

The City's Quarterly Report

2025 Second and Third Quarter



Message from Chief Administrative Officer



As we reflect on the past two quarters, it's clear that Calgary is a city on the move. We have faced challenges head-on, seized new opportunities, and built momentum that's carrying us toward a brighter tomorrow. Our population is quickly approaching 2 million, and our reputation as a great city to make a living and a great city to make a life continues to draw people from across Canada and around the world. Calgary is where dreams take root and communities thrive.

On Wednesday, October 29, we welcomed Calgary's 2025-2029 City Council into the organization. Their vision will guide us for the next four years, helping us face new challenges, seize new opportunities, and continue delivering service to Calgarians, now and for future generations.

This quarterly report is a testament to our commitment to transparency, impact, and progress. Here, you will find the milestones, achievements, and challenges that defined Q2 and Q3 2025, along with the priorities that matter most to Calgarians: housing, infrastructure, public safety, and transit.

Calgary's *Home is Here Housing Strategy* is no longer just an idea. Over 90 per cent of its actions are underway, transforming housing vision into reality. Our city continued to lead the nation in housing starts between April and September – a remarkable indication of our national leadership. These housing starts represent families finding homes, communities growing stronger, and hope taking shape.

Our roads connect Calgarians to their homes, their jobs, and their communities. Our teams repaired over 27,000 potholes, driving a 54 per cent drop in 311 pothole requests. Every repair is a promise kept maintaining the standards Calgarians expect and deserve.

Together with Council and our partners, we have made significant strides in public safety, with three-quarters of Calgarians agreeing that the city is safe – a number that has remained stable throughout 2025.

We are investing in the future of transit, replacing aging Calgary Transit Access buses with new shuttles and opening a new Fair Entry and Calgary Transit location in south Calgary. These changes ensure that every resident, especially those who rely on affordable programs, can access our city's services with dignity and ease.

You will also notice a new section in this Quarterly Report – The Financial and Economic Update for the third quarter – demonstrating our continued commitment to transparency and strong financial management.

As we approach the final quarter of 2025, the sense of possibility is profound. City employees are ready to work alongside our newly elected officials, advancing the priorities that matter most to Calgarians. Together, we are building a world-class city, hope, trust, and a legacy for generations to come.

This progress is only possible because of the dedication of every city employee, the insight of engaged Calgarians, and the leadership of Council. The road ahead will require hard work, but our path is clear, we will bring Calgary's full potential to life.

Thank you for being part of this journey.

David Duckworth, P. Eng., MBA, ICD.D
Chief Administrative Officer

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Highlights From the Second and Third Quarter 2025

Parks Plan Proceeds: Connecting Calgary's Green Heart



Council gave the green light to [CONNECT: Calgary's Parks Plan](#), setting in motion a vision that will shape how we experience nature, wellness, and community for years to come. Approved on May 27, 2025, the plan is a promise to every Calgarian. Imagine a city where parks are not just places, but vibrant hubs that connect us to the environment, to culture, and to each other. With four bold priorities: protecting vital natural spaces, expanding and linking our parks network, creating inclusive spaces for all, and elevating park management, Calgary is investing in a greener, healthier future.

Showcasing Calgary to the World: A Summer of Global Impact



Tourism Calgary | Photographer Colin Way

June was a month when Calgary truly shone on the world stage. Our city welcomed delegates from the G7, the Rotary International Convention, and the legendary Calgary Stampede. The energy was electric as more than 1.5 million visitors poured in, generating over \$650 million for our local economy. Behind the scenes, City employees ensured seamless policing, traffic flow, transportation, waste management, and emergency response, in addition to providing other support. Their dedication made sure every guest experienced the warmth and western hospitality that defines Calgary, leaving a lasting impression on the world.

Supporting Calgarians: Bridging the Digital Divide



Calgary's commitment to digital equity took a leap forward with the expansion of the [Affordable Hardware Access \(AHA\)](#) pilot program. In partnership with Technology Helps Foundation and United Way of Calgary and Area, The City is repurposing lifecycled computers and putting them into the hands of the Calgarians who need them most. This initiative is about opportunity. By providing devices, internet access, and cybersecurity resources, AHA is empowering students and families, ensuring that every Calgarian can participate fully in our digital society. It's a step toward a more inclusive, connected future.

The City at a Glance

We are committed to delivering timely, responsive, and effective services. We listen, measure what matters, and continuously improve how we deliver services to ensure we make every dollar count. The City remains accountable to providing the services Calgarians value and need.



In fall 2025, 67 per cent of Calgarians reported they were satisfied with the overall quality and level of City services and programs, rising from both spring 2025 and fall 2024.

WHAT WE HEARD FROM CALGARIANS



Calgarians continue to demonstrate strong satisfaction with City services

The [2025 Fall Survey of Calgarians](#) reported that 67 per cent of Calgarians are satisfied with the overall quality and level of City services and programs, statistically higher than both spring 2025 (61 per cent) and fall 2024 (63 per cent). Top drivers of satisfaction included value for property tax dollars, programs and services that remove barriers to participation for Calgarians, and overall quality of life in Calgary.

