Greenway: Increase accessible recreation by continuing to fund raise and complete the 138 kilometers of pathways connecting 55 communities, including up to 25 specialty parts and amenities. Project completion target 2017. 81% done by end of 2014. \$10M left to raise to build the last 26 km of pathway.

Horticultural Program: Collaborate with marginalized groups within Calgary by providing accessible opportunities to garden and connect to community. Will continue to operate no fee program and raise funds to do so.

Bench Dedication Program: Continue to work with sponsors, communities and the City of Calgary to install and maintain dedication benches in honor of loved ones. Estimate continuing with at least 40/year sponsored.

Action Plan 2015-2018 – Business Plan

PartnerParks Administration Cost Allocation Program: Continue to provide free administration and accounting services to community-initiated and led projects.

Amateur Sport Grant Program: Encourage healthy, active lifestyle by supporting amateur sport organizations with equipment, expansion of existing facilities, and development of new facilities. Increase exposure of Program and number of applications.

Old Refinery Park – “Energy Innovation Park” (working name): In partnership with the City of Calgary Environmental and Safety Management and other stakeholders, design, fund raise, and construct the innovative science park. Currently applying \$50.6M in funds

- CCEMC (\$25M) – completing EOI
- P3 Canada (\$21.4M) – Public Private Partnerships Federal – application submitted, queries responded to
- CFI Canada F (\$4.2M) – EOI accepted, submitted full project proposal in June

Performance Measures

Banking on the financial support from the City for PFC's operations, it is anticipated that PFC will continue to administer and raise funds for its projects and programs; and evaluate its performance in 2015-2018 as follows:

Building Playgrounds and Communities Program: The number of playground builds, sponsors, and volunteers; community feedback; and the creation of community capacity leading to further community- driven initiatives.

Horticultural Program: The success of the Twin Views Communal Garden, number of participants in the program, sponsors, and the harvest.

Bench Dedication Program: The number of benches sponsored.

Rotary/Mattamy Greenway: Adequate funds raised and the completion of the pathways, specialty parks and amenities.

Old Refinery Park: Success in securing interests and funds for the project

PartnerParks Cost Allocation Program The value of administration services provided the communities and the cash contributions raised and spent on community-initiated and led projects.

Amateur Sports Program: The number and value of grants awarded.

2015-2018 Operating & Capital Budgets

Operations (000s)	2015	2016	2017	2018	2015-2018	
Other operating grant from The City of Calgary \$	200	\$ 200	\$ 200	\$ -	\$ 600	16%
Investment Income City Operating Endowment \$	75	\$ 75	\$ 75	\$ 75	\$ 300	8%
Saddledome management costs allocation \$	36	\$ 36	\$ 36	\$ 36	\$ 144	4%
PartnerParks administration cost allocation \$	109	\$ 109	\$ 109	\$ 109	\$ 436	12%
Donations \$	35	\$ 35	\$ 10	\$ 10	\$ 90	2%
Reserve investment income \$	5	\$ 5	\$ 5	\$ 5	\$ 20	1%
Projects and programs \$	421	\$ 447	\$ 499	\$ 727	\$ 2,093	57%
Revenue \$	881	\$ 907	\$ 934	\$ 962	\$ 3,683	100%
Operating expenses	\$876	\$902	\$929	\$957	\$3,664	
Net of revenue and expenses	\$5	\$5	\$5	(\$172)	(\$157)	
Opening operating reserves	\$505	\$510	\$515	\$520	\$505	
Ending operating reserves	\$510	\$515	\$520	\$348	\$348	
Capital	Nil					

Risks and challenges

Variable source of revenue consists of administration and management costs recoveries, which depend on funds raised for and construction costs incurred on the projects. Variable revenues account for 69% of earned revenue from operations.

Most importantly as PFC completes the Greenway in 2017, we must be actively engaged in another major capital project, like the brownfield research/public Old Refinery Park project. It is from our capital initiative that the majority of our earned revenue from operations comes from.

In fiscal 2018, when the city's operating grant of \$200K ceases, it is anticipated that PFC will incur a deficit and will utilize its accumulated surplus.



Alignment with Council Priorities

Parks Foundation Calgary's core programs and capital project are aligned with Council priorities. They

- contribute to community well-being
- promote public safety and great neighborhoods
- add alternative mode of transportation within the city
- promote a healthy and green city; and
- conserve the city's capital exposure in restoring and building parks, playgrounds, and pathways.

The intrinsic value of partnership with the City, other levels of government, corporations, foundations, other not-for-profit organizations, and more importantly with the communities' grass root is immeasurable. Parks Foundation Calgary facilitates this partnership thereby creating awareness, involvement, active participation, citizens' ownership of community initiatives, and social harmony.



THE CITY OF CALGARY

Action Plan

2015 – 2018

TELUS Spark *Action Plan 2015-2018*

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TELUS Spark 2013 Annual Achievements

Economic Prosperity: City-backed **Bridge Financing Loan** for the completion of the new facility on St. George's Drive paid off 3 years early:

- Loan Agreement: \$ 17.0M 8 years
- Loan Actuals: \$ 12.0M 5 years
- Net savings to TELUS Spark of \$2,000,000 in interest payments

Collective Impact:

- Launched our *Community Connections* partnership program to support access for vulnerable Calgarians, supported by Longview Systems. e.g. Centre for Newcomers, CUPS, Metis Calgary Family Services
- The "Inclusive Community Award" from the *Developmental Disabilities Centre of Calgary*.
- Partnerships with hundreds of individuals and organizations to bring a wide range of content that might otherwise not achieve a public profile, e.g. *Rachel Duckhouse* as Artist in Residence as part of the *Watershed+* project w Utilities & Enviro Protection dept.

TELUS Spark 2013 Annual Achievements



CAL1212-TR1G credit: Ted Rhodes/Calgary Herald

First Live Surgery Program in
Western Canada



Spark Trek



Alleles Design Studio

TELUS Spark 2013 Annual Achievements

↑ **12%**

increase in
Adults Only Night visitors



Partners contributed
969
volunteer hours to
Adults Only Nights
and Special Events

3,205 in-need
Calgarians visited
through the Community
Connections Program

2x the number of
participating social service
agencies over the 2012 pilot



67,290
students engaged in
school programs



including 676
students who took part in
the immersive week-long
Chevron Open Minds program



↑ **11%**
increase in volunteer hours

That's the equivalent of
9.6 full time employees!



TELUS Spark 2013 Annual Achievements



18,145-strong
membership base
(at December 2013)

↑ 20%
increase in Gold
level Members

2
new memberships
introduced: Ignite
and Green family

373 events in **365 days**
↑ 36% increase in total events hosted

We were the facility of choice for:

201 corporate or community events
23 facilitated team-building programs
149 birthday parties



+100
earned local and
national media stories

In-kind contributions from
media partners **more than
double** advertising budget

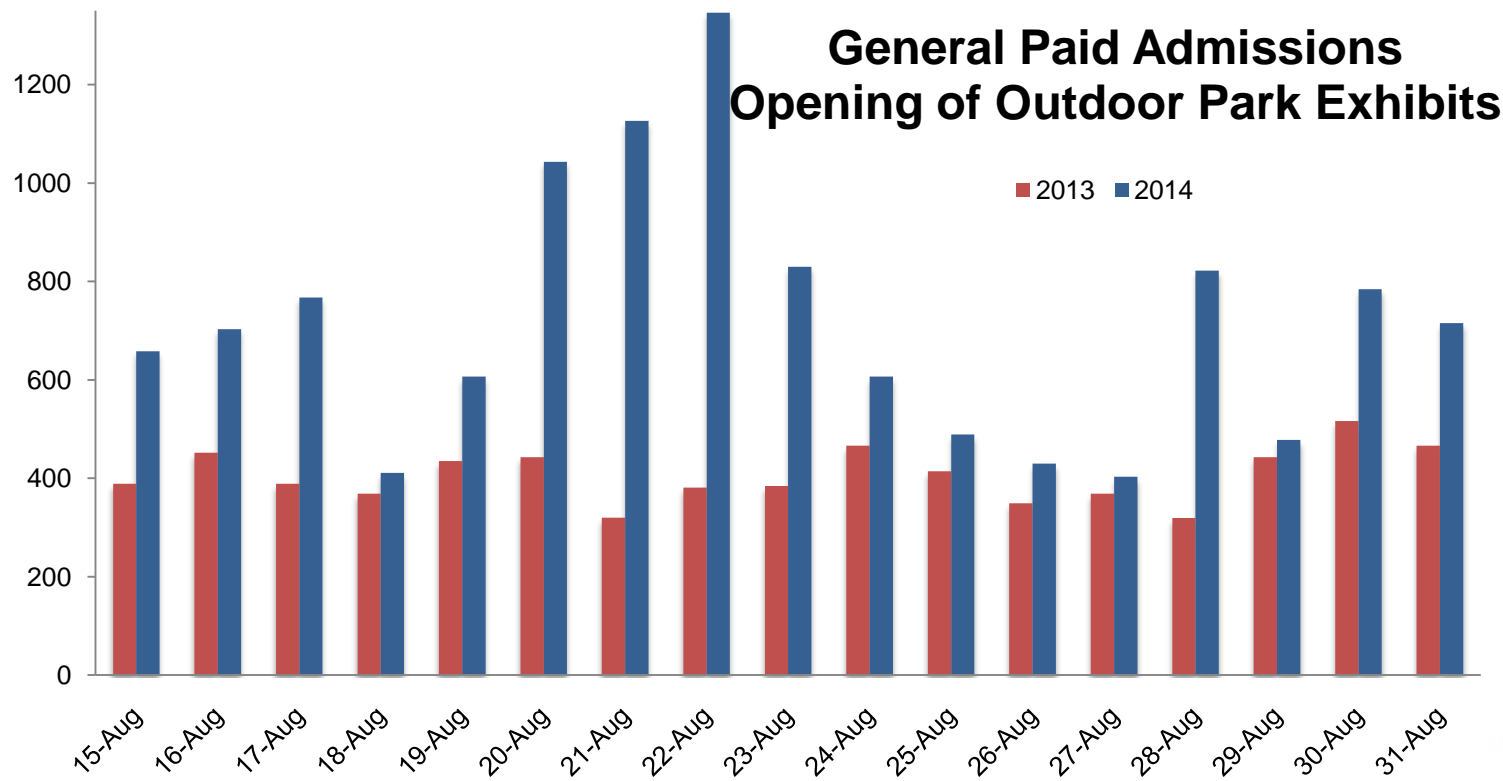
+130
community partners
collaborated on content
and programming

26
new program streams
introduced

Action Plan 2015-2018 – Business Plan

2013-2015 Business Plan was presented to PFC on April 30, 2013:

- Priority was placed on an General Paid Admissions revenue growth strategy
- Actions to support this were new visitor experiences (park exhibits Aug 2014, electricity exhibits Fall 2014)



Action Plan 2015-2018 – Business Plan

2015-2018 Business Plan strategy is to balance the reliance on general paid admissions revenue through diversification:

- Optimize existing revenue generating programs
- Apply successful core competencies to the development of new revenue generating programs

Existing Successes for Optimization

- *Direct From the Operating Room*
- School Programs
- Summer Camps
- Professional Development programs
- Facility Sales

Growth Program examples

- Virtual Education program delivery
- Additional "*Direct From...*" content
- Weekend paid programs
- Additional Professional Development programs
- New Facility Sales offerings

Action Plan 2015-2018 – Business Plan

... cont'd

2015-2018 Business Plan strategy is to reduce the reliance on attendance revenue through diversification:

- Optimize existing revenue generating programs
- Apply successful core competencies to the development of new revenue generating programs

Additional Revenue & Funding Priorities

- Fundraising trend improving out of the Capital Campaign to Annual Support requests
- Government funding at provincial and federal levels as part of education and curriculum changes; innovation skills development

Performance Measures

Science Centre sector operating benchmarks*:

<u>revenue sources</u>	<u>Earned Income</u>	<u>Public</u>	<u>Private</u>	<u>Endowment/Reserve</u>
Sector Averages	47%	28%	23%	2%
TELUS Spark 2015 (projected)	64%	20%	10%	6%

- Expenses / Interior Exhibit Area
- Expenses / Onsite Visitor
- Earned Revenue / Onsite Visitor
- Onsite Visitors / FTE
- Onsite Attendance / Interior Exhibit Area

TELUS Spark specific operating benchmarks:

Operating Reserve = 25% of annual expenditures

Employee Retention <15% turnover

Employee Engagement >40% engagement & aligned with strategies

* Association of Science & Technology Centres, 2013

2015-2018 Operating & Capital Budgets

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	1,982,550	2,056,577	2,133,247	2,212,562
Other operating grants	0	0	0	0
Earned revenue from operations	6,846,200	7,193,823	7,712,853	8,085,738
Donations & fundraising revenue	950,000	1,025,000	1,050,000	1,050,000
Operating expenses	10,378,750	10,575,400	10,896,100	11,148,300
Net of revenue and expenses	(600,000)	(300,000)	0	200,000
Opening operating reserves	2,500,000	1,900,000	1,600,000	1,600,000
Ending operating reserves	1,900,000	1,600,000	1,600,000	1,800,000
Capital (000's)	2015	2016	2017	2018
Opening capital reserves				
Requested City of Calgary lifecycle grants	819,500	500,000	1,500,000	1,000,000
Other City of Calgary capital grants				
Other capital revenues				
Capital expenditures				
Ending capital reserves				

Risks and challenges

General Paid Attendance

Private Donations

Upward pressure on Compensation expenses

City Operating Grant stability

Utilities and Maintenance

School Board policies



Alignment with Council Priorities

Effective management of city asset – Proactive maintenance, capital infrastructure renewal through optimum timing for equipment aging. Cost-effective and/or partnered service contracts in utilities, landscape management, etc. Skilled employees to operate the facility.

Focus on value for money – Continue to strive for improvement in this measure. Ongoing market research to identify areas of highest impact. Maintain prices at 2011 levels as long as possible.

Public awareness of natural environment and through play, healthy lifestyles – Investment in outdoor park exhibits and programs. Partnerships with other Calgary-based and international organizations. Act as a key contributor to the 2017 *International Play Association* conference.

