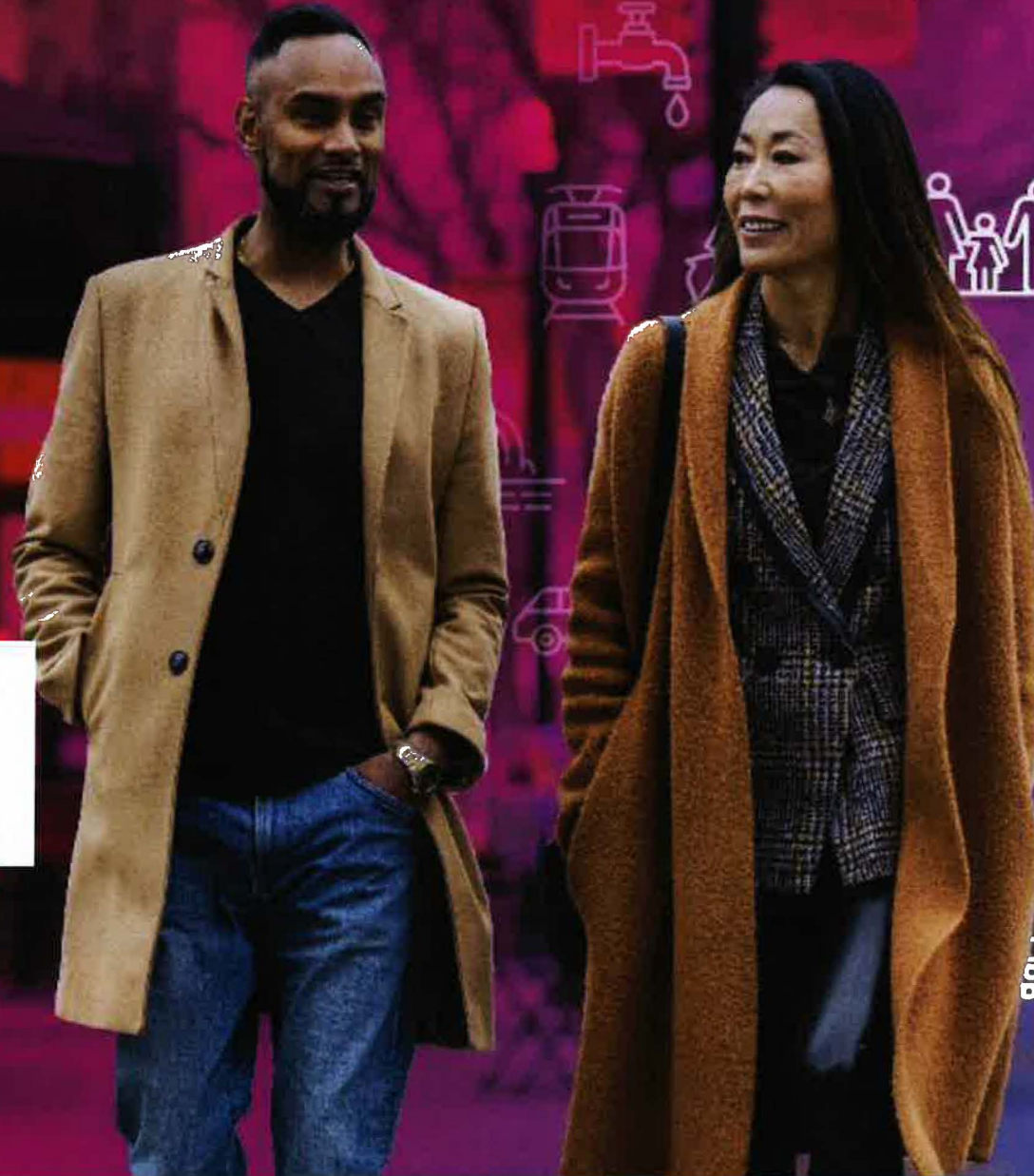




2023-2026 Service Plans and Budgets – Presentation

Continuation of
2022 November 8
Regular Meeting of Council

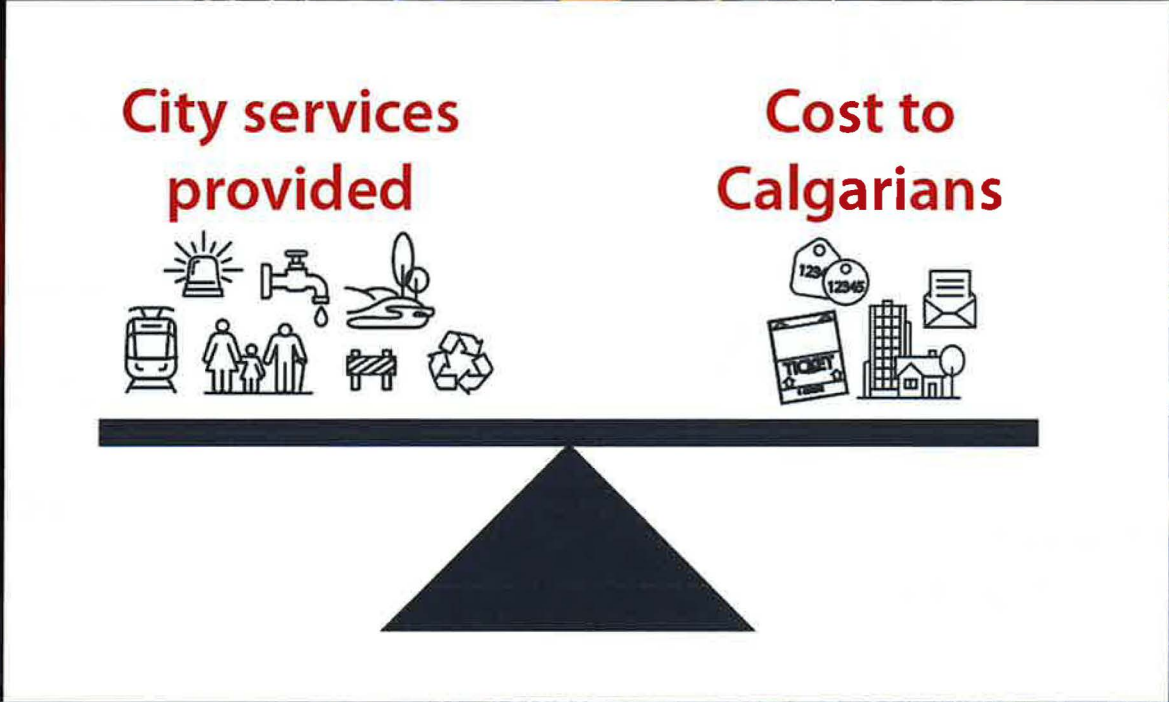




Deciding how we invest our dollars will define value



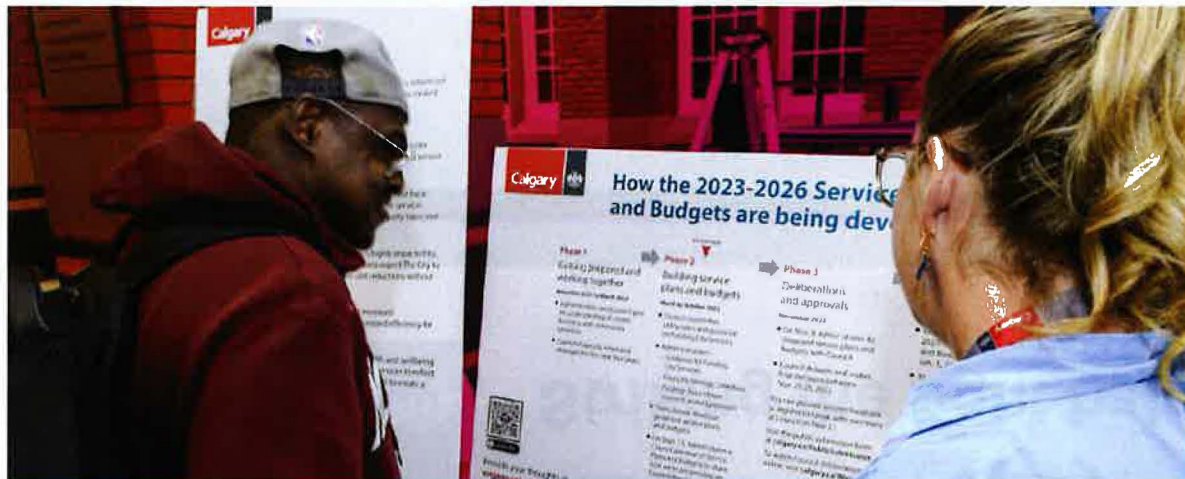
Striking the right balance





September-October 2022

- ✓ 1,711 Calgarians engaged
- ✓ 10 resident and business focus groups
- ✓ 2,501 Calgarians surveyed



"What is the most important issue facing your community?"

31%
Infrastructure, traffic and roads

Trend ▲
2021-2022
Change +3%

27%
Crime, safety and policing

Trend ▲
2021-2022
Change +7%

19%
Recreation and Parks

Trend ▲
2021-2022
Change +5%

18%
Transit

Trend ▲
2021-2022
Change +1%

16%
Homelessness, poverty, and affordable housing

Trend ▲
2021-2022
Change +3%

Fall Survey of
Calgarians Snapshot



Communicating with Calgarians

C2022-1051
DISTRIBUTION

- ✓ Enabling two-way conversations
- ✓ Engaging with our diverse population and the business community
- ✓ Explaining the service planning and budgeting process
- ✓ Sharing value for tax dollars and user fees
- ✓ Highlighting recommended key investments

10 million+ impressions on social media

60,000+ positive reactions on social media

5.7 million marketing impressions

15,000+ website views

27,000 online engagement site views



albert_c_lim

Good to know these things about our city and how our tax dollars are being used!



