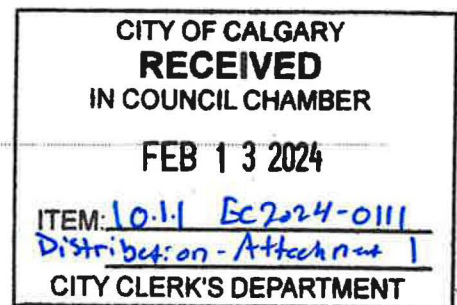


Background and Previous Council Direction

Background

On 2022 December 13, Council requested the addition of a standing agenda item on service planning and budgeting at Executive Committee, which Administration has been delivering since 2023 January 31. On 2023 December 19, Council directed Administration to incorporate Council feedback from the Strategic Meeting of Council into the plan and schedule for 2024 Mid-Cycle Adjustments to Service Plans and Budgets. On 2024 January 30, Council adopted a Motion Arising directing Administration to use the 2024 February 13 standing item towards confirming the intent of Council to seek service efficiencies for the 2025 Mid-Cycle Adjustment deliberations.

Previous Council Direction



| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| 2024 January 30 | EC2024-0132 Council Minutes | <p>Notice of Motion - 2024 Residential Tax Rebate, EC2024-0132</p> <p>That with respect to Notice of Motion EC2024-0132, the following Motion Arising be adopted:</p> <p>That Council direct Administration to:</p> <ol style="list-style-type: none"> 1. Dedicate the 2024 February 13 Executive Committee standing agenda item entitled "Strategic Discussion on Building and Delivering on Plans and Budgets" towards confirming the intent of Council to seek service efficiencies for the 2025 Mid-Cycle Adjustment deliberations; 2. Leverage subsequent Executive Committee standing agenda items entitled "Strategic Discussion on Building and Delivering on Plans and Budgets" to confirm the impact of Council's 2024 February 13 direction on service levels to Calgarians for the 2025 year; and 3. Ensure a final version of the service level changes is made public by end of September 2024 once Council discussions have concluded, in order to inform the 2025 Mid-Cycle Adjustment deliberations in 2024 November. |
| 2023 December 19 | C2023-1296 Council Minutes | <p>2024-2026 Service Plan Highlights and 2023 November Adjustments Debrief, C2023-1296</p> <p>Council provided feedback on the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets.</p> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <p>Formal Council direction included: That Council:</p> <ol style="list-style-type: none"> 1. Direct Administration to incorporate Council feedback from the 2023 December 19 Strategic Meeting of Council (C2023-1296) as set out in Confidential Distribution 1 regarding the Adjustments to the 2023-2026 Service Plans and Budgets in the development of a plan and schedule for the 2024 Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets; 2. Direct Administration to publicly release Confidential Attachment 2 and Confidential Attachment 3 immediately following the 2023 December 19 Strategic Meeting of Council; 3. Direct that the Closed Meeting discussions, Confidential Report, Confidential Attachments, and Confidential Distribution 1 be held confidential pursuant to Section 24 (Advice from officials) of the Freedom of Information and Protection of Privacy Act, to be reviewed no later than 2026 December 31; and <p>Direct that, notwithstanding Recommendation 3, the Confidential Attachments and Confidential Distribution 1 be released to Corporate Planning and Performance, to be shared with Administration, only where required, to support next steps.</p> |
| <p>2023 November 7</p> | <p>C2023-1148</p> <p>Council Minutes</p> | <p>2023 November Adjustments to the 2023-2026 Service Plans and Budgets</p> <p>Council approved the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets.</p> <p>Formal Council direction included: That Council:</p> <ul style="list-style-type: none"> • Approve the recommendation to account for differential in physical growth (new or redevelopment) between residential and non-residential and shift the tax share from non-residential to residential by one per cent per year for the next three years (2024 impacts shown in Option B, in Attachment 3). • Approve the recommended adjustments to the 2023-2026 Service Plans and Budgets in Attachment 5 and direct Administration to implement the budgetary changes and relevant performance measures necessary to effect those adjustments. Approve the funding recommendations in Attachment 5. • For the proposed User Fee and Rate changes in Revised Attachment 6: <ul style="list-style-type: none"> ▪ Approve the user fee changes in Revised Attachment 6A and Attachments 6B-6E; and, ▪ Give three readings to the bylaw in Attachment 6F. |



| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <ul style="list-style-type: none"> • Approve the Capital Budget Recast in Attachment 7. • Approve the Capital Budget Adjustments in Revised Attachment 8. • Approve the Operating Budget Adjustments with No Net Budget Impact for 2023 in Attachment 9. • Approve the Carry Forward of One-time Operating Budget from 2023 to 2024 in Attachment 10. • Approve the contribution of Police Services' Community Safety Investment Framework 2023 favourable variance of up to \$7.5 million to the Calgary Police Service Court Fine Revenue Operating Reserve and a corresponding one-time budget increase in 2024 to be used to fund the Police Services 2024 Community Safety Investment Framework expenditures. • Authorize the Public Transit service to access funding in 2024 for the unspent portion of the previously approved \$32 million from the Fiscal Stability and Operating Budget Savings Account Merged Reserve (originally authorized as a recovery for 2023 only). • Approve the Performance Measures changes in Attachment 11. • For the Compost Expansion Borrowing Bylaw 11B2023 in Attachment 12: <ul style="list-style-type: none"> ▪ Give first reading to Bylaw 11B2023 (Attachment 12), being the proposed bylaw to repeal and replace Bylaw 11B2021 authorizing the increase of the amount of borrowing for the Project from the maximum amount of \$30 million to \$55.63 million; and, ▪ Withhold second and third readings until the advertising requirements set out in the Municipal Government Act, RSA 2000, c. M-26, have been met. • Transfer \$500,000 from the Council Innovation Fund to the Council Community Fund. |
| <p>2023 November 1</p> | <p><u>EC2023-1047</u> Committee Minutes</p> | <p>2024 Preliminary Assessment Roll and Related Estimates This report provided preliminary information on the 2024 assessment roll, anticipated revenue-neutral and budgeted tax change impacts and tax share information.</p> <p>Formal Council direction included: The Executive Committee:</p> <ul style="list-style-type: none"> • Forward this report to the 2023 November 7 Regular Meeting of Council; and • Recommends that Council receive this report for the Corporate Record to inform deliberations on Service Plans and Budget Adjustments in November. |
| <p>2023 September 26</p> | <p>EC2023-0827*</p> | <p>Strategic Discussion on Building and Delivering on Plans and Budgets</p> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | Council Minutes | <p>While the council report and presentation are held confidential, Council directed Administration to release the 30 new investment options to the public to support education leading up to the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets.</p> <p>Formal Council direction included: That with respect to Confidential Report EC2023-0827, the following be adopted, after amendment: That Council:</p> <ul style="list-style-type: none"> • Direct Administration to further develop the investment items indicated in Confidential Distribution Revised Attachment 2 and include for Council's consideration during the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets; • Direct Administration to publicly release the contents of Confidential Distribution Revised Attachment 2 and Confidential Distribution Revised Attachment 3, to support public education leading up to the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets; • Direct that the Closed Meeting discussions, Confidential Report and Confidential Attachments 1, 2, 3, 4 and 5, and Confidential Distribution Revised Presentation Attachment 5, be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; • Direct that, notwithstanding recommendation 3, the confidential documents listed in recommendation 3 above be released to Corporate Planning & Performance, to be shared with Administration, only where required, to support next steps. |
| 2023 July 4 | C2023-0633* Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> • Direct Administration to further develop the investment items indicated in Confidential Distribution 2 and include for Council's consideration during the 2023 September 6 Executive Committee Meeting (leading up to the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets). • Direct that the Closed Meeting discussions, Confidential Report, Confidential Attachments and Confidential Distributions be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and</i> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <p><i>Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and</p> <ul style="list-style-type: none"> Direct that, notwithstanding Recommendation 2, the Confidential Report, Confidential Attachments and Confidential Distributions be released to Corporate Planning and Performance, to be shared with Administration, only where required, to support next steps. |
| 2023 June 6 | EC2023-0447* Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> Direct that the Closed Meeting discussions, Confidential Report, Confidential Attachments and Confidential Distributions be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; Direct that, notwithstanding recommendation 1, the Confidential Report, Confidential Attachments and Confidential Distributions be released to Corporate Planning and Performance, to be shared with Administration, only where required, to support next steps; Reconsider in part Council's decision from the 2022 December 13 Strategic Meeting of Council to "direct Administration to add a standing Agenda Item entitled 'Budget Process Refinement' to the Executive Committee, beginning in 2023, in accordance with section B.6(1) of the Procedure Bylaw 35M2017," with respect to the 2023 July 18 Regular Meeting of Executive Committee; and Direct that the Standing Item – Strategic Discussion on Building and Delivering on Plans and Budgets go directly to the July 4 Regular Meeting of Council as a Confidential Item in lieu of the 2023 July 18 Regular Meeting of Executive Committee. |
| 2023 June 6 | EC2023-0273* Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included that Council:</p> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <ul style="list-style-type: none"> • Receive the confidential presentation and attachment for the Corporate Record; • Direct that the Closed Meeting discussions, presentation, and attachment be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and • Direct that, notwithstanding recommendation 2, the confidential presentation and attachment be released to Corporate Planning & Performance, to be shared with Administration, only where required, to support next steps. |