Great public spaces & urban vitality – Increase pedestrian & bicycle access. Host public dialogue & programs related to sustainable mobility issues.

Affordable youth programs & after-school partnerships – Expand social agency partnerships.

Creative lives for citizens, community partnerships and government – CADA partnership

Attract local and global investment – International Dome theatre program sales. Distance learning program sales, international granting programs.



THE CITY OF CALGARY

Action Plan

2015 – 2018

TELUS Spark *Action Plan 2015-2018*

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Performance Measures

Science Centre sector operating benchmarks*:

revenue sources	Earned Income	Public	Private	Endowment/Reserve
Sector Averages	47%	28%	23%	2%
TELUS Spark 2015 (projected)	64%	20%	10%	6%

Operating Measures	TELUS Spark	ASTC	TWS Edmonton
Expenses / Interior Exhibit Area	\$193/sf	\$145/sf	\$253/sf
Expenses / Onsite Visitor	\$24.75	\$23.75	\$21.41
Earned Revenue / Onsite Visitor	\$15.60	\$10.93	\$16.41
Onsite Visitors / FTE	3,500	3,909	5,175
Onsite Attendance / Interior Exhibit Area (sf = square foot)	7.8/sf	5.7/sf	11.8/sf

TELUS Spark specific operating benchmarks:

Operating Reserve = 25% of annual expenditures

Employee Retention <15% turnover

Employee Engagement >40% engagement & aligned with strategies

* Association of Science & Technology Centres (ASTC),

2013

THE CITY OF CALGARY

Action Plan

2015 – 2018

Calgary Zoo *Action Plan 2015-2018*



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Calgary Zoo 2013 Annual Achievements

A Year In Review

- April 2013 Master Plan Launch
- June 2013 Zoo floods
- July 2013 Zoo partially reopens
- Sept. 2013 AZA renewal
- Nov. 2013 Zoo fully reopens



Recognition

- *Nature* (science journal) rated the Calgary Zoo as one of the top zoos in the world for conservation research jobs
- Dr. Axel Moehrenschrager appointed co-chair of the Reintroduction Specialist Group of the IUCN
- AZA commission stated “The Calgary Zoo sets itself apart as one of the top zoos in the world.”



Awards and Highlights



- Joint Parks Canada CEO Award of Excellence with Parks Canada
- Calgary's Child Magazine
 - Parent's Choice Awards – 3
- FFWD Magazine – 2 awards
- Best single day attendance in zoo history
 - Good Friday
- Conventional and social media reached more than 145 million people



Action Plan 2015-2018 – Business Plan

The next few years are a period of final flood recovery and growth including the following four steps:

1. Welcoming Giant Pandas

- To be hosted from 2018-2023
- Attendance could increase by 30 to 50%
- Create unique and engaging experiences



Action Plan 2015-2018 – Business Plan

2. Land of Lemurs

- Create an extraordinary experience:
 - *Impactful*
 - *Immersive*
 - *Interactive*
 - *Interpretive*
- Increase in visitation



Action Plan 2015-2018 – Business Plan

3. Wildlife Interactive Education Centre

- New state-of-the-art education facility to deeply engage children, teens and adults in wildlife conservation
- Enhanced capacity to meet growing demand for school programs
- Focus on enabling and empowering personal conservation action

4. Re-vitalize Prehistoric Park Area

- Phase one of the plan for this area
- Innovative world-class habitats for endangered Chinese takins and Japanese snow monkeys
- Enhanced infrastructure for phase two

Action Plan 2015-2018 – Business Plan

City Projects

- **Flood Mitigation**

- Report
- Design
- Approval
- Timing
- Construction impact on zoo operations



- **New 12 Street SE Bridge**

- Timing
- Construction impact on zoo operations

Performance Measures

The Calgary Zoo's long-term objectives:

1. Deliver outstanding enjoyable experiences that attract and retain guests, increasing use by Calgarians and tourists.
2. Motivate stakeholders to take action for wildlife and wild places.
3. Achieve and be recognized for the highest standards of animal welfare.
4. Be a centre of excellence and influence in wildlife conservation.
5. Develop an effective, cohesive and engaged workforce that embraces the Zoo's mission, vision and values.
6. Achieve financial and environmental sustainability.
7. Effectively communicate internally and externally to build pride in and support for the zoo.

2015-2018 Operating & Capital Budgets

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	7,425,649	7,702,918	7,990,089	8,287,162
Other operating grants	-	-	-	-
Earned revenue from operations	29,674,351	30,397,082	31,209,911	32,012,838
Donations & fundraising revenue	1,200,000	1,300,000	1,400,000	1,500,000
Operating expenses	33,600,000	34,700,000	35,700,000	36,800,000
Net of revenue and expenses	4,700,000	4,700,000	4,900,000	5,000,000
Opening operating reserves	6,000,000	6,000,000	6,000,000	6,000,000
Ending operating reserves	6,000,000	6,000,000	6,000,000	6,000,000
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	5,000,000	3,600,000	2,100,000	600,000
Requested City of Calgary lifecycle grants	2,200,000	2,300,000	2,300,000	2,400,000
Other City of Calgary capital grants	-	-	-	-
Other capital revenues	4,700,000	4,700,000	4,900,000	6,000,000
Capital expenditures	8,300,000	8,500,000	8,700,000	8,900,000
Ending capital reserves	3,600,000	2,100,000	600,000	100,000

Risks and Challenges



- Revenue streams remain constant or grow
- Must continue to invest in:
 - Life-cycle maintenance
 - Create new exhibits to attract guests to the zoo
- Giant Panda arrival will incur operating and capital expenses
- To full realize the Master Plan, major capital investment is needed from third parties



Alignment with Council Priorities

Priority: A city of inspiring neighbourhoods

- 4. Revitalize the role and ability of community associations, and use of community facilities.
- 9. Provide great public spaces and public realm improvements across the city to foster opportunity for well used public spaces and places for citizen connections and urban vitality.

Priority: A healthy and green city



- 6. Continue to build public awareness and understanding of our shared responsibility to conserve and protect the environment.

Alignment with Council Priorities

Priority: A well-run city

6. Effectively manage The City's inventory of public assets, optimizing limited resources to balance growth and maintenance requirements.

Priority: A Prosperous City

1. Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
2. Advance purposeful economic diversification and growth.
3. Support civic, business and community partners, as well as business revitalization zones, to collaborate and attract local and global investment.

Questions?

MERCI

THE CITY OF CALGARY

Action Plan

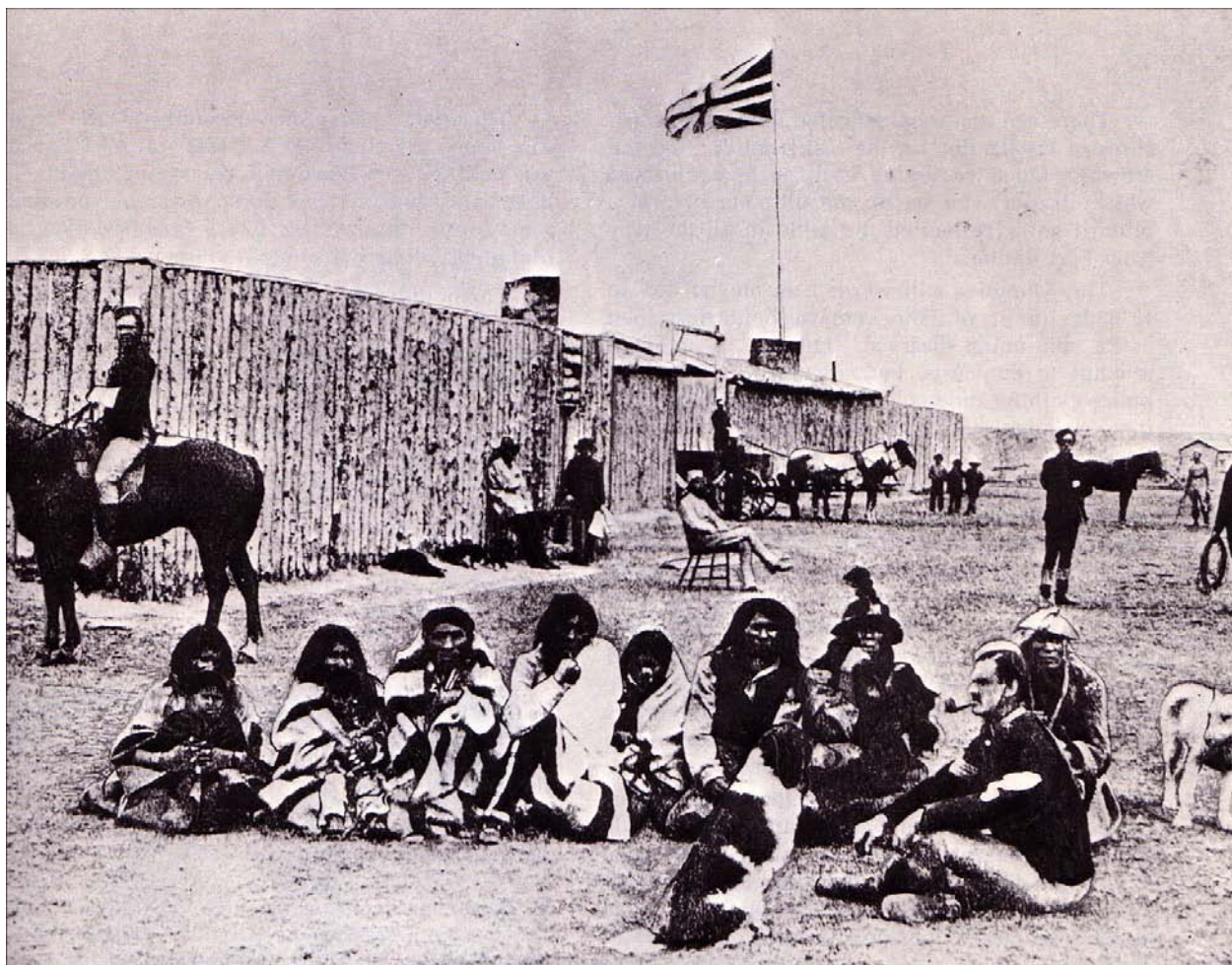
2015 – 2018

Fort Calgary *Action Plan 2015-2018*



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Fort Calgary



Fort Calgary 2013 Annual Achievements

MAKE HISTORY Master Plan Highlights:

- Phase One Sod Turning Ceremony – Deane House Rehabilitation, Hunt House Restoration and Park Development.
- In conjunction with CMLC, proceeded with Elbow River Bridge and 6th Street S.E. edge and the 6th Street S.E. Sentinels.
- Secured additional **MAKE HISTORY** donations.

Post Flood:

- Continued Community Special Events – Stampede Parade, Canada Day, Heritage Day, and Culture Days/Doors Open.
- Financially successful despite lost revenues.

Celebrated another successful year:

- Increased market segments.
- Attracted new partners and clients.
- Raised profile.
- Expanded CMLC and East Village partnership.

Action Plan 2015-2018 – Business Plan

Economic:

- To sustain a well-managed and fiscally responsible organization.
- To complete the **MAKE HISTORY** Capital Campaign and associated redevelopment.
- To continue playing a vital role in East Village and the Rivers District.

Community Well-Being:

- Maintain and expand community partnerships and partnerships with all levels of government.
- Facilitate and expand programs and services for children and youth.
- Maintain community wide special events such as Canada Day, Heritage Day, Culture Days/Doors Open, Winter Carnival and Mountie Day.



Great Neighbourhoods:

- Continue to be a gathering place for the community to come together in downtown's major open and public park space.
- Continue to preserve and promote Calgary's history with two of the city's most significant heritage resources: The Deane House and Hunt House.

A City that Moves:

- Continue to promote the use of a variety of transportation modes. Fort Calgary is accessible by bicycle and walking on the new RiverWalk, by Calgary transit, LRT and boat.

Healthy and Green:

- Continue to be a park that celebrates our prairie landscape. Located at the confluence of two rivers, Fort Calgary's programs build public awareness of our shared responsibility to conservation.

Action Plan 2015-2018 – Business Plan

Strategic Direction:

- Complete the Fort Calgary Master Plan.
- Continue to be a key player in East Village.

Trends:

- Increased demand for services and programs.
- Decreased resources to meet demands.



Performance Measures

Performance measures and targets for 2015-2018:

- Financial success – meeting budget targets.
- Attendance - increased.
- Evaluation form - monitor.
- Testimonials from community.
- Increased number of donors.
- Demand for services and programs.
- Community awareness and understanding.



2015-2018 Operating & Capital Budgets

Operating:

- Risk management by budgets prepared on an annual basis.
- Zero based budgeting on previous year's performance.
- Spend only realized revenues.
- Unknown closure dates – impossible to budget.
- Challenges associated with lifecycle funding and matching funds.

Operations {000's}	2015	2016	2017	2018
City of Calgary draft operating grants	1,019,008	1,057,057	1,096,465	1,137,231
Other operating grants	55,000	85,000	60,000	Unknown
Earned revenue from operations	1,786,334	1,786,334	1,786,334	1,786,334
Donations & fundraising revenue	Unknown	Unknown	Unknown	Unknown
Operating expenses	2,860,342	2,928,391	2,942,799	2,923,565
Net of revenue and expenses	0	0	0	0
Opening operating reserves	230,029	234,630	239,323	244,109
Ending operating reserves	234,630	239,323	244,109	248,991
Capital {000's}	2015	2016	2017	2018
Opening capital reserves	0	0	0	0
Requested City of Calgary lifecycle grants	125,000	137,500	150,000	162,500
Other City of Calgary capital grants	0	0	1,890,000	0
Other capital revenues	Unknown	Unknown	Unknown	Unknown
Capital expenditures	250,000	275,000	2,399,790	325,000k
Ending capital reserves	0	0	0	0

Risks and challenges

Issues / Risks / Challenges:

- Financially responsible for lifecycle maintenance – lack of ability to provide matching funds.
- Limited resources to meet growing demands.
- The Unknown, i.e.
 - 9th Ave. S.E. bridge closure, road closures and scheduling.
 - Stable funding.
 - Interpretive Centre closure for renovations - timing unknown.