Recognition of The City's efforts to foster inclusion and acceptance remains encouraging. Seventy per cent of Calgarians agree that The City of Calgary fosters a city that is inclusive and accepting of all, consistent with fall 2024 (68 per cent).

About half (47 per cent) of Calgarians trust The City – a considerable increase from the same time last year (41 per cent) and matching its highest points in the Fall surveys post-Covid pandemic. Our 2025 benchmarking analysis indicates our trust levels are on par with comparable municipalities.

Delivering accessible and convenient services for Calgarians via 311

With Council's investment of \$723 thousand into on-call support, 311 customer service performance remained strong in Q3 with 86 per cent of 311 calls answered in 60 seconds or less. Although higher seasonal demand led to a slight decline from Q1 performance, we more than doubled our response rate from the same time last year and we are on track to meet our annual target of 80 per cent.



70%

of Calgarians agree that The City of Calgary fosters a city that is inclusive and accepting of all.

2025 Fall Survey of Calgarians

Taking action together to improve Calgary's natural environment and protect community wellbeing

The City is working to restore natural areas and to grow a thriving urban tree canopy to 16 per cent by 2060. With more than 166,600 trees planted in 2025 alone, we are making progress. To encourage Calgarians to take part, we are distributing free trees through the [Branching Out](#) program. With the help of automation technology, we processed 3,938 Branching Out program registrations in just 74 minutes this year, enabling 5,000 available trees to find new homes across the city.

[ClimateReadyYYC](#) program was launched in early 2025 in partnership with the Federation of Calgary Communities to support communities in reducing the impacts of extreme heat, wildfire smoke, flooding, and drought insecurity. The City's contribution in funding enabled a nearly 1:3 return in additional funding for 19 community organizations, supporting local adaptation projects. These include installing shade to keep outdoor spaces cooler, rainwater tanks to support gardens during dry periods, and air filtration systems to keep indoor spaces healthier during smoky days.

Housing

Through *Home is Here: The City of Calgary's Housing Strategy (2024-2030)*, we aspire to ensure that all Calgarians have an affordable place to call home.



We are committed to increasing housing supply and choice to meet the needs of Calgarians.

WHAT'S HAPPENING IN THE COMMUNITY



Calgary remains Canada's housing engine

We continue to see the progress of the City's Housing Strategy and Calgary continues to lead Canadian municipalities in creating new homes. During Q2 and Q3, we issued 12,170 housing development permits – a strong indicator of the pipeline of housing that will soon be built for Calgarians. Housing prices and rental prices are softening as inventory and vacancy rate increase. These are both early indicators that what we are doing is working, however, we still have work to do. Housing costs remain significantly higher than just five years ago and many Calgarians are still challenged to find housing.

[Watch this podcast](#) to learn more about our approach to address our city's housing challenges.

86%

of Calgarians believe The City should invest more into affordable housing programs for low-income Calgarians.
2025 Fall Survey of Calgarians

Exceeding housing targets

We achieved 104 per cent of our commitment to the Canada Mortgage and Housing Corporation (CMHC) [Housing Accelerator Fund](#) agreement in just 20 months to incentivize the delivery of 44,276 units to house over 100,000 Calgarians.

We surpassed 20,000 safe and legal units in the Secondary Suite Registry – a 60 per cent increase in registrations in the past year alone was supported by the [Secondary Suite Incentive program](#).

Calgary leads the country in regulatory reform through continually improving review times and process efficiencies. Calgary is on track to exceed our spring forecast and set a record for completed housing units for the third consecutive year.

Launching funding programs

During Q2 and Q3 we launched three capital funding programs totaling \$69.6 million to support our non-profit housing partners to build new homes, including The City's first ever For Indigenous By Indigenous funding program. Use the links below to learn more on each program:

- [Maa'too'maa'taapii Aoko'iyii'piaya](#)
- [Housing Capital Initiative Round 2](#)
- [Downtown Non-Market Office Conversion Grant](#)

Increasing non-market supply

The Housing Strategy has an ambitious target of 3,000 new non-market homes per year. Through our funding programs, policies and use of City-owned land, momentum is building towards the target. However, we know continued investment and effort are needed to support the sector to increase the supply.

In Q2 and Q3 we worked with our partners to advance 1,110 non-market homes through these projects:

- Awarded \$30.7 million in round one of the Housing Capital Initiative.
- Varsity Multi-Service Centre.
- Liberty Housing Organization's Boro Block.
- Calgary Housing's Mount Pleasant project.
- Attainable Homes' modular project.
- The Loft, Dominion Centre and Petro Fina downtown office conversion projects.

12,637

Total new housing units granted occupancy in Q2 and Q3. This is a 20 per cent increase over the same time period in 2024.

Public Safety

Safety begins with the wellbeing of all Calgarians. We work with community partners to foster a healthy and vibrant city where everyone feels safe, connected, supported, and that they belong.



Calgarians' perceptions of safety remain stable, though The City and partners face ongoing challenges from complex social needs and emergency service demands.