| 2023 April 25 | EC2023-0272* Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included that Council:</p> <ul style="list-style-type: none"> • Receive the Corrected Confidential Presentation and Distribution entitled "Summary of Budget Process & Document Design Work Group Session 2 – 2023 April 13" for the Corporate Record; • Direct that the Closed Meeting discussions, Corrected Confidential Presentation and Distribution be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; • Direct that, notwithstanding Recommendation 2, the Corrected Confidential Presentation be released to Corporate Planning & Performance, to be shared with Administration, only where required, to support next steps; • Approve Confidential Attachment 1; • Direct that Confidential Attachment 1 be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be released publicly following Council approval at the Regular Meeting of Council on 2023 April 25; and • Direct Administration to start developing proposals for any additional investments that Council would like to consider further in preparation for the Service Plans and Budgets Adjustments in 2023 November. |
| 2023 April 25 | EC2023-0271 Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Attachments 2 and 3 are held confidential.</p> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <p>Formal Council direction included that Council:</p> <ul style="list-style-type: none"> • Receive the Updated Confidential Presentation and Confidential Distribution for the Corporate Record; • Direct that the Closed Meeting discussions, Updated Confidential Presentation, and Confidential Distribution be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and • Direct that, notwithstanding Recommendation 2, the Updated Confidential Presentation and Confidential Distribution be released to Corporate Planning & Performance, to be shared with Administration, only where required, to support next steps. |
| 2023 March 14 | EC2023-0060* Council Minutes | <p>Strategic Discussion on Building and Delivering on Plans and Budgets (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included that Council:</p> <ul style="list-style-type: none"> • Receive the confidential presentation and confidential distribution for the Corporate Record; • Direct that the Closed Meeting discussions, confidential presentation, and confidential distribution be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and • Direct that, notwithstanding recommendation 2, the confidential distribution be released to the Executive Leadership Team to be further shared with Administration, only where required, to support next steps. |
| 2023 February 14 | C2023-0196 Council Minutes | <p>Budget Document Design and Process Refinement Working Group Council reviewed Administration's Terms of Reference for the establishment of a Budget Document Design and Process Refinement Working Group, with a mandate to consider the design of the document set and the decision-making process – specifically the <i>Council</i> involvement in that process – associated with setting and adjusting the four-year service plans and budgets.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> • Receive this report for the Corporate Record. |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| 2023 February 1 | C2023-0136* Council Minutes | <p>Strategic Look Ahead 2023 (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> • Direct Administration to develop a Terms of Reference for a Budget Document Design & Process Refinement Working Group and return to Council for approval by 2023 February 14; • Approve the recommendations contained in Confidential Distribution 2; • Direct that the Closed Meeting discussions and Confidential Distributions 1 and 2 remain confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials), and 27 (Privileged information) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and • Direct that, notwithstanding recommendation 3, the Confidential Distributions 1 and 2 be released to the Executive Leadership Team to be further shared with Administration, only where required, to support next steps. |
| 2023 January 31 | EC2023-0059* Meeting Minutes | <p>Budget Process Refinement (Verbal) Discussion with Council to provide direction to Administration in preparation for 2023 November Adjustments to 2023-2026 Service Plans and Budgets. Report and presentation are held confidential.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> • Receive the confidential attachments and presentation for the Corporate Record; and • Direct that the Closed Meeting discussions, confidential presentation, and attachments be held confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31. |
| 2022 December 13 | C2022-1364* Council Minutes | <p>Strategic Look Back 2022 (Verbal) Council directed Administration to add a standing Agenda item entitled Budget Process Refinement to the Executive Committee beginning in 2023 in accordance with section B.6(a) of the Procedure Bylaw 35M2017. Additionally, directed that the Closed Meeting discussions, presentation, and distributions remain confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of</i></p> |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <p><i>Privacy Act</i>, to be reviewed no later than 2023 December 3. Report and presentation are held confidential.</p> <p>Formal Council direction included:</p> <ul style="list-style-type: none"> • Direct Administration to add a standing Agenda Item entitled "Budget Process Refinement" to the Executive Committee, beginning in 2023, in accordance with section B.6(a) of the Procedure Bylaw 35M2017; • Direct that the Closed Meeting discussions, presentation, and distributions remain confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; • Direct that document titled "Summary of Closed Meeting Discussions" be received for the Corporate Record as a confidential distribution and kept confidential pursuant to Section 24 (Advice from officials) of the <i>Freedom of Information and Protection of Privacy Act</i>, to be reviewed no later than 2023 December 31; and • Direct that notwithstanding recommendations 2 and 3, the confidential distribution document titled "Summary of Closed Confirmed Minutes 2022 December 13 Meeting Discussions" be forwarded to the 2023 January 31 Meeting of the Executive Committee, as a confidential attachment to Agenda Item entitled "Budget Process Refinement", and be released to the Executive Leadership Team, to be further shared with Administration only where required to support next steps in the development of Service Plans and Budgets (2023-2026). |
| 2022 November 8 | <p>C2022-1051</p> <p>Council Minutes</p> | <p>2023-2026 Service Plans and Budgets Council approved the 2023-2026 Service Plans and Budgets.</p> <p>Formal Council direction included: Directed Administration to return to the 2022 December 13 Strategic Meeting of Council to engage in the creation of a process by which Council will provide guidance/direction to Administration to:</p> <ul style="list-style-type: none"> • Revisit the existing budget process to examine its merits and challenges, • Explore ways of ensuring that future budget documents better align with Council's Plain Language Policy CS014, • Potentially reconstruct the 2024, 2025 and 2026 budgets with Administration to ensure future base operating and capital budgets include the investments necessary to advance Calgary as an increasingly equitable and accessible city - including but not limited to investments in housing, mobility, and transit – are embedded in future base operating and capital budgets; the reconstructed base budgets for future, and |