Alignment with Council Priorities

For thousands of years, people have met at the confluence of two vital rivers to imagine and realize their futures. Together we have built a city of energy, born of a powerful convergence of people, ideas, and place. Fort Calgary exists to tell that story.

Fort Calgary is the original location of the NWMP Fort built at the confluence in 1875. It is a National Historic Site that was designated in 1925 for two reasons: it is the birthplace of the city of Calgary and because of the role that it played in the evolution of Canada's world renowned RCMP.

Fort Calgary today is committed to creating a place where geography and history intersect with people to reinforce Fort Calgary as the historical centre of the community.



THE CITY OF CALGARY

Action Plan

2015 – 2018

HERITAGE PARK SOCIETY

Action Plan 2015-2018



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Heritage Park 2013 Annual Achievements

- Capital projects funded by the City, corporate sponsorship, and other donations included: Upgrades of the Wainwright Hotel kitchen and saloon, the Alberta Bakery; Big Eli Ferris wheel overhaul and safety upgrade; River Forth Dining Car refurbishment; lighting retrofit in the Village, service building and in the Gasoline Alley Museum classrooms; replaced five furnaces with high efficiency models; overhauled the Moyie's hydraulics and began work to replace the engine and generator set.



- Construction began on the Famous 5 Centre of Canadian Women and a train-themed playground. Both will open in 2014.
- Continuous maintenance to grounds, roads, rail and streetcar tracks, electrical infrastructure, sewer and sanitary storm systems, buildings and other assets.

Heritage Park 2013 Annual Achievements



- New cultural and education programs included: Rosebud Theatre Vaudeville in the Village; Aboriginal Experiential; Blackfoot Tipi Raising, Heartbeat of the Blackfoot (dancing, singing, drumming); Drought on the Prairies; A Doctor's Life; Surveying the West; and new adult education workshops, Cooking through the Decades, and Historical Restoration. We offer curricula-based programs for school-aged children, and are an educational field trip destination of choice in Southern Alberta.

- 2,274 volunteers donated 63,264 hours to the Park in 2013, and we employed 750 people at peak season.

- Our new website saw ecommerce sales of nearly \$300,000 in the first six months. Our scanner upgrades allow us to verify admissions purchased from our website on guests' phones.

- A University of Calgary PhD student is developing a virtual reality app to launch to the public in 2014.

- 2 vehicles were replaced as part of our fleet management program. Major vendor contracts were revisited and put out to RFP, including food & bakery supply, paper products, soft drinks, and Microsoft Partner. We maximized government employment grants, receiving \$73,308 in 2013.



Action Plan 2015-2018 – Business Plan

- Expanded and enhanced way finding, including onsite signage, additional augmented reality applications for smart phones, online virtual tours, and a mobile website.
- Expand the costume room to accommodate the current and future inventory of historically-accurate costumes and provide the necessary space to continue to create additional costumes for new staff and new programs.
- Refurbish the natural resources area, including returning the Dingman Well, miner's cabin, coal mine and other areas back to functioning and interactive exhibits.
- Restore the CP Rail Colonist Car, building interpretive and education programs around this important Canadian artifact.
- Refurbish the rodeo grounds and deliver one or more old-fashioned rodeos each summer season to be included with regular admission.

Action Plan 2015-2018 – Business Plan

As part of Heritage Park's Master Plan "Moving Forward 2014-2015" the following initiatives have been identified for development to reach the goal of 1 million visitors by year 2025.

Focus on the development of engaging, memorable experiences

1. Leverage existing buildings to create the experience
2. Regular evaluation to ensure we are meeting the consumers' needs
3. Build infrastructure needed to support:
 - a. the experience(yrs 1 to 10)
 - b. the growth of attendance (yrs 5 to 10)
 - c. re-fresh the Park (yr 10)

Performance Measures

Indicator	2015	2016	2017	2018
Total Attendance Increase	-5%	3%	4.5%	3%
Spend per guest	2.5%	2.5%	2.5%	2.5%
Increase in global visitors	2%	3%	4%	3%
Increase in unique website visitors	3%	5%	7%	5%
Education Program Attendance	2%	2%	1.5%	1.5%
Increased operating donations	3%	3%	3%	3%
New donors	3%	3%	3%	3%
Capital donations/non-municipal grants as a % of capital spend	45%	45%	45%	45%

2015-2018 Operating & Capital Budgets

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	2,790,085	2,894,265	3,002,165	3,113,787
Other operating grants	330,000	338,250	446,490	357,192
Earned revenue from operations	15,409,847	15,875,060	16,476,620	16,967,793
Donations & fundraising revenue	682,442	702,915	724,002	745,722
Operating expenses	19,087,763	19,686,896	20,428,564	21,081,276
Net of revenue and expenses	124,611	123,594	220,713	103,218
Opening operating reserves	1,001,153	1,000,764	1,000,358	1,000,071
Ending operating reserves	1,000,764	1,000,358	1,000,071	1,000,289
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	675,600	514,200	327,950	298,300
Requested City of Calgary lifecycle grants	1,901,500	2,030,000	1,296,500	1,373,500
Other City of Calgary capital grants				
Other capital revenues	1,915,100	2,038,750	1,486,850	1,451,650
Capital expenditures	3,978,000	4,255,000	2,813,000	2,997,000
Ending capital reserves	514,200	327,950	298,300	126,450

Risks and challenges

Aging assets and uncertainty of maintenance and lifecycle costs – Maintenance and lifecycle of buildings, structures, artifacts, equipment and infrastructure is our most substantial risk. Historic structures require specialized and costly maintenance. Strategically planned annual maintenance programs help mitigate risk and costs.

Availability of capital funding – City capital funding is leveraged to obtain grants from other levels of government, corporate, and private donors. City funds are not guaranteed, doubling the risk, and if discontinued would result in severe cuts in our maintenance program, amplifying the risk to many of our original historic and reproduction structures.

Lack of public awareness – Many Calgarians believe that we are owned and operated by the City and that their municipal taxes pay for our operations. We face pressure to lower admission rates as a result. Risk mitigation in this case must come from education and awareness programs spearheaded by the City.

Donor Fatigue – Attrition through a loyal but aging donor demographic is a risk. Mitigation strategies include using social media and fundraising initiatives to target a younger demographic and expand our donor base through annual giving programs.

Volunteer fatigue – We have a loyal and consistent volunteer pool who may face fatigue if we don't expand our volunteer base. We actively pursue new volunteers, work with youth organizations, and reach out to corporate volunteers.

Relevance – The original historic time period presented was only 50 years, within one or two generations of visitors' experience. Younger generations are becoming further removed from that period. We mitigate this risk by expanding our offerings into the '30s to '50s and by filling the void between the Town Square and the Village.



Alignment with Council Priorities

The Park aligns with each of Council's priorities for 2015-2018. As Canada's largest living history museum, we bring heritage to the community. We provide numerous employment and volunteer opportunities, employing a total of 745 people at some point in the year, as well as availing of the generosity of almost 2300 volunteers. Situated on the edge of the Glenmore Reservoir, we are diligent in protecting the water, ensuring the S.S. Moyie runs safely and only uses environmentally safe, water soluble fluids and fuels. We build exhibits and buildings that fit the surroundings, both from an historic and a natural point of view. We provide a safe, family-friendly environment that enriches the community and provides extensive cultural programming and interactive, educational, and recreational opportunities. We present the settlement of the West from the viewpoint of a multitude of cultures and faiths.

We continue to prove fiscal responsibility by:

Reducing energy costs through conservation and innovative planning:

- Ensure all tenders, service contracts, and major equipment purchases have an energy saving component or "green value."
- Replace outdated, less efficient equipment as necessary.
- Reinforce with all staff and volunteers the simplicity of turning lights off to save power, not allowing Park vehicles to idle, and maintaining vehicles and equipment properly.

Efficiently managing internal staff and contractors to produce the best value.

- Conduct annual business reviews with major vendors, and ensure a regular cycle of product tenders is undertaken.
- Assess current service contracts and analyze value of internal vs. external service providers where appropriate.
- Continue to monitor existing programs aimed to reduce WCB costs.
- Perform a cost/benefit analysis of major expenditures and fixed asset additions.

Upgrading major financial and other business software to take advantage of built-in efficiencies and improvements.



**Civic Partner Additional Unfunded Operating
Budget Requests for 2015-2018**

Civic Partner*	2015	2016	2017	2018
Calgary Arts Development Authority Ltd.				
<i>Attachment 5 Add'l Base Budget Request</i>	233,690	47,759	40,535	33,313
Calgary Centre for the Performing Arts (EPCOR Centre)				
<i>Attachment 6 Add'l Base Budget Request</i>	437,021			
<i>One Time Request</i>	62,979	40,155	20,808	0
Calgary Economic Development Ltd.				
<i>Attachment 8 Add'l Base Budget Request</i>	192,000	26,000	25,000	26,000
Calgary Technologies Inc. (Innovate Calgary)				
<i>Attachment 11 Add'l Base Budget Request</i>	320,000	0	0	0
Additional Requests	1,245,690	113,914	86,343	59,313

*Please refer to question #10 from the completed Civic Partner 2015-2018 templates for details on requests for 2015-2018 (unfunded asks)

EXECUTIVE SUMMARY

The City of Calgary is fortunate to have long-established, cooperative and collaborative relationships with not-for-profit organizations referred to as Civic Partners. These relationships exist because of the great value these organizations provide to Calgarians. Each organization varies significantly in terms of their nature, scope and complexity but all leverage operating and capital funds through private, corporate and government funding, as well as earned revenue streams. This report provides an opportunity for the 14 Civic Partners to report on 2013 achievements, *Action Plan* 2015-2018 (*Action Plan*) plans and budgets and to demonstrate strategic direction and alignment with Council Priorities and Policies.

ADMINISTRATION RECOMMENDATIONS

That the Standing Policy Committee on Community and Protective Services recommends that Council receive this report for information.

PREVIOUS COUNCIL DIRECTION/POLICY

On 2013 December 10 Report PFC2013-0737 was approved by the Priorities and Finance Committee stating that “Assuming a May approval of priorities and indicative tax, utility rates and user fees, this process targets Administrative Leadership Team approval of draft plans and budgets in September, followed by strategic departmental and Civic Partner presentations to Standing Policy Committees in September/October.”

Since 2004, there have been numerous other Council Reports related to Civic Partners. These reports include the Civic Partner Annual Report and business plan and budgeting processes with The City.

Attachment 1 provides a detailed listing of previous Council direction since 2004.

BACKGROUND

The City's long-standing relationships with Civic Partners have created value for Calgarians for many years. Civic Partner relationships have developed over time and they vary significantly in terms of their nature, scope and complexity.

The City currently supports 14 Civic Partner relationships (Attachment 2). Civic Partners are diverse but can be grouped based on their operational focus into the following categories:

- attractions,
- arts, culture and heritage,
- economic development,
- library services,
- parks, and
- recreation and sport.

These not-for-profit organizations are arms-length and independent from The City. All are accountable to numerous stakeholders, including boards of directors, clients, customers, partners, members, funders, corporations, donors, federal and provincial governments and professional associations.

Each organization has unique agreements with The City such as leases, operating funding and/or capital funding agreements. These agreements lay the foundation for working together towards shared mandates and objectives, shared responsibility, joint investment of resources and shared risk. Agreements include requirements to align with specific policies of The City and participate in various corporate processes, including business planning, budgeting and reporting. These reporting requirements strengthen accountability and provide Council with the opportunity to directly engage with partners around the financial, strategic and operational aspects of their organizations. Administration will build on past successes and continue to move towards a consistent and effective approach to managing these important relationships, while recognizing the unique nature of each Civic Partner.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Participation in the business plan and budget processes demonstrates the alignment of Civic Partner operations with Council priorities and provides insight into their contributions and challenges. To streamline reporting processes by Civic Partners to Council, Civic Partners have the opportunity, as part of *Action Plan*, and in advance of budget decisions, to present their organization's 2015-2018 business plans and budgets with their 2013 annual reports (Attachments 4-17). This provides an opportunity to confirm the ongoing value of the investment made by Council and Calgarians and provides highlights of the organization's 2013 achievements. It is also an open and transparent accountability mechanism.

Investment in Civic Partners is a highly effective and efficient means to achieve shared goals. Partnering with these organizations enables The City to:

- broaden its reach into numerous communities, including emerging and vulnerable communities;
- provide Calgarians of all ages with a wide range of opportunities as participants and audiences;
- influence economic development and prosperity;
- enhance the cultural vitality of the city through arts development to create an attractive city to move to, work in and live; and
- attract visitors from around the world through conventions, attractions and major events.

Civic Partners leverage operating and capital funds through private, corporate and government funding, as well as earned revenue streams. Calgarians demonstrate their personal investment and contribute their expertise through membership, volunteerism and participation on boards and committees. Each Civic Partner uses various means and measures, relevant to the nature of their business and stakeholders, to gauge success, assess risk and plan for the future.

A number of Civic Partner organizations steward City-owned land, facilities and artefacts. For those Civic Partners, the maintenance of these assets and ensuring they meet current and future service needs is a critical consideration. Civic Partners develop master plans, engage in sound asset-management practices and leverage capital support through donors, earned revenue and other levels of government to ensure well-maintained facilities that are highly valued by Calgarians and visitors alike.

Attractions and recreation/sport-based Civic Partners contribute to Calgary's economy and, through their facilities, provide a wide range of arts, leisure, learning and recreational opportunities to the public. These Civic Partners include: The Aero Space Museum Association of Calgary, The Calgary Centre for the Performing Arts (EPCOR Centre), Calgary Science Centre and Creative Kids Museum (TELUS Spark), The Calgary Zoological Society, Heritage Park, The Fort Calgary Preservation Society and The Lindsay Park Sports Society (Talisman Centre for Sport and Wellness).

In 2013 these Civic Partners:

- had total attendance of over 5,000,000 visitors;
- delivered school programs to over 250,000 school children;
- offered nearly 1,000 public programs;
- engaged over 5,000 community volunteers who contributed approximately 140,000 volunteer hours, resulting in reduced operating costs and community engagement;
- invested over \$2,700,000 to match City of Calgary lifecycle grants to support the maintenance of their facilities, land and assets;
- leveraged funding for capital growth projects; for example Heritage Park leveraged a grant of \$300,000 from The City by securing close to \$3,000,000 of additional funds from other sources for its Famous 5 Centre of Canadian Women exhibit.