WHAT'S HAPPENING IN THE COMMUNITY



Demand remains high for safety and social support services

Three quarters of Calgarians feel the city is safe and 79 per cent feel their neighbourhood is safe. Downtown incident calls remain steady in 2025, while demand for safety responses from City peace officers, security guards and community partners remains high. Encampment response volumes reflect a large population of people experiencing vulnerabilities with complex needs. Population growth and affordability challenges are also driving record-high demand for social supports and services like Fair Entry.

75% of Calgarians agree that the city is safe.
2025 Fall Survey of Calgarians

Delivering reliable emergency response under growing demand and increasing complexity

In Q3 2025, 91 per cent of 9-1-1 calls were answered within the 15-second target, a six per cent decrease from Q1. Increased demand, complexity and duration of calls is challenging response times.

The Calgary Fire Department improved response times for assembling an effective response force, tackling structure fires 48 seconds faster (year-to-date compared to 2024), meeting our 11-minute response time target for 72 per cent of calls. A Council-directed \$10.6 million investment in 2025 increased staffing on six aerial units, with two more units to be upstaffed by year-end, positively contributing to improved response times.

To support these improvements, we made 33,000 street and address updates to City maps to provide accurate data to first responders, promoting prompt, reliable emergency response.

Improving safety and addressing social disorder remains a key priority.

In 2025, Council invested \$10 million to improve downtown safety by implementing the [Downtown Safety Leadership Table](#) recommendations. This has helped stabilize calls for downtown safety [responses](#), which have remained consistent with Q1 levels despite ongoing pressures.

The Vulnerable Persons Team, which pairs peace officers with social service agencies to respond to encampment sites, was expanded from three to four teams to meet rising needs in residential and industrial areas outside of the downtown, strengthening coordinated support and improving outcomes for vulnerable Calgarians.

Increasing supports and access to services amid record growth

The [Fair Entry program](#) provides equitable opportunities for low-income Calgarians to access City and partners programs, facilities and services at reduced rates. Applications rose to over 22,400 in Q3, up from almost 13,400 in Q1. To meet demand, we:

- Launched a new Fair Entry pilot site at South Fish Creek Recreation Association to increase access.
- Renovated the Municipal Building counters and processing space to reduce wait times.
- Added staff and pre-screening roles to keep up with demand and expedite processing.

Transit

As Canada's third-largest city, and growing, Calgary Transit must grow to meet the challenge. Implementing the fast and frequent transit network, as shared in RouteAhead, will connect over 50 per cent of Calgarians with convenient and accessible transit service.

Calgary Transit is focusing on safety, reliability and maintenance to ensure current service keeps up with Calgary's growth. Gaps in funding have been identified to increase service and expand the network, as more people move to Calgary and choose transit.

WHAT'S HAPPENING IN THE COMMUNITY



Enhancing Safety Across Calgary's Transit System

Significant progress has been made to improve safety for both transit staff and the public. Council has approved \$15 million to install physical barriers on buses, enhancing operator protection. To strengthen safety at LRT stations, we have completed an additional 10 station safety audits as part of our Public Transit Safety Strategy in collaboration with Emergency Management and Community Safety. Of the 32 safety recommendations identified, three projects are complete, including efforts to eliminate blind spots and improve rail crossing safety, creating a safer transit experience for everyone.

50 million transit trips in Q2 and Q3 2025.

We are forecasting modest growth from 2024 to 2025. An improved ridership counting methodology has been implemented in 2025.

The future of Calgary's transit system

The annual [RouteAhead update](#) was shared with Council and Calgarians in Q2. It outlined progress on implementing the strategy, and the gaps in Calgary Transit's system, most notably:

- the service gap, with only two light rail transit (LRT) lines currently meeting fast and frequent service;
- the network gap, which limits fast and frequent service to less than 10 per cent of Calgarians; and
- the funding gap, which requires new and sustainable funding for more buses and operations.

To begin addressing these gaps, Council approved \$3 million in immediate funding as part of RouteAhead reporting to hire and train additional staff to address growth pressures and staff safety. Additional funding is proposed in the 2026 budget adjustments to grow the fast and frequent bus network in 2026.

In the meantime, we are actively managing overtime to ensure reliable service while keeping operating costs in check, despite current staffing challenges. New mobile ticket validators were also put in place on LRT platforms to improve fare compliance.

A more reliable, diverse, and comfortable fleet

New buses are replacing aging Calgary Transit Access vehicles and community shuttles. New community shuttles come equipped with bike racks.

Ten new light rail vehicles are being put into service replacing the oldest train cars.

Nova Bus delivered a demonstration battery-electric bus for testing and training purposes, as part of the contract for 120 electric buses.

Maintaining Calgary Transit's system

The Haysboro Light Rail Vehicle Garage is under expansion and refurbishment to increase indoor LRV storage and modernize its life safety systems.

Several LRT crossings have received safety and accessibility improvements, such as Sunnyside Station, and 58 Avenue S.W.

LRT station, tunnel, track, and lighting maintenance activities were carried out over many weekends in the warmer months.



Infrastructure

We are building and caring for Calgary's infrastructure in smarter, more coordinated ways, so every community has the reliable services it needs to thrive. From safe streets to clean water, our work keeps Calgary resilient, connected, and one of the best places in the world to call home.

