

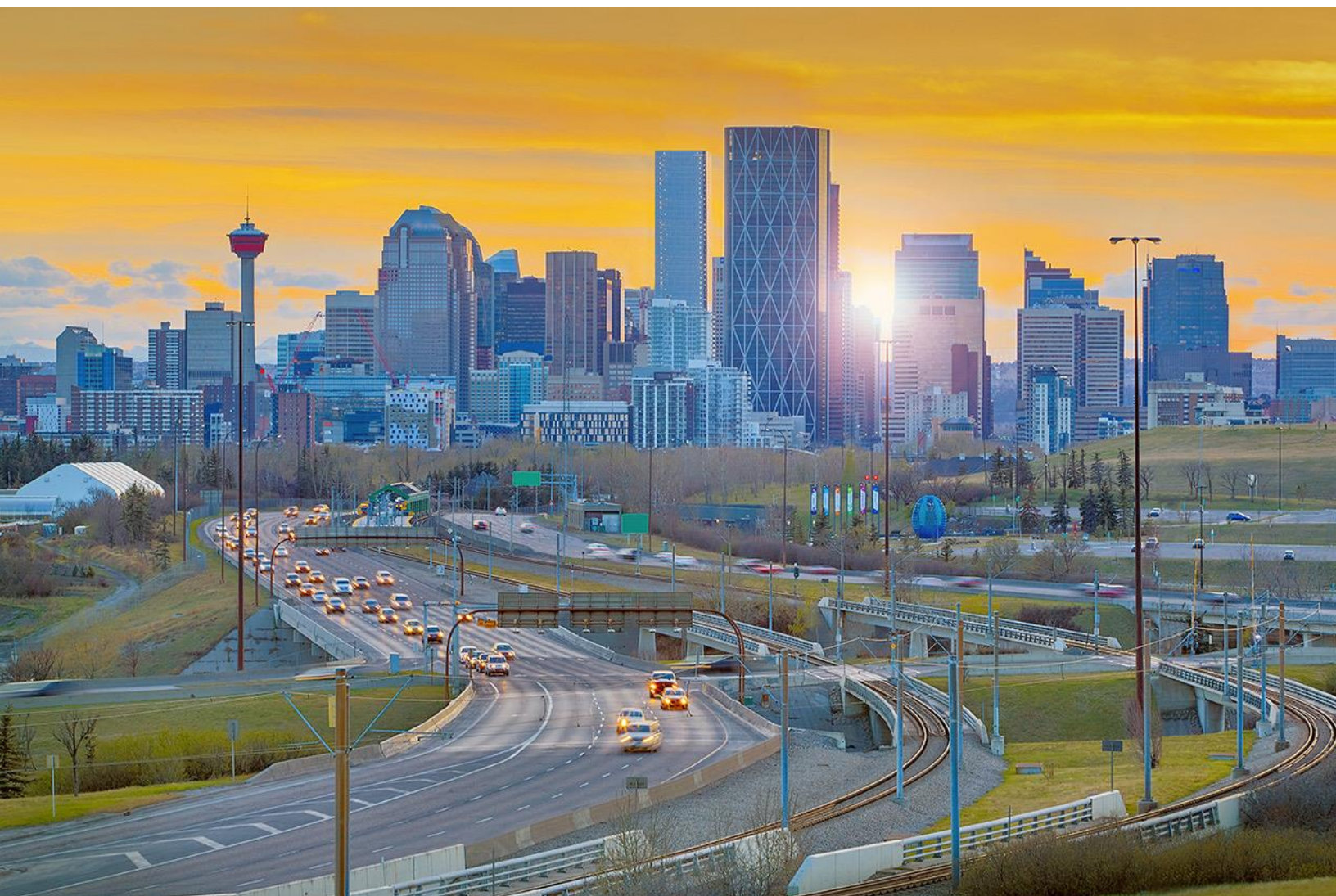


PFC2018-0101

ATTACHMENT

Action Plan 2015-2018

2017 Year-End Accountability Report



Action Plan 2015-2018 is The City of Calgary's business plan and budget and describes how The City will respond to the needs and aspirations of the citizens of Calgary over the four-year period.

Accountability Reports inform Council of The City's progress towards achieving the approved business plans and budgets. The reports provide an update on the status of all Council Priorities, major service initiatives, key accomplishments, challenges, and department budget performance.

Accountability Reports are presented to the Priorities and Finance Committee semi-annually (the Mid-Year Report is presented in September of the current reporting year and the Year-End Report is presented in March of the following year).

The timeline below illustrates when Council can expect to receive Accountability Reports and Adjustments related to Action Plan.

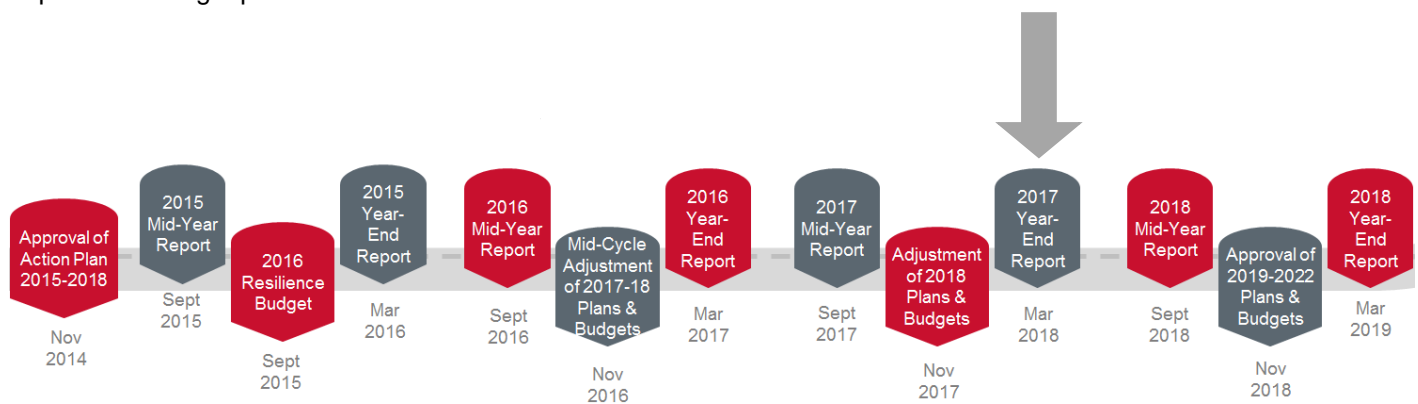


Table of Contents

Executive Summary.....	3
Outlook for Calgary.....	4
Council Priorities.....	5
A prosperous city.....	6
A city of inspiring neighbourhoods	8
A city that moves	10
A healthy and green city.....	12
A well-run city	14
Leadership Strategic Plan	16
Operating Budget Overview	18
Capital Budget Overview.....	19
Debt Overview	20

Savings & Efficiencies Overview.....	21
Utilities & Environmental Protection	22
Transportation	26
Community Services	30
Planning & Development.....	34
Deputy City Manager's Office	38
Chief Financial Officer's Department	42
Urban Strategy	46
Law & Legislative Services	48
City Manager's Office.....	52

Calgary is gradually recovering from two years of recession. The unemployment rate dropped to 7.2 per cent at the end of the year after peaking at 10 per cent in October 2016. Population increased by 1 per cent to 1,246,337 residents and oil prices rebounded to \$60 per barrel (Western Canadian Select). While GDP is projected to grow by 3 per cent in 2018, the economic activity will be driven by government investment and not traditional industries. Changes in job growth, vacancy rates and construction value are therefore expected to be moderate.

