

Reductions per 2014 Budget Adjustment Deliberations

In the 2014 Budget Adjustment Deliberations, Council amended the proposed tax increase to 5% by a reduction in all departments except for the Calgary Police Service. It resulted in base net budget reductions of \$9.3 million. Each department was allocated a portion of this amount based on its portion of the net budget.

The table below provides a comprehensive summary of the reductions and the strategies/actions taken with their associated impacts.

COMMUNITY SERVICES AND PROTECTIVE SERVICES				
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction
Animal & Bylaw Services	\$ 129	• ABS is in the process of completing both their fleet review and their licensing review. • This will result in vehicle lease and maintenance reductions and administrative reductions. • The remainder will be taken out of consulting.	• The vehicle lease reduction should not compromise ABS' ability to respond to citizen queries or frontline service. • The administrative savings from the licensing review were to be redistributed to assist with frontline recruitment/training. • The reduction in consulting would impact timing of projects.	
Community & Neighbourhood Services	\$ 250	• Priorities will be set for subsidized neighbourhood based recreation programs such as Park n' Play based on the highest needs areas. • Additional reductions to general expenses such as printing and conferences within the business unit.	• Reduction in subsidized neighbourhood-based recreation programming for Calgary children. • Service impacts include several Park n' Play and Stay n' Play sites in 2014 offering programming such as summer activities, crafts, and other healthy learning programs. • CNS will prioritize program delivery in low-income communities and communities of focus that align with the CNS strategic plan. • CNS will also pilot a "co-sponsored costing model" with interested community partners to deliver neighbourhood-based summer day camp experiences. • A reduction in general expenses will have impact on CNS's printing materials for both public and the corporation. • Further reduction in learning and development for CNS staff will have direct impact on learning and growth development, continuous improvement, succession planning and staff morale.	

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COMMUNITY SERVICES AND PROTECTIVE SERVICES					
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction	
Fire	\$ 1,581	• The CFD will manage the reductions through frontline firefighter cuts (4 FTEs), modifying the availability of the Dive program to focus on spring/summer only and shifting training to increasingly more e-learning. • Further reductions will be accomplished through continuous improvements in administration, fleet and operations. CFD's operating budget capacity will continue to be depleted.	• Frontline service including emergency response times will be impacted due to FTE reductions. • Dive services will move to a seasonal focus and this could impact the ability to respond; Lack of resources could impact ability to generate sponsorship funds to support community safety programming (cholesterol); Reductions in operating budget will influence how CFD trains its staff which may impact future quality of service and impact administrative support to frontline services.	4.0	
Parks	\$ 653	• Mitigate impact through contracting services, fleet, irrigation and other administrative efficiencies.	• Limited external impact on citizens. Minor adjustments of timelines may be necessary.		
Public Safety Communications	\$ 200	• Reduction of various expenses such as consulting, maintenance, training, and equipment purchases.	• The reduction should not compromise PSC's ability to provide frontline service. The reduction will impact PSC's ability to keep pace with new initiatives.		
Recreation	\$ 349	• Reduction in materials; contract services; consultants; professional fees; program, office and misc supplies; funding to community partners; and information services.	• Every effort was made to reduce the impact on direct services delivery to Calgarians however the following impacts are expected. • Strategic planning initiatives including the development of a Culture Plan will be delayed; cleaning and maintenance repair contracts will be reduced; some repairs will be delayed and improvement projects deferred; and, program supplies to Calgary AfterSchool will be reduced. Community partners have indicated that impact on services provided to Calgarians will be minimal.		
Total CS&PS	\$ 3,162			4.0	

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CORPORATE SERVICES					Proposed FTE Reduction
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts		
Corporate Properties & Buildings	\$ 256	Reduce costs via further energy reductions while making up any shortfall through a strategy of deferring an appropriate amount of non-critical maintenance.	- No FTE impact - Defer non-critical maintenance		
Customer Service & Communications	\$ 148	Reductions in contracted services to handle urgent, week-end or high volume peak work requests from business units who need to create citizen communication tools by moving the work into the staff complement.	- Less timely communications - No FTE impact		
Fleet Services	\$ -	Reductions in the mark-up on parts charged to business units and decreases to depreciation expenses to be offset by reduced internal recoveries as the savings will be passed on to business unit customers.	- No service impact - No FTE impact - Business Unit undertook an expenditure reduction of \$400 thousand. Due to the Business Unit being self-supported, it has no impact on net budget reductions.		
Human Resources	\$ 226	Reductions in the contracted services, temporary salaries budgets and general business expenses, printing and supplies.	- No service impact - No FTE impact		
Information Technology	\$ 449	Reductions in salaries and software maintenance by an effective organizational realignment and positive vendor negotiations.	No service impact		2.0
Infrastructure & Information Services	\$ 127	Reductions in the consulting budget of the Corporate Services Strategic Office by more effectively utilizing internal staff. Reductions in external software costs by more effective use of internal IT resources.	- No service impact - No FTE impact		
Office of Land Servicing & Housing	\$ 44	Reductions in contractual services budget within general administration.	- No service impact - No FTE impact		
Total Corporate Services	\$ 1,250				2.0