Civic Partner relationships are relied on by The City to support achievement of wide-ranging and long-term strategic goals such as influencing economic development, strengthening the arts sector and increasing access to recreation and parks. In the area of economic development, Calgary Economic Development stewards the 10-year economic strategy, facilitates business investment, workforce attraction and increased international trade. Calgary Technologies Inc. supports entrepreneurs to build and grow new technology-based enterprises. The Calgary Convention Centre Authority attracts convention groups from around the world, showcasing Calgary and its business opportunities to business travellers and entrepreneurs. Tourism Calgary leverages local and national relationships to promote the Calgary brand, attract visitors and secure high-profile sporting and cultural events. Calgary Arts Development Authority stewards Calgary's Arts Development Strategy "Living a Creative Life", oversees the investment of funding for the arts and works collaboratively to increase the viability, visibility and contribution of the arts to both Calgary's economy and quality of life. Reflecting Calgarians' priorities related to pathways, play spaces and amateur sport, Parks Foundation provides a variety of programs that benefit people and neighbourhoods throughout Calgary.

Having recently celebrated its 100th anniversary of providing services to Calgarians, the Calgary Public Library (the Library) continues to demonstrate its value and importance to citizens. Over the last several years it has been one of the busiest libraries in Canada with an annual circulation of more than 17 million items and over five million visits. The Library plans to increase its impact by making its services more relevant and accessible to those who can benefit most from them. Library staff will be working to bring services outside of buildings and into the community. It will continue to make new technologies available and assist people to access digital content for their reading, education, business or cultural endeavours. The Library will foster reading and champion literacy and will make it easy and convenient for everyone in the city to have free and open access to ideas, information and technology. The New Central

Library will be the heart and hub of the Library system, serving up to 6,000 visitors a day as a multifaceted community facility and functioning as an architectural landmark of the Civic District and East Village.

Civic Partner Risks and Challenges

As part of *Action Plan* process, Civic Partners were provided draft 2015-2018 base operating grant from Administration to enable business plans and budgets to be developed for the next four years. Attachment 2 sets out the order of magnitude for proposed operating grant funding for 2015 with a proposed annual increase of 3.7% per year for the remaining three years.

Despite sound business models and practices, Civic Partners face upcoming challenges, including:

- maintaining public accessibility given increasing service delivery costs;
- aging infrastructure and challenges in funding lifecycle needs;
- highly competitive fundraising environments;
- vulnerable funding sources;
- diverse and increasing stakeholder expectations;
- lack of sufficient revenue and funding for growth;
- limited access to funds to support innovation and risk ventures; and
- global, local and regional economic factors.

The guideline to build business plans within draft budget for 2015-2018 and mitigate internal budget challenges affecting operations was recommended by Administration. Civic Partners were provided a forum to identify any risks or challenges related to the draft funding allocations within their business plan templates (Attachments 4-17, question #10). Attachment 3 details the four Civic Partners who identified additional unfunded operating grant requests for 2015-2018 (Attachments 5, 6, 8 and 11, question #10).

Stakeholder Engagement, Research and Communication

Administration has worked closely with Civic Partners in the development of a tailored process for *Action Plan* and the integration of their 2013 Annual Report. Several approaches were used in the engagement process including an in-person meeting on 2014 February 27 with leadership and representatives from each organization including the *Action Plan* program team and the General Manager of Community Services & Protective Services (CS&PS).

During this interactive forum, Civic Partners were provided with information on the community engagement opportunities for *Action Plan* that began in 2014 March. Ipsos Reid led a targeted facilitated engagement session to inform *Action Plan* reports going to Council. During the ideation session participants were asked to discuss key trends impacting their organizations, which included:

- shifting demographics and meeting the needs of a growing (both in size and diversity) community;
- the evolution of technology and how to ensure that it is an integrated into programs and service delivery models to maintain relevance;
- funding decreases/challenges – finding sustainable sources;

- challenges with infrastructure;
- experiential tourism/expectations from customers – the growing trend/expectation to be fully immersed in an experience; and
- meeting needs related to geographical challenges (inner city/suburbia and east/west).

Participants were asked to share insights from their customers and stakeholders as well as their needs and perspectives, that are impacting operations today and that are useful for The City to consider as part of *Action Plan*. Key feedback included:

- greater need/expectation to demonstrate better/wider value for programs and services;
- growing expectation that programming and services are free (fuelled in part by a growing need for low-income/subsidized programming in addition to a broader expectation that some programming should be available to all);
- funding challenges – more and more partners are turning to their donors for support and are seeing “donor fatigue”;
- challenge of collaboration in a dynamic environment that has some competitiveness;
- growing expectation for organizations to find efficiencies and meet evolving expectations; and
- growing expectation for mobile-services and access to information.

As a follow up to the forum, several Civic Partners approached, and subsequently met with, Administration to discuss their opportunities and challenges in the coming four years. In 2014 June, representatives from all 14 Civic Partners met individually with the General Manager of CS&PS to discuss the *Action Plan* process and review their 2015-2018 business plans, including opportunities and challenges facing their organizations. Finally, feedback was sought and provided by Civic Partners for this report.

Administration continues to support Civic Partners in communicating their contribution to Council's Priorities and strategic actions. With Civic Partners playing a greater role than ever in delivering on Council's strategic actions for the next four years, relationship management, communication and accountability is vital.

Strategic Alignment

For *Action Plan*, Civic Partners were identified as external leads for four strategic actions under the Prosperous (P) City Council Priority for 2015-2018, including:

- P1: Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
- P2. Advance purpose economic diversification and growth.
- P9. Cultivate the city's talent, diversity and energy to enable Calgarians to live creative lives.
- P10a. Expand our library system.

Social, Environmental, Economic (External)

Civic Partners play an integral role in maintaining a high quality of life for Calgarians through the provision of learning, culture, arts, heritage preservation, tourism, economic development, parks and active living opportunities. The City's Civic Partner relationships are vital to developing

livable, sustainable and complete communities that contribute to physical, social and mental well-being. Further, Civic Partners facilitate fair access to programs, services, facilities and public spaces and embrace diversity, inclusiveness and creativity.

Financial Capacity

Current and Future Operating Budget:

Attachment 2 details 2014 operating grant allocations for the 14 Civic Partners along with the 2015 draft operating grant allocations. Operating budget information will be included in the business plans and budgets that Council will review in 2014 November.

Attachment 3 details the unfunded additional operating grant requests identified by four Civic Partners for 2015-2018 in question #10 of their *Action Plan* submissions (Attachments 5, 6, 8 and 11).

Current and Future Capital Budget:

None. Capital budget information will be included in the business plans and budgets that Council will review in 2014 November.

Risk Assessment

Civic Partner annual reporting creates accountabilities and action planning that serves to mitigate future financial or reputational risks. This includes financial monitoring of performance reported through the Audit Committee and regular review of financial statements to further enhance this mitigation process.

REASON(S) FOR RECOMMENDATION(S):

As part of *Action Plan* and the Annual Report on 2013 highlights for Civic Partners, this report provides an opportunity for 14 Civic Partners to present their business plans for the next four-year cycle and report their 2013 accomplishments to the SPC on Community and Protective Services. Civic Partners demonstrate their accountability, the value they provide for Calgarians, their alignment with The City and their strategic direction for future years.

ATTACHMENT(S)

Attachment 1:	Previous Council Direction since 2004
Revised Attachment 2:	Civic Partner Operating Funding Summary
Attachment 3:	Civic Partner Additional Unfunded Operating Budget Requests for 2015-2018
Revised Attachment 4:	The Aero Space Museum Association of Calgary – 2015-2018 Business Plan and Budget and 2013 Annual Report
Revised Attachment 5:	Calgary Arts Development Authority - 2015-2018 Business Plan and Budget and 2013 Annual Report
Revised Attachment 6:	Calgary Centre for the Performing Arts (EPCOR Centre) - 2015-2018 Business Plan and Budget and 2013 Annual Report
Revised Attachment 7:	Calgary Convention Centre Authority (Calgary TELUS Convention Centre) - 2015-2018 Business Plan and Budget and 2013 Annual Report

- Revised** Attachment 8: Calgary Economic Development Ltd. - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 9: Calgary Public Library Board - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 10: Calgary Science Centre and Creative Kids Museum (TELUS Spark) - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 11: Calgary Technologies Inc. - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 12: The Calgary Zoological Society - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 13: The Fort Calgary Preservation Society - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 14: Heritage Park - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 15: Lindsay Parks Sports Society (Talisman Centre for Sport and Wellness) – 2015 -2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 16: The Parks Foundation, Calgary - 2015-2018 Business Plan and Budget and 2013 Annual Report
- Revised** Attachment 17: Tourism Calgary – Calgary Conventions and Visitors Bureau - 2015-2018 Business Plan and Budget and 2013 Annual Report

2015-2018 Business Plan & Budget Summary

1. Organization Name: Calgary Centre for Performing Arts (CCPA and currently operating as EPCOR CENTRE for the Performing Arts)

2. Current Vision and Mission:

Vision: To engage and inspire community through the power of art.

Mission: To ignite imagination, co-create meaningful experiences of excellence with our internal and external communities, support artists and celebrate the artistic expression of everybody.

2015-2018 BUSINESS CASE

3. Synopsis of your organizational priorities and actions for 2015-2018:

CCPA plays a critical role in the health and growth of its community by providing and maintaining performance venues and public engagement areas; subsidizing the cost of venues, administrative support space, and the necessary technology for the arts and cultural activities of Resident Companies (Alberta Theatre Projects, Calgary International Children's Festival, Calgary Philharmonic Orchestra, Downstage Performance, One Yellow Rabbit, and Theatre Calgary), numerous community groups and collaborative projects. Ensuring the sustainability of this mandate, as well as continuing to pursue the Art Centre Transformation (ACT) capital initiative are key elements of CCPA's vision to be a leading arts facility. In our Strategic Plan for 2015-2018, there are five strategic imperatives to guide our annual planning and zero-based budgeting process.

Creative and Engaging - CCPA will be a nexus of creative activity, energy and engagement. We contend that a society which encourages creativity and innovation are key to the long-term prosperity of Calgary, Alberta and the country as a whole. CCPA will contribute to shaping such a society by engaging everybody to experience, participate in and experiment with artistic expression in all its diverse forms - in a manner that is inclusive, relevant and authentic.

Leading Facility - CCPA will be operated and maintained as a leading arts facility, acting as a cultural and artistic anchor in the downtown core that energizes the surrounding neighborhood and the city of Calgary as a whole. (Central to this objective is ACT, which specifically calls for CCPA to "create a cultural and artistic experience that engages and inspires citizens through a bold rejuvenation of our facility, through developing new ways of working together and through acting as an agent of positive change".)

Quality Programming - CCPA will facilitate the presentation of engaging cultural and artistic experiences of the highest quality through presenting, producing and collaborating with partners, inclusive of offering arts learning and audience engagement opportunities.

Support Art/ists - CCPA will support artists (including our Resident Companies) and collaborate with internal and external communities to foster a supportive arts ecosystem by identify synergies, convene partners and to facilitate the creation of engaging and inspiring experiences.

Sustainable - CCPA will operate in a manner which continues to strengthen its own financial sustainability, as well as create a sustainable environment to enable our internal and external communities to operate and grow.

4. Outline how your organizational priorities & actions align with Council Priorities for 2015-2018.

CCPA's strategic imperatives (organizational priorities and actions) are in marked alignment with Council Priorities for 2015-2018.

CCPA is a key contributor to the social, economic, cultural and intellectual life and well-being of Calgarians.

CCPA is in alignment with Council's Priority to see Calgary be a prosperous city by playing a critical role in the sustainability of 6 Resident Companies and some 150+ other organizations that make use of the facility and its venues by maintaining the complex's 560,665 gross square feet of space that houses six performance venues, rehearsal halls, shops, a variety of public engagement spaces and administrative spaces. CCPA will also lead a series of urgent lifecycle initiatives valued at \$8,397,316.

CCPA is in alignment with Council's Priority to see that Calgarians have the opportunity to participate in civic life by being a major presenter of the performing arts in Canada and by becoming a hub of arts education programs through the development of Campus Calgary.

CCPA is in alignment with Council's Priority to achieve a healthy and green city while encouraging healthy lifestyles for all Calgarians by partnering with such organizations as National Geographic Society to deliver the *National Geographic Live* speaker series that inspires audiences to learn, care and conserve; and by leading a number of initiatives to enhance the effectiveness, efficiency and sustainability of the facility.

CCPA is in alignment with Council's Priority to be acknowledged as a well-run city by being open, responsive, accountable and transparent in all our efforts to deliver excellent services at a fair price.

5. Provide specific examples on how your organization will work towards restraining expenses and seeking efficiencies over the 2015-2018 timeframe outlining the net impact to service delivery or organizational sustainability.

Following actions taken in 2010 where we cut 25% of our workforce and over \$600K in annual expenditures, we have focused on strategic revenue growth with the 2013-14 budget reflecting 17% higher revenues than our 2009/10 actuals. While increasing revenues, we have been successful in holding expenditures in line by focusing on efficiencies and streamlining operations. CCPA will implement a Mutual Strategic Consulting Agreement with the Calgary International Children's Festival Society over the 2015-2018 timeframe. CCPA will provide CICF with administrative, fundraising and marketing support, while using CICF excess capacity to advance CCPA's youth programming priorities. CCPA shall identify other opportunities to seek similar efficiencies/shared services with all our Resident Companies. We will also be turning additional spaces in the building into multi-purpose spaces, and focusing on initiatives to eliminate dark days in the venues to increase total revenue earning capacity, while implementing a volunteer program in the fall of 2015 to add staff capacity to achieve these results. Our facilities team will be replacing current lighting with more cost effective LED and fluorescent fixtures wherever possible, as well as sealing the building envelope to facilitate more effective climate control and reduce utility costs.