The City is responding to the economic environment and continuing to deliver on the 48 strategic actions approved by Council. A few key achievements for 2017 are:

- Reduction in the 2018 property tax rate from 4.7 per cent to 0.9 per cent by closing the \$170 million operating budget gap through cost savings and service reductions based on the least-harm approach.
- Residential Green Cart program successfully rolled out to over 320,000 homes. Higher than expected volume of food and yard waste, approximately 38,000 tonnes, was diverted from landfills to the new award-winning composting facility.
- Green Line (Phase 1), the single largest piece of public infrastructure undertaken by The City, obtained approval of the final alignment and station locations with a funding commitment from the Province.

Calgarians also benefitted from the new Rocky Ridge recreation centre and the rejuvenation of Prairie Winds, Bowness and Mills parks with thousands of people showing up for the inauguration events. Over 650,000 people also participated in the multitude of Canada 150 events held throughout the city.

Technology enhancements, such as the MyBusiness website, Invest in Calgary website, garbage day collection app, and 3-1-1 self-service app, made it easier for citizens and businesses to connect and do business with The City. The increase in followers on all the social media platforms is another indication of the increase in citizen engagement.

Services promoting inclusivity and opportunities for all Calgarians continued to be a priority. Three new affordable homes developments were opened in 2017, providing a total of 72 new homes. Over 80,000 Calgarians were approved for at least one subsidy

program, the sale of low-income monthly transit passes increased by 64 per cent, and 177 summer programs were provided to children with financial and geographical barriers.

In addition to delivering high quality services despite the financial challenges, The City actively reduced costs and pursued efficiencies and productivity gains. In 2017, \$112.1 million of operating savings were transferred to the Budget Savings Account and the Fiscal Stability Reserve.

The \$34.3 million transferred to the Budget Savings Account was mainly delivered through workforce management, including intentional vacancy management and decreasing the use of contractors and consultants. Unbudgeted revenues from insurance settlements were also moved to this account.

The \$77.8 million transferred to the Fiscal Stability Reserve (FSR) was a result of:

- Lower employee benefits costs;
- Higher investment income;
- Full reimbursement of the 2016 Fort McMurray fire costs from the Province; and
- Lower corporate contingency expenses, net of transfers to Community Economic Resilience Fund to provide tax relief to assist Calgary business, Economic Development Investment Funds, and the Municipal Complex Structural Upgrade - Truss Recovery, partially offset by lower franchise fees.

The transfer to the FSR with the year-end close brings the uncommitted balance of the reserve to \$428.0 million which is 13.6 per cent of tax-supported gross expenditures net of recoveries. The minimum FSR balance is 5 per cent with a target of 15 per cent.

Capital programs spent 86.2 per cent of the \$2.0 billion budgeted for 2017. \$101.1 million was contributed to Capital Budget Savings Account bringing the total to \$196.3 million.

The rest of the report expands on the information highlighted here. Updates are provided on each Council priority in the first part of the report and selected performance measures are presented by Department in the latter part. Supplementary information with greater detail can be found online.

[Link to Council Priorities & Departmental Supplementary Information](#)

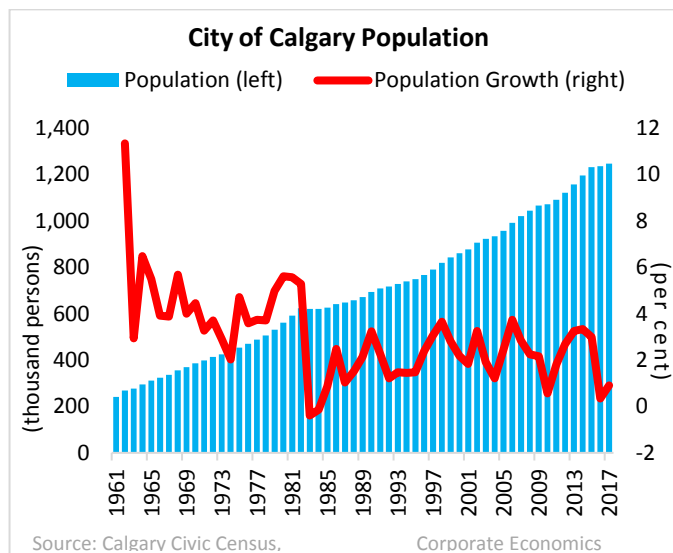
To inform the creation of Action Plan 2015-2018, Administration completed an environmental scan and analysis of key trends affecting Calgary. This page provides a synopsis of more recent conditions – including changes in the economy and intergovernmental affairs – and their impact on The City of Calgary.

The local economy is gradually emerging from two consecutive years of recession, during which employment levels dropped and vacancy rates rose in various segments of the real estate market. The improving economic condition of Alberta and the Calgary Economic Region is connected to new capacity to export energy out of Alberta, and global oil prices.

Economic activity in the Calgary Economic Region contracted in 2016 (-1.2 per cent) in response to lower oil prices and a resulting drop in business investments. After two years of contraction, the Calgary economy improved by an estimated 3.0 per cent in 2017.

WTI crude oil prices in 2017 averaged \$US 50.80 per barrel, higher than in 2016 (\$US 43.30 per barrel). Lately WTI seems to have stabilized in the \$US 60 per barrel range, however, Canadian producers are not benefiting from this. A barrel of West Canadian Select trades for roughly US\$ 25 less than WTI due to transportation bottlenecks.

The 2017 civic census placed the city's population at 1,246,337 up 11,166 people from 2016. Natural increase contributed 10,192 to population growth, while net migration was estimated at 974 persons, an improvement over the previous year when Calgary experienced a net out migration of 6,526 people.



Housing stock continues to increase with the addition of 7,170 units, bringing the total number of dwellings in Calgary to 506,392, an increase of 1.44 per cent. The overall vacancy rate is 4.76 per cent though vacancies in apartments and high-rise condos exceeded 9 percent. The vacancy rate among single detached homes remained low at 2.0 per cent. The number of dwellings under construction in 2017 was 6,537. This was down 2,971 from the 9,508 built in 2016 as the number of multi-residential units being developed dropped in response to the high vacancy rate in this housing class.

The unemployment rate in 2017 averaged 8.6 per cent compared to 9.0 per cent in 2016. The unemployment rate is expected to taper down to the 5 to 6 per cent range by mid-2020. The slow improvement in the unemployment rate is the result of multiple factors. First, at the end of a recession jobs tend to become available and people who exited the labour force tend to return and as a result unemployment rates tend to remain high even as the number of employed people increase. Secondly, this recession saw the elimination of thousands of high paying jobs. The service economy that is responsible for most new jobs today does not pay as well, so people are reluctant to take those positions.

The wage inflation rate for 2017 was much lower than in 2016, weighed down by relatively high unemployment rates. The wage inflation rate is expected to remain subdued while the unemployment rate remains above the long-term average of 5 to 6 per cent.

The City continues to collaborate with regional partners and the Government of Alberta to establish a Growth Management Board in 2018. Once established, The City will need to be an active partner in the development of a legislated Metropolitan Regional Growth Plan and a Metropolitan Regional Servicing Plan, as these plans will have significant implications on the Corporation.

