

The City’s Risk Profile at Year-End 2024

The City’s risk profile is trending upwards indicating mounting pressures and increased risks compared to the last risk update. This highlights the importance of proactive risk management and informed decision-making to navigate the changing landscape.

Understanding this upward trend is crucial for strategic decision-making, especially as senior leadership considers the top risks to the organization and explores interdependencies between the Principal Corporate Risks (PCRs). Given the interconnected nature of these risks, a proactive and strategic approach to risk management is essential. This includes exploring risk response strategies that highlight cross-corporate efforts and can affect multiple PCRs.

By exploring the PCRs collectively, we can better position ourselves to take on the optimal amount of risk, where opportunities are pursued, undesirable outcomes are avoided or minimized, and upside risk is explored.

This update includes an integrated view of The City’s top risks, including any changes in the ratings, as well as risk-specific information and the results of the Year-End 2024 cross-corporate risk review.

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PART 1: ENVIRONMENTAL SCAN

The Enterprise Risk Management (ERM) team has identified the top pressures to the organization that can result in:

- a) Ongoing or chronic strain on the organization and may serve as a catalyst to revise risk response strategies.
- b) Increase the likelihood or severity of an acute risk event.

These are divided into external and internal pressures to better represent the type and source of the pressure being exerted on the organization. In practice there is frequent overlap and interconnections between the pressures listed below. By taking a wholistic look at the pressures, we can better monitor and manage the pressures and challenges that affect The City’s risks. Further, by identifying and addressing pressures, we are better able to avoid undesirable impacts and capitalize on opportunities as they present themselves while continuing to focus on delivering services to Calgarians.

<i>External Pressure</i>	<i>About</i>
<i>Political</i>	<p>Changing regulations and legislation can affect The City’s operations and financial sustainability as seen with the changes to Local Access Fee (LAF) funding this year and our ability to work together with other orders of government on major capital projects. There remains uncertainty and risk related to future changes in policy from other orders of government as well.</p> <p>This pressure is exasperated by periods of heightened polarization within political discourse, which can result in The City experiencing increased strain on intergovernmental relations and community engagement.</p>
<i>Economic and Financial</i>	<p>Currently the indicators suggest this area’s risk trends are stabilizing. However there remains some uncertainty and potential volatility.</p> <p>The City of Calgary’s “Calgary and Region Economic Outlook 2024-2029” flags some key areas that could affect The City’s risk profile and highlights that The City faces unique economic pressures. While strong economic growth is positive, record migration is contributing to both labor market challenges and higher-than-average inflation (3.3% in Calgary compared to 2.0% nationally). This inflationary pressure, driven by increased demand for goods and services, could impact on the City’s operational costs and affordability for residents.</p>
<i>Cyber</i>	<p>Cyber security continues to be a large risk exposure to The City. One example of this is the City of Calgary’s library cyber breach and the service interruptions that resulted in.</p> <p>Artificial intelligence (AI) as a pressure can serve as a catalyst for both positive and negative risk to the organization, including The City’s exposure to cyber risk. Moreover, as AI becomes more integrated into the workplace, individuals will have the opportunity to adapt their roles. The City must proactively address workforce training and necessary adjustments to cope with this increasing pressure.</p>

<i>Internal Pressure</i>	<i>About</i>
<i>Infrastructure</i>	<p>To ensure the City's long-term sustainability, we must proactively address the challenges posed by aging infrastructure. Recent events, such as the critical feedermain break, highlight the potential for service disruptions and increased costs associated with deteriorating assets. Furthermore, uncertainty surrounding the Green Line and external funding sources adds complexity to our infrastructure planning.</p> <p>The City is taking a strategic approach to balance the needs of the organization between maintenance and growth for our infrastructure amidst uncertainty around grants and funding from other orders of government.</p>
<i>Workforce</i>	<p>Services indicated acute pressures in certain areas when it comes to risks related to staff. Some areas are experiencing high levels of turnover and indications of burnout. Many services highlight challenges related to insufficient workforce capacity, labour shortages, competing priorities, change fatigue, and capacity constraints impacting service delivery and project completion.</p>

PART 2: THE CITY'S RISK PROFILE OVERVIEW

Figure 1 below presents the rating of each of the nine PCRs, as made up by their likelihood and potential impact.

Figure 1: The City's Principal Corporate Risk Ratings

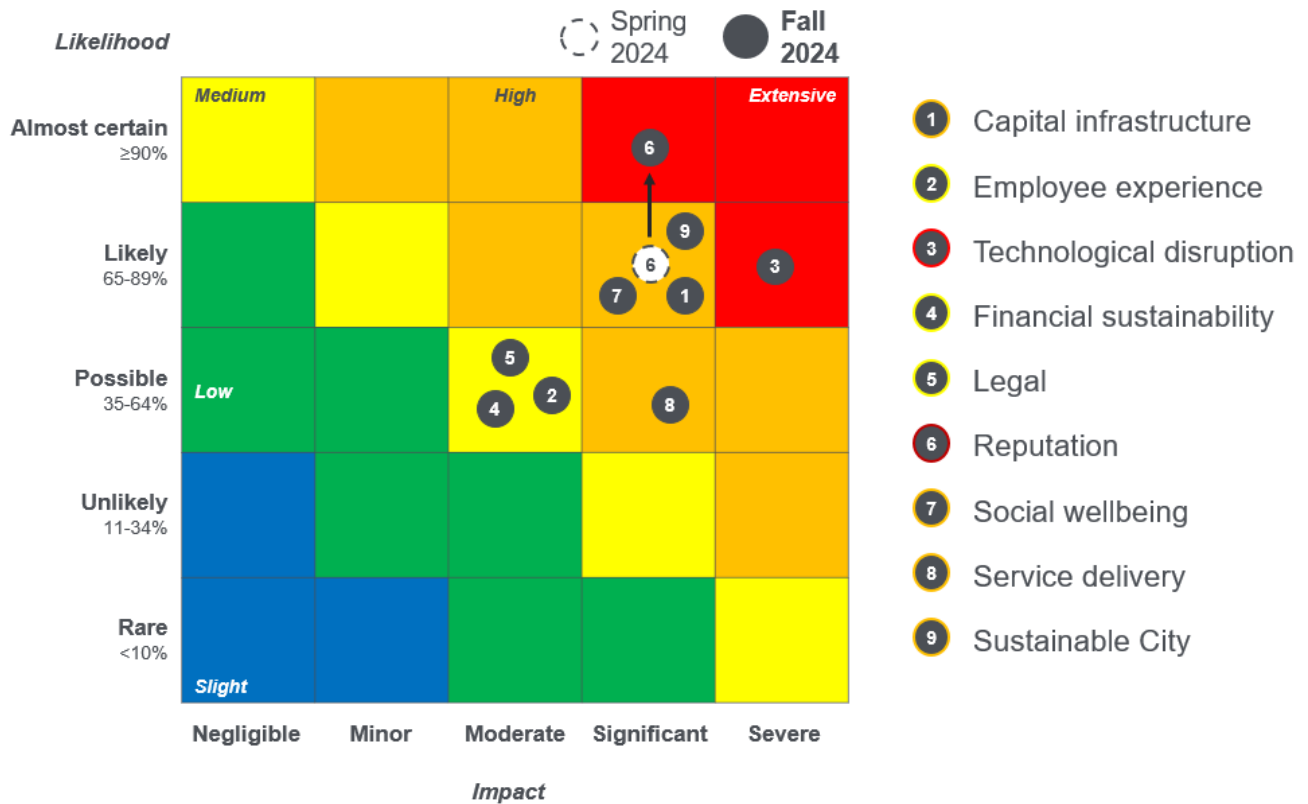


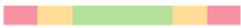



















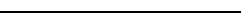

























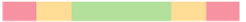
Figure 2: Principal Corporate Risks Dashboard as of 2024 December 9