josh.grams13

Lots more stuff than I though you looked after! Wow



kamtransplanted

Great info on a variety of services. Thanks for sharing



adriana lovato

Excellent!! Lets give us more information about Calgary 👍

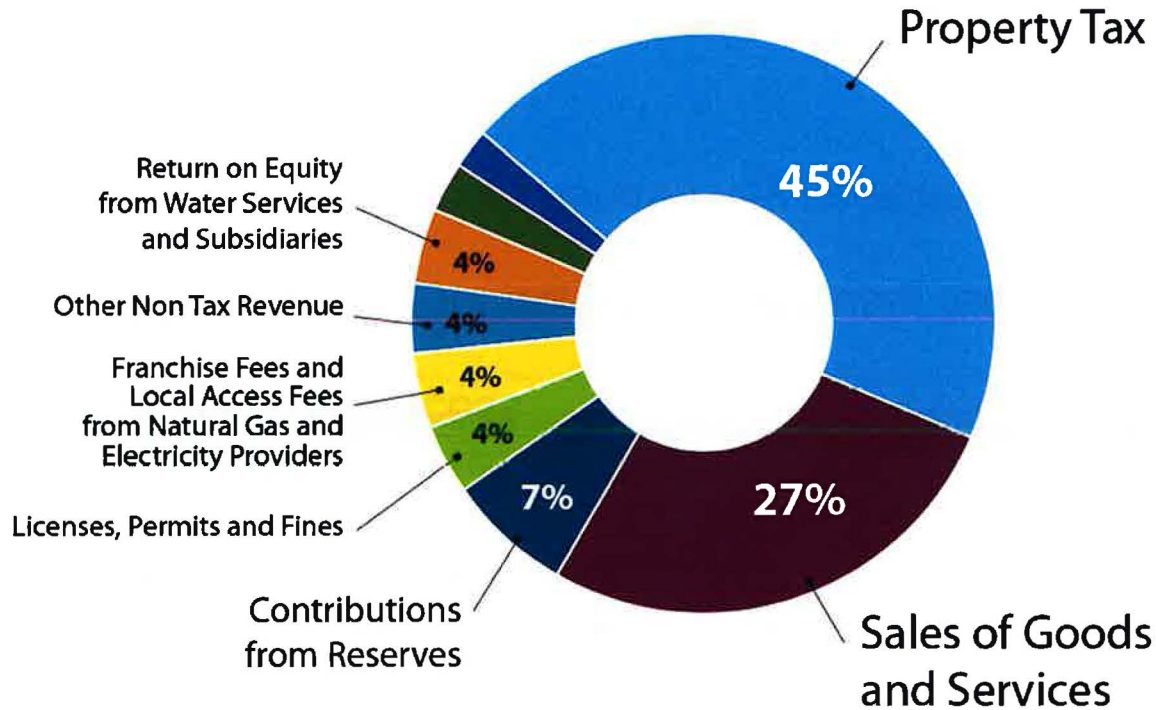


jeremyry

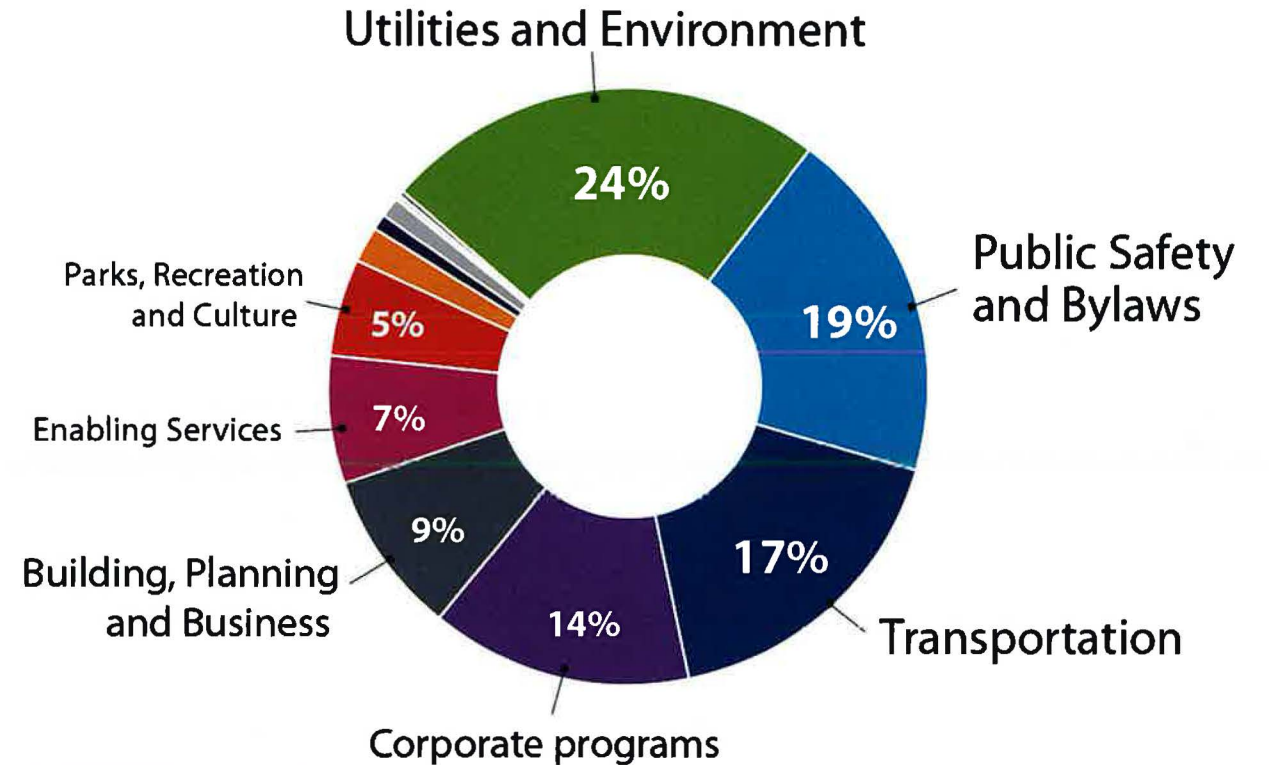
Thanks for letting us know that the city is continuously growing, and funds spent well