To support the new authorities being provided through the City Charter and the Modernized Municipal Governance Act, The City continues to work with the Government of Alberta and The City of Edmonton to adopt a new fiscal framework that better reflects the roles and responsibilities of Alberta's two big cities.



These five Priorities set the direction for 2015 to 2018, describing the outcomes that are most important for the City of Calgary.

Council Priorities are founded on the 100-year community vision, long-term goals and aspirations articulated by Calgarians through imagineCalgary. They were also influenced by information on key trends and emerging issues anticipated in the next four years, the views of Calgarians as expressed through extensive citizen engagement and Council-approved long-term plans (specifically the Municipal Development Plan and the Calgary Transportation Plan). Council also took into account The City's financial projections, and funding opportunities and constraints.

Council Priorities include 48 strategic actions to provide direction to Administration on what is important for moving Calgary forward. To achieve these, Action Plan identifies over 1000 actions, including capital investments, during 2015-2018.

Reporting on the Council Priorities

There are two dedicated pages for each of the first four Council Priorities. The first page describes desired community outcomes (or results) related to the Council Priority. These outcomes are bigger than any one program, service, department or level of government. The whole community including public and private partners are needed in order to make a difference. The role and contribution of The City is important, but equally important is the story behind the data and the critical role of partners in achieving results.

This first page for each of the first four Council Priorities includes:

- A description of the priority;
- Selected quality of life indicators with explanations;
- Identification of some key partners; and
- Identification of The City's role and contribution to overall community well-being.

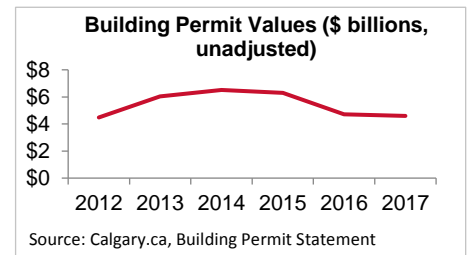
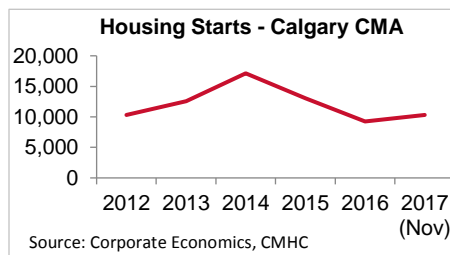
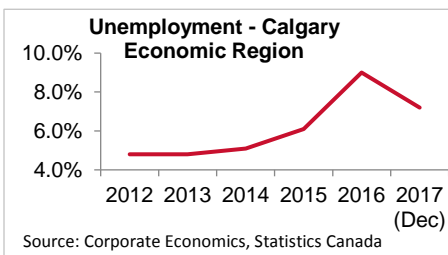
The second of the two pages is a performance page that shows the status of The City's performance on each of the Strategic Actions under the priority. It also includes highlights of noteworthy achievements and challenges that were experienced in 2017.

For the 'well-run city' Council Priority, the first page includes City-wide performance measures, rather than quality of life indicators with the focus being The City of Calgary's performance. The second page provides a status update on each of the Strategic Actions under this priority as well as highlights of noteworthy accomplishments and challenges that were experienced in 2017.



Prosperous cities offer economic opportunities across a range of industries, attracting talented people from all over the world. Prosperous cities strive to create a business environment where corporations, businesses, and entrepreneurs thrive. In prosperous cities, municipal government partners with local agencies to provide affordable housing, promote community wellbeing, and work to maintain the quality of life for citizens during challenging economic times.

How Is The Community Doing? Selected Indicators:



Some Partners Include:

Calgary Economic Development	University of Calgary
Calgary Public Library	Government of Alberta
Calgary Arts Development Authority	Calgary Chamber of Commerce

Story Behind the Indicators:

After reaching a peak of 10 per cent in October 2016, unemployment in the Calgary Economic Region (CER) declined to 7.5 per cent in January 2018.

Increased population growth and net migration has resulted in a total of 10,851 housing starts as of November 2017 compared to 9,245 housing starts in all of 2016.

The loss in economic output from the CER between 2014 and 2016 is estimated at \$5.4 billion. Real GDP is estimated to grow at 3.0 per cent in 2017 as economic activities adapt to the lower energy price environment.

Total estimated construction value for 2017 was \$4.58 billion, just below the \$4.59 billion of 2016. The Calgary Cancer Centre was the largest permit value in Calgary history at \$868 million. Net of that development, Calgary construction activity was only \$3.7B, the third lowest in the last eleven years. Further details are provided under *Outlook for Calgary* (page 3 of this report).

The City contributes to Calgary's prosperity in a number of different ways, including:

- Supporting the development and growth of Business Revitalization Zones and fostering a competitive tax environment for small business success.
- Working in partnership with the community and other levels of government to provide programs to youth, seniors, and low income Calgarians to promote individual and community wellbeing.
- Addressing affordable housing challenges by developing strategies to increase availability.
- Providing sound governance, financial, legal, security and risk management advice so that the economy and Calgarians can prosper.

Selected highlights of The City's performance as of 2017 December 31

While economic indicators suggest Calgary's economy is entering a recovery period, many Calgarians still face tough economic challenges. The City continues to take the lead in fostering economic growth and diversification, working with partners to strengthen communities, and supporting vulnerable populations.

With City support, Calgary Economic Development's (CED) strong marketing efforts in 2017 showcased Calgary as a business location of choice to an international audience. The campaign for Amazon HQ2 generated more than 150 million media impressions across North America including CNN, The New York Times and The Washington Post. **(P1)**

CED was successful in the attraction, retention or expansion of 67 companies and film projects, resulting in 5,719 direct and indirect jobs. Achievements include a new Amazon fulfillment centre in Balzac generating 750 new jobs. Council approved \$100 million for an Economic Development Investment Fund to continue to focus on economic diversification, job creation, and the revitalization of the downtown core. **(P2)**

Access to information and services online were improved for the business community with the launch of a new myBusiness website. It provides step-by-step instructions on how to acquire a business license, change an existing license, change a designation of land use, or obtain additional permits. **(P4)**

To support the arts organizations that contribute to the vibrancy of the city's cultural scene, \$2 million in funding was provided to cornerstone arts organizations enabling them to continue operating despite low revenues during the economic downturn. **(P9)**

The City remains committed to increasing access to affordable housing. Three new affordable housing developments were opened in the communities of Crescent Heights, Bridgeland and Kingsland, providing a total of 72 new homes. In addition to the openings, The City celebrated a sod turning with various stakeholders at a new site in Wildwood. **(P6)**

To assist Calgarians impacted by the economic downturn, funding was provided to thirty local non-profit organizations from the 2017 Emergency Resiliency Fund to help meet increased demand for programs and services. **(P7)**

[Link to additional highlights and milestones available here](#)