Principal Corporate Risk	Residual Risk Rating (June 2024)	Current - Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance/ Appetite	Target Residual Risk Rating (3 years)
Capital Infrastructure Risk			On Track	↑	Monitor 	
Employee Experience Risk			On Track	↑	Monitor 	
Technological Disruption Risk			On Track	↑	Monitor 	
Financial Sustainability Risk			On Track	→	Maintain 	
Legal Risk			On Track	→	Maintain 	
Reputation Risk			In Development	↑	Reduce 	
Social Wellbeing Risk			On Track	↑	Monitor 	
Service Delivery Risk			In Progress	↑	Monitor 	
Sustainable City Risk			In Development	→	Monitor 	
Legend	<ul style="list-style-type: none">  Slight  Low  Medium  High  Extensive 		<p>On Track - All risk responses are on track.</p> <p>In Progress - Some risk responses are delayed</p> <p>In Development - Risk responses are under development</p>	<p>↓ Decreasing</p> <p>→ Stable</p> <p>↑ Increasing</p>	<p>Maintain - within risk appetite</p> <p>Monitor - within risk tolerance</p> <p>Reduce - above risk appetite and tolerance</p> <p>Full definitions in Appendix 2</p>	<ul style="list-style-type: none">  Slight  Low  Medium  High  Extensive

Notes:

- The dashboard was populated from information collected from a variety of sources: The year-end Corporate Risk Review process, a review of The City's response strategies, and from other risk reporting at The City. The year end Corporate Risk Review is itself informed by the service risk registers, Corporate Operating Risks, and PCR specific updates.
- Risk definitions are tabulated in [Appendix 1](#).
- The residual risk ratings trend is available in [Appendix 3](#) for reference.

PART 3: THE PRINCIPAL CORPORATE RISKS (ALPHABETICAL LISTING)

Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Capital Infrastructure Risk GM, Infrastructure Services	■	■	On Track	↑	Monitor 	■

Risk Rating

The risk rating (High) and risk trend (Increasing) and remains unchanged from 2024 June.

Uncertainties related to capital infrastructure, supply chain, and procuring contracts.

Calgary is one of the fastest growing cities in Canada with a population of more than 1.4 million people as of 2024 April. This explosive population growth, coupled with financial constraints driven by trends such as the tightening of funds from other orders of government and inflation, are putting an increasing strain on The City’s ability to deliver critical infrastructure services for Calgarians.

The infrastructure gap – which is the difference between the infrastructure investment needed to meet service levels as well as mitigate risk, and the financial resources available to address those needs – keeps growing. Our critical assets are aging and deteriorating as some of them begin to reach the end of their useful life. For instance, the current assessed condition of Calgary’s road network (approximately 17,000 lane kilometers) is 38 per cent good, 36 per cent fair, and 26 per cent poor. At the current annual investment of \$40M, the road network will continue to degrade. Instances such as this have raised fresh concerns around the state of the City’s infrastructure and the resilience of its assets.

The City continues to experience capital cost escalation on several infrastructure projects. Services continue to request relief from the Capital Cost Escalation Fund that was approved by Council in 2023 November. However, with over \$400 million worth of requests to the fund, not all requests can be funded.

Supply chain disruptions and labour shortages are other notable pressures impacting The City. Together these contribute to the risk of unplanned service interruptions, facility shutdowns, and/or other impacts to the organization such as financial and reputational.

The City actively monitors capital infrastructure risks, develops mitigation plans, and implements measures to proactively reduce systemic risk. This proactive approach aims to maintain service delivery and avoid increasing future capital costs.

Strategic Insights from Key Risk Metrics

Vacancy rates in construction and infrastructure services and non-residential building construction price inflation remain relatively high, however, they are trending downward and have declined since the Mid-Year Principal Corporate Risk report. Also of note, The City’s infrastructure gap continues to grow from the \$7.2 billion referenced in 2022 and assets continue to deteriorate, additional details will be available in 2025 through the Infrastructure Status Report (ISR).



Refer to Attachment 3: Key Risk Metrics for more information.

Risk Response

Current

- Advocating for an increase to the contributions to the Capital Cost Escalation Fund through the Mid-Cycle Adjustments to combat cost escalation.
- Pursuing capital funding from multiple sources.
- Proactively monitoring capital and reserves to mitigate capital funding and financing risk.
- Allocating contingency funds to projects to address unforeseen challenges that may arise during project development or delivery.
- Updating the Infrastructure Status report (ISR) and Corporate Asset Management Plan (CAMP)
- Establishing a recommended level of service for critical services/assets such as roadways.
- Asset lifecycle planning and prioritization to balance lifecycle maintenance with growth in capital investment programs.
- Developing plans to advance and improve asset management analysis and reporting, targeting better predictability of rehabilitation timing and requirements.
- Progressive deployment of the Corporate Supply Chain Resilience (SCR) Strategy to guide procurement operations.
- Implementing procurement planning and contracting strategies to best share risks and mitigation activities between The City and contractors.
- Maintaining regular dialogue with consultants, contractors, and industry organizations to build a common understanding of labour challenges and identify potential mitigation measures.
- Sequencing projects to create a consistent and steady flow of work for consultants and contractors.

Upcoming

- Develop an infrastructure and service delivery investment strategy that mitigates the risks associated with the infrastructure funding gap.
- Establish clear and precise definitions for “Poor” and “Critical” physical condition ratings to guide decisions on infrastructure repair and replacement.
- To mitigate debt-related risks to capital infrastructure, The City will modernize its debt management framework through a comprehensive review and update of existing policies, prioritizing prudent debt limits, efficient issuance processes, and effective debt management strategies.
- The Corporate Budget Office will monitor the impacts of the provincial fiscal changes on our allocation of the funding from the local government fiscal framework on an ongoing basis.
- Increase advocacy for provincial government investment in training and apprenticeship programs to increase the number of new entrants to the construction industry.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Employee Experience Risk GM, People, Innovation & Collaboration Services	■	■	On Track	↑	Monitor 	■

Risk Rating

The risk rating (Medium) and risk trend (Increasing) and remains unchanged from 2024 June.

Uncertainty related to recruitment, retention, safety, and engagement.