| DATE | REPORT NUMBER | DIRECTION/DESCRIPTION |
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| | | <ul style="list-style-type: none"> • Revisit operating and capital plans and priorities to ensure expeditious delivery of projects and programs that are rooted in the core values and policies of Council, including but not limited to truth and reconciliation, the 5A Network, low-income transit passes, improved transit frequency, affordable housing, mental health supports, and equity index maps. • Come back in Q1 2023 with further options regarding the residential/non-residential tax shares for 2023, including but not limited to: Shifting tax share from non-residential to residential taxpayers, advocacy with Federal and Provincial Governments, including increasing funding options and the municipal portion of payments that can be used to support the operating budget; and an examination of reserves and other funding sources which may be available to reduce property taxes on a one time basis in 2023. |

* Report is held confidential.

Bylaws, Regulations, Council Policies

The following are the applicable sections within the Municipal Government Act:

- 242 Adoption of operating budget
 - (1) Each council must adopt an operating budget for each calendar year by January 1 of that calendar year.
 - (2) A council may adopt an interim operating budget for part of a calendar year.
 - (3) An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.
- 243 Contents of operating budget
 - (1) An operating budget must include the estimated amount of each of the following expenditures and transfers: (a) the amount needed to provide for the council's policies and programs; (b) the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property; (b.1) the amount of expenditures and transfers needed to meet the municipality's obligations as a member of a growth management board; (c) the amount needed to meet the requisitions or other amounts that the municipality is required to pay under an enactment; (c.1) the amount of expenditures and transfers needed to meet the municipality's obligations for services funded under an intermunicipal collaboration framework; if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for its municipal public utilities as defined in section 28; (e) repealed 2022 c16 s9(54); (f) the amount to be transferred to the capital budget; (g) the amount needed to recover any shortfall as required under section 244.
 - (2) An operating budget must include the estimated amount of each of the following sources of revenue and transfers: (a) property tax; (b) business tax; (c) business improvement area tax; (c.1) community revitalization levy; (d) special tax; (e) well drilling equipment tax; (e.1) clean energy improvement tax; (f) local improvement tax; (f.1) community aggregate payment levy; (g) grants; (h) transfers from the municipality's accumulated surplus funds or reserves; (i) any other source
 - (3) The estimated revenue and transfers under subsection (2) must be at least sufficient to pay the estimated expenditures and transfers under subsection (1).
 - (3.1) For the purposes of subsection (3), the estimated expenditures referred to in that

subsection do not include any amortization of tangible capital assets unless the amortization is an amount required to provide for amortization of the tangible capital assets of a municipality's municipal public utilities as defined in section 28.

- (4) The Minister may make regulations respecting budgets and that define terms used in this section that are not defined in section 241.
- 245 Adoption of capital budget
 - Each council must adopt a capital budget for each calendar year by January 1 of that calendar year.
- 246 Content of capital budget
 - A capital budget must include the estimated amount for the following: (a) the amount needed to acquire, construct, remove or improve capital property; (b) the anticipated sources and amounts of money to pay the costs referred to in clause (a); (c) the amount to be transferred from the operating budget.
- 247 Tax bylaws
 - No municipality may pass a property tax bylaw or business tax rate bylaw in respect of a year unless the operating and capital budget for that year have been adopted by council or established by the Minister under section 244.

Additionally, there are multiple City of Calgary policies that guide adjustments to the service plans and budgets, the most relevant are:

- [Budget Reporting Policies](#) CFO006
- [Multi-Year Business Planning and Budgeting Policy](#) CFO004
- [Transparency and Accountability Policy](#) CC039
- [User Fees and Subsidies Policy](#) CFO010