By the end of September, crews repaired more than 27,000 potholes. During the same period, 311 pothole service requests dropped by 54 per cent compared to last year.

WHAT'S HAPPENING IN THE COMMUNITY



Meeting Calgary's infrastructure needs for reliable essential services

In the 2025 Fall Survey of Calgarians, 39 per cent rank 'infrastructure, traffic, and roads' as their top concern. We are responding by investing where it matters most, by maintaining existing assets while planning strategically for the future.

Early results from our latest infrastructure condition assessments show that paved roads remain in good condition thanks to focused resurfacing and repair programs. Final data will be available in late 2025.

Did you know?

We proactively maintain 5,400 kilometres of underground drinking water pipes and infrastructure; that's enough to stretch from Vancouver to Halifax. This ongoing work helps ensure a reliable water system for the communities we serve.

Continuing to deliver the infrastructure that matters most to Calgarians

From renewing century-old bridges to creating new community hubs, we are delivering infrastructure that Calgarians rely on every day.

This year, we:

- Replaced Inglewood's sanitary trunk to meet the community's growing wastewater needs.
- Rehabilitated the historic Mission Bridge, making it safer, more comfortable and easier to use for everyone.
- Redeveloped Glenmore Athletic Park to better serve Calgary's amateur sports community.
- Opened Varsity Multi-Service Centre and broke ground on Cornerstone's new multi-service hub, adding more housing options for Calgarians and maximizing City land.

These projects reflect a more coordinated approach across the city. We are working closely across City departments, with industry partners and utility companies, to plan smarter, streamline construction and stretch every capital dollar further. We are on track to deliver over 90 per cent of our 2025 capital budget.

Together, we are improving how we deliver, by investing strategically, reducing duplicating efforts and meeting service delivery expectations, ensuring Calgarians see value in every investment.

Building the right infrastructure at the right time

We are developing a 10-year city-wide Capital Investment Plan to align all infrastructure priorities across the city. It is based on individual capital investment plans, which will be combined to show what Calgary needs to maintain, renew and grow over the next decade.

This long-term plan will:

- Help Council make clear investment decisions, balancing growth with maintenance and aligning every project to Calgary's long-term goals.
- Strengthen how we manage risks, plan ahead, and deliver the best value for Calgarians' tax dollars.

The city-wide plan is scheduled for Q2 2026 release and will be updated annually.

Keeping services reliable through smart maintenance

Supporting a growing city means investing in the infrastructure that Calgarians count on, no matter the season. We continue to invest in maintaining and operating the assets that keep Calgary running smoothly. Regular upkeep protects those assets and ensures we can deliver the high-quality services Calgarians expect.



Spotlight: Investments in Flood Mitigation Infrastructure

The City has invested \$295 million and secured \$1.02 billion from other orders of governments for flood mitigation projects that protect \$68 billion in infrastructure and property, reducing flood damage exposure by 70 per cent since 2013.

In Q2 and Q3, major milestones included substantial completion of the Sunnyside Flood Barrier and [Springbank Off-stream Reservoir \(SR1\)](#) becoming operational in the spring, reducing properties at risk in a 1:100-year flood from 5,450 (2019) to 3,360 (2025). Our flood projects to date collectively eliminate over \$90 million in potential damages, reducing the number of properties at risk from stormwater flooding from 3,350 to 2,519 since 2019, surpassing the business cycle target of 2,932.

Future work to enhance Calgary's resilience includes advancing the Bow River Reservoir Project (Phase 3) and continuing \$80 million in annual stormwater investments, including \$17 million for drainage improvements with a 5:1 benefit-cost ratio.



Key Performance Measures

These performance measures track the progress and results of The City's initiatives, programs, and services that matter most to Calgarians. They serve as key indicators of how efficiently and effectively services are being delivered, and whether the intended outcomes are being achieved.