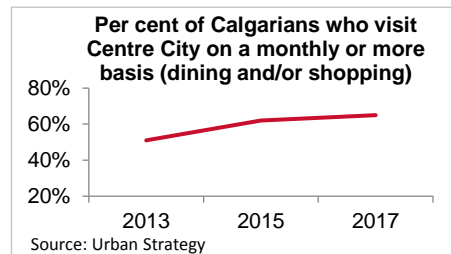
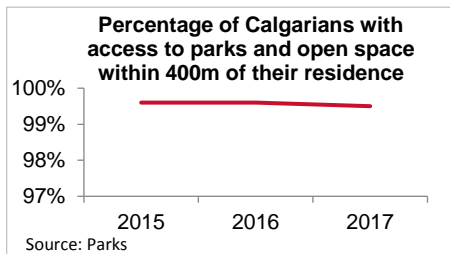
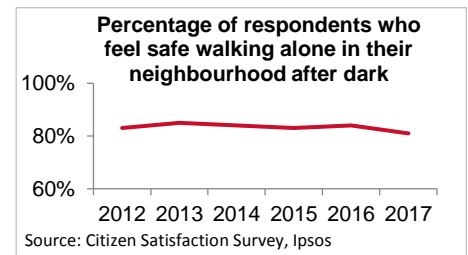
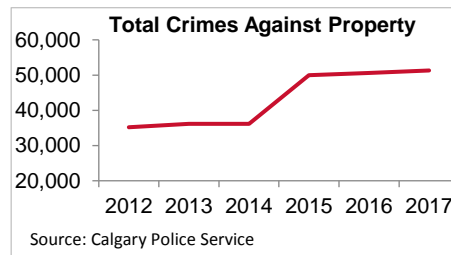
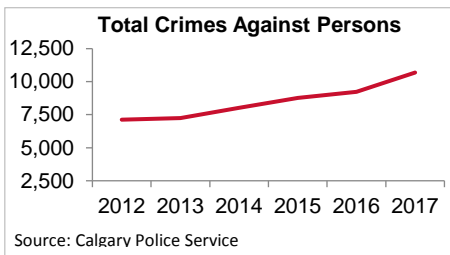
- Progressing as planned.
- * Significant milestone(s).
- ▽ Possible challenges identified; mitigation measures being developed.
- ◇ One or more challenges materialized; mitigation measures underway.

Status	Strategic Actions
●	P1 Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
●	P2 Advance purposeful economic diversification and growth.
●	P3 Support civic, business and community partners, as well as business revitalization zones, to collaborate and attract local and global investment.
●	P4 Cut red tape and continue to foster a competitive tax environment to help small business succeed.
●	P5 Seek out partnerships with other governments and community partners to achieve community well-being.
●*	P6 Increase affordable and accessible housing options.
●	P7 Continue policies and programs to reduce the number of people living in poverty.
●	P8 Respond to the needs of an aging population.
●	P9 Cultivate the city's talent, diversity and energy to enable Calgarians to live creative lives.
●	P10 Expand our library system and enhance access to technology and information.
●	P11 Facilitate programs and services for children and youth, including, in some cases, providing, a variety of affordable after school programs.
●	P12 Establish approaches and practices that welcome and support full participation of vulnerable populations in City activities.



All neighbourhoods contribute in their own way to make a city great. As neighbourhoods evolve, so do their needs and neighbourhoods and communities must be renewed so that citizens can participate in all facets of urban life. Citizens that live in inspiring neighbourhoods experience a sense of community pride, feel safe and secure, and enjoy great public spaces. Growth is promoted and well-managed, heritage sites are protected, and public safety and resiliency are high priorities.

How Is The Community Doing? Selected Indicators:



Some Partners Include:

- Government of Canada
- Government of Alberta
- Calgary Home Builders Association
- Urban Development Institute
- Community Associations

Story Behind the Indicators:

Total person and property crimes increased over the previous year and 5-year average. Increases in person crimes were driven by domestic and non-domestic assaults. Domestic violence occurrences in 2017 were 41 per cent higher than the five-year average and 12 per cent higher than 2016.

Increase in property crimes was driven by theft of vehicles, theft from vehicles, and commercial break and enter. There were 420 more incidents of vehicle thefts in 2017 than 2016 and 41 per cent more incidents over the five-year average. Survey results indicated that 81 per cent of citizens feel safe walking alone at night, down slightly from 84 per cent in 2016.

The City partners with the development community to ensure access to quality public parks and open spaces is within a five-minute walk of almost all residents of Calgary. The percentage of Calgarians who report visiting the Centre City at least once a month to dine or shop has increased from 51% in 2013 to 65% in 2017. This reflects the efforts made to create an attractive downtown core to encourage future investment and growth.

The City contributes to the creation and maintenance of inspiring neighbourhoods by:

- Responding to community calls for service, conducting crime prevention, and criminal investigations through the Calgary Police Service.
- Enhancing plans to deal with emergencies.
- Supporting the development of complete communities by providing accessible and affordable transportation networks and services.
- Promoting increased use of public spaces to build closer community bonds.
- Working with stakeholders to encourage diversity in amenities, housing types, activities, and services to create places where all citizens can make choices about their quality of life

Selected highlights of The City's performance as of 2017 December 31

In 2017, the number of emergency calls increased by more than 10 per cent over the previous year. While fire calls increased by 5 per cent, calls for medical and public service assistance increased by 13 and 33 per cent respectively, with a significant increase in opioid related calls. Ten Emergency Communications Officers completed a cross training course enabling them to better respond to call volume surges in the different service areas. More cross training will continue in 2018. Also, a third medical response unit was put into service in the Beltline area. Despite the increase in calls, response times improved for High-Risk Fire Suppression incidents and were maintained for Critical Medical Intervention incidents. **(N1)**

A comprehensive update of Calgary's Municipal Emergency Plan was completed to reflect updated processes, roles and responsibilities, including alignment with business continuity and recovery planning. The City's Infectious Disease Management Plan was updated to reflect emerging practices and research in public health emergencies. In addition, The City's pandemic supplies were bolstered to protect the health and safety of City staff during an outbreak. City staff also participated in two large-scale emergency exercises – a flood and snowstorm - to test response, recovery and business continuity processes and plans. **(N3)**

In 2017, support was provided to twenty-two Community Associations in completing their business plans. The City also continued to work in collaboration with CAs on efforts to improve public facilities and spaces and increase community engagement and active living. The Rocky Ridge Royal Oak Community Association was assisted in establishing an outdoor rink and hub with basketball courts, a picnic area and benches. The City also supported the Banff Trail Community Association as it replaced its 50-year-old outdoor hockey rink. Both groups were connected with appropriate City resources and guided through the grant application process. **(N4 and N5)**

Results from initiatives to provide great public spaces and promote urban vitality were delivered. The area under the 4th Avenue Flyover was revitalized as a vibrant play and gathering spot as part of The City's pedestrian strategy and in collaboration with the University of Calgary, the Bridgeland-Riverside Community Association, and students from Langevin School. Construction on the 1st Street SW corridor has been completed and included upgrades to sidewalks, lighting and street furniture. Streetscape improvements for 3rd Avenue in Chinatown were completed to make the street more welcoming to pedestrian traffic. **(N9)**

[Link to additional highlights and milestones available here](#)

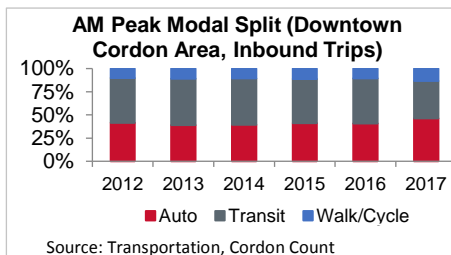
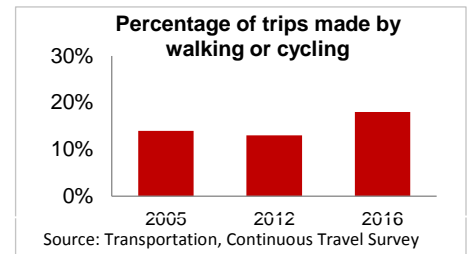
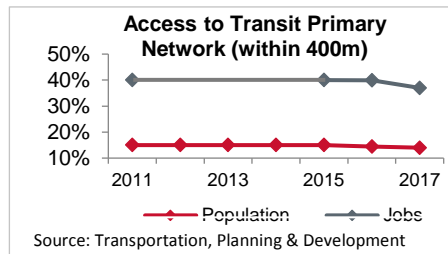
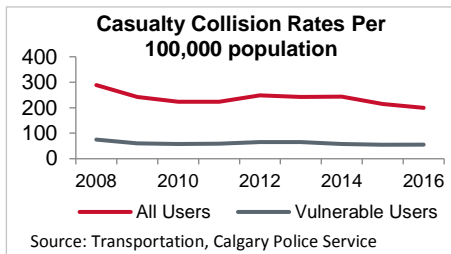
- Progressing as planned.
- * Significant milestone(s).
- ▽ Possible challenges identified; mitigation measures being developed.
- ◇ One or more challenges materialized; mitigation measures underway.