Employee experience is a multifaceted risk which requires a cross-organization approach across a multitude of fronts. Key factors related to this risk are:

- Hiring and retention of specialized positions is challenging, potentially adding pressure to this risk.
- Employees are managing internal and external demands including increasing pace of change.
- External factors, including public safety and affordability crises, housing shortages, social disorder, social wellbeing challenges, hate toward equity deserving groups, and international conflicts may impact employee health, safety, and wellness.
- Employees may face psychological challenges due to (and not limited to) racial trauma, racial discrimination and systemic racism which may affect their psychological health.

The Employee Experience Risk was the second most frequently mentioned PCR in Services Risk Registers. Some services identified emerging risks and pressures related to this risk such as: evolving expectations, capacity constraints and workload stress, an increased risk of burn out, potential for fatigue and psychological trauma as well as an increasing trend in employee illness and physical injury. Finally, services also noted risks related to public hostility and violence in Calgary which may in turn increase the likelihood of aggressive behaviours towards City staff.

Responding to this risk includes, though is not limited to, actively tracking hard to hire/retain positions, offering training, education and support on key aspects of employee experience; fostering a physically and psychologically safe work place, supporting employees who are exposed to increased frequency and severity of harmful comments, online and reported by traditional media, and ensuring we learn from and address the trauma experienced by racialized staff both as employees and members of the community.

Strategic Insights from Key Risk Metrics

The City continues to demonstrate a commitment to safety and employee well-being. The Total Recordable Injury Frequency (TRIF) increased slightly to 8.8 (as of 2024 October) from 8.5 (2023) and 8.3 (2022). However, this metric remains favorable compared to the year-end target of 9.0. The City's core 12-month retention rate is relatively high at approximately 88 per cent, but slightly lower than the 92 per cent in at Mid-Year.

Note that many of the key risk metrics for Employee Experience are updated annually or are part of the bi-annual employee survey (no additional updates are provided at this time); that said The City will



continue to focus on the flagged areas of improvement some of these include focusing on: safety incident discussions, training, addressing inappropriate behavior, as well as seeking opportunities to improve recognition and reward for employees.

Refer to Attachment 3: Key Risk Metrics for more information and Confidential Attachment 4 (for confidential Key Risk Metrics).

Risk Response

Current

- Providing education, training and support on restorative workplace practices, human rights, vicarious trauma, psychological safety and other key areas of the employee experience.
- Addressing employee injuries, sickness, productivity losses and costs due to working injury and absenteeism to improve the employee experience and the safety culture.
- Implementing the Equity, Diversity, Inclusion & Belonging Framework & Strategy.
- Training and providing support to employees that may receive hateful content (Social Media, Research, Public Engagement) and developing processes to accurately reflect public discourse without amplifying hate speech.
- Developing recommendations that create racially responsive safe spaces to decrease the impacts of racial trauma and developing a safety plan that supports Indigenous, Black, and diverse Racialized staff who have lived and living experiences with racial trauma.
- Continued focus on Employer of Choice initiatives.
- Implementing corporate flexible work model to accommodate different workstyles (anchored, mobile, remote).
- Use of innovative recruitment channels, including leveraging partnerships to attract talent.

Upcoming

- Refresh the Employee Value Proposition and other strategic tools to remain competitive in the job market for hard to retain and hire positions.
- Communicating the results of, and recommend actions in response to, the Corporate Employee and Speaking Up surveys to leverage insights on how to improve the employee experience at The City.
- Developing and educating employees on racially responsive safe spaces within the organization to mitigate and manage the impact of racial trauma.
- Creating a set of strategies and actions aimed at reducing and preventing hate-based behaviors, attitudes, and incidents within the community and our organization.
- Enhance racially responsive mental health support by continuing to work with our Employee & Family Assistance Program (EFAP) provider to advocate for increased racially informed services for Indigenous, Black and diverse Racialized employees.
- Human Resources policies such as Code of Conduct, Respectful Workplace and Restorative Workplace are in place to support any incidences.
- Occupational Health and Safety is piloting safety measures within the anti-racism team that align with anti-racism principles.
- Improving the Safety Management System to support employees and leaders to report and respond to safety risks and occurrences more fulsomely.
- Multiple capital projects to improve the physical security of our workplaces.
- Renewed focus on evaluating our security training and awareness to ensure that employees can equip themselves with the tools they need to handle emerging workplace challenges.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (July 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Technological Disruption Risk GM, People, Innovation & Collaboration Services	■	■	On Track	↑	Monitor 	■

Risk Rating

The risk rating (Extensive) and risk trend (Increasing) remains unchanged from 2024 July.

Uncertainty related to cyber-attacks and technology availability and operations.

The technology sector is a highly competitive job market which makes hiring and retention of key positions in this area challenging, potentially exacerbating The City’s technology risks. Meanwhile the complexity of work has increased as the global sophistication, severity and frequency of cyber attacks and other technological disruption increases at an exponential rate.

While strategies and resources are in place to protect infrastructure and educate employees, cyber threats change rapidly. A single click on a malicious link can introduce disruption to operations by negatively impacting our technology environment. The City is continuing to focus on managing risk exposure related to loss of City data and information. This is complicated by the fact that legacy technology remaining in the environment increases cyber security and business continuity risks as applications can no longer be updated or supported.

Service Risk Registers indicate challenges exist with city areas installing unapproved applications that may pose increased risk for security breaches. They also mention that The City’s ability to keep up with the speed and magnitude of changes in technology and software, leading to increased costs and outdated systems. Further, shifting corporate priorities can delay The City’s workplans and pose risks to technology projects.

The City’s response to technological disruption requires a cross-organizational approach including monitoring, detection, avoidance and mitigation of potential risks. With business units’ increased demand for customized and interconnected systems, education of employees on the importance of regular upgrades and avoiding inadvertently introducing risk will support proactive detection and mitigation of risks.

Strategic Insights from Key Risk Metrics

Calgary’s cybersecurity landscape continues to present both challenges and opportunities. Since the spring of 2024, IT has noted increases in City of Calgary rate of clicking on malicious links compared to peers, number of confirmed information security incidents, as well as low completion rate for cyber awareness training completion rates. These metrics highlight the need for continued efforts at The City protect against cyber security attacks and to improve staff vigilance against malicious actors and mitigate unauthorized access risks. The City’s IT Business Unit continues to take active measures in addressing cybersecurity risks, efforts taken to date now reap the benefits as IT is able to protect against potential threats with email messages; and remote users are now using multi-factor authentication when connecting to The City network.

Refer to Confidential Attachment 4: Confidential Key Risk Metrics for more information.

Risk Response

Current

- Tracking, analyzing and mitigating cyber threats.
- Completing cyber security updates on devices, including reminders to City employees who have not completed updates to increase compliance.
- Cyber security training to increase employee understanding and compliance with best practices.
- Environmental scans to identify vulnerabilities and post-incident lessons learned to review and address gaps for future response to incidents.
- Conducted industry research and consulted with partners to develop a strategy for effective cyber security operations.