6. Which of your key services are funded by the operating grant provided by The City?

Pursuant to Article 1.2 of the Operating Grant Agreement that was entered into between The City and CCPA on May 8, 2012, The City agrees to provide an Operating Grant to assist the Centre to fulfill its mandate of providing programs to the citizens of Calgary and to operate the facility. Furthermore, pursuant to the Occupancy Agreement dated June 30, 2010, that was entered between CCPA and our Resident Companies, the Occupancy Fee that Resident Companies pay is a proportionate share of the Operating Expenses (utilities, maintenance, security, information technologies, etc.) of the facility that is summarily reduced by the full value of The City's Operating Grant as well as net parkade and retail revenues. The City's grant supports each of our Resident Companies' ability to sustain their operations to offer world-class experiences at affordable prices. |

7. Identify performance indicators and targets you will use to evaluate your organization's performance in the 2015-2018 timeframe.

Each year CCPA identifies key strategic and operational priorities to be undertaken in the fiscal year which tie to our five year strategic plan. These objectives are reviewed on a quarterly basis and adjusted as necessary to the current business conditions. In addition, CCPA has developed a measurements matrix that will track metrics tied to each of our five strategic imperatives:

Creative and Engaging – Engage everybody to experience, participation and experiment with artistic expression in all its diverse forms in a manner that is inclusive, relevant and authentic: 1. Number of tickets distributed; 2. Total number of visitors to the facility (all foot traffic); 3. Number of students (CCPA & Resident Companies)

Leading Facility – Provide world-class facility that energizes and surrounding neighborhood and the City of Calgary as a whole: 1. Operating costs per square foot; 2. Patron and user feedback; 3. Facility condition index

Quality Experience – Offer engaging cultural and artistic experiences of the highest quality, including presenting, producing and collaborating with the community: 1. Number of tickets sold; 2. Sponsorship support (\$ and number of sponsors); 3. Number of complimentary tickets issued

Support Art/ists – Identify synergies, convene partners and facilitate the creation of engaging and inspiring experiences: 1. Number of artists engaged by CCPA and Resident Companies; 2. Financial support to Resident Companies; 3. Number of jobs offered (CCPA & Resident Companies)

Sustainability – Create a sustainable environment to enable our internal and external communities to operate and grow: 1. Annual operating results; 2. Fund development; 3. Diversity of revenue streams; 4. Revenue per available seat (and seats sold)

8. Identify how you will leverage resources in 2015-2018 and provide specific examples.

CCPA shall implement the final step in a new venue use strategy to continue to improve the revenue generating potential (venue rent, bar and beverage sales, ticketing fees and parking lot charges) of the facility and its principal venue assets.

CCPA will welcome a new food services vendor in Centre Court to improve the customer experience and to generate greater retail rent revenues.

In 2015, CCPA will complete the phasing in of a new Occupancy Cost Recovery Model that is based on venue utilization by our Resident Companies that corresponds with the discontinuation of The City's Bridging Grant.

CCPA shall implement the Mutual Strategic Consulting Agreement with the Calgary International Children's Festival Society (CICF) that will achieve a new operating model (maximize efficiencies through shared resources) whereby CCPA will provide key services in the areas of financial management, fundraising, marketing/sales, and communications and the CICF will in turn provide key services in the area of programming that will enable CCPA to develop new programming for youth throughout the year. CCPA shall pursue similar options with other Resident Companies.

CCPA shall pursue other additional revenue sources by offering access to Tessitura, CCPA's integrated ticketing and donor management system.

CCPA shall develop an Energy Management Plan and a new Asset Management Plan to continue to enhance the effectiveness, efficiency and sustainability of the facility.

BUDGET AND FINANCIAL INFORMATION

9. Provide your budget projections covering the 2015-2018 timeframe (complete table below).

Operations (000s)	2015	2016	2017	2018
City of Calgary draft operating grants	* 2,350,093	2,396,350	2,448,551	2,501,759
Other operating grants				
Earned revenue from operations	7,021,571	7,232,218	7,449,184	7,672,660
Donations & fundraising revenue	1,337,840	1,377,975	1,419,314	1,461,894
Operating expenses	10,682,094	11,003,021	11,333,482	11,582,119
Net of revenue and expenses	27,410	3,522	-16,432	54,194
Opening operating reserves	** 110,732	138,142	141,664	125,231
Ending operating reserves	138,142	141,664	125,231	179,425
Capital (000s)	2015	2016	2017	2018
Opening capital reserves	*** 809,587	449,742	-59,684	-53,326
Requested City of Calgary lifecycle grants	762,500	1,333,425	650,325	750,000
Other City of Calgary capital grants				
Other capital revenues	1,061,524	1,108,929	1,024,714	1,048,176
Capital expenditures	2,183,869	2,951,780	1,668,681	1,592,986
Ending capital reserves	449,742	-59,684	-53,326	151,864

10. Financial risks or challenges related to budget projections. Provide specific examples and year in which challenges are anticipated.

*CCPA was conceived by The City and Province of Alberta in partnership with the community of Calgary to operate as an accessible community arts centre in a three-way partnership. Since the opening in 1985, The City has honoured its obligation by providing operational funding, and financial support from the community has grown in alignment with our programming priorities; however, the Government of Alberta has chosen to reduce and eliminate its commitment to provide operational support by reducing its annual grant from \$1.2M (1985), to \$500K (2005), and finally to \$0 in 2014. This has placed a huge strain on the sustainability of CCPA's mission and our six resident companies given that The City and Province did not equip the facility with a commercial space capable of generating the funds necessary to sustain core operating costs (utilities, security, custodial, maintenance, etc.).

As detailed elsewhere in this submission, CCPA is taking creative steps to enhance revenue incrementally in order to mitigate the full \$500K impact of the Province's decision and without breaching our mission. However, in the event the Province does not heed The City and CCPA's request to reinstate their operational support or if The City does not assume the Province's obligation, CCPA will have no alternative but to revisit its mission in order to begin to operate this facility in a more commercial manner, which will seriously reduce access by the public by reducing arts education and performance spaces, thereby undermining an already under-resourced sector of our community and economy, and by threatening the sustainability of many of our Resident Companies.

**This is the accumulated surplus as of 2013 and does not include internally restricted funds that are to be used to achieve priority initiatives as directed by the Board of Directors.

***This represents cash reserves only. The Capital Replacement Fund has an investment portfolio which at March 2014 totalled \$3.8 M. Our Building Committee has decided that given the significance of the building lifecycle costs, all capital projects should be funded by annual revenues (fundraising & ticket fee surcharge) and the investments should be maintained and maximized to ensure access to funds in the case of a catastrophic lifecycle failure.

One primary area of risk (2015) for CCPA is from the interpretation of Canada Revenue Agency (CRA) GST guidelines that could result in significant exposure if it is determined that revenues which previously had been assumed to be taxable are deemed exempt under charity guidelines. CCPA has undertaken a complete review and engaged the services of financial and legal counsel to assist in reaching agreement with the CRA. We have assumed a modest rate of revenue increases (each year) that can be negatively impacted by economic factors and further constrained by venue capacity/venue availability.

Finally, expenses assume a modest increase in utility costs – anything more than that could have a significant impact on our expense projections.

Includes the assumptions that Resident Companies and the Tessitura Consortium continue to operate as projected. |

2013 ANNUAL REPORTING

11. Outline your key services and activities undertaken in 2013 and how they advanced priorities identified in Council's 2012- 2014 Fiscal Plan for Calgary.

The following outlines our key services and activities undertaken in 2013 and how they advanced Council's 2012-2014 priorities of investing in great communities and a vibrant urban fabric and making Calgary the best place in Canada for a business to start and flourish.

CCPA lead the maintenance and care of the facility's 560,665 gross square feet of space that houses six performance venues, rehearsal halls, scenery and wardrobe shops, a variety of public engagement spaces and administrative spaces.

CCPA lead a series of lifecycle initiatives during 2013 to replace the Chiller and address structural issues in the parking garage that were valued at \$1,630,299.

CCPA played a critical role in the sustainability of 6 Resident Companies and some 159 other organizations that made use of the facility and its' venues. CCPA's Ticket Office processed 439,059 tickets to some 1,800+ performances and events. CCPA was selected to serve as the host site for the Memorial Service for former Alberta Premier Ralph Klein.

CCPA was a major presenter of the performing arts in Canada and during 2013 presented the renowned BD&P World Music Series, PCL Blues Series, *National Geographic Live*, Soundasaurus, and launched a new Jazz Series in the illustrious Jack Singer Concert Hall. The legendary South African jazz trumpeter, Hugh Masekela, was featured during the BD&P World Music Series. While in Calgary, Hugh gave a master class for students at Henry Wise Wood Senior High School, and he spoke to students at Bow Valley College on the Impact of Music on Social Change.

In addition, CCPA's 216 arts learning events served thousands of students and teachers. CCPA is committed to inspiring teachers and students through a rich arts learning program and our participation on the Calgary Board of Education's Fine Arts Standing Committee.

35,301 patrons engaged with CCPA programming priorities during 2013.

CCPA is an advocate for the value that the arts provide to our community, taking a leading role in participating in arts and cultural activities at a local, provincial and national level. CCPA directly supported over 549 artists by collaborating with internal and external partners. During 2013, close to 90 artists and arts organizations were featured in *Stephen*, CCPA's magazine that is produced three time per year and distributed at over 130 locations throughout Calgary to raise awareness about the many experiences happening at the facility and throughout the City of Calgary.

CCPA operates in a manner which continues to strengthen its own financial sustainability, as well as create a stable environment to enable our internal and external clients to operate and grow. With the support of The City, CCPA is operated and maintained as a leading arts facility, acting as a cultural and artistic anchor that energizes the community and is necessary to attract skilled professionals to a city that has emerged on the world stage. During 2013, 899 venue bookings were managed by CCPA and 461,466 visits were made to epcorcentre.org.

CCPA garnered the support of the local community and for 2013, fully 44% of operating revenues were provided by corporations, foundations, governments and passionate community leaders who gave generously to support CCPA as we play a key role in the social, economic, cultural and intellectual life and well-being of Calgarians.

And finally, CCPA's very existence was challenged by the rising waters of the Bow and Elbow Rivers which had spilled the banks and flowed into the downtown core. CCPA was able to resume full operations as of mid-July due to a history of resilience, staff's quick-thinking that alleviated considerable and permanent damage, not only to the Engineered Air Theatre and our mechanical systems, but to those irreplaceable items that have a home in the depths of the facility – the Calgary Philharmonic Orchestra's music library, Theatre Calgary and Alberta Theatre Projects' costume storage, props and our inventory of grand pianos.

12. Identify how you measured the success of your services and activities in 2013. Please provide examples of these results.

In order to fulfill our vision, we focused on 5 Strategic Priorities. Every decision and action we take aligns with our commitment to be: 1. Creative and Engaging; 2. a Leading Facility; 3. deliverer of Quality Programming; 4. Supporting Art/ists, and to be 5. Sustainable.

1. CCPA is a catalyst of creativity by promoting and envisioning activities and opportunities that generate excitement, energy and the engagement of many diverse audiences. CCPA maintains that our realization and relevancy lies in the ability to engage every citizen to experience, participate in and experiment with arts and culture. In addition to the programming delivery by CCPA and its 6 Resident Companies, 159 additional organizations undertook delivery of their programs in CCPA's venues during 2013.

2. CCPA is operated and maintained as a leading arts facility, acting as a cultural and artistic anchor that energizes the community and is necessary to attract skilled professionals to a city that has emerged on the world stage. During 2013, CCPA invested \$1,630,299 to address critical lifecycle initiatives throughout the facility.

3. Engaging with creativity provokes thought and discussion; it can enlighten and challenge, shape our beliefs and the way we view the world. Creativity is also about escape and entertainment. CCPA takes immense pride in facilitating engaging cultural and artistic experiences of the highest quality through presenting, producing and collaborating with partners. In partnership with the National Geographic Society, CCPA presented *National Geographic Live*, Calgary's distinguished speaker series. During 2013 the total attendance of all 4 student matinees and 5 public presentations was 14,376, or 93% of capacity. 100% of survey respondents say they tell their friends or family about their experiences at *National Geographic Live*. In addition, students and teachers from 91 Calgary-based schools participated in a CCPA Arts Learning Program.

4. CCPA is an advocate for the value that the arts provide to our society and our community, taking a leading role in participating in arts and cultural activities at a local, provincial and national level. CCPA supported 549 artists through its programming department last year by collaborating with internal and external communities, setting the stage for shared experiences. The Centre believes that paramount to its role is the need to foster a supportive arts ecosystem by identifying synergies and convening partnerships to result in the creation of engaging and inspiring experiences.

5. CCPA operates in a manner which continues to strengthen its own financial sustainability, as well as create a sustainable environment to enable our internal and external communities to succeed. CCPA benchmarks a variety of performance measures against the 26 international members of the Performing Arts Centers Consortium (PACC). CCPA is has the 5th lowest operating costs of the PACC membership. During 2013, we shifted our focus to longer-term strategies to increase revenues that have resulted in increases in almost all revenue streams from 2011 to 2013, an overall increase of 15%.

13. Identify how you leveraged resources in 2013. Please provide examples.

CCPA began to implement a new venue use strategy in order to improve the revenue generating potential (venue rent, bar and beverage sales, ticketing fees and parking lot charges) of the facility and its principal venue assets. A positive outcome of which generated an increase of 9% in the number of performance-days booked in the Jack Singer Concert Hall, and a 14% growth in the number of events booked in the Jack Singer Concert Hall Lobby.

Through a series of exhaustive negotiations with its Resident Companies, CCPA was able to achieve a 13% increase in Occupancy Cost Recovery for 2013.

CCPA entered into a Services Agreement with the Calgary International Children's Festival Society (CICF) for the 2013/14 Season that enabled both parties to maximize efficiencies through shared resources. During the 2013/14 Season, CCPA provided key services in the areas of accounting, fundraising and marketing/sales.

CCPA ramped up its effort to embrace a methodology of best practices associated with sincere, effective, personal solicitation in an effort to build enduring relationships with external constituencies. The results of which generated an increase in financial support from the public and private sectors of 7%. As of August 31, 2013, 47% of CCPA's gross revenues are now raised by securing grants from government funding agencies, sponsorships from corporations, philanthropic gifts from individuals and corporations, and the management of special events that are all in alignment with CCPA's programming and lifecycle priorities.