Status	Strategic Actions
▽	N1 Keep communities safe by meeting and maintaining standards for crime prevention, fire response, and enforcement.
●	N2 Build resiliency to flooding.
●	N3 Enhance The City's capacity and resiliency to prepare for and respond to pandemics, natural disasters and emergency situations.
● *	N4 Revitalize the role and ability of community associations, and use of community facilities.
●	N5 Systematically invest in established neighbourhoods as they evolve to accommodate changing community needs.
●	N6 Manage and promote growth to achieve the best possible social, environmental and economic outcomes within financial capacities.
●	N7 Develop a new funding framework to provide for infrastructure in new and redeveloping neighbourhoods.
●	N8 Make it easier to build developments that meet our Municipal Development Plan and Calgary Transportation Plan objectives.
●	N9 Provide great public spaces and public realm improvements across the city to foster opportunity for well used public spaces and places for citizen connections and urban vitality.
●	N10 Review The City's heritage processes to improve the protection and enhancement of heritage assets.
●	N11 Promotion of public safety through education, prevention, and partnerships.
●	N12 Promote and strengthen community standards through facilitated compliance.



The movement of people and goods throughout the city is made possible by providing a safe, efficient, and accessible transportation network used every day by citizens, commuters and visitors. Getting around is a top priority among citizens and influences daily quality of life. Efficient movement of workers and goods helps foster economic development in and around Calgary. Access to a variety of transportation options (including walking, cycling, public transit, driving, parking and taxis) that are affordable and convenient is critical to ensuring a city continues to move well. Effective emergency response depends on a safe and secure transportation system.

How Is The Community Doing? Selected Indicators:



Some Partners Include:

Calgary Parking Authority	Calgary Police Service
Government of Alberta	Calgary Regional Partnership
Government of Canada	Livery Transport Advisory Committee

Story Behind the Indicators:

Safety is a top priority for the transportation department, underlying all projects and programs. Overall casualty collision rates have been trending down for several years. However, vulnerable user collisions (i.e. people walking and biking) saw a slight increase in 2017. Addressing this challenge through an updated Safer Mobility Plan is a key focus for 2018. Access to the primary transit network (PTN) fell after several years of stability. This is partly due to a small section of the PTN being reduced and to changing employment areas in the city. Launching the Bus Rapid Transit (BRT) network and building the Green Line LRT are key to reversing this. Over the past decade, more Calgarians are choosing to walk and cycle, from 14 per cent of all trips in 2005 to 17 per cent in 2016. In contrast, changes in downtown employment levels have shifted peak hour travel choices and commuters are taking advantage of lower congestion and choosing cars over transit.

The City works to ensure a city that moves by:

- Providing a safe, customer-focused, efficient, and sustainable transportation network by developing plans, building infrastructure and delivering service.
- Developing an integrated transportation system that provides citizens with accessible and affordable mobility choices and connects communities.
- Prioritizing transportation capital projects including lifecycle maintenance and leveraging funding sources as they become available.
- Reviewing and enhancing regulation to promote safe and convenient taxi service.

Selected highlights of The City's performance as of 2017 December 31

2017 saw significant improvements to current infrastructure and progress on long term projects in alignment with The City's long-term Route Ahead strategic plan.

The Green Line achieved several milestones in 2017: the approval of a final alignment and station locations, and funding commitment from the Province of Alberta for Phase 1 of the project. The Green Line is the single largest piece of public infrastructure ever undertaken by The City and work continues in the areas of modeling and forecasting, pre-design planning, and network integration. **(M1)**

To increase capacity of the CTrain system, changes to infrastructure and operations were completed to run four-car trains on all LRT lines. Improvements included track adjustments on three platforms, five mainline track switch replacements, repairs to three crossings, replacement of ballast, and repairs to track surfaces. **(M1)**

Construction began on Calgary's Bus Rapid Transit (BRT) network, comprised of the 17th Avenue SE transitway (phases 1 and 2), north crosstown, south crosstown and southwest BRT (phase 1). These projects will bring high-quality, high-frequency service to dozens of communities across the city. **(M1)**

Four interchange projects to improve safety and access at strategic development locations were completed: Bowfort Road at Trans-Canada Highway, Glenmore Trail at Ogden Road, and Macleod Trail at 162 Avenue, and Sarcee Trail at 16 Avenue. Macleod Trail and 162 Avenue is Canada's first diverging diamond interchange, a configuration designed to reduce both congestion and collisions. **(M3)**

The first dedicated on-street bicycle infrastructure east of Deerfoot Trail was completed as part of complete streets projects for 8th Avenue SE, Marlborough Way NE and 40th Street E. **(M4)**

The first slate of deliverables for the Step Forward pedestrian strategy were completed. These included supporting the ActivateYYC microgrant program to help communities to walk, play and be neighbourly, and launching The City's tactical urbanism program. The Step Forward strategy was awarded the Institute of Transportation Engineers (ITE) 2017 Transportation Planning Council Best Project Award. **(M4)**

To improve the taxi system a review of the governance model for the Livery Transport Advisory Committee (LTAC) was conducted in 2017. Council endorsed The City's recommendation to dissolve the committee with The City taking on the responsibility for industry and public consultation. This recommendation would improve efficiency, eliminate the duplication of engagement efforts and result in cost saving. **(M5)**

[Link to additional highlights and milestones available here](#)

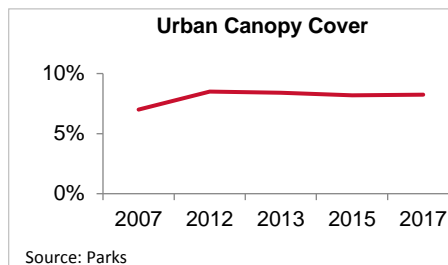
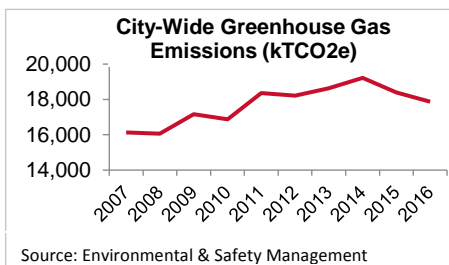
Status	Strategic Actions
● *	M1 Implement and accelerate Route Ahead as transit funding becomes available.
●	M2 Maximize the flow of traffic on the existing transportation network through the application of technology.
●	M3 Invest in strategic road improvements in priority growth areas as funding becomes available.
● *	M4 Invest in active transportation infrastructure, including cycling and pedestrian networks as funding becomes available.
●	M5 Improve the taxi system.