Upcoming

- Continue tracking, analyzing, and mitigating cyber threats.
- Continuously initiate cyber security updates on devices, including reminders to City employees who have not completed updates to increase compliance.
- Deliver cyber security training to increase employees' understanding and compliance with best practices.
- Cyber Security Operations is implementing a modernization program to reduce our vulnerability to cyber attacks.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Financial Sustainability Risk GM, Corporate Planning & Financial Services	■	■	On Track	→	Maintain 	■
<p>Risk Rating</p> <p>The risk rating (Medium) and risk trend (Stable) and remains unchanged from 2024 June.</p> <p>Uncertainty related to managing the organization's finances</p> <p>At the time of writing, it is Administration’s recommendation that all Green Line related municipal funding commitments are preserved until the outcome of the review by the Government of Alberta and approval of any subsequent project by Calgary City Council.</p> <p>The property tax remains a stable source of revenue, with approval of 2023-2026 property tax increases slightly below population growth and inflation. The City of Calgary presented its recommended mid-cycle adjustments to City Council in 2024 November, which represents the two-year mark of the four-year service plan and budget that was approved in 2022 November.</p> <p>The current debt forecast for the major capital projects indicates that the debt will peak in 2029. The City’s financing constraints are subject to significant internal pressures such as the timing of Green Line debt as well as external pressures.</p> <p>In addition, The City faces risk pressure from economic volatility due to current macroeconomic conditions, including exposure to pressures related to inflation, cost fluctuations, the ability to procure materials in a timely fashion.</p> <p>Strategic Insights from Key Risk Metrics</p> <ul style="list-style-type: none"> • Calgary’s inflation increased to 3.3 per cent (year over year) and is up from 2.1 per cent in 2024 September. This rise from September’s reading was primarily driven by utility costs. • The recent Calgary Economic Region statistics on labour force grew by 3.2 per cent (year over year), while employment increased at a slower rate at 1.6 per cent. The unemployment rate in Calgary is at 7.4 per cent, slightly lower than the 7.9 per cent reported in the spring. • Recent numbers on taxable property accounts provided by assessment also indicate an increase of 2.2 per cent in residential property accounts from 2024. • The City’s debt limits are anticipated to range between 40 to 50 per cent. However, factors such as the timing of Green Line or changes in capital project forecasts could impact these margins. <p>In summary, The City continues to monitor inflation and actively manage our debt limits while fostering employment growth ensuring Calgary's long-term financial sustainability.</p> <p>Refer to Attachment 3: Key Risk Metrics for more information.</p>						

Risk Response

Current

- The City's approach to financial sustainability and resilience is described in the 2021-2032 Long Range Financial Plan (LRFP).
- LRFP strategies and tactics there are used in Administration's preparation of both the four-year service plan and budget, and annual adjustments. In the past five years, The City has limited operating expenditures resulting in expenditure growth that is less than population and inflation growth.
- An update to the LRFP is being planned in advance of the next Service Plan & Budget cycle of 2027-2030.

Upcoming

We will continue to work on the following financial management tactics:

- Exploring additional revenue opportunities.
- Leveraging unfilled vacancies to sustain financial capacity.
- Using reserves where prudent.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Legal Risk City Solicitor & General Counsel	■	■	On Track	→	Maintain 	■

Risk Rating

The risk rating (Medium) and risk trend (Stable) and remains unchanged from 2024 June.

Legal Risk Environment

The current political, and societal landscape continues to generate new and more complex business and legal issues facing the corporation. It is necessary to ensure the appropriate resources are in place to effectively identify, respond to and manage these risks.

There is a continued increase in volume, velocity, and complexity of business and legal issues, requiring individuals across the Corporation with appropriate expertise to identify matters of concern, identify when to involve supporting services (such as Legal Services) and lead the matter to resolution. Complex and high-risk matters are often escalated to Legal Services in the ordinary course, allowing for proactive advice that supports intentional and informed decision making; however, some are not, and legal risk emerges unintentionally, creating varying degrees of legal, financial and reputational risk.

Services have also flagged recent legislative and regulatory changes. These changes could result in financial, reputational, or operational impacts to the organization.

Strategic Insights from Key Risk Metrics

Due to the complex and dynamic nature of the legal risks facing The City, no key risk metrics are ready to be shared at this time. The legal team is currently in the process of updating their systems to help capture metrics. The ERM team will continue to work with the legal team to include this information into our risk reporting when it is available.

Risk Response

Current

- Continuing to communicate, inform and interact with customers about the importance of engaging Legal Services early and often.
- Utilizing technology to develop transparency and reporting of legal activity.
- Exploring, implementing, and managing technology-based solutions for legal instructions, legal efficiency and customer self-service (e.g., e-signatures).
- Supporting a high performing corporate team that understands risk-based decision making within corporate risk tolerance.

Upcoming

- Continue to work with ERM team to define legal risk appetite at organization wide level.
- Prioritizing and focusing legal resources on risk management activities.



- Assess legal risk using a robust framework informed by data and scenario planning to ensure legal risk is being managed within corporate risk tolerance.
- Law continues to build strong cross corporate relationships, improve overall risk understanding and align approach.
- Continued attendance and involvement of City Solicitor & General Counsel and members of Legal Services in governance/decision making meetings (Council, ELT, SMT, CMT).
- Law continues to review data to identify trends and drivers around legal risk and analyze potential mitigation strategies.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Reputation Risk Chief Administrative Officer	■	■	In Development	↑	Reduce 	■

Risk Rating

The risk rating (Extensive) has shifted from 2024 June (High), whereas the risk trend (Increasing) remains unchanged from 2024 June.

Uncertainty related to community and public relations.

Every service, whether public facing or supporting the organization has a critical role in advancing and protecting The City’s reputation. Accordingly, Administration continues its objective of improving The City’s reputation as an employer by focusing on employee engagement and implementing a variety of “employer of choice” initiatives to improve engagement, satisfaction, and ultimately morale. The most recent employee engagement survey highlights the effectiveness of this approach, as the current score is the highest since the inception of this performance measure over ten years ago.

Research suggests that what residents and businesses want is to trust they will get value from their local government. The perception of value and the establishment of trust are linked, which in turn contributes to how reputation is perceived. While declining results from survey to survey are within statistical margins of error, the long-term trend suggests that more Calgarians perceive that The City is not delivering adequate value for their tax dollars. This metric is being actively addressed by many of the current and future risk management strategies listed in this report.

The City’s credit rating continues to be AA+, the strongest credit rating for a municipality in Alberta. This speaks to The City’s reputation as a financial steward and its ability to manage cash flow, debt, and preparedness for unexpected expenses.

Strategic Insights from Key Risk Metrics

Based on the 2024 Fall Survey of Calgarians, 41 per cent of residents expressed trust in The City. Research suggests that perception of value is closely linked to trust and that trust moves in the same direction as perceptions of value. Recent survey reports 53 per cent as compared to the 5-year average of 72 per cent. This shift in perception suggests that Calgarians are expecting more from their municipal government, including addressing issues with respect to taxes, infrastructure, affordability, and the delivery of core services.