2023-2026 operating revenues & expenditures

2023 Revenues



2023 Expenditures net of Recoveries

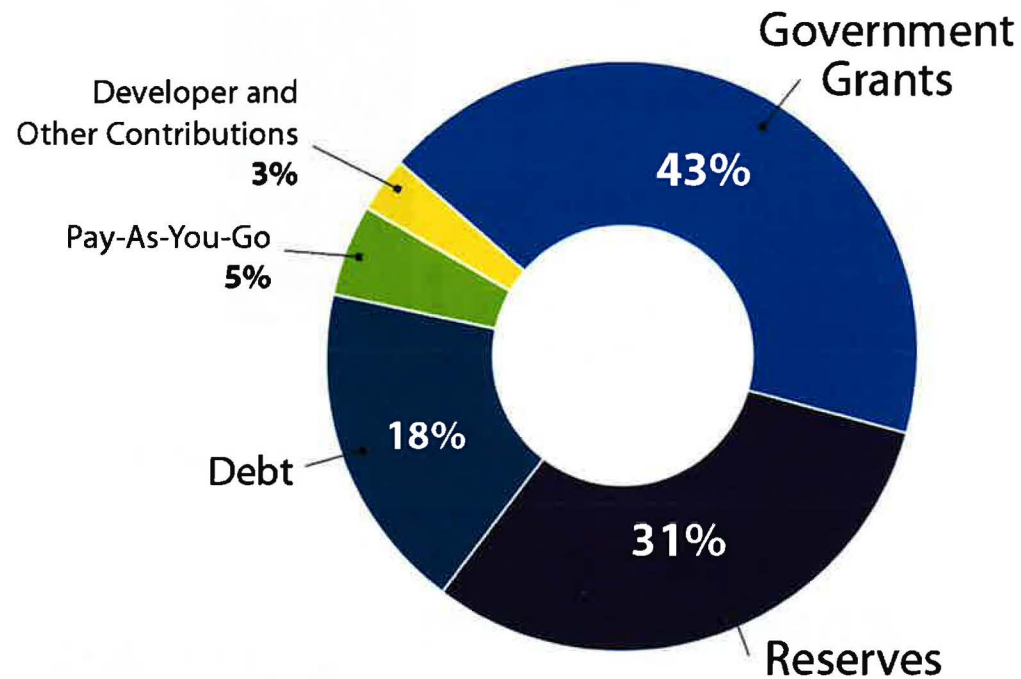


	2022	2023	2024	2025	2026	Average Annual Change
Total Revenue	4,577	4,684	4,660	4,792	4,901	
Change in revenue		2.3%	-0.5%	2.8%	2.3%	1.7%
Total Expenditures (net of recoveries)	4,577	4,684	4,660	4,792	4,901	
Change in expenditures		2.3%	-0.5%	2.8%	2.3%	1.7%

