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**Calgary**

**2015 Year-End Report**

**Att. 1**

- **2016 Year-End Accountability Report**
  - Update on Council's Priorities.
  - Corporate Operating, Capital, Debt\* and Efficiencies\* Overview.
  - Department headline measures and achievements, including financials.

**Online**

- **Council Priorities Supplementary Information & Departmental Supplementary Information**

\*New pages added

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## Corporate Summary

32 of the 44 strategic actions are achieving significant milestones, while only one strategic action is experiencing challenges.

### Key areas of achievements include:

- Southeast section of the Green Line,
- Organics and Biosolids Facility,
- Foreign Trade Zone Designation for Calgary.

### Key challenge experienced:

- Balancing the demand for City services with affordable taxes.

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## Corporate Summary

### Leadership Strategic Plan achievements include:

- One City, One Voice,
- 2016 resilience budget,
- Capital Infrastructure Investment Strategy.

### Major Capital projects underway:

- Green Line Transitway,
- LRV (Light Rail Vehicle) and buss purchases,
- New Central Library.

### Background for Mid-Cycle Adjustments

- Administration will have ongoing discussions with Council

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## Corporate Financial Results – Operating

*The City of Calgary's 2015 favourable year-end variance \$86 million*

### **Business Units' Operating Savings \$32 million:**

Delay in filling vacant positions	\$17.0M F
Fuel and court fines (Police)	\$ 4.0M F
Insurance settlements and legal claims	\$ 3.8M F
Calgary Transit fare revenue	\$ 3.7M F
Utility Line Assignment revenue and contractual spending (Infrastructure & Information Services)	\$ 1.5M F
Assessment Review Board hearing costs	\$ 1.1M F
Other	\$ 1.0M F

- \$30.3 million transferred to the Budget Savings Account Reserve
- Self-supported savings were used to offset unfavourable variances/transferred to business unit reserves.

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## Corporate Financial Results – Operating

### **Corporate Program Savings \$54 million:**

Lower franchise fees revenue and lower municipal grants offset by Corporate revenue contingencies	\$ 5.8M F
Contingency for utilities	\$13.0M F
Salary and wages net of transfer to reserves and capital	\$19.0M F
Investment income	\$ 9.8M F
Workers Compensation Board (WCB) rebate and employee benefits costs	\$ 2.7M F
Other contingencies	\$ 3.7M F

- Flowed through to the Fiscal Stability Reserve (FSR)
- After contribution to Budget Savings Account Reserve, the City's tax-supported favourable variance is \$55.7 million.

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## Corporate Financial Results – Capital Budget

\$1.2 billion (58.6%) of the \$2.1 billion total City capital budget was spent by 2015 December 31; including open purchase orders totalling \$2.4 billion.

Capital Budget Savings in 2015 was \$73.7 million.

### Major projects completed or underway in 2015:

- Glenmore Ogden Interchange and Trans Canada Highway Bowfort Road Interchange
- Royal Vista Emergency Response Station
- Wastewater Treatment Plant upgrades (Bonnybrook and Nose Creek)
- Industrial Parks (Dufferin North, Point Trotter and Forest Lawn Creek)
- Social Housing (Crescent Heights, Kingsland, Wildwood and Bridgeland)
- Recreational Facility (Rocky Ridge, Great Plains, Quarry park and Seton)
- Waste & Recycling Services Organic Campus Site Development (**completed**)

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## Corporate Financial Results – Debt & Efficiencies

### Debt Overview:

- Debt outstanding at the end of 2015 was well below The City's debt limit and \$750 million lower than budgeted in Action Plan.
- As a result, annual debt service payments in 2015 were \$33 million lower than budgeted.

### Efficiencies Overview:

- The City is on track to achieve a total of \$118.4 million in efficiency gains since 2012. These include both efficiency gains that were built into the original approved budgets as well as further budget reductions that were absorbed by Administration as a result of adjustments to tax rates. Gains made in 2015 total \$9.9 million.

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## Recommendations

That the Priorities and Finance Committee recommends that Council receive for information:

- Attachment 1 – 2015 Year-End Accountability Report.