Refer to Attachment 3: Key Risk Metrics for more information.

Risk Response

Current

- Administration continues to focus on supporting businesses through the ongoing work of the Business and Local Economy group. Enabling entrepreneurs and investors to start, grow, and



expand business will help build reputation and trust with businesses and residents across Calgary.

- Administration continues to deliver strategic and proactive communications that focuses on providing important information that reaches a broader audience and sharing progress towards service investments through new communication tools and investments.
- Administration continues its advocacy with key external partners including other orders of government to advance The City's priorities and facilitate inter-municipal collaboration with civic partners, businesses and community leaders, Administration will also work with leaders in the greater Calgary region to promote regional priorities and leverage opportunities where appropriate.
- Continue to inspire a commitment to public service by improving employee satisfaction and engagement and continue to enable a safe and healthy workplace and culture that supports diversity, equity, and inclusion. Initiatives include advancing the anti-racism strategy, providing leaders at all levels appropriate development opportunities, and promoting positive employee experiences.
- Executive Leadership continues its work with the Anti-Racism Team to evolve public education and communication practices with the goal of promoting diversity, inclusion, and equity in accordance with the Anti-Racism Strategy and Action Plan.
- Finally, Administration remains focused on public engagement with Calgarians, businesses, key partners, and employees to better understand their problems, issues and challenges and how they impact key drivers of trust.

Upcoming

- Administration will continue to focus on issues of greatest concern with Calgarians, particularly perceptions of infrastructure, affordable housing, public safety, and the delivery of core City services. In addition, many Calgarians are indicating challenges related to the rising cost of living. Seniors and individuals living on a fixed income are particularly hard hit. To address these challenges and to build social resilience Administration will continue to work closely with Council, other local organizations and other orders of government to support affordable housing, poverty reduction, food insecurity, addiction, and mental health challenges.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Social Wellbeing Risk GM, Community Services			On Track	↑	Monitor 	

Risk Rating

The risk rating (High) and risk trend (Increasing) remains unchanged from 2024 July.

Uncertainty related to social inequity and social programs.

The complexity and magnitude of Calgarians' social needs are impacted by changes in various social and economic factors which can negatively impact social wellbeing, along with the capacity and effectiveness of both The City and our partners in responding.

One key trend highlight is the number of applications for subsidized housing in Q2 2024 which went up by 186 over the previous quarter. The monthly number of visits to the Calgary Community Food Map website continued to increase, with over 36,000 visits to the site in 2024 September. This demonstrates that affordability continues to exert pressure on The City's Wellbeing Risk.

When it comes to public safety, there were almost 1,400 downtown safety responses in the month of 2024 August. This represents a 39 per cent decrease over the same month in 2023. Meanwhile as of the end of September, there were almost 1,200 EMS responses for 2024 to date in the city related to opioid events, down about half in comparison to the same period the previous year. Mental health and substance use issues remain a significant concern for citizens, as evidenced by the more than 2,100 related calls to the Distress Centre's 211 support line during Q2 2024. However, there has been a decline in these calls throughout each quarter in 2024. While these trends are moving in a promising direction, The City will continue to monitor and respond to these pressures.

Services have also indicated risks related to community safety, in particular increases in structural fires, security incidents, and the need to balance access to City services with perceived safety concerns of Calgarians and City staff. Other challenges noted relate to partnership risks such as political and social polarization of Calgarians impacting service expectations, and non-profits and social organizations struggling to meet increasing service demands which in turn impact The City's ability to sustain effective community partnerships.

The City continues to monitor and analyze data and trends related to wellbeing and safety; to develop, implement and invest in strategies that focus on prevention and improving social conditions impacting quality of life, access to opportunities, and inclusion in society; and to provide services and front-line response that support Calgarians' social wellbeing, in particular for those experiencing vulnerabilities.

Strategic Insights from Key Risk Metrics

Noted pressures were related to social challenges, including social disorder, food and housing insecurity, increase in vulnerable populations and mental health and substance abuse. Meanwhile, Calgary faces a complex set of social challenges exacerbated by rapid population growth (the 2024 increase of approximately 69,000 residents marks one of the most significant annual population increases in Calgary's history) and economic pressures (e.g. the Calgary Economic Region's (CER) three-month moving average unemployment rate for August 2024 was 7.4%, an increase of 1.4%



compared to the same reporting period last year). Addressing these challenges requires an integrated approach that considers the interplay between population growth, inflation, unemployment, and the needs of vulnerable populations. Investing in social programs, affordable housing initiatives, and mental health support, while promoting economic growth and job creation, will be crucial for building a resilient and inclusive city.

Refer to Attachment 3: Key Risk Metrics for more information.

Risk Response

Current

Highlights include:

- Coordinating community safety and wellbeing services across the Corporation to ensure we are working toward common outcomes, developing long-term strategies to focus efforts on social development and prevention programming, strengthening relationships with community partners, and advocating to other orders of government for support in addressing complex social needs.
- Creating a Joint Management Team comprised of almost 40 subject matter experts from Calgary Police Services and across Administration, to coordinate operational response plans, communication tactics, and outreach opportunities related to safety in public spaces.
- Advancing the Downtown Safety Leadership Table's 28 recommendations, with 2 of the recommendations completed and 11 on track to be completed by end of year (the 2 completed are the establishment of a Community Court and supporting increased utilization of provincial specialty courts). A public progress tracker is now live which highlights how the work is advancing on all 28 recommendations.
- Continuing to implement the Public Transit Safety Strategy – focusing on an integrated response model with Calgary Police Service, connecting vulnerable Calgarians to community resources, supporting staff well-being, improving system modernization, and enhancing station infrastructure.
- Continuing work on The City's Housing Strategy's 98 actions. Establishing a new Chief Housing Officer role to support The City in being transparent and accountable for affordable housing. The Housing Capital Initiative was launched, a \$60M initiative to support housing partners in leveraging City funds to deliver more affordable homes to Calgarians. Continuing to advocate to the province to address underfunded maintenance and lifecycle costs for City-owned social housing.
- Continuing to offer the Fair Entry program to provide subsidized City programs and services and advocating to the province to increase funding for the Low Income Transit Pass.
- Continuing to offer Crisis Intervention Specialists to support Calgarians who present to The City in crisis with connection to appropriate resources and services, and to deliver social programs and supports that contribute to social wellbeing, reducing barriers to participation in civic life.
- Improving our organizational understanding and removing barriers to programs and services through the work of our Anti-Racism team, Indigenous Relations Office, and Equity program. Online training and a survey have been issued to employees to help further strengthen this work, along with the initiation of a project to develop an organization-wide view of how The City is advancing desired results for Equity, Truth and Reconciliation.
- Maintaining a focus on strengthening community and non-profit sector capacity to support social wellbeing for all Calgarians through: building and maintaining relationships, facilitating collaboration amongst partners, making strategic investments, sharing data and information, supporting advocacy efforts, and undertaking ongoing engagement to understand partners' needs and capacity constraints.
- Strengthening The City's ability to effectively manage and respond to climate events, emergencies, and disasters. This includes increasing awareness of local hazards, preparation for emergencies, coordination of agency response and recovery activities. The Emergency Operations Centre was

activated for over 55 days in support of the water feeder main emergency and the Jasper wildfire, providing centralized communications, planning support and coordination to operational services.

