



PRINCIPLES FOR SETTING INDICATIVE TAX RATES

Introduction

Indicative tax rates provide a financial envelope within which Council will want Administration to develop the 2019-2022 service plans and budgets. On 2011 April 5 (C2011-31), Council approved principles for setting indicative tax rates. Administration is proposing updated principles that are reflective of the current financial situation, demonstrate further integration and build upon the originally approved principles.

Previously Approved Principles (C2011-31)

The following principles were approved by Council on 2011 April 5:

- Include consideration of citizens' needs and expectations for services, imagineCALGARY goals and the financial impact of these on The City (including Council Directives, inflation, costs of growth, etc.);
- Include consideration of financial situation of taxpayers (citizen affordability);
- Maintain approval of four years with opportunity to adjust annually;
- Rationale underlying the increase should be easy to understand and communicate;
- Base the rates upon the most recent information available at the time of approval;
- Raise the care and attention that the Administration pays to restraining expenditures and continually seeking efficiencies.

Updated Principles for Council's Approval:

1. Include consideration of citizens' needs and expectations, expressed through long term goals, Council directives, and citizen engagement and research.
2. Include consideration of financial situation of taxpayers (citizen affordability).
3. Meet legislative requirements.
4. Reflect a long-term sustainable and affordable balance among enabling Calgary's maintenance, growth and service changes that meet Council approved service levels and further our resilience agenda.
5. Maintain approval of four years with opportunity to adjust annually.
6. Rationale underlying tax rate decisions should be easy to understand and communicate.
7. Base the rates upon most recent information available at the time of approval.
8. Raise the care and attention that the Administration pays to restraining expenditures and continually seeking efficiencies with a focus on service value and intentional management.