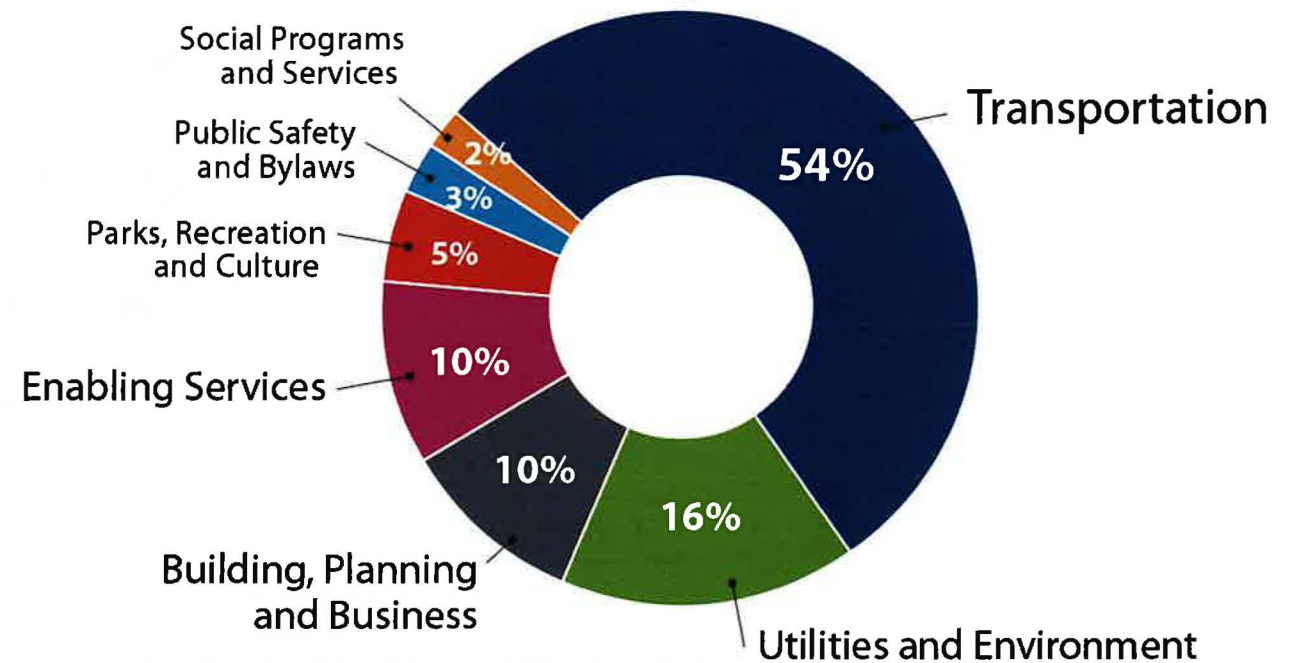
2023-2027+ total capital revenues & expenditures

\$5.7 billion **+** \$4.4 billion **=** \$10.2 billion
 Previously approved New capital requests **Total**

Funding Sources



Investments

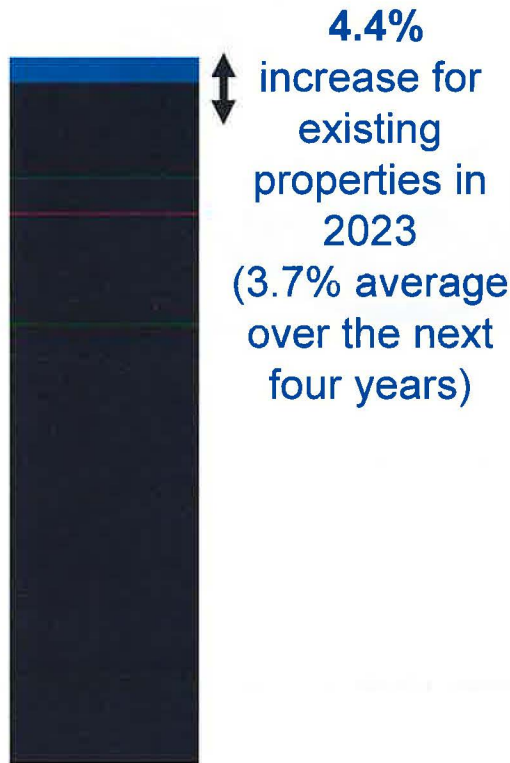




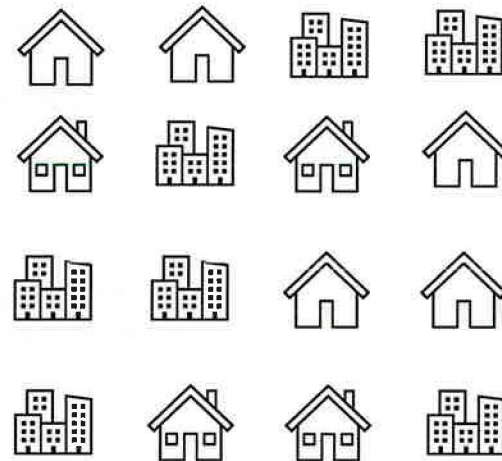
Administration's recommendations aim to keep taxes affordable