- Progressing as planned.
- * Significant milestone(s).
- ▽ Possible challenges identified; mitigation measures being developed.
- ◇ One or more challenges materialized; mitigation measures underway.

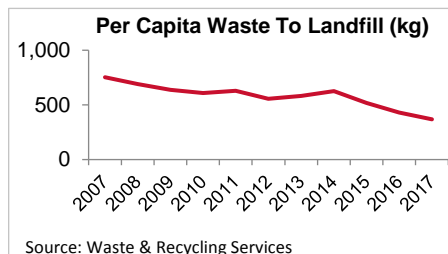
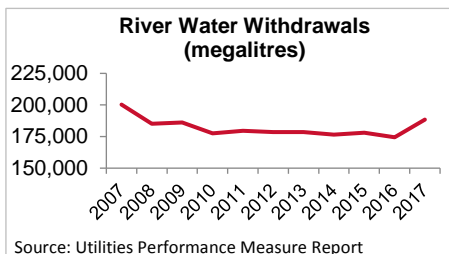


Environmental stewardship is a shared responsibility of government, business, communities, and individual citizens. Collectively they make decisions and take action to conserve energy and other resources, protect air and water quality, and minimize waste and pollution. A healthy and green city includes a well-planned and maintained mix of urban forest, parks, pathways, recreation amenities, and natural areas. Healthy lifestyles are supported through access to facilities and programs to promote health and well-being, and through services that enable active modes of travel and community engagement.

How Is The Community Doing? Selected Indicators:



Some Partners Include:
 Government of Canada
 Government of Alberta
 Recycling Council of Alberta
 YMCA



Story Behind the Indicators:

Energy consumption due to economic recovery, population growth and weather are the largest drivers for greenhouse gas emissions. Data for 2017 will be available in June 2018, whereby an increase in greenhouse gas emissions is expected. Planting trees on private and public property continues to promote the long-term growth of the urban canopy. In 2017, an additional 7,668 trees were planted through the ReTree YYC program. It is important to focus on planting and maintaining trees to improve canopy scores.

River water withdrawals continue to meet the overarching goal in The Water Efficiency Plan to accommodate Calgary's future population growth with the same amount of water withdrawn from the river in 2003 (212,500 ML). This is a result of system efficiencies as well as the wise use of water by citizens, businesses and partners. Per capita waste to landfill has trended downward since 2007, and continues to decline due to lower tonnages from commercial customers, current economic conditions, and increased diversion.

The City has many contributions towards achieving a healthy and green city including:

- Reducing the environmental impact when delivering projects and services.
- Protecting and enhancing Calgary's natural environment and promoting active lifestyles.
- Working with the community and region to conserve, protect, and enhance the environment.
- Supporting energy reduction efforts by examining alternative sources, and communicating programs, information and successes to citizens and staff.
- Building public awareness and understanding of the shared responsibility to conserve and protect the environment.

Selected highlights of The City's performance as of 2017 December 31

The City successfully implemented the residential Green Cart program to over 320,000 homes across all Calgary communities. From the start of service in July to December 31st, approximately 38,000 tonnes of food and yard waste has been composted at The Organics and Biosolids Composting Facility, a higher than expected volume, that would have otherwise gone to the landfills. In addition to food and yard waste, approximately 6,500 tonnes of biosolids have been processed in the facility. This is an important part of The City's plan to achieve the target of 70 per cent waste diversion in all sectors by 2025. **(H1)**

In efforts to encourage the use of clean energy technologies, two solar power plants at water treatment plants were completed, totaling 917 kW of installed capacity. These two plants are anticipated to reduce greenhouse gas emissions by 650 tonnes per year and avoid over \$125,000 in electricity costs annually. A 1,080-kW solar power plant was also initiated at Shepard Landfill. The energy produced will be used in the operation of the composting facility. **(H2)**

The City established three climate change mitigation working groups (Buildings and Energy Systems, Land-use and Transportation, and Waste and Consumption) to provide guidance and feedback for the development of the Low Carbon Plan for Calgary. The City published briefings on climate change resiliency to inform stakeholders and citizens about climate changes and its impacts on our city. **(H6)**

Healthy lifestyles were fostered through a range of accessible and affordable recreational programs and opportunities for Calgarians. Special events and initiatives such as Jumpstart games, #GetMovingYYC, and athletic meets saw participation from over 4,000 Calgarians of all ages. Citizens celebrated cultural celebrations throughout the year with Canada 150 events, with Canada Day 150 engaging 650,000 Calgarians. **(H7)**

The City continues to invest in indoor and outdoor recreation facilities that address the changing needs of Calgarians, with several major initiatives underway and completed. Construction of the Rocky Ridge Recreation Centre was completed and operation transferred to YMCA Calgary. Construction on the Seton facility continues on schedule. **(H8)**

The City optimized the existing park network to ensure Calgarians have access to nature and active lifestyles. A major rejuvenation of Prairie Winds Park was completed. The popular park features new and improved play areas for children, basketball courts, picnic areas, a public tandoori oven, tennis courts, fitness stations and a wading pool. A grand reopening event held in May attracted 2,500 citizens. As well, the Mobile Adventure Playground (MAP) program saw increased interest and participation, with well-attended events across the city in both winter and summer. **(H9)**

[Link to additional highlights and milestones available here](#)

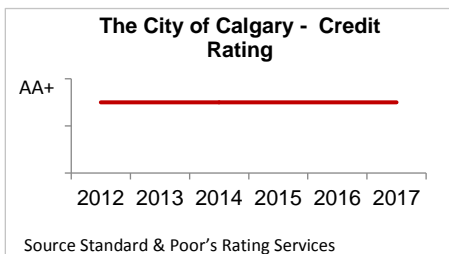
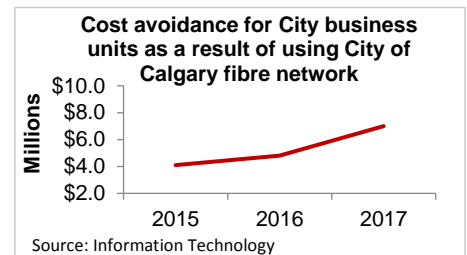
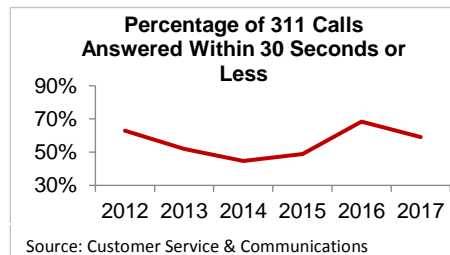
Status	Strategic Actions
● *	H1 Implement the green cart program and multi-family recycling strategy, and reduce industrial, commercial and institutional waste in our landfills.
● *	H2 Encourage a broader range of innovative and clean energy technologies.
●	H3 Manage the interrelationships between flood protection, water quality and quantity, and land use.
●	H4 Work with our regional partners and the Government of Alberta on an integrated approach to the watershed.
●	H5 Protect and enhance our urban forest and natural landscape throughout Calgary.
●	H6 Continue to build public awareness and understanding of our shared responsibility to conserve and protect the environment.
●	H7 Foster healthy lifestyles through a range of accessible and affordable recreational programs and opportunities that encourage active daily living.
●	H8 Continue to invest in indoor and outdoor recreation facilities that address the changing needs of Calgarians.
●	H9 Optimize the existing parks network to ensure Calgarians have access to nature and healthy and active lifestyles.
●	H10 Lead by example and manage regulatory risks to protect public health and the environment.

