



Previous Council Direction

November 2018

On 2018 November 29, as part of the 2018 November 14 Regular Meeting of Council, Council passed the following direction:

That with respect to Report C2018-1158, the following be adopted:

That Council:

1. Adopt the 2019-2022 Service Plans and Budgets, as amended, including the associated operating and capital budgets, as identified in Revised Attachment 1.

And:

That with respect to Report C2018-1158, Council direct Administration to:

1. Find salary and wage savings to achieve a property tax increase of 2.45% in 2019, and fix the residential tax rate increase at 3.45% to achieve a shift from the non-residential assessment base to the residential base.

And:

That with respect to Report C2018-1158, the following be adopted:

That Council:

1. Direct Administration to return in Q4 of 2019, 2020 and 2021 with adjustments to the 2019-2022 Service Plans and Budgets, and direct that these annual adjustments shall not be deemed to be a reconsideration of the decisions made at the 2018 November 14 Council meeting with respect to the adoption of the One Calgary 2019-2022 Business Plans and Budgets.

June 2019

At the Special Meeting of Council on 2019 June 10, through an amended version of Notice of Motion C2019-0782, Council directed Administration as follows:

That with respect to Notice of Motion C2019-0782, the following be adopted, as amended:

NOW THEREFORE BE IT RESOLVED that:

1. Council reconsider and rescind its motion on May 27, 2019 "That Council direct Administration to commit \$70.9 million of one time funding (\$44 million from the Fiscal Stability Reserve and \$26.9 million within the Budget Savings Account) for strategies related to short term mitigation measures or potential long term solutions for business in Calgary, to be determined through the work of the Financial Task Force (to be formed once the Terms of Reference are approved) and/or the working group, with options to be recommended to Council through Priorities and Finance Committee no later than November 2019";



2. Administration identify permanent budget reductions of \$60 million for the 2019 tax year and report back to Council, no later than July 31, 2019, with the details of the proposed reductions for approval, which may include, but are not limited to, reductions and/or the elimination of programs, services and staffing positions and voluntary wage roll-backs;
3. Administration implement a 2019 Phased Tax Program (PTP), in a manner consistent with 2018, using the \$70.9 million as identified in 1 above and the \$60 million as identified in 2 above to provide immediate one-time relief to eligible non-residential property tax accounts. This combined amount of \$130.9 million (one-time) will be used to create a minimum 10% reduction in non-residential municipal property taxes from 2018 to 2019, excluding the effects of the final year of Business Tax Consolidation (approximately 4.2% increase), excluding any 2018 PTP credit, and excluding properties that are subject to non-market changes like property upgrades and expansions;
4. Administration to make available to the eligible non-residential property owner the impact of the 2019 PTP on or before June 28, 2019 on a best effort basis. Administration will ensure eligible PTP participants will see the monthly amount adjusted no later than August 1, 2019, and payment for any remaining qualifying accounts with an outstanding credit balance will be made no later than July 31, 2019;
5. Administration be directed to use the \$60 million in 2019 permanent savings as identified in 2 above to reduce the non-residential tax rate impact for 2020 and beyond to achieve a shift from the non-residential assessment base to the residential base;
6. Council requests the Mayor to send a letter to our partners in the provincial government requesting to engage in discussions regarding taxation and assessment reform.
7. Council leads by example in reducing expenses by adopting a 15% reduction (and subsequent freeze) between \$11,900 and \$14,000 in their respective office expense accounts for the duration of the One Calgary 2019 – 2022 Service Plans and Budget, and the corresponding amount (15%) from the Mayor's office account.



Also on 2019 June 10, Council provided the following direction through a motion arising:

That with respect to Notice of Motion C2019-0782, the following Motion Arising be adopted:

That Administration should consider but not be limited to the following guiding principles for the \$60M permanent operating reductions:

1. Least harm (to services) approach (all direct and indirect Tax Supported areas).
2. Treat employees with dignity and respect.
3. Preserve front line services, albeit, reductions may create a lower level or elimination of service.
4. Permanent reductions whenever possible, and short-term strategies to yield long term permanent savings.
5. Reductions should not result in future additional costs that exceed the reductions.
6. Consider the capital related implications of operating reductions.
7. Analysis whether to proceed with new initiatives that have not started and reduce existing services.
8. Continue to prioritize long term plans and policies.
9. Reduce the use of consultants and short-term contracts.
10. Outsource work where possible to reduce overhead & benefits.
11. Have subsidiaries and Civic partners engage in the above in a similar manner.
12. Review reporting structures for additional savings and efficiencies.
13. Operationalize Capital or capitalize Operating where possible.