	Key Performance Measures*	2022	2023	2024	Q1 2025	Q2 2025	Q3 2025	Target
The City at a Glance	% total debt to Council debt limit	41%	40%	40%	45%	46%	41%	45% for 2025 ¹
	City of Calgary credit rating ²	AA+	AA+	AA+	AA+	AA+	AA+	AA+ rating for 2025
	Financial stability ratio (fiscal stability reserve %)	12.8%	10.2%	12.6%	11.3%	9.4%	9.6%	10.2% for 2025
	311 Telephone Service Factor (% of calls answered in 60 seconds or less)	N/A	36%	56%	95%	76%	86%	80% by end of 2026
	Trust in The City of Calgary	48%	47%	40%	52%	N/A	47%	N/A
	% of Calgarians satisfied with overall City services	69%	68%	63%	61%	N/A	67%	N/A
Housing	Number of new market homes with development permit approval	13,900	14,300	22,500	5,397	5,652	6,159	N/A
	Number of new market homes with building permit approval	16,391	19,574	25,095	5,532	6,769	5,727	14,252 by end of 2026
	Number of new non-market ³ homes with development permit approval	185	94	893	198 ⁴	286	73	3,000 per year
	Number of new non-market homes with building permit approval	158	152	121	101	125	72	3,000 per year
	Total new housing units granted occupancy	14,261	16,302	21,542	7,965	6,075	6,562	N/A
	New housing units completed in Calgary's Downtown through the conversion of office properties	N/A	N/A	112	199	199	255	889 ⁵ by end of 2026
Public Safety	Initial 9-1-1 calls answered within 15 seconds	96%	95%	95%	97%	95%	91%	95% annually
	% of responses to serious and escalating fires (where two engines, one aerial unit, and a minimum of 12 fire fighters arrived) within 11 minutes	63.8%	70.1%	70.9%	72.9%	74.0%	71.8%	74.4% by end of 2026
	Number of responses to encampment sites	5,881	11,065	10,148	1,212	2,739	3,262	5,600 per year by end of 2026 ⁶
	Number of applications processed for the Fair Entry program	47,167	61,841	74,980	13,364	25,733	22,431	80,000 per year by end of 2026
Transit	Total number of transit trips (Calgary Transit ridership) (millions)	56.9	90.0	101.1	23.2	25.3	24.7	N/A
	Trips that arrive within a specified period (%), (i.e. bus on-time performance)	87.7%	85.3%	84.4%	86.5%	86.0%	84.3%	90% annually by end of 2026
	Customer safety rating rate on Transit (%)	65.3%	71.1%	73.5%	72.9%	73.0%	73.1%	88% annually by end of 2026
Infrastructure	Paved roadways in Good & Very Good Condition (%)	41%	41%	38%	38%	38%	38%	40% by end of 2026
	Sidewalks and pathways in Good & Very Good Condition (%)	89%	87%	85%	85%	71%	71%	N/A
	Park Assets in Poor & Very Poor Condition (%)	18%	23%	19%	19%	19%	19%	< 22% by end of 2026
	Cumulative number of repaired potholes (Year-to-Date)	16,082	33,490	37,850	3,230	12,621	27,483	N/A
	Properties impacted by water outages per 1000 properties	26	41	29	11	7	9	< 33 annually by end of 2026

* Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute values. Some performance measures are rotated on a seasonal basis to reflect the most relevant quarterly performance data.

¹ Q3 forecast of The City's total debt outstanding compared to the Council approved debt limit for the fiscal year. The Treasury continuously monitors this forecast, with variances reported quarterly.

² Based on Standard & Poor's (S&P) rating.

³ Non-market housing refers to rental or for-sale housing provided for income groups not served by the private market. It is typically made affordable through public and/or non-profit ownership of housing units, or through rent supplements that allow low-income households to access housing in the private market.

⁴ Data adjusted from the Q1 Report.

⁵ Value has been adjusted from 1,500 to reflect updated timelines and expected completions by end of 2026.

⁶ This metric and target will be re-evaluated for the next budget cycle.

Financial and Economic Update Third Quarter

(Year-to-date as of September 30)

Financial Overview

Operating Budget Overview

Net Budget – comparison to Actuals

For the period ended Sept 30 (in millions)

	Q3 2025 Budget	Q3 2025 Actual	Q3 2025 Variance	Year-End Forecast
Operational Services	492	483	9	-
Community Services	419	411	8	3
Calgary Police Services	404	395	10	(28)
People, Innovation & Collaboration Services	145	143	1	1
Civic Partners	112	111	-	-
Planning & Development Services	77	69	8	4
Corporate Planning & Financial Services	67	66	1	1
Infrastructure Services	53	54	(1)	-
Law, Legislative Services & Security	45	42	3	-
Council	11	9	1	2
Chief Housing Office	6	6	-	-
Chief Administrative Office	4	3	-	-
Less: Corporate Programs	2,455	2,625	170	227
Total*	622	831	210	210

*Figures may not add up due to rounding.

Third quarter 2025

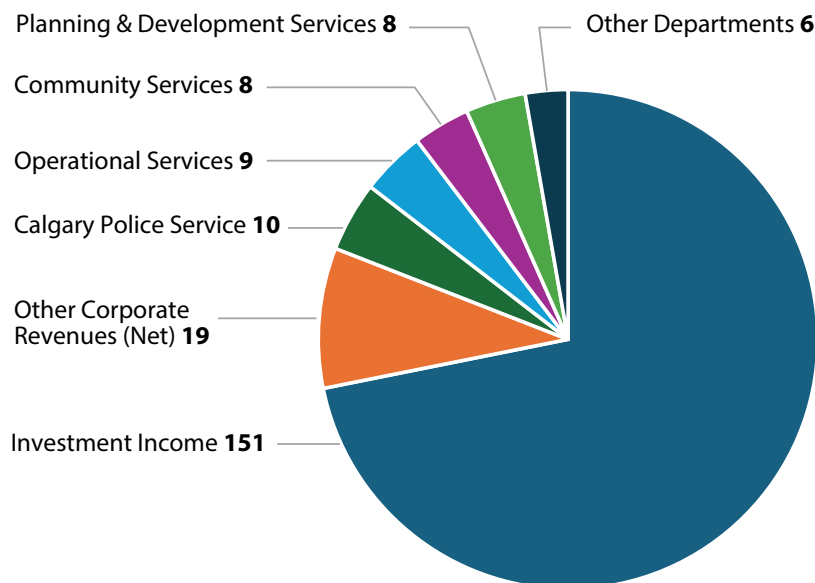
As of September 30, 2025, The City had a favourable operating variance of \$210 million primarily due to a variance in Corporate Programs of \$170 million, and variances across other departments of \$40 million.