2015-2018 Business Plan & Budget Summary

1. Organization Name: [Calgary TELUS Convention Centre (Calgary Convention Centre Authority)]

2. Current Vision and Mission:

Mandate: To manage, market and operate the Calgary TELUS Convention Centre in an efficient and competitive manner, in order to maximize overall economic benefits to the city of Calgary while maintaining financial performance within an acceptable range.

2015-2018 BUSINESS CASE

3. Synopsis of your organizational priorities and actions for 2015-2018:

1. Fulfill role as driver of economic development by marketing Calgary as a business travel destination, and creating economic impact for the city;
2. Focus on operational efficiencies and cost controls while maximizing utilization levels and revenues;
3. Retain people in an environment that emphasizes health and safety, encourages professional growth and development, and recognizes the importance of teamwork;
4. Analyze potential of business sectors (Conventions, Meetings, Social) and align sales strategies to maximize contribution to bottom line;
5. Implement revised booking policy to maximize utilization and revenue generation;
6. Secure adequate marketing funding to allow market share growth for conventions and meetings
7. Develop and implement a comprehensive strategy that establishes a roadmap for possible facility expansion and prepares the Centre for the challenges of the future;
8. Work with the City of Calgary Administration to implement recommendations from Governance Audit Review.

4. Outline how your organizational priorities & actions align with Council Priorities for 2015-2018.

Economic Growth & Competitiveness ► The Centre contributes to broader economic development activities by providing a forum for education, debate, networking and social activities. During 2013, over 250,000 people attended events at the Calgary TELUS Convention Centre; 55,000 being non- local delegates and exhibitors. These non-local attendees spent on average \$329 per show day for accommodation, transportation, entertainment, meals and retail purchases while visiting Calgary. From 2009 to 2013 the Calgary TELUS Convention Centre generated over \$192 million in direct spending and contributed an additional \$105 million in GDP for the Calgary economy.

Community Well-Being ► Calgary TELUS Convention Centre's meeting and conference attendees bring diverse knowledge and perspectives about our complex world. They partner and invest in local businesses, share research and introduce the latest innovations and services.

Great Neighbourhoods/Public Safety► From a social perspective, the CTCC provides centralized public spaces that help keep the core of our city alive. It is the hub for a wide network of Plus 15 walkway systems. CTCC security staff provide a safe and secure environment for employees, clients, and the general public. As a member of the Calgary Downtown Association's Public Security committee, the CTCC's security department actively liaises with the Calgary Police Service re: community safety initiatives and programs that focus on public spaces, including Plus 15 walkways.

Natural Environment ► The CTCC remains committed to reducing its environmental footprint. The evaluation of capital projects includes an analysis of environmental impacts. As an example, the CTCC is researching a self-contained, continual feed, organic waste disposal system in which organic waste is quickly reduced to a harmless liquid that is odor free and can be safely disposed of into Calgary's existing municipal waste water systems. |

5. Provide specific examples on how your organization will work towards restraining expenses and seeking efficiencies over the 2015-2018 timeframe outlining the net impact to service delivery or organizational sustainability.

- Currently the CTCC's lighting, HVAC and access controls for client areas are manually operated. The Centre is exploring installation of a fully operational automation and integration control systems, which will result in energy efficiencies and reduce the carbon footprint
- Continue completion of lighting retrofits, which will result in a 14% reduction in energy consumption.
- Integrate website, payment processor and Ungerboeck (EBMS) business management booking system

6. Which of your key services are funded by the operating grant provided by The City?

- The operating grant monies (2014) are allocated to base building operations costs. The base building costs includes a \$500,000 cost associated with the operations and maintenance of the Plus 15 system. This does not include additional costs of providing security services (patrols, camera surveillance, first aid and public assistance, etc.) throughout the Plus 15 system within the Centre.]

7. Identify performance indicators and targets you will use to evaluate your organization's performance in the 2015-2018 timeframe.

- ▶ Economic Impact to the City (Total direct spending, GDP, Jobs supported)
- ▶ Occupancy Levels
- ▶ Number of Events- Meetings, Conventions, Social
- ▶ Annual financial results (Net Profit)
- ▶ Operational efficiencies
- ▶ Asset Management

8. Identify how you will leverage resources in 2015-2018 and provide specific examples.

Resources are used to achieve earned revenues which provide the majority of the funds required to operate the Centre. Other funding is received to provide services to the Glenbow and to the retail spaces in the Centre, which supports labor efficiencies.

The CTCC also leverages resources through established partnerships within its industry. Specific examples are:

- ▶ Partnerships with Travel Alberta and the Canadian Tourism Commission. These partnerships enable the CTCC to leverage opportunities and increase business potential through joint participation in tradeshow, signature events, and one-on-one meetings with clients.
- ▶ A partnership with Professional Convention Management Association (PCMA) provides educational opportunities for employees and networking opportunities with meeting planners. It will also enable the CTCC to secure 12 Ambassadors who are US meeting planners with the ability to meet in Canada.
- ▶ Through MPI, the Centre will continue with its successful Stampede breakfast, which takes place in conjunction with the annual World Education Conference and provides an opportunity to engage with US, Canadian and international planners.
- ▶ CTCC's ongoing participation in the Energy Cities Alliance (Calgary, Perth, Abu Dhabi, Aberdeen, Stavanger) allows the Centre to share sales leads with 4 other leading energy cities and to increase Calgary's awareness through their networks.
- ▶ Meetings + Conventions Calgary (MCC) will continue to leverage partner funding from the Calgary Hotel Association (CHA) for multiple return on investment for every dollar invested. MCC also works internationally with federal and provincial government departments to both introduce Calgary's brand to secure future business.
- ▶ With CTCC's Community Awareness programs, the CTCC will continue to work with Calgary Economic Development (CED) as title partner with the Soul of the City series. The CTCC also remains an Action Partner – Silver level - with CED. These initiatives provide networking with business and the broader community.
- ▶ In conjunction with the Calgary Downtown Association (CDA) the CTCC will engage in marketing initiatives on Stephen Avenue Mall during the summer to increase awareness of the CTCC (e.g. celebration events for the CTCC's 40th anniversary in 2014) .
- ▶ CTCC will participate in community related events (i.e. First Flip) with other economic development groups and key stakeholders.
- ▶ Continue to explore alternative sources of revenue for completion of capital projects (e.g. Western Economic Diversification programs).

9. Provide your budget projections covering the 2015-2018 timeframe

Operations (000s)	2015	2016	2017	2018
City of Calgary draft operating grants*	1,758,207	1,817,136	1,878,170	1,941,309
Other operating grants	0	0	0	0
Earned revenue from operations	20,900,534	24,160,382	23,697,871	20,616,692
Donations & fundraising revenue	0	0	0	0
Operating expenses**	23,692,720	26,170,683	27,048,968	25,787,367
Net of revenue and expenses	-1,033,979	-193,165	-1,472,927	-3,229,366
Opening operating reserves	3,936,457	2,902,478	2,709,313	1,236,386
Ending operating reserves	2,902,478	2,709,313	1,236,386	-1,992,980
Capital (000s)	2015	2016	2017	2018
Opening capital reserves	180,000	180,000	180,000	180,000
Requested City of Calgary lifecycle grants	775,000	1,125,000	225,000	0
Other capital grants***	0	686,522	2,449,200	3,420,000
Other capital revenues	1,459,000	1,443,478	0	0
Capital expenditures	2,234,000	3,225,000	2,674,200	3,420,000
Ending capital reserves	180,000	180,000	180,000	180,000

*Includes \$180,000 MRR **Includes amortization costs for actual and proposed capital projects ***Grants required to complete proposed capital projects to preserve operating reserves

10. Financial risks or challenges related to budget projections. Provide specific examples and year in which challenges are anticipated.

Over the next four years maintaining the financial sustainability of the Centre will become increasingly more difficult. The CTCC is reaching the end of its life cycle as a competitive convention centre. Conventions have historically produced the bulk of the earned revenues that support the Centre's operations. The business mix available to the Centre will become more focused on meetings and social events. These are often not contributors to the bottom line but are more directed at fulfilling the community service aspect of the Centre's mandate. Over the course of the 4- year business cycle, the Centre will continue to analyze new sources of revenue including advertising its digital signage, and increasing its market share for larger social events, which do contribute positively to the bottom line. However, as it is anticipated that revenue streams will flatten—and in some years decrease—the focus will be on cost controls. Some of those being considered, and currently undergoing rigorous assessment, are:

1. Increased yield management practices (e.g. discontinue booking meetings that do not contribute to the bottom line.)
2. Opening only a section of the building to the meetings market, thus placing the booking of rooms at the discretion of the Centre, rather than client preference.
3. Reduced security levels, including the delivery of security services on the Plus 15 system.
4. Full building closure, including the Plus 15 system, on dark days.
5. Closure of the Plus 15 system between 6 pm and 6 am on days when there are no evening events.
6. Reduced capital expenditures.

All of these measures, if implemented, will impact the Centre's employees, its client base, and the community at large. They will also impact suppliers to the Centre, including the in house catering, audio visual and show services companies. None of these measures would be implemented without full consultation with key stakeholders. The Centre will continue to practice good stewardship practices, including the use of available capital dollars to focus on operating efficiencies, and for the completion of capital projects which contribute to the overall appeal of the building to the client base. However, because the projected financial position of the Centre will result in reduced operating reserves over the next four years, it is anticipated that some capital projects may not be completed, in order to preserve a healthy reserve level. While this action may have negative impacts on the building, it provides a cushion, if required, to offset reduced revenues.

2013 ANNUAL REPORTING

11. Outline your key services and activities undertaken in 2013 and how they advanced priorities identified in Council's 2012- 2014 Fiscal Plan for Calgary.

Economic Growth and Competitiveness:

- Successfully launched the new Event Services and Calgary Ambassador programs
- Acquired 48,000 booked room nights for future years with an economic impact of \$13.5 to \$15 million
- Spearheaded the selection of a fifth partner (Stavanger, Norway) into Energy Cities Alliance
- Introduced new financial policies and controls to support compliance with GAAP standards
- Received a 99 out of 100 score re: LAPP's triennial Employer Compliance Feedback audit

Natural Environment:

- Continued lighting upgrades

Community Well Being:

- Successfully passed CTCC's 2012-13 upgraded risk management risk assessment that reviewed 112 financial and strategic risks
- Reviewed and updated risk management program |

12. Identify how you measured the success of your services and activities in 2013. Please provide examples of these results.

► **Economic Impact to the City**

Total Direct Spending : **\$34,328,000**

GDP: **19,130,000**

Jobs Supported: **291**

► **Occupancy Levels** (% used)

Macleod Hall: **70%**

Exhibition Hall: **62%**

Overall Utilization: **53%**

► Number of out-of-town delegates/visitors (annually) **55,000, Total delegates 250,000**

► Number of Meetings: **500**

► Number of Banquets: **109**

► Number of Trade & Consumer Shows: **12**

► Number of Conventions **29**

► Annual financial results/operating surplus \$(473,628)

► Operational efficiencies: **479,790 KwHrs energy reduction** (Glenbow & CTCC)

► Asset Management: Ten year capital project review; 2013 projects completed

13. Identify how you leveraged resources in 2013. Please provide examples.

Accessed funding through Calgary Hotel Association to support marketing and sales programs (MCC) and incentive funding for convention bids

Agreement with City to provide services to Glenbow resulted in operational efficiencies

Participated in a Hosted Buyers Dinner at IMEX Frankfurt (10 international meeting buyers)

Worked with TELUS to improve IT infrastructure

Leveraged relationship with West Jet for site visit for EB Games convention (site visit resulted in winning bid for Calgary)

Worked with Deans of Arts and Social Work, and professors from Veterinary Medicine to bid for International Congresses for Calgary. Have won one for 2016 and 2017

With Travel Alberta, hosted 20 site visits, and participated in 20 programs (e.g. PCMA Premier Sponsorship Program)

With Canadian Tourism Commission, participated in 10 programs (e.g. Canada Stands, IMEX Frankfurt and America)

Accessed Canadian Tourism Commission funding to support familiarization visits to Calgary

2015-2018 Business Plan & Budget Summary

1. Organization Name: Calgary Economic Development

2. Current Vision and Mission:

Mission: We advance opportunities for smart growth to achieve individual, business and community potential for the Calgary Region.

Mandate: Calgary Economic Development works with businesses, government and community partners to position Calgary as the location of choice for the purpose of attracting business investment, fostering trade and growing Calgary's workforce.

2015-2018 BUSINESS CASE

3. Synopsis of your organizational priorities and actions for 2015-2018:

Business Development, Trade & Investment - Conduct local business outreach & business development programs across targeted industry sectors. Lead &/or participate in revenue-neutral inbound & outbound trade & Investment missions that produce lead generation and business matching.

Workforce Development - Provide on-line resources for workforce recruitment and for people considering moving to Calgary. Lead recruitment missions that promote Calgary as a destination for skilled workers and employees. Develop programs to direct graduates and recent migrants into local career opportunities.

Community Development - Conduct events and community engagement that broaden and deepen our stakeholder base and reaffirm support for Community Economic Development.

Calgary Film Centre - Operate a film studio and support related screen and digital media growth.

Stakeholder Relations - Leverage private and public sector resources to achieve a 60:40 revenue split between our City base-grant and all other revenue. Be a strategic resource in support of strong relationships between the City and the business and real estate development community.

Place Marketing - Develop and execute a marketing and communications strategy to position Calgary as the location of choice to live, work and do business.

Economic Development Strategy – Provide stewardship and reporting, and foster collaboration for implementation of the City's Economic Development Strategy across numerous stakeholders.