- Progressing as planned.
- * Significant milestone(s).
- ▽ Possible challenges identified; mitigation measures being developed.
- ◇ One or more challenges materialized; mitigation measures underway.



Calgary's government strives to be open, responsive, accountable, and transparent, delivering excellent services at a fair price. Public dollars are used wisely to provide quality public services that add value to citizens' lives. Citizens understand how and where tax dollars are spent and departments collaborate in new and effective ways. An enthusiastic and motivated workforce is attracted and retained, and employee safety is a priority. A well-run city is focused on the efficiency and effectiveness of its services and programs and plans for a sustainable financial future.

Organization-wide Performance Measures:



Story Behind the Measures:

Total Recordable Injury Frequency increased mainly due to falls, body positioning, and contact with a direct object or equipment. Improving hazard communication will increase awareness and influence actions and behaviors to prevent incidents. Safety performance will be a key corporate focus in 2018. 311 received 50,898 additional calls between June and December 2017, negatively impacting service levels. In response, 26 agents were trained and equipped to work from home and the functionality of the lower-cost self-serve 311 app was improved. Using a fibre network in place of external providers achieved \$7.0 million in cost avoidance. Fibre infrastructure will be expanded to connect all City facilities and assets. Standard & Poor's reaffirmed Calgary's AA+ credit rating in 2017 reflecting the agency's view of good financial and managerial strength. The rating is one of the highest among Canadian municipalities.

The City works to ensure a well-run city by:

- Seeking opportunities to deliver programs and services more efficiently and effectively.
- Negotiating for a City Charter to enable greater flexibility in some areas of decision-making.
- Prudently managing public funds and assets to maintain a solid financial foundation.
- Providing customer-centric service delivery.
- Committing to strengthening and managing its workforce and safety culture.
- Using technology to support safety through online reporting of corporate safety incidents, near misses and hazardous conditions.
- Establishing significant cross-corporate projects and programs like One Calgary, Infrastructure Calgary and AnalyticsCalgary.
- Maintaining public assets and infrastructure to provide maximum benefit and value to Calgarians.

Selected highlights of The City's performance as of 2017 December 31

Due mainly to lower than expected revenues in this budget cycle, The City was faced with a projected operating budget deficit of \$170 million for 2018. The City worked across departments to identify efficiencies and cost-savings. In November, a budget adjustment was approved by Council that followed a least-harm approach to balance the financial impact to citizens through cost savings and service reductions. **(W4)**

To minimize the tax burden on citizens, Council reduced the 2018 property tax increase from the previously approved 4.7 per cent to 0.9 per cent (not including the tax rebate of 2.9 per cent carried over from 2017). In total, \$126 million in citizen and business benefits were approved including investments in the Low Income Transit Pass and funding for youth, low income, and crime prevention programs. **(W4)**

The City remains focused on increasing efficiencies in its services. Approximately \$27 million in annual financial gains were realized through the Zero-Based Review program as of December 2017. Through careful workforce planning, savings of \$20.2 million were realized by managing growth and vacant positions. The number of City employees decreased by 420 from October 2016 to October 2017. **(W2)**

The City has been successful in using alternative service delivery options to stay competitive. The newly opened organics and biosolids facility is the first composting facility to be delivered under a public-private partnership model in Canada. It was awarded the 2017 Silver Award for Infrastructure from the Canadian Council for Public Private Partnerships. The City was also innovative in prototyping, and provisionally patenting, a new dewatered biosolids trailer to support the new compost facility. **(W3)**

The City worked collaboratively across service lines to engage citizens to help inform decisions. The Calgary Transit Customer Advisory Group met six times and provided feedback that helped guide service changes. In anticipation of the future legalization and regulation of recreational cannabis, The City developed a program of extensive public engagement including a survey and focus groups to establish a baseline on Calgarians' views to inform Council decision-making. The City also leveraged its social media platforms to engage with citizens. The City received more than 74,000 incoming social media messages and saw an increase in followers on all platforms, an increase of 68,407 for Twitter, 12,028 for Facebook, and 14,531 for Instagram. Social media was used effectively to promote participation in the 2017 Election through an "I will vote" campaign. **(W5)**

There was strong civic participation in the 2017 Election with the highest voter turnout (58.1 per cent) in 80 years, a record number of votes through advanced polls, and traffic to the Election's website was four times higher than in the past. The City has initiated a process review and audit to identify improvements needed in Election Calgary's processes to handle higher participation in future elections. **(W7)**

[Link to additional highlights and milestones available here](#)

Status	Strategic Actions
●	W1 Finalize a new City Charter with the province
●	W2 Be as efficient and effective as possible, reducing costs and focusing on value-for-money.
●	W3 Examine opportunities for alternative service delivery for competitiveness.
●	W4 Balance demand for quality City services with affordable taxes.
●	W5 Regularly collaborate and engage citizens to encourage participation in City decision-making, and better communicate the reasons for the decisions.
●	W6 Effectively manage The City's inventory of public assets, optimizing limited resources to balance growth and maintenance requirements.
●	W7 Continue to transform the organization to be more citizen-focused in its approach and delivery of service.
●	W8 Increase collaboration across the organization, including alignment of budgets with service delivery to achieve City priorities.
●	W9 Strive to be an employer of choice with a focus on addressing The City's aging workforce.

- Progressing as planned.
- * Significant milestone(s).
- ▽ Possible challenges identified; mitigation measures being developed.
- ◇ One or more challenges materialized; mitigation measures underway.

The story behind the plan

The Leadership Strategic Plan (LSP), approved by Council in September 2014 (C2014-0703) is the organization's response to Council's and citizens' priorities. Consistent with our commitment to be publicly accountable, Administration provides LSP status updates in each Accountability Report. These two pages continue that practice, with highlights of accomplishments in 2017.

1) Establish a cooperative and meaningful relationship with Council

- As part of the corporate calendar project, a list of Council and Committee reports is shared with Council on a quarterly basis. This allows members of Council to see what items Administration is bringing forward and when, providing an opportunity to better understand projects, programs and initiatives in advance of Committee or Council meetings.
- Supported Council in establishing their priorities and direction to Administration for 2019-2022. This included working with Councillors to understand what they heard from citizens on the campaign trail, a facilitated workshop and a data-driven report on how the community is doing.

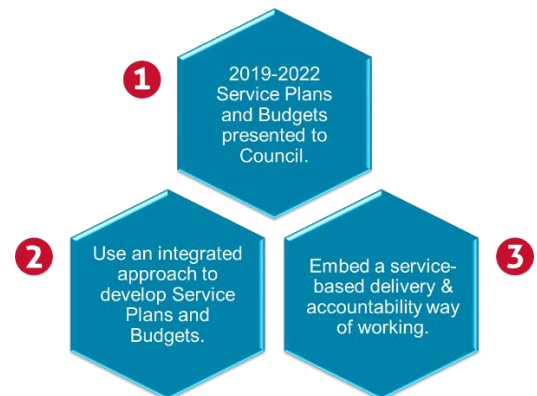
2) Cohesive leadership culture and collaborative workforce

- Corporate Employee Survey results remained steady.
- Code of conduct training was developed and will be available 2018 Q2 with a focus on values-based decision making.
- The recognition program has been realigned to the corporate culture. The One City Awards received more than 275 nominations, recognizing over 2200 individual employees.
- Inclusion continues to promote a healthy workplace through leadership tools and resources, including education to raise awareness of unconscious bias, human rights and bridging cultures.
- Calgary's first Quality of Life Report was published, describing the conditions in the community to which The City contributes, along with other organizations and levels of government. The Report has many uses, including providing input to Council Directives and to business plans and budgets for 2019-2022.