Corporate Programs had a \$170 million favourable variance attributed to increased investment income of \$151 million from higher interest income and one-time realized gains earned from rebalancing The City's bond and equity portfolios. The remaining variance of \$19 million in Corporate Programs is due to lower corporate contingencies required for unforeseen circumstances, timing of other expenditures, and higher than anticipated revenue from tax fines and penalties.

The \$40 million variance across other departments was due to the following:

- Operational Services \$9 million: Primarily due to Transit and Mobility favourable operating variances partially offset by a recovery timing difference in other business units.
- Community Services \$8 million: Scheduling of grants received and disbursed and lower salary and wages due to vacancies.
- Planning and Development Services \$8 million: Transaction timing of expenditures for various incentive programs, climate program revenues and salary and wages due to vacancies.
- Law, Legislative Services and Security \$3 million, People, Innovation & Collaboration Services \$1 million, Corporate Planning and Financial Services \$1 million: Lower salary and wages due to vacancies.
- Calgary Police Service \$10 million: Reserve transfers to be completed and lower salary and wages due to vacancies.

Q3 2025 favourable operating variance (in \$ Millions)



Year-end forecast

The City is forecasting a favourable year-end operating variance of \$210 million as of Q3 2025.

Breakdown of the \$210 million is as follows:

- \$165 million higher investment income.
- \$42 million in corporate contingencies savings.
- \$15 million increased revenue from property tax, tax fines and penalties.
- \$16 million savings in salary and wages of due to vacancies and job attrition.
- These variances are partially offset by unfavourable fine revenue projected by Calgary Police Service of \$28 million.

Forecasted estimates are for The City’s internal operations and do not reflect the consolidated results presented in the external financial statements.

At the June 3, 2025 Strategic Meeting of Council, Council approved a capital budget increase of \$96 million that was partially funded through \$25 million of The City’s 2025 forecasted positive variance. Administration is recommending the remaining forecasted variance be used to fund high priority, one-time operating and capital needs during the 2026 November Adjustments.

Progress on Operating Amendments

During the November 2024 Mid Cycle Adjustments to the 2023 – 2026 Business Plans and Budgets, Council approved \$6.6 million in one-time high priority operating budget amendments. The table below summarizes these amendments, and the progress Administration has made to deliver on these investments.

Amendment (\$ millions)	Total	YTD spend	Progress update
Better Services & More Events Downtown	2.0	0.9	Funding is supporting multiple programming events and additional community grants in the downtown area for 2025 and 2026.
Preventative Social Services	1.5	0.8	Funding is supporting community-based equity organizations, such as new immigration, social well-being and inclusivity in 2025 and 2026.
Heritage Conservation	1.3	0.3	Funding the tax cancellation for historic resource properties in 2025 and 2026.
Improving Engagement with Calgarians	0.8	0.3	Funding a consultant to understand and improve The City’s public participation and engagement.
Inglewood Pool	0.8	0.3	Funding the ongoing operating costs in 2025 and 2026.
Event Funding	0.2	0.1	Committed to Her Majesty’s Canadian Ship Calgary 30 th Anniversary, Grey Cup Committee and Carnival Committee. Expenses are incurred as events are planned and held.
Total	6.6	2.7	

Council also approved an ongoing operating budget of \$2 million beginning in 2025 to permanently fund the Civic Partner Community Safety Grant Program that is distributed quarterly.

Capital Budget Overview

Capital Budget – comparison to Actuals For the period ended September 30 (in millions)	2025 Budget	Q3 2025 Actual	Spend rate	Year-End Forecast
Infrastructure Services	1,489	805	54%	91%
Operational Services	707	365	52%	96%
Chief Housing Office	106	76	72%	89%
Planning and Development Services	77	15	19%	59%
Civic Partners	72	39	54%	85%
Community Services	70	56	80%	101%
People, Innovation & Collaboration Services	67	46	69%	93%
Calgary Police Service	64	33	51%	60%
Law, Legislative Services & Security	15	10	70%	82%
Corp Planning and Financial Services	10	4	39%	62%
Chief Administrative Office	0	0	18%	26%
Total*	2,677	1,450	54%	91%

*Figures may not add due to rounding.

Third quarter highlights:

As of September 30, 2025, The City spent \$1.5 billion, or 54 per cent, of its \$2.7 billion capital budget. The City continues to focus on delivering high priority infrastructure to ensure safe and reliable service delivery.

During the third quarter of 2025, several major infrastructure milestones were completed across the city, including breaking ground for a new recreation centre and the opening of a new fire station. These milestones demonstrate The City's continued dedication to building stronger communities and improving everyday life for Calgarians.