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PLANNING, DEVELOPMENT & ASSESSMENT				
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction
Assessment	\$ 164	- To eliminate one of four growth positions allocated as part of BPBC3. - To reduce business operation expenditures, specifically office relocation costs and parking allowances.	- There will be no impact on service from either strategy undertaken. - The workload associated with the growth position will be absorbed into the workload of current Assessor positions.	1.0
Development & Building Approvals	\$ 21	- Reduction in Salary & Wage allocation in Urban Development. - Reduced consulting budget offset by matching reduction in permit revenue budget.	- Budget reduction is limited due to narrow scope of tax-supported activities. - Minimal. Resourcing strategies are adjusted as required to meet service requirements. - In addition to the required \$21 thousand savings in tax supported operations, DBA had an additional savings of \$600 thousand in self-supported operations. - No immediate impact as the responsibilities of the position have been realigned and absorbed within the Division.	1.0
Land Use Planning & Policy	\$ 119	Reduction in one growth position in Regional Corporate Initiatives.	Budget reduction is limited and there will be no impact on service.	
General Manager – PDA	\$ 7	Reduction in Salary & Wage allocation in Growth Management.		
Total PDA	\$ 311			2.0

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TRANSPORTATION				
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction
Calgary Transit	\$ 1,692	- Implement 12,600 less hours of new transit service throughout the city resulting in growth positions (10 FTEs) not being filled. - Reduce in preventative maintenance and construction. - Reduce vendor commissions costs.	12,600 less hours of new transit service will not allow for increased frequencies and/or routes to be added, thus reducing customer service in affected areas. - Preventative maintenance at all Transit facilities, including LRT stations and bus terminals will decrease, resulting in possible delays to service and reduction in customer service. - Unable to meet service and reliability targets outlined in RouteAhead.	10.0
Roads	\$ 1,147	- Reduce service level of spring cleaning and increase the time to complete it from 8 weeks to 16 weeks. - Reduce overall operating costs (consumables/parts, fleet management fees). - Increase the ratio of leased to owned fleet to reduce maintenance costs.	- Less frequent cleaning will reduce customer satisfaction. - Extended replacement periods for specific parts. - Delays accessibility to fleet and equipment.	
Transportation Infrastructure	\$ -	Reduce of leasing expenditures	Reduction of recoveries required from capital projects.	
Transportation Planning	\$ 82	Reduce expenditures for materials, equipment and contracted services to consultants.	- Transportation Infrastructure undertook an expenditure reduction of \$100 thousand. Due to the Business Unit being self-supported, it has no impact on net budget reductions. - Delays in undertaking transportation studies.	
General Manager - Transportation	\$ 16	Reduce communications costs by reducing overtime expenditures.	Reduces ability to staff evening and weekend engagement sessions.	
Total Transportation	\$ 2,937			10.0

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UTILITIES AND ENVIRONMENTAL PROTECTION					
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction	
Environmental & Safety Management	\$ 71	Streamline internal processes and make use of existing inter-departmental resources to reduce contractual services expenditures.	No anticipated impact on the services ESM provides.		
Waste & Recycling Services	\$ 308	Continue to monitor contract service providers to ensure they deliver valued, efficient and effective services to WRS in accordance with administrative policy.	- No service impact. - In addition to the required \$308 thousand savings in tax supported operations, WRS had an additional savings of \$600 thousand in self-supported operations.		
Utilities	\$ -	- Continue to monitor and find efficiencies in material and equipment expenses. - Continue to focus on debt management and cash financing of capital maintenance to reduce the total interest charges. - Will also manage borrowing to incur debt later in the year when possible to reduce interest charges.	- No service impact. - Utilities had a reduction of \$1.9 million in expenditures.		
General Manager – UEP	\$ 4	Streamline internal processes and make use of existing inter departmental resources to reduce contractual services expenditures.	No service impact.		
Total UEP	\$ 383				0.0

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CITY ADMINISTRATION					
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction	
Chief Financial Officer	\$ 288	• The CFOD will strategically manage the refilling of position vacancies to accommodate the required reduction.	• Longer response times and reduced capacity to address routine and non-routine initiatives and requests may result from increased staff workloads. • No FTE Impact.		
City Clerk's Office	\$ 97	• Reduce scope of upgrades to Council and Committee rooms.	• Reduced ability to pursue to audio-video system improvements in Council Chambers and Committee room, and reduced ability to react to unforeseen system failures. • No FTE Impact.		
City Manager's Office	\$ 54	• The CMO will reduce the frequency of Corporate Management Team (CMT) Meetings related to advancing Excellence in Municipal Management.	• With the strategic focus of the Corporate Management Team being primarily on the development of the 2015-2018 Action Plans throughout 2014, the reduction in meetings is not anticipated to have significant direct impact on service in 2014. • No FTE Impact.		
Law	\$ 114	• Law will reduce amounts spent across Contract & General Services accounts to meet the required reduction targets.	• Reduced independent building evaluations for insurance purposes may lead to a discrepancy in values in the event of an insurance claim. Reductions in training, professional memberships and business expenses will reduce staff development opportunities which is critical for retaining staff and succession planning. • No FTE Impact.		
Total City Administration	\$ 553			0.0	

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CIVIC PARTNERS & COUNCIL				
Business Unit ¹	Amount (\$000s)	Strategies/Actions	Impacts	Proposed FTE Reduction
Civic Partners	\$ 610	Civic Partners who experience budget shortfalls at the end of the fiscal year may be required to access their reserves to cover any deficits.	For those Civic Partners almost fully funded by The City the impact of the reduction will be more significant than those partially funded who may have other revenue streams to rely on. Civic Partners who experience budget shortfalls at the end of the fiscal year may be required to reduce services and/or access their reserves to cover any deficits.	
Council – all programs	\$ 94	Reduction of various expenses such as communications, consulting, contracted services & administrative expenses.	The reduction should not unduly affect Council's ability to provide frontline services.	
TOTAL CITY	\$ 9,300			18.0

[i] Self-supporting business units (i.e. Fleet, Transportation Infrastructure and Utilities) were not included in the reductions. However, these business units still undertook actions to improve efficiency and their reductions are also reported in these tables. Total self-supported expenditure reductions equal \$3.6 million.