- Responding to the increasing demand for frontline workers to address complex social needs by developing recruitment and retention strategies and training resources to support employees.

Upcoming

- Continue to build and maintain strong relationships across the organization and with partners so that social and safety issues can be collaboratively addressed.
- Consider ways to benchmark and contextualize Calgary's experience in the area of social wellbeing (e.g., learning and comparisons with other cities, etc.) that will further promote social equity and highlight the importance of social wellbeing.
- Continue to advance the maturity of The City's learning and commitment to embed Equity, Truth and Reconciliation, and Anti-Racism into The City's services, investment decisions, and organizational culture.
- Further advance advocacy strategies for additional and sustained funding from other orders of government for social programs, costs associated with social disorder, mental health, and addictions, and to increase and maintain the affordable housing supply.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Service Delivery Risk GM, Operational Services	■	■	In Progress	↑	Monitor 	■

Risk Rating

The risk rating (High) and risk trend (Increasing) remains unchanged from 2024 June.

Uncertainty related to delivering our services.

In recent months, several events have underscored the increasing risk to The City’s service delivery. Coverage of extreme weather events, such as sudden snowstorms, record-setting number of potholes partly due to increased freeze-thaw cycles and summer’s catastrophic water feedermain break have highlighted vulnerabilities in The City’s infrastructure. Aging infrastructure challenges are further compounded by increasing costs, inflation, labour shortages and challenges, rapidly increasing population and new community growth. Navigating service demand is becoming more complex because of legislative changes, increased politicization of City’s services and workforce capacity complexity (i.e. difficulty to hire key operational positions, turnover, and contractor availability).

Service Risk Registers referenced the Service Delivery Risk most out of the PCRs. They mention that The City continues to support the response of emergencies and events external to Calgary; that said these events exhibit strain on Calgary’s Emergency Management Agency and City operations over time (i.e., City’s response to support Wildfires in Alberta).

Other challenges operational staff are facing include: change management fatigue, prioritization challenges, staffing capacity challenges, capacity to respond to emerging needs, and the increase in the volume of complex and sensitive work.

To mitigate these risks, Calgary will need to enhance its resiliency measures, from infrastructure upgrades to more agile digital systems, to continue providing reliable municipal services in a rapidly evolving environment. Services are looking for creative solutions to maintain service levels and reinvest efficiency savings back into services, as well as implementing pilot programs and technological enhancements to improve, streamline and increase transparency at The City. Capital maintenance gaps are monitored, escalated and prioritized to minimize unplanned service interruptions, while operational workforce safety remains a priority (social disorder can and does impact frontline service delivery).

Strategic Insights from Key Risk Metrics

Overall, the service delivery key risk metrics remain largely unchanged since the Mid-Year report. 13 per cent of Facility Management assets were identified as being in poor or critical condition as opposed to 16 per cent earlier this year. Meanwhile, transit services recovery remains at 65.90 per capita. Lastly, the percentage of Calgarians that express overall satisfaction with City services continues to remain at 63 per cent.

The City’s service delivery performance shows a mixed picture. While facility management shows improvement and overall satisfaction remains stable, transit ridership recovery requires further



attention. A balanced approach that addresses both areas of strength and weakness will be essential for ensuring high-quality service delivery across all areas.

Refer to Attachment 3: Key Risk Metrics for more information.

Risk Response

Current

Workforce

- Monitoring and adjusting services to accommodate changes to ensure optimal staffing levels and minimize revenue shortfalls.
- Equity, Diversity, Inclusion and Belonging Framework rolled out with specific actions to support the workforce.
- Hiring of a psychological safety specialist position, first of its kind, in The City to help mitigate some of the workforce challenges, negative public interactions and create additional support for employees.

Asset and Infrastructure

- Implementing a range of climate change actions to build climate resilience into decision-making, implement measures to mitigate future climate disasters, and pilot alternative fuel vehicles to reduce emissions.
- Other strategies include ongoing monitoring of infrastructure status, inspections and assessments, and data analysis for capital investment planning and green fleet strategies.

Quality of City services and Demand for services

- Exploring and implementing a range of actions to address supply chain disruptions where possible, including exploring new local markets, and implementing process changes.
- Dedicating staff in each department to maximize the benefits from departmental or service oversight of workforce strategies to enable a corporate view of the service risk and collectively mitigate.
- Dedicating staff to oversee a centralized departmental planning function to manage overall risk through service quality and demand.

Upcoming

Workforce

- Work with Human Resources to develop strategies to address current and emerging workforce challenges (e.g., attract, retain, and develop), and foster a culture to improve physical and psychological safety.

Assets and Infrastructure

- Work with Infrastructure Services to better understand the investment outlook for capital repairs and asset renewal. Identify support required for increased preventative maintenance/infrastructure renewal to reduce unplanned service disruptions through data-driven decision-making on budget allocations and infrastructure planning.
- Coordinate access to our in-service infrastructure (for projects, events) to ensure reliable service can be provided.

Quality of City services and Demand for services

Monitor service demand and proactively manage customer expectations by exploring a consistent framework for customer experience across front-facing services.



Principal Corporate Risk and Risk Owner	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)	Progress of Risk Response	Risk Trend	Risk Tolerance /Appetite	Target Residual Risk Rating (3 year)
Sustainable City Risk GM, Planning & Development Services	■	■	In Development	→	Monitor 	■
<p>Risk Rating</p> <p>The risk rating (High) and risk trend (Stable) and remains unchanged from 2024 June.</p> <p>Uncertainty related to economics, social, and environmental pressures.</p> <p>Without investment, support, buy-in and collaboration from private sector and Calgarians, The City may struggle to execute the policies and plans developed in alignment with the Calgary Plan, Citywide Growth Strategy, Environment Strategy, and Climate Strategy – Pathways to 2050. Progress has been made on implementing the Climate Strategy – Pathways to 2050, however, greenhouse gas emissions are not being reduced at the necessary rate, which poses an increased risk to our economy, environment, people and The City’s reputation. There are opportunities associated with developing/implementing green technologies in Calgary and applying an equity lens to ensure access to environmental and climate services is available for all.</p> <p>Services have also highlighted risks related to responding to increasing frequency of climate change and severe weather events as well as wildfires. With unpredictable real estate market shifts and limited budgets; The City faces challenges with managing growth and development in Calgary as growth is outpacing the capacity of The City to maintain efficient and effective service levels; as this trend continues this may lead to challenges in maintaining service levels, increased risks for services, and delays in providing services to new communities.</p> <p>Strategic Insights from Key Risk Metrics</p> <p>There was a slight drop in Calgary’s parkland as a per cent of the total area of the municipality which is a result of a cleanup of our geographical data. It is currently at 13.8 per cent. Having a higher ratio supports ecological functions, reduces risk in terms of disaster and resilience, and creates aesthetic, economic value, and opportunities.</p> <p>The City of Calgary’s Residential Diversity Index is at 0.22 (Residential Diversity Index). A range of housing types can better accommodate the housing needs of different demographics. Looking at previous years compared to 2024, the residential diversity index has been remaining stable, however, with the new land use bylaw, we anticipate an increase.</p> <p>While forecasted economic growth is positive, record migration is contributing to both labor market challenges and higher-than-average inflation (3.3 per cent in Calgary compared to 2.0 per cent nationally as of 2024 October).</p> <p>Refer to Attachment 3: Key Risk Metrics for more information.</p>						