Decision 1:

Overall tax revenue



Market forces



Value of a typical single residential property
+14% for 2023

Decision 2:

Tax Share




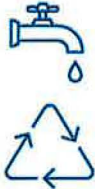
Tax Rates



Tax Rate Ratio

Starting point for typical single-family home is a 5.2% increase in 2023

Impact of Administration’s recommendation on the typical residential property

		2022	2023 change (recommended)
	Municipal property tax per month	\$190	+\$9.83
	Waste & recycling and water utilities per month	\$136	-\$0.13
Total City services		\$326	\$9.70 per month or 3%



2021 Municipal and Provincial Property Taxes and Utility Charges Compared

Typical Monthly Utility Consumption

calculation for 30.4 days usage:



600 kW/h usage of electricity



19 cubic meters of water usage



17.5 cubic meters of wastewater disposal

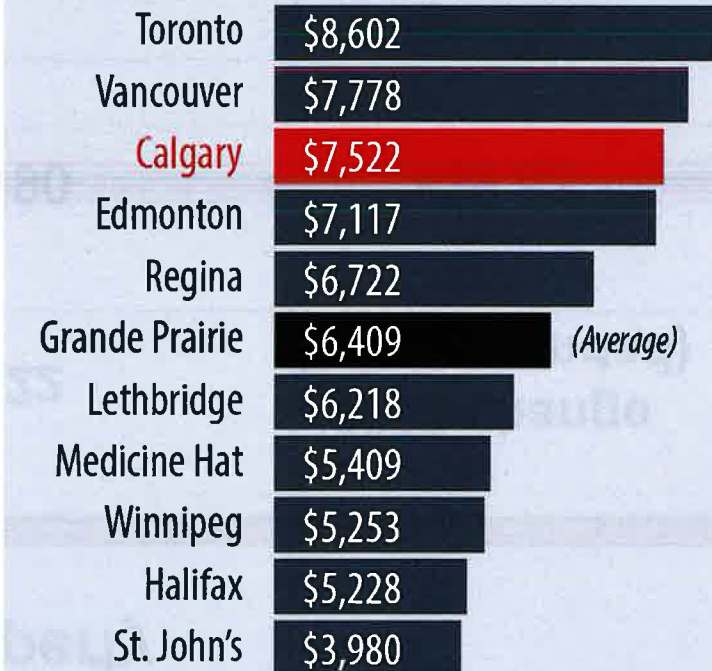
on a per-residential-dwelling basis:



recycling fees, garbage disposal, and other

Combined Average Property Tax and Utility Charges

All Single Detached Houses
(Selected Canadian Cities)



Source: Residential Property Taxes and Utility Charges Survey 2021, Corporate Economics

Impact of Administration's recommendation on the Tax Instalment Payment Plan (TIPP)







Illustrative Single Residential Home Example

	Jan to Jun Instalments	July to Dec Instalments	Total Including Muni & Prov Tax	Municipal Tax Only
2022	\$275	\$303	\$3,468	\$2,277
2023F	\$303	\$297	\$3,595	\$2,395



Other impacts



-  Additional Municipal Property Tax Revenue Changes +
-  Municipal Tax Share Between Res/Non-Res +
-  Provincial Property Tax Revenue Required Changes +
-  Special Taxes, Local Improvement Levies, etc. +

 Council Directed

 Provided Inputs



In 2022, Calgary collected \$772.6 million for the Government of Alberta

	2018	2019	2020	2021	2022
Historic provincial tax revenue					
Total provincial tax revenue (\$ millions)	790.9	770.8	787.0	768.2	772.6
 Provincial portion of total residential property tax (%)	39	37	37	34	34
 Provincial portion of non-residential property tax (%)	21	19	18	20	18



Tax Share Benchmarking

2023

2023 Forecast	2023 Non-Residential Assessment Share	2023 Non-Residential Tax Share	Non-Residential to Residential Tax Rate Ratio
Calgary	18%	48%	4.13