The Inglewood Sanitary Trunk, a critical 10-year undertaking, is now complete, ensuring reliable wastewater collection and increased system resilience for Calgarians. Two new water distribution pump stations were completed in the communities of Alpine Park and Creekside. These facilities support the growing population by increasing the supply of clean, reliable drinking water to over 15,000 new homes while adding necessary redundancy to the distribution system. Furthermore, the Gladstone Connect Community Drainage Improvement (CDI) Project is complete, which will improve stormwater management, reduce flood risk, and strengthen neighbourhood resilience in Hillhurst/Kensington and Sunnyside communities.

The Phase 1 opening of the new Cornerstone Multi-Service Centre brings key community services together in one convenient location. The new facility includes a permanent fire station, replacing the temporary one in Skyview Ranch, and a new household hazardous waste drop-off. Like the Varsity Multi-Service Centre opening earlier this year, these investments significantly improve community safety and make accessing necessary services easier for Calgarians.

Construction is now underway for the Belmont Fieldhouse and Library in The City's southwest. Opening in 2027, this project will bring together two community building amenities in one place: a new library and a multi-sport field. Together, they will serve as a hub for learning, play, and communication connection. Key amenities will include a 118,000 sq ft fieldhouse with an indoor artificial turf, viewing spaces and dressing rooms and 10,000 sq ft library with children's areas, outdoor learning space, meeting rooms and flexible seating for all ages.

Green Line construction is underway, with several milestones achieved over the summer. Work officially began with groundbreaking at the future Maintenance and Storage Facility site on June 26, 2025. Additionally, significant work has been completed at the 114 Avenue and Barlow Trail S.E. intersection, where piling and road realignment have been completed to prepare the area for the elevated section of the LRT line.

Construction on Scotia Place, Calgary’s new Event Centre, continues to progress, marking one year since the transformative project broke ground. Significant progress includes the pouring of concrete for the main concourse (ground level) and the installation of columns on the south side of the concourse. Additionally, the foundation for one of four temporary shoring towers has been poured in preparation for the steel roof installation. Overall, more than half of the foundation walls are now complete.

The City and its partners have broken ground on Boro Block, the single largest affordable housing project in its history. Located next to the Heritage LRT station, this transit-oriented development will feature a six-story apartment building delivering 196 affordable homes. Boro Block will also include a non-profit daycare and commercial space, addressing the critical need for safe, stable housing and reflecting the City’s commitment to inclusive community building.

Year-end forecast

The City is forecasting a year-end spend rate of 91 per cent. The capital spend rate increases significantly in the second half of the year due to the seasonality of the construction industry.

Progress on Council Amendments

During the November 2024 Mid Cycle Adjustments to the 2023 – 2026 Business Plans and Budgets, Council approved \$47.4 million in high priority capital budget amendments. The table below summarizes these amendments, and the progress Administration has made to date.

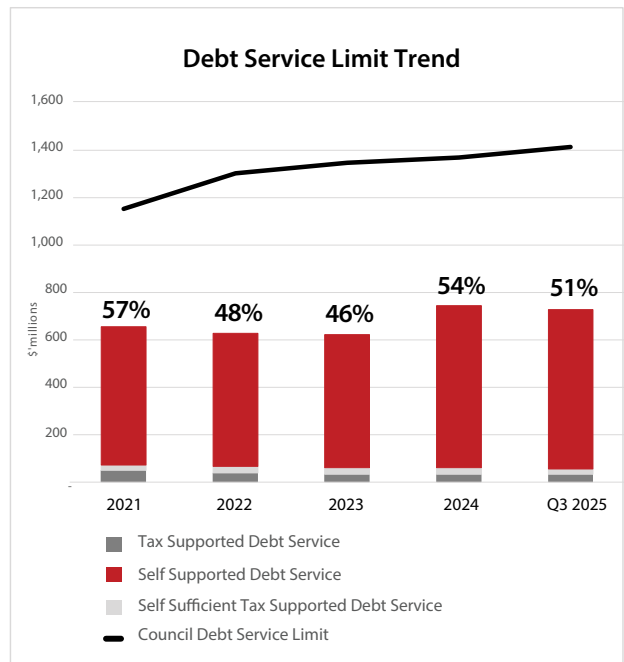
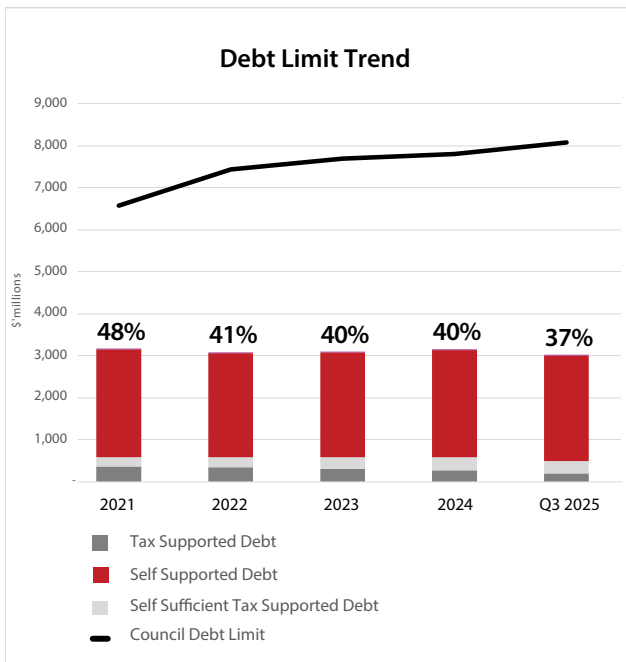
Amendment (\$ millions)	Total	YTD spend	Progress update
Pavement Rehabilitation & Reconstruction	20.0	14.8	Majority of the arterial roads are under the construction stage, procured or tendered out.
Village Square Leisure Center Service Cycle	15.0	-	The project is currently in the Design Development phase. We expect the design to be finalized by Q1 2026, with construction commencing later in 2026 and continuing into 2027.
Indoor Training Facility (CPS)	9.5	-	The project is in the design phase, with construction scheduled to begin in 2026 for 2027 completion.
Parks & Playground Amenities	2.5	0.1	Anticipating expenditures of \$0.5 million in 2025 and \$2.0 million in 2026.
Inglewood Pool	0.4	0.3	Repairs and upgrades have been completed.
Total	47.4	15.2	