Risk Response

Current

- Calgary Plan to reflect triple-bottom-line, climate risk/greenhouse gas reduction and other risks.
- Develop/implement climate reporting tools.
- Adapt to ensure we are meeting housing supply needs that match the projected population increase. Ensuring intentionality around our actions and policies for sustainable growth and climate change mitigation and adaptation.
- Sustain relationships with regional partners.
- Incorporate the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) outlined in the White Goose Flying Report.
- Secure contribution agreement for Housing Accelerator Fund (HAF) and ensure we produce the units over the next three years to bring in the full allocation of HAF.
- Ongoing implementation of Environment Strategy & Climate Strategy-Pathways to 2050.
- Continue to incorporate Service Line approach and utilization of cross-corporate collaboration when planning and decision-making.
- Climate Action through Land Use Bylaw amendments.

Upcoming

- Align service lines cross-corporately to address Climate as a Council Priority
- Continuing to embed climate and environment within organizational governance and decision making.
- Build awareness, and training opportunities on climate and environmental risk.

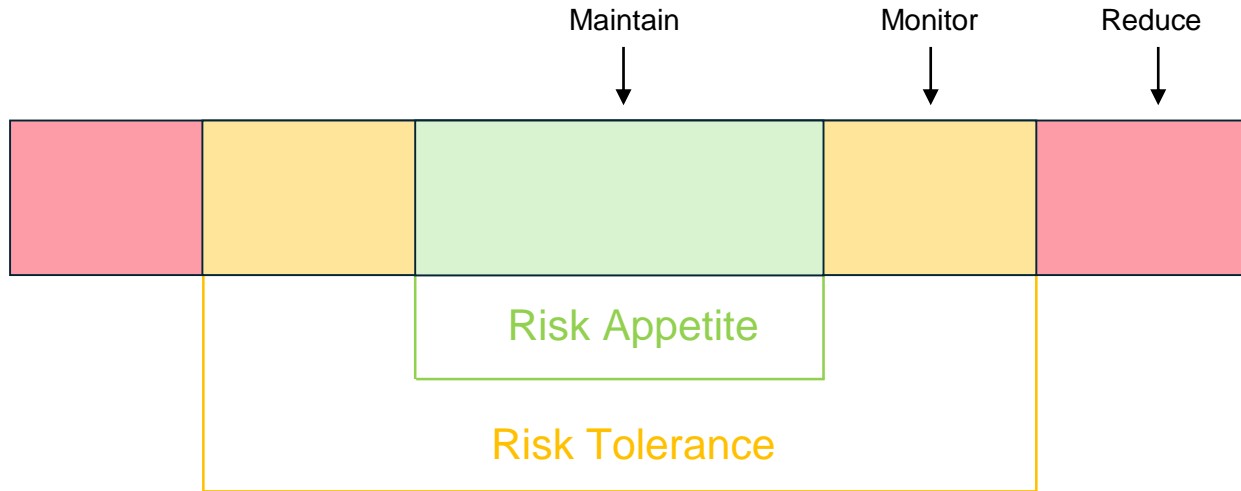
APPENDIX 1: RISK DEFINITIONS

Name of the Principal Corporate Risk	Risk Definition
Capital Infrastructure Risk	Capital infrastructure may be delayed, experience decreased levels of service, or failure due to competing priorities, limited funding, operational challenges, or aging infrastructure. This could result in an inability to deliver needed infrastructure, compromised public safety, service impacts and increased costs to The City.
Employee Experience Risk	Employee experience is a key factor in our ability to attract and retain top talent. There is a risk that The City will not be able to meet the expectations of current and prospective employees.
Technological Disruption Risk	The rapidly evolving sophistication, severity and frequency of cyber-attacks, combined with increasingly diverse IT environments and solutions, increases the risk of technological disruption at an exponential rate. The organization's reliance on technology to deliver customized service across a multitude of platforms requires a focus on monitoring, detecting and mitigating technology risks.
Financial Sustainability Risk	A risk that The City of Calgary is unable to maintain strong financial capacity. This could manifest as a sudden financial constraint, including lower revenues or higher expenses. Generally, this risk increases if the variability in the broader economic context for our operations triggers a significant shift in any revenue or expense category.
Legal Risk	Comprehensive business processes, along with intentional and informed decision making is necessary for the corporation to meet legal compliance requirements and otherwise conduct city business within corporate risk tolerance. This requires the provision of timely professional advice, the absence of which could result in financial losses or unnecessary business, legal or reputational risk for The City.
Reputation Risk	Residents, businesses, and strategic partners need to trust that The City will safely and effectively manage its resources and deliver valued services in an efficient, timely, fair, and equitable manner. Loss of confidence in our municipal government and local leadership will create problems in recruiting and retaining staff, negatively impact Administration's working relationship with Council and other orders of government and may adversely impact residents' quality of life and their perception of Calgary being a great place to make a living and make a life.

<p>Social Wellbeing Risk</p>	<p>There is a risk that The City may not have the capacity to meaningfully contribute through a systemic, holistic approach to the advancement of social wellbeing for all Calgarians due to the increasingly complex social needs and higher demand for services that can result from changing socio-economic and other factors. The potential impacts are deteriorating social wellbeing outcomes – quality of life, access to opportunities, and inclusion in society – for Calgarians, in particular those experiencing vulnerabilities, along with increased pressure for The City and partners to respond, reputational concerns, higher service costs, and in the longer term, possible financial losses resulting from a declining population and economy.</p>
<p>Service Delivery Risk</p>	<p>There is a risk that the quality of public-facing City services will drop below the commitments we have made to Calgarians. A range of factors, including interrelated risks to service inputs (staff health, safety and capacity, systems and processes, infrastructure performance), environmental factors (e.g., extreme weather, cyber threats, public behaviour), and a performance gap (changing public expectations may result in misalignment with service commitments) contribute to the risk.</p>
<p>Sustainable City Risk</p>	<p>Economic, social, and environmental sustainability are critical for The City. Significant contributing factors to this risk are variability in population growth, economic activity, and environmental trends. Impacts from this risk are also likely to be experienced to different degrees spatially within the city and more severely by marginalized groups. Associated long-term and wide-ranging risk considerations for not creating a sustainable city include financial, operational, social, environmental, regulatory and reputational considerations.</p>