2022

Type	City	2022 Non-Residential Assessment Share	2022 Non-Residential Tax Share	Non-Residential to Residential Tax Rate Ratio
Regional	Okotoks	14%	19%	1.47
Regional	Cochrane	10%	15%	1.50
Regional	Chestermere	4%	6%	1.50
National	Ottawa	18%	25%	1.88
Regional	Airdrie	15%	27%	2.10
National	Winnipeg	20%	34%	2.14
National	Toronto	18%	33%	2.59
Regional	Rocky View	29%	55%	3.00
National	Edmonton	21%	45%	3.05
National	Vancouver	19%	43%	3.12
	Calgary	20%	48%	3.81



Scenarios Based on Share

Budget-based approach (current), (\$ millions)	2022	2023F	2023 Scenario	Change in rate	Change in Assessed Values
Residential Property Tax Share	52%	52%	52%		
Residential property tax – 52%	\$1,060.7	\$1,126.2	\$1,126.2		
Preliminary residential assessment	225,913.6	260,931.3*	260,931.3		+13%
Residential property tax rate**	0.0046950	0.0043162	0.0043162	-8.1%	
Non-Residential Property Tax Share	48%	48%	48%		
Non-residential property tax – 48%	\$983.0	\$1,039.6	\$1,039.6		
Preliminary non-residential assessment	54,962.7	58,364.1	58,364.1		+5%
Preliminary non-residential tax rate**	0.0178843	0.0178122	0.0178122	-0.4%	
Total property tax collected***	\$2,043.6	\$2,165.8	\$2,165.8		
Municipal tax ratio	3.81	4.13	4.13		

Red = Input Blue = Calculated from Input Black = Set or Assumed Value

Illustrative Examples (Values are preliminary and subject to change)	Single Residential 			Retail – Strip Mall	Office - Downtown AA	Industrial - Warehouse 
	2022	2023	Year-over-Year Change	Year-over-Year Change	Year-over-Year Change	Year-over-Year Change
Assessment	\$485,000	\$555,000	14.43%	9.81%	12.19%	2.53%
Estimated Municipal Taxes Prior to Budget Adjustments (revenue neutral)	\$2,277	\$2,298	0.90%	4.70%	6.96%	-2.25%
Estimated Municipal Taxes	\$2,277	\$2,395	5.20%	9.37%	11.73%	2.11%

*2023 preliminary residential and non-residential assessments include preliminary market value change and physical growth.

** Final tax rates will depend on the tax revenue budget approved by Council and the finalized assessments.

***Does not include revenue from Farm Land also included in the Property Tax Bylaw.

Scenarios Based on Tax Rate

Budget-based approach (current), (\$ millions)	2022	2023F	2023 Scenario	Change in rate	Change in Assessed Values
Residential Property Tax Share	52%	52%	52%		
Residential property tax – 52%	\$1,060.7	\$1,126.2	\$1,126.2		
Preliminary residential assessment	225,913.6	260,931.3*	260,931.3		+13%
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That Council:

1. Approve and adopt the 2023-2026 Service Plans and Budgets, including the community indicators, service performance measures, and associated operating and capital budgets as identified in Attachment 4.
2. Provide Administration with direction regarding the residential/non-residential property tax shares to use in calculating property taxes for 2023-2026, based on the information in Attachment 5.
3. For the proposed user fees and utility rates in Attachment 12:
 - a. Approve the user fee and rate changes in Attachments 12A – 12Q; and
 - b. Give three readings to each of the bylaws in Attachments 12R – 12Y.
4. Authorize the one-time withdrawal of \$1.000 million in 2023 and \$1.005 million in 2024 for a total of \$2.005 million from the Planning & Development Sustainment Reserve to execute the Calgary Plan.
5. Approve the capital budget recast in Attachment 13.
6. Direct Administration to return in Q4 of 2023, 2024 and 2025 with adjustments to the 2023-2026 Service Plans and Budgets, and direct that these annual adjustments shall not be deemed to be a reconsideration of the decisions made at the 2022 November 8 Regular Meeting of Council with respect to the approval and adoption of the 2023-2026 Service Plans and Budgets.

Flow for the week of November 21