Debt Overview

Treasury maintains a long-term forecast of the Council approved debt limits. This helps assess the current and future impact on these limits from the use of debt for approved and prospective long-term capital plans. Council approved debt limits in The City’s Debt Policy that have more stringent limits than those set out for other local authorities in the Municipal Government Act, including:

- Total borrowing must be less than 1.6 times Revenue;
- Total Debt Service shall not exceed 0.28 times Revenue;
- and Tax-Supported Debt Service shall not exceed 10 per cent of Tax-Supported Gross Expenditures (Net of Recoveries).

In the first nine months of 2025, The City issued \$108 million in additional external debt for City capital projects and \$325 million issued for ENMAX Corporation.



Economic Overview

Since the release of our 2025 Spring Economic Outlook, Alberta’s economy has shown moderate improvement. While tariff uncertainties continue to weigh on global trade and investment, exemptions on USMCA/CUSMA-compliant goods, lower exposure to certain sector-specific tariffs, and frontloading have helped limit some of the risks to exports.

The Bank of Canada lowered its policy rate to 2.5 per cent in September, the lowest level in three years amid signs of a slowing economy. Business and consumer confidence, though still cautious, have shown signs of stabilizing and improving, and stock markets have continued to climb amid growing optimism about the economy. Nevertheless, investment, job market conditions, and the real estate market remain at risk due to ongoing market volatility and concerns about subdued global growth.

While Calgary’s economy continues to outperform expectations with stronger than forecasted job growth, it’s not keeping up with population growth. As a result, the unemployment rate has remained high since last year, increasing again in the third quarter. Calgary’s economy is now projected to grow by 2.9 per cent in 2025, down from the revised estimate of 4.6 per cent in 2024.

Table 1: Key economic indicators in Calgary

	2024 Actual	2025 Forecast (Spring)	YTD-2025 (September)
Inflation rate (per cent)	3.4	3.0	2.1
Employment ('000 persons)	1,009.3	1,031.3	1,045.0
Unemployment rate (per cent)	7.4	7.5	7.7
Housing starts (CoC) ('000 units)	20.2	18.8	17.3

Calgary Census Metropolitan Area’s (CMA) Consumer Price Index (CPI) increased 2.1 per cent year over year (YoY) in September 2025, bringing inflation for the year to date to 2.1 per cent. The removal of the consumer carbon tax continues to temporarily lower inflation, while concerns that tariffs may increase consumer prices have not yet materialized. Increases in housing costs for both rental and owned accommodation are easing as demand and supply balance improves alongside broader economic uncertainties. Shelter costs, however, continue to be a primary contributor to overall inflation. Home insurance costs continue to rise due to recent hailstorms in Calgary. The CMA’s inflation rate is now expected to finish the year lower than the 3.0 per cent predicted in the 2025 Spring Economic Outlook, down significantly from 3.4 per cent in 2024.

Calgary continues to be the engine of Canada’s housing construction. While Toronto has seen a sharp decline in new home construction due to a slowdown in multi-family construction, as of the end of September 2025, year-to-date new home construction in the city of Calgary have increased by 21.3 per cent from 14,298 last year to 17,342 in 2025. This continues to lead Canadian municipalities and puts Calgary on track to exceed our spring forecast and set a record for the third consecutive year.

In September 2025, the unemployment rate in the Calgary Economic Region (CER) was estimated at 8.0 per cent, up from 7.2 per cent at the same time last year. This increase shows that competition for jobs within Calgary remains high as more people are entering the workforce than there are new jobs created. Increased youth unemployment and gap between job requirements and worker skills in several in-demand sectors like health care, construction and technology continue to limit labour market outcomes for many job seekers. Structural challenges in aligning workforce skills with employer demand alongside slower than expected business spending rebound are expected to keep job growth subdued. While job growth is expected to end the year significantly above our spring forecast, Calgary’s unemployment rate is still expected to remain high at 7.5 per cent in 2025.

Calgary’s economy is showing more resilience to the policy environment than anticipated in the Spring Economic Outlook. Although there are still some significant risks that could result in a slowdown in the last quarter of the year, there is continued optimism that business and job growth will continue to outperform the Spring Economic Outlook forecast.