APPENDIX 2: RISK APPETITE/TOLERANCE LEVEL

<p>Maintain</p>	<p>Monitor</p>	<p>Reduce</p>
<p>Within risk appetite The current level of hazard/uncertainty, as assessed as part of the Corporate Risk Review process, is consistently in line with the results that were strategically planned and expected and operating at a risk level that the organization is comfortable accepting or maintaining.</p>	<p>Within risk tolerance The current level of hazard/uncertainty, as assessed as part of the Corporate Risk Review process, is within tolerable limits or range, but results may not be sustainable. It is important to continue to closely monitor and assess the risk.</p>	<p>Above risk appetite and tolerance Where the current level of hazard/uncertainty, as assessed as part of the Corporate Risk Review process, is above tolerable limits or range and operating at a level of risk exposure where additional actions are required to reduce the risk to a tolerable or acceptable level.</p>



APPENDIX 3: PCR RESIDUAL RISK RATING TREND

Principal Corporate Risk	Residual Risk Rating (July 2022)	Residual Risk Rating (January 2023)	Residual Risk Rating (July 2023)	Residual Risk Rating (January 2024)	Residual Risk Rating (June 2024)	Current Residual Risk Rating (December 2024)
Capital Infrastructure Risk	■	■	■	■	■	■
Employee Experience Risk	Not Rated ⁽¹⁾	■	■	■	■	■
Technological Disruption Risk	■	■	■	■	■	■
Financial Sustainability Risk	■	■	■	■	■	■
Legal Risk	■	■	■	■	■	■
Reputation Risk	■	■	■	■	■	■
Social Wellbeing Risk	■	■	■	■	■	■
Service Delivery Risk	■	■	■	■	■	■
Sustainable City Risk	■	■	■	■	■	■

Legend: ■ Slight | ■ Low | ■ Medium | ■ High | ■ Extensive

(1) Prior to 2023, the risk ratings for "Employee Experience" and "Technological Disruption" were combined into one risk rating labeled as "Employee Experience and Technological Disruption Risk" in The City's Risk Profile.

APPENDIX 4: RISK MATRIX

Likelihood	Level	Prob. %	Medium	High	High	Extensive	Extensive
	5 Almost Certain	≥ 90%					
4 Likely	65-89%		Low	Medium	High	High	Extensive
3 Possible	35-64%		Low	Low	Medium	High	High
2 Unlikely	11-34%		Slight	Low	Low	Medium	High
1 Rare	< 10%		Slight	Slight	Low	Low	Medium
			Impact				
			1 - Negligible	2 - Minor	3 - Moderate	4 - Significant	5 - Severe
			Minimal impact. Still able to achieve objectives without disruption.	Coping strategies required - able to be addressed with existing plans and resources.	Some challenges on ability to achieve objectives. Some delay. Some aspects of objectives are only met in part.	Difficulties to achieve objectives. Delays or notable aspects of objectives not completed.	Unable to meet objectives due to serious, extended disruption.
Impact Categories	Workforce	<ul style="list-style-type: none"> Minor injury or first aid treatment. Low turnover; easy to hire people with required skills in a timely fashion. 	<ul style="list-style-type: none"> Injury requiring treatment by medical practitioner and/or lost time from workplace. Minor psychological impact. Some turnover; some difficulty in hiring people with required skills in a timely fashion. 	<ul style="list-style-type: none"> Major injury or psychological illness/hospitalization. High turnover; small delays in ability to hire people with required skills in some areas of the organization. 	<ul style="list-style-type: none"> Permanent, or multiple major, injuries or psychological illness. High turnover; notable delays in ability to hire people with required skills in some areas of the organization. 	<ul style="list-style-type: none"> Conditions that could result in fatality(ies). Very high turnover; unable to hire for extended periods of time people with required skills in many areas of the organization. 	
	Technology	<ul style="list-style-type: none"> Non-critical system faces minor interruption. Compromise of unrestricted information otherwise available in the public domain. 	<ul style="list-style-type: none"> Non-critical system faces significant interruption. Minor compromise of protected information sensitive to internal or sub-unit interests. 	<ul style="list-style-type: none"> Critical system faces minor interruption. Compromise of protected information sensitive to the organization's operations. 	<ul style="list-style-type: none"> Critical system faces significant interruption. Compromise of restricted information sensitive to organizational interests. 	<ul style="list-style-type: none"> Irreparable widespread damage to critical system(s). Compromise of restricted information with major, ongoing impact. 	
	External	<ul style="list-style-type: none"> Immediately reversible damage. Minimal flood damage in an isolated area. 	<ul style="list-style-type: none"> Short-term reversible damage. Minimal flood damage in more than one area. 	<ul style="list-style-type: none"> Long-term reversible damage. Major flood damage in an isolated area. 	<ul style="list-style-type: none"> Limited irreversible damage. Major flood damage in more than one area. 	<ul style="list-style-type: none"> Widespread irreversible damage. Massive flood damage in multiple areas throughout the city. 	
	Financial	<ul style="list-style-type: none"> Financial impact is within expected variance and pre-emptively accounted for. 	<ul style="list-style-type: none"> Financial impact is expected and planned for with minor adjustments needed. 	<ul style="list-style-type: none"> Financial impact is greater than planned for, some delay, reduction in scope or alternate funding is required. 	<ul style="list-style-type: none"> A large unplanned financial impact. Significant delays or adjustments to scope are required. Some alternate funding may be achieved. 	<ul style="list-style-type: none"> Unplanned financial impact that results in indefinite delays or cancellation of work. Alternate funding is not able to be acquired. 	
	Strategic	<ul style="list-style-type: none"> A strategic goal within the organization is slightly impacted. Reputation to internal stakeholders may be slightly impacted. 	<ul style="list-style-type: none"> Strategic goal within the organization requires some adjustment. Reputation to key internal stakeholders is adversely impacted. 	<ul style="list-style-type: none"> An organizational-wide strategic goal is compromised. Reputation to internal and some external stakeholders may result in some loss of confidence and trust in the organization. 	<ul style="list-style-type: none"> Unable to deliver on an organizational-wide strategic goal for a sustained period of time. Reputation sustains extended, substantial damage to confidence and trust. 	<ul style="list-style-type: none"> Unable to deliver on an organizational-wide strategic goal indefinitely. Reputation extended, substantial damage to confidence and trust which is irreparable. 	
	Operational	<ul style="list-style-type: none"> Minimal impact on non-core operations. The impact can be dealt with by routine operations. 	<ul style="list-style-type: none"> Some impact on organizational capability in terms of delays, systems quality but able to be dealt with at operational level. 	<ul style="list-style-type: none"> Impact on the organization resulting in reduced performance such that targets are not met. 	<ul style="list-style-type: none"> Some unavailability of critical skills/people. Breakdown of key activities leading to reduction in performance. 	<ul style="list-style-type: none"> Protracted unavailability of critical skills/people. Critical failure(s) preventing core activities from being performed. 	