4. Outline how your organizational priorities & actions align with Council Priorities for 2015-2018.

Council Priorities - Economic Growth and Competitiveness (CED response to corresponding priorities)

- We position Calgary as 'the' global business centre for energy and attracting international talent, investment and innovation, and are capitalizing on our strength in energy to further develop and diversify our economy. *(Priority P1)*
- We have sector dev't strategies focused on fostering growth and diversification in Financial Services, Transportation & Logistics, Energy, Real Estate, and Creative Industries. CED is building the Calgary Film Centre to foster growth of our screen industries. *(Priority P2)*
- We are conducting a local business outreach program to further support business retention and expansion opportunities. We are stewarding the City's Economic Development Strategy which engages multiple community stakeholders. *(Priority P3)*
- We advise business in securing development approvals. We have constituted two new committees composed of representatives from the development community to share intelligence and best practices with the City. *(Priority P4)*
- CED works with other governments, community and private sector partners to leverage our City grant by an additional 40% and to improve the effectiveness of our service delivery. *(Priority P5)*
- Struck a Residential Dev't Community Committee to advise the City on housing. *(Priority P6)*

5. Provide specific examples on how your organization will work towards restraining expenses and seeking efficiencies over the 2015-2018 timeframe outlining the net impact to service delivery or organizational sustainability.

Calgary Economic Development continually reviews all expense and revenue areas with the focus on looking for and implementing changes to reduce expenses or increase revenue. From a revenue perspective, we partner with other governments or businesses to leverage the revenue we receive from the City to generate additional revenue to support our business plan activities. We expect to maintain a 35 to 40% ratio of revenue from outside the base grant we receive from the City. From an expense perspective we are diligent in reviewing all our fixed costs and project costs. As a large portion of our base grant is for staff related costs we have a policy to review all positions that become vacant to determine if there is an alternative option that may reduce our overall staff costs. Over the years we have not replaced positions in order to keep our costs contained within a flat budget environment. Over the next 4 years we will continue these reviews looking for opportunities to control overall expenses.

6. Which of your key services are funded by the operating grant provided by The City?

CED's core staff-intensive business development services directed towards business retention, expansion and attraction are funded by the City's operating grant. In addition, all administration and overhead costs are also covered by the City's operating grant.

CED's program activities, marketing, international business development, workforce development and recruiting programs rely heavily on funds and in-kind resources secured through partnerships, sponsorships with community partners and the private sector, and by projects executed in partnership or with funds provided by other levels of government.

7. Identify performance indicators and targets you will use to evaluate your organization's performance in the 2015-2018 timeframe.

Business Development, Trade & Investment: Corporate expansions, relocations and new investment – 60 client success stories contributing 6,000 new or retained jobs with testimonials on CED services provided across targeted industry sectors over the next four years. Lead or support up to four trade and investment events per year that contribute to the development and diversification of the Calgary economy through new company formation and business matchmaking. Improve Global Financial Centres Index ranking.

Workforce Development: Execute workforce development and recruitment programming (on-line resources, labour market information, local graduate and immigrant placement) that are self-sustaining with partnership revenue. Track job placement on recruitment fairs.

Community Development: Complete up to six events annually that are self-sustaining and broaden and deepen our stakeholder base and reaffirm support for Community Economic Development.

Calgary Film Centre - Operate a financially sustainable film studio and increase film and television production from \$153 Million (2013) to \$250 Million per year by 2018.

Stakeholder Relations - Leverage private and public sector resources to achieve a minimum 60:40 revenue split against our operating grand and increase revenue from \$1.6 to \$2.4 Million by 2018.

Place Marketing – Execute a minimum of one national/international marketing campaign per year with majority funding provided by the private sector with reportable outcomes against objectives.

Economic Development Strategy – Report annually on the City's Economic Development Strategy

8. Identify how you will leverage resources in 2015-2018 and provide specific examples.

Action Calgary: Continued growth and expansion of CED's corporate partnership program (Action Calgary) that secures revenue from the private sector and community partners through the successful delivery of economic development programming, as well as business and brand development opportunities. Action Calgary has demonstrated incremental growth over the past five years.

Government Programs: CED leverages our program budget by partnering with other levels of government and applying to funding programs principally offered by departments of the federal gov't.

Signature Events and Sponsorships: CED seeks sponsorships and fees for events and missions to offset program costs.

Calgary Film Centre: The Calgary Film Centre is intended to be financially self-sustaining with some CED costs offset by a management services agreement for marketing and administrative services.

WORKshift: WORKshift is intended to be financially self-sustaining with some CED costs offset by a management services agreement for marketing and administrative services. |

BUDGET AND FINANCIAL INFORMATION

9. Provide your budget projections covering the 2015-2018 timeframe (complete table below).

Operations (000s)	2015	2016	2017	2018
City of Calgary draft operating grants	4,963,865	5,149,212	5,341,179	5,539,765
Other operating grants	192,000*	218,000*	243,000*	269,000*
Earned revenue from operations	700,000	735,000	771,750	810,338
Donations & fundraising revenue	1,450,000	1,522,500	1,598,625	1,678,556
Operating expenses	7,780,244	7,935,849	8,094,566	8,256,487
Net of revenue and expenses	(474,379)	(311,317)	(140,012)	41,202
Opening operating reserves	997,540	523,161	212,024	72,013
Ending operating reserves	523,161	212,024	72,013	113,215
Capital (000s)	2015	2016	2017	2018
Opening capital reserves	-	-	-	-
Requested City of Calgary lifecycle grants	-	-	-	-
Other City of Calgary capital grants	-	-	-	-
Other capital revenues	-	-	-	-
Capital expenditures	-	-	-	-
Ending capital reserves	-	-	-	-

10. Financial risks or challenges related to budget projections. Provide specific examples and year in which challenges are anticipated.

Economic Development Strategy Stewardship: Ongoing stewardship of the City's Economic Strategy including the monitoring, reporting and community engagement is required and critical for successful implementation. This is an unbudgeted task that CED has been asked to provide under the guidance of our Board and Chair. Stewardship of the Strategy is budgeted at \$150,000 (2015), \$155,000 (2016) \$160,000 (2017) and \$165,000 (2018) to cover the cost of one management level FTE and related incremental costs. CED requests this as an adjustment to our operating grant. **Unintended consequences of not funding:** The Strategy is intended to guide the work plans of Civic Partners and City Administration involved in delivering economic development programming over the next five years. Stewardship of the Strategy is key to ensuring all parties are working toward a common goal. Without it, execution of the Strategy will be in jeopardy as happened in the past.

Escalating Office Rents: CED has been advised by the City's Corporate Services Department (our landlord) that we will be required to pay escalating lease rates for our office space in the Calgary TELUS Convention Centre. CED has not been budgeted for lease rate increases and is asking that our operating grant be adjusted to accommodate this cost increase as follows: \$42,000 (2015) \$63,000 (2016) \$83,000 (2017) and \$104,000 (2018). **Unintended consequences of not funding:** Escalating rent costs will result in CED utilizing program dollars to meet this new budget item, thereby decreasing our effectiveness and ability to leverage our City grant. Leveraged funding is the main source of our program funding.

**in table above indicates combined annual grant requests for office rents and stewardship of the Strategy*

2013 ANNUAL REPORTING

11. Outline your key services and activities undertaken in 2013 and how they advanced priorities identified in Council's 2012- 2014 Fiscal Plan for Calgary.

2013 Key Service & Activities – (Links to Council Priorities 2012-2014)

Workforce Development: Hosted National Skills Conference for 200 employers, post-secondary reps and HR Policy makers featuring Ministers Kenney and Alexander. Completed Labour Attraction Mission to Ontario with Mayor Nenshi. Completed Careers in Mfg. pilot project engaging 24 schools for 18 Mfg. plant tours. *(Priority B4)*

WORKshift: Completed business plan for national rollout positioning Calgary as a national leader in flexible work and telecommuting adoption. *(Priority B4)*

Soul of the City Speaker Series: Held five 'Soul of the City' events engaging a broad cross section of Calgarians in 'quality of life' discussions and priorities. Initiated a Community Grant program with the Calgary Foundation for roll out in Q1 2014. *(Priority Z9)*

Sector Development & Business Investment Activity: Assisted 17 companies in expansion, attraction and relocation projects impacting nearly 2,000 new and retained jobs. Completed the inaugural 'Stampede Investment Forum' for over 100 business investment delegates. Hosted a Western Canada Energy Summit with the CFA Society. *(Priority B2)*

Film & Television: Completed \$153 Million in Film & TV production revenue (2nd largest on record). Secured City, Provincial and private sector funding to build a Calgary film studio facility. *(Priority B2)*

Global Business Centre & Trade Missions: Hosted 18 tenants at the Global Business Centre, 10 of which have since established permanent offices / operations in Calgary. Led Consider Canada City Alliance Investment Mission to Europe completing 47 investment inquiries (two of which have since invested in Calgary). Led investment Mission to China with 15 companies, the Minister of Energy and the Governor General. *(Priority B4)*

Promoting Calgary: Created the award winning 'Right Here' Calgary video with participation from Tourism Calgary, the Convention Centre and Calgary Hotel Assoc. Launched the Calgary Economic Development Strategy Review with a 40-person Advisory Board. *(Priority B4)*

Leveraging CED Resources: Over \$3 Million of revenue is leveraged from the private sector, community partners and other levels of gov't to support CED's economic development programming. In 2013 CED leveraged is more than 38% of its operating grant to record level. *(Priority Z1, Z7)*

Business Recovery Taskforce: CED Co-chaired, with the Calgary Chamber of Commerce, the Business Recovery Taskforce in the aftermath of the June flood. CED conceived and executed a \$1.4M marketing campaign encouraging patronage of flood-impacted businesses through the 'Rediscover your City/Region' campaign. CED secured \$400K of government and private sector funding along with \$1M of in-kind media contributions. *(Priority Z1, Z7)*

12. Identify how you measured the success of your services and activities in 2013. Please provide examples of these results.

CED is committed to measuring performance effectiveness. The 2013 Business Plan set key performance indicators (Success Measures) for each business plan strategy. These are used internally to assess service quality and desired outcomes. CED staff report to the Board on the business plan at year-end to reflect on the progress of CED against performance measures as set in the Plan.

Staff assessed two factors, 'Importance' and 'Impact', against each Business Plan Strategy to weight the significance of each strategy using a 1-5 scale. The weighting of each strategy was approved when setting the business plan in November 2012. Staff complete the performance review by doing a self-assessment that is in turn reviewed and approved by the CED Board. The Board assessment of staff performance is then used to determine the incentive component of staff compensation and to document CED's 2013 achievements for the MD&A portion of the CED Annual Report.

Example from 2013 Business Plan – Year-end Review for Creative Industries:

2.5 Creative Industries (staff score: 4, Exceeded Plan)

CED is the lead agency championing the development of the Calgary Film Studio Project, purpose-built film studios and facilities to support film, television and digital media industries. CED's Film Commission is responsible for promoting, securing, and facilitating film and television production shoots for Southern Alberta.

Highlights:

- Through CED's efforts a formal RFP process to build film studio facilities in the Calgary Region was initiated in 2013 by the Government of Alberta (GoA). CED's proposal was selected as the winning submission from the seven proposals reviewed by the GoA to receive a \$5M grant
- Film production in the Calgary region was at record levels, recording \$153M in production in 2013. See attachment #5 for a list of film and television productions shot in Alberta during 2013

Deficiencies:

- Funding for a film industry familiarization tour was not secured and was deferred until 2014

13. Identify how you leveraged resources in 2013. Please provide examples.

CED Financial Leverage 2013 (Unaudited)

	2012	2013
Total Base Revenue (City grant)	\$ 4,735,399	\$ 4,780,279
Leveraged Revenue – Private	\$ 1,710,191	\$ 1,553,968
Leveraged Revenue – Government	\$ 753,392	\$ 1,057,216
Leveraged Revenue – Deferred	\$ 396,857	\$ 377,232
Leveraged Revenue – Investment	\$ 19,517	\$ 17,765
Total Leveraged Revenue	\$ 2,879,957	\$ 3,006,181
TOTAL REVENUE	\$ 7,615,356	\$ 7,786,460
% of Leveraged Revenue	37.82%	38.61%

2015-2018 Business Plan & Budget Summary

1. Organization Name: Calgary Public Library

2. Current Vision and Mission:

Our Vision

The vibrant heart of a great city

Our Mission

Inspiring life stories

Our Promise

To serve with passion, respect, and integrity |

2015-2018 BUSINESS CASE

3. Synopsis of your organizational priorities and actions for 2015-2018:

The Calgary Public Library Board recently approved the document “Plans for 2015 – 2018, which will inform the completed Strategic Plan for the four year business plan and budget cycle. The full document is attached. By building on the synergy from the New Central Library, which is scheduled to be in use before the end of the business plan cycle, the Calgary Public Library is committed to the concept of building not only a great new Central Library, but also a great Library system. Through our broadly distributed and widely used network of branches, the Library is positioned to play a key role in community building for Calgary’s neighbourhoods. By focusing our efforts in the following areas we will make the Library relevant to the people we serve, and support the City’s attainment of many ImagineCalgary targets and other City aspirational plans.

- Quality Library Buildings – buildings that inspire consistent patron experience and provide appealing, convenient locations to promote community building
- The Library in the Community – taking the Library out of buildings to meet people where they are by bringing content and access to information to people, organizations and businesses where and when the community needs us most
- New Technologies – offering new technologies and access to digital content to our patrons and fostering digital literacy for Calgarians by ensuring that technology and content are accessible and easy to use
- Fostering Reading – providing access to a catalogue of more than 2 million items plus access through a virtual library to eBooks, magazines, newspapers, music and video
- Focus on those who most need the Library – This population includes those who are new to Canada and Calgary, young children and their families, and those with physical or economic barriers
- Easy and convenient – we will identify and remove financial, operational, technological and physical barriers to make access seamless and easy, and relevant to the people we serve

4. Outline how your organizational priorities & actions align with Council Priorities for 2015-2018.

The Calgary Public Library's priorities and actions align strongly with Council Priorities for 2015-2018, and other City aspirational planning initiatives, including imagineCalgary . With considerably more than 5 million in person visits annually the Library is well situated to support The City in its Priority: A prosperous city. By providing an attractive amenity to future Calgarians the Library is a public facility that enhances Calgary positioning itself as a location of choice for international talent, investment and business. CPL will help these talented new citizens in learning about their new home and assimilating quickly. The Library is especially well positioned to help The City fulfill the strategic actions surrounding community well-being. By targeting those new to Calgary, children and their families, and those with physical and economic barriers, CPL will support the goals of reducing the number of people living in poverty, responding to an aging population, and investing in programs and services for children and youth. Access to a vast array of publications, available in a variety of formats, with staff trained to assist patrons, empowers all Calgarians to live creative lives. The Library provides access to technology and information to all citizens. The Library is also committed to the Priority: A City of Inspiring Neighbourhoods. Our community libraries are well located to be centres of revitalized neighbourhoods and those neighbourhoods with changing community needs. They are largely accessible by foot, bicycle and public transportation, as well as by vehicles. They can be used by community associations as meeting points. CPL's great public spaces act as agents for building connections among citizens and add urban vitality. Space prevents mentioning the other priorities, but we will add that new construction is done to LEED standards and CPL, as part of a well-run City, is highly efficient in comparison to its peer libraries across North America.

5. Provide specific examples on how your organization will work towards restraining expenses and seeking efficiencies over the 2015-2018 timeframe outlining the net impact to service delivery or organizational sustainability.

To meet its ambitious Direction Statement and Three Strategies, the Library has developed 51 actions for the 2015-2018 timeframe. The Library has committed to achieving all of these goals by redirecting resources to priority areas identified in the Strategic Plan. Efficiencies include elimination of labour intensive transactions through CPL's continuing investment in technology, continuation of consortium buying, and continuation of partnerships which can extend our impact while containing our costs. Leveraging changes in the use of the collection will eliminate formats which are no longer used by patrons. A campaign to attract more patrons will increase the return on investment of existing infrastructure. The Library will continue to provide additional opportunities to volunteers. CPL's goal is to increase targeted service delivery with no impact on organizational stability. To ensure a balanced budget we have had to make difficult decisions about how best to serve existing and future library users. Using the strategies above these decisions have included reduced funding for staffing hours from our pool of casual workers, reducing our collection budget, and reducing the amount of money we set aside for asset replacement.

6. Which of your key services are funded by the operating grant provided by The City?

Through the Libraries Act, The Calgary Public Library is established by a City of Calgary Bylaw (Bylaw Number 38M2006 is the current bylaw). The City of Calgary is the Calgary Public Library's largest funder. The City provides approximately 80% of the Libraries operating budget and provides significant funding for asset life cycle maintenance and asset purchases. With the exception of provincial funding, a relatively small amount of internal revenue generation (mainly from fines), and sponsorships, grants, and donations, all of the key services are funded by the operating grant provided by The City. If The City were to reduce its financial commitment to the Calgary Public Library there is no area of Library operations that would not feel the impact.

7. Identify performance indicators and targets you will use to evaluate your organization's performance in the 2015-2018 timeframe.

The three strategies in the 2015-2018 Strategic Plan are:

- Strengthen Neighbourhoods in a growing City
- Bring the Library into more people's lives
- Focus on services that make a difference

With a four year strategic plan in place for the 2015 – 2018 timeframe the Library is positioning itself to continue our service to the City of Calgary and all of its communities. The Library has developed targets to evaluate CPL's performance in achieving our three Strategies and six goals for the 2015-2018 timeframe, which are all listed in the document "Plans for 2015-2018" attached to this template.

Each goal has been matched to Library Outcome Targets and Library Output Targets. Each goal also has examples of Library Actions as well as ways these goals support Imagine Calgary Targets.

CPL is building an evaluation tool in house, under the oversight of an expert in the field, which will measure the progress on the outputs and outcomes in the Strategic Plan. This is scheduled to be complete before the beginning of 2015. The Calgary Public Library has identified 51 actions in a Direction Statement produced in May of 2014 that will bring the Strategic Plan to life. Using the evaluation tool to measure success in the 51 factors will allow CPL to closely evaluate the Library's performance. Significant among our output targets is to double our active users during the four year timeframe.

An additional critical performance indicator will derive from the study The Library has commissioned to demonstrate what economic value it produces for each dollar of funding invested, which will be completed in 2014. We have also requested the tool that will assist us in reassessing this measure as our services evolve, which will provide a strong performance indicator in future years.

8. Identify how you will leverage resources in 2015-2018 and provide specific examples.

The 51 actions identified to complement our Strategic Plan require repositioning how the Library delivers and develops its programs and services. This will be accomplished by redirecting resources within the organization. With a goal of doubling the current membership over this period the Library will be eliminating its largest user fee, thus eliminating a barrier to entry and making it easier for all patrons to use the Library's resources. The Library will use this opportunity to rebrand and market. This revenue decrease is balanced by a decrease in staff time currently required to process the revenue and by relying on the Calgary Public Library Foundation to provide the remaining funds through donations targeted to replace the fees. A change in user patterns has allowed CPL to reduce the amount of the annual budget devoted to the acquisition of materials for the collection. The Library will continue to collaborate with a wide range of community partners. Key partnerships which leverage CPL's resources include CMLC & the City of Calgary on the New Central Library Project, The City of Calgary & the YMCA on growth Library projects, The City of Calgary & the Federation of Calgary Communities on the Poverty Reduction Initiative, The Calgary Police Service on literacy programs in high needs areas, The United Way of Calgary on a variety of initiatives affecting children and youth, Citizen & Immigration Canada on Library Settlement Services for newcomers, and Library Services Branch, Province of Alberta on province-wide resource sharing. The Library will work to extend its network of community partners, including the Calgary Board of Education and the Catholic School District, specifically for populations targeted in the 2015-2018 Strategic Plan.

BUDGET AND FINANCIAL INFORMATION

9. Provide your budget projections covering the 2015-2018 timeframe (complete table below).

Operations (000's)	2015	2016	2017	2018
City of Calgary draft operating grants	42,525,027	44,112,882	46,957,446	54,158,719
Other operating grants	5,839,757	5,839,757	5,839,757	5,839,757
Earned revenue from operations	2,339,973	2,416,082	2,421,463	2,426,843
Donations & fundraising revenue	1,200,000	1,236,000	1,236,000	1,236,000
Operating expenses	51,904,757	53,604,721	56,454,666	62,599,952
Net of revenue and expenses	0	0	0	* 1,061,367
Opening operating reserves	0	0	0	0
Ending operating reserves	0	0	0	0
Capital (000's)	2015	2016	2017	2018
Opening capital reserves	7,871,021	6,371,021	4,871,021	3,488,935
Requested City of Calgary lifecycle grants	1,874,000	2,044,000	1,905,000	1,755,000
Other City of Calgary capital grants	9,150,000	8,675,000	6,825,000	6,800,000
Other capital revenues	1,000,000	1,000,000	1,117,914	1,117,914
Capital expenditures	13,524,000	13,219,000	11,230,000	11,055,000
Ending capital reserves	6,371,021	4,871,021	3,488,935	2,106,849

10. Financial risks or challenges related to budget projections. Provide specific examples and year in which challenges are anticipated.

* There is no estimate of cost of living adjustment in operating expenses in 2018, as the current contract ends in 2017. Negotiated settlements would have to be less than 3% for this amount to be sufficient.

Prior to 2015 the City provided increased base funding for benefit and negotiated salary increases. The 2014 increases have not been added to the 2014 base. A new contract was ratified by Library union members in July, which matched increases agreed to by City of Calgary unions. It is assumed that the negotiated salary and benefit increases, as well as the pension increase effective for 2014, will be funded and added to the base carrying forward into all years of the 2015-2018 timeframe. Not funding this would require a reduction of existing services equivalent to more than ten FTE.

The budget necessitated reductions to salaries and collection purchases, which are our two largest budget lines. Service delivery impacts of these decreases are mitigated through the use of technology, an additional decrease in staff resources tied to elimination of fee collection, and decreased availability of some areas of the collection that are being replaced by electronic formats.

However, the strategic plan is targeting increased membership. There is residual financial risk that resources will not be sufficient for increased demands from a higher active membership base through the four year period. The Library is committed to redirect existing staffing and other resources to meet these increases in demand.

The budget includes a reduction in CPL's allocation to its capital reserves, causing the capital reserve balances to diminish year by year. Past and continuing investment in capital funding by The City will alleviate any concern caused by the projected declining balance.

For the first time the Calgary Public Library is targeting revenue in the operating budget from donations and other activities of the Calgary Public Library Foundation. Donors and fund raising activities are being tasked to replace the funding lost from the elimination of the processing fee on each new or renewing membership. There will be a significant impact to service if these targets are not met.

2013 ANNUAL REPORTING

11. Outline your key services and activities undertaken in 2013 and how they advanced priorities identified in Council's 2012- 2014 Fiscal Plan for Calgary.

The Calgary Public Library assists the City of Calgary in achieving many of the priorities identified by Council. Although we are continually improving our service delivery, our services and activities in 2013 continue a legacy established when the first branch opened in Calgary. Specific examples follow:

Ensuring every Calgarian lives in a safe community and has the opportunity to succeed. The Library provides safe, community centred facilities to Calgarians in established areas, and as funds are made available, in new communities. Our staff and web site assist each Calgarian who chooses to use our services with materials that can provide them with opportunities to enhance their personal success. Our preschool programs are designed to encourage early literacy and provide the preparation for children to succeed when they begin school. Early success is a key indicator in how successful an individual will be throughout their lives. Our services to newcomers assist in them succeeding in their new lives, with services ranging from learning to speak English comfortably to providing job search skills. Our services to those living with disadvantages range from adaptive equipment to home bound deliveries by volunteers.

Investing in great communities and a vibrant urban fabric. The Calgary Public Library is located in accessible locations throughout the City. Our branches are a highly valued and key part of the community they are located in and offer dynamic programming tied to the needs of that community. CPL's facilities are open to all and fundamentally represent democratic principles to all citizens of Calgary – everyone is welcome at the Library and treated equally. With services ranging from homework help to seniors programs we are there for every part of the community, including teens. The Calgary Public Library is well positioned in Calgary's communities to create the vibrant urban fabric many Calgarians search for by providing learning and recreational opportunities in each neighbourhood.

Moving people and goods throughout The City efficiently and sustainably. Library locations are chosen to allow Calgarians convenient, efficient, and sustainable access to their nearest branch. Transit options are available. Many branches are conveniently accessible by foot or bicycle. Increasingly branches are co-located with other services or within recreations centres to provide added convenience to our users and reduce traffic.

Making Calgary the best place in Canada for a business to start and flourish. The Calgary Public Library provides information and services for small enterprises, as well as computer and internet use, which may be luxuries startups cannot afford. CPL sponsors a small business fair annually, which gives these businesses a chance to network and share information. We also provide a Research Plus service giving small business access to information that they may not be staffed to discover.

Becoming a more effective and disciplined organization. The Library is a leader in innovation, known for its creative business approaches and the use of best practices, its continuous improvement culture and the introduction of new business models, such as introducing self-checkout and automated materials handling. The Calgary Public Library has a low cost per capital compared to other major North American libraries, and is recognized as one of the most active and innovative libraries on this continent. The Library also consistently ranks highly in citizen satisfaction surveys. Regular community engagement keeps the Library informed by Calgarians, including a recent campaign that gathered more than 4,000 responses representing 91% of the communities in Calgary. This last engagement confirmed that the 2015-2018 Strategic Plan matches what the communities of Calgary expect and desire from their library system.

12. Identify how you measured the success of your services and activities in 2013. Please provide examples of these results.

The flood in June of 2013 had a profound impact on the plans and services of the Library in 2013, which is reflected in our annual measures. In spite of system wide closure for a short period, closure of two branches to serve as part of evacuation centres, closure of one branch until electricity was restored to the downtown grid, and the prolonged closure of the Central Library, CPL still served Calgarians with more than 5.3 million in person visits, circulation of more than 15 million items, and an 18% increase in the use of e-Resources. The entire system was closed for an unprecedented two days, but was one of the first public bodies to open for our patrons on the Monday following the flood, using pre-digital technology to serve our customers. Restoring computer service was the first priority as we put our emergency plans in place. Two of our libraries were part of emergency relocation facilities and provided comfort for those citizens during the long days when they had no access to their homes, even if it just meant a place to watch television and charge their cell phones. Other facilities provided impromptu programs for children whose school year was abruptly shortened. The Central Library (CPL's largest branch) was closed to the public for slightly more than two months due to the extent of the flooding in the basement, which disabled electricity, elevator operations, fire alarms, telecommunications equipment, communications equipment, and all of the other items required to make the building safe for staff and public. The closure of the Central Library also caused in excess of 1,400 thousand boxes of materials to be removed from circulation as the rest of the system did not have the capacity to restock these items to allow them to circulate to new patrons. Even though insurance has covered the majority of the cost of replacing items lost or damaged by the flood the public voted their confidence in the Library by providing significant gifts of both verbal and monetary support through donations to the Calgary Public Library Foundation. The Library received a Top Innovator Award from the Urban Libraries Council for its flood recovery effort. Citizen engagement done in the spring of 2014 indicated that, despite the previous year's struggles, citizens were still strongly supportive of the Library.

13. Identify how you leveraged resources in 2013. Please provide examples.

2013 was not a normal year for the Calgary Public Library. The flood of 2013 presented the Library with something rare – an operating surplus. Because staff from the Central Branch were displaced for close to two months other branches benefited from a pool of transplanted labour, which reduced salary costs normally spent on hourly workers who would cover vacation time, vacancies, and other staffing shortages. Partnerships have historically provided the opportunity to leverage resources for the Library. Increased funding from Citizenship and Immigration Canada is giving us the opportunity to provide additional service to immigrant communities in Calgary. The Calgary Public Library Foundation has also been able to provide additional funding which augments our collection purchases, our programming for children, teens and families, and some capital requirements. The Foundation was able to secure funding for technology equipment that will be moved to the New Central Library when it is completed, but that is already in use in the current building. Funding from the Foundation also supports a program which encourages literacy in schools located in at risk communities. Calgary Police Services also participate in this program called Crime Not to Read by providing role models (policemen) who read to young students. The program promotes literacy while introducing these students, including a high number of immigrants from locations that do not have reliable policing, to trust police services, and these students communicate that trust to their families. CPL also leverages the use of our buildings to many not for profit groups, community associations, and other community groups who benefit the communities they are part of.