- City Manager Jeff Fielding administered his "Where We Stand" survey to better understand the perspectives of employees, senior management, and Council on where The City of Calgary is on a spectrum of culture characteristics and qualities of an ideal municipal government. 3,400 employees, 36 members of senior management, and all of Council completed the survey. Results will inform Administration's strategy in the next four-year term.

3) Better serve our citizens, communities, and customers

- The One Calgary Program (2019-2022 Service Plans and Budgets) was established, including a governance structure designed to enable greater collaboration and integration across services.
- Results for the One Calgary Program were defined. In addition to providing 2019-2022 plans and budgets to Council in November 2018, the program will be leveraged to embed a service-based culture in the organization and break down silos.



- Improvements to the ZBR program status reports present a year-over-year forecast of when financial (efficiency) gains are expected to be realized, as well as progress tracking by individual recommendation, to give a more granular view than previous reports.
- To support The City in moving forward as a data driven organization, input data from the Economic Perspectives and Calgary's Economy report was provided to the 100 Resilient Cities initiative and as a foundational part of the planning for The City's next business plan and budget cycle.
- The new Enabling Online Services program makes it easier for citizens to accomplish more tasks online, improves users' online experience, increases task completion scores, and supports reaching a One City, One Voice mindset.

- A 311 software upgrade enabled enhanced call recording including quality monitoring, speech recognition and automated surveying of citizen satisfaction. This enhancement, along with tracking analytics, enabled The City to successfully manage an increase of over 40,000 Service Requests in the last two quarters of 2017.
- A policy prioritization strategy was established to effectively manage and execute ongoing and future policy work which will guide and enable building a great Calgary,
- The City processed 90 per cent (up 3 per cent from 2016) of 50,214 trade permits online and 87 per cent (up 4 per cent from 2016) of 4,226 new home permits online in 2017, saving customers time and money,
- The Centre City Enterprise District removes a number of process and regulatory requirements, making it easier for businesses to move into new spaces. It assists building owners to make improvements or modifications to their buildings.

4) Focus immediate and collective attention on planning and building a great city

- The Industry/City work plan helps remove barriers to development. Notable achievements include: policy and process changes to accept Outline Plan applications in Growth Management Overlays areas, research for the industrial strategy working group and a communications plan to enable the sharing of industrial education work, the publication of a utility Neighbourhood-Specific Infrastructure report, and streamlining the application submission and review process, along with improvements to feedback and communication with customers.
- Improved the governance of the Urban Design Review Framework enabling high quality development making Calgary a great City,
- The Citizen and community experience was enhanced throughout the planning process, through engagement sessions to better understand how our citizens want the city to look, function and grow, and also through the highly-rated partners in planning sessions hosted with the Federation of Calgary Communities.

5) Strengthen the Corporation's financial position

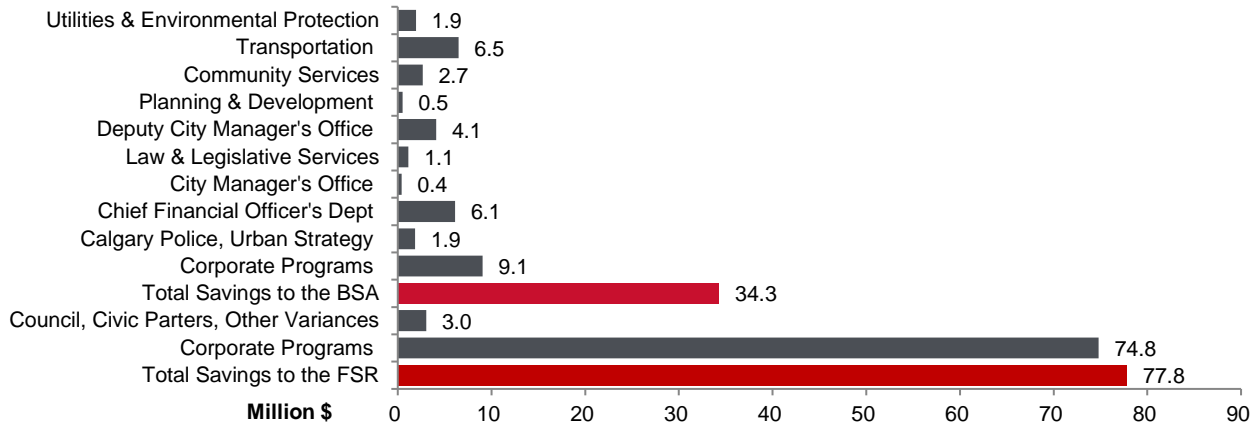
- Received Council's approval of the 2018 Adjustments for the final year of Action Plan, and

approving targeted initiatives to respond to The City's emerging needs during the current economic challenges.

- Recast the 2018 Capital Budget to better align budget to the years when funds are expected to be spent, resulting in better estimated capital investment cash flows and project delivery. Recasts provide an improved insight into the status of capital projects across The Corporation and allowed Administration to better inform Council about The City's planned investment.
- Business Units contributed over \$100M to the capital budget savings account during the recast process for reallocation to additional investments as recommended by Infrastructure Calgary.
- Received approval in principle to fund 21 additional program/project investments, including reserves, off-site levies, grants, unallocated capital funds and the capital budget savings account.
- Initiated the alignment of capital investments to services as part of One Calgary.
- Continued work with the Government of Alberta on a new fiscal framework, the third phase set out in the Framework Agreement for Charters. The parties have agreed to four changes: a new infrastructure funding formula; improving the efficiency and effectiveness of local improvement levies and special taxes; improving the administration of the Destination Marketing Fee; and increasing responsibility for debt management. Details are to be finalized in 2018.
- Effectively managed the Fiscal Stability Reserve to help maintain service levels due to the current downturn in the economy.
- Identified workforce savings up to \$105 million for 2018 through initiatives including the Corporate Workforce Planning project.
- Found savings leading to contributions of \$34.3 million to the Budget Savings Account Reserve for future one-time projects and corporate-wide initiatives.
- Received the Government Financial Officers Association award for reporting excellence for our 2016 Annual Report

2017 Intentional Savings by Department As of December 31, 2017

Favourable variances are positive. Unfavourable variances are negative.



Figures may not add due to rounding.

2017 year-end operating savings are \$112.1 million and transferred as follows:

Business Units' operating savings of \$34.3 million transferred to the Budget Savings Account (BSA):

- Savings in salary and wages from various business units due to management of workforce and intentional vacancy management, lower contracted services, consultants, software maintenance and training costs (\$14.7 million favourable);
- Unallocated budget from Workforce Planning (\$9.1 million favourable);
- Calgary Transit's favourable fuel costs, savings from intentional vacancy management, and contributions from Community Economic Resiliency Fund, partially offset by lower Transit ridership and lower demand for reserved parking (\$6.1 million favourable);
- Savings in Waste & Recycling Services from efficiency improvements in collection services (\$1.8 million favourable); and sum of small savings from various business units (net to \$2.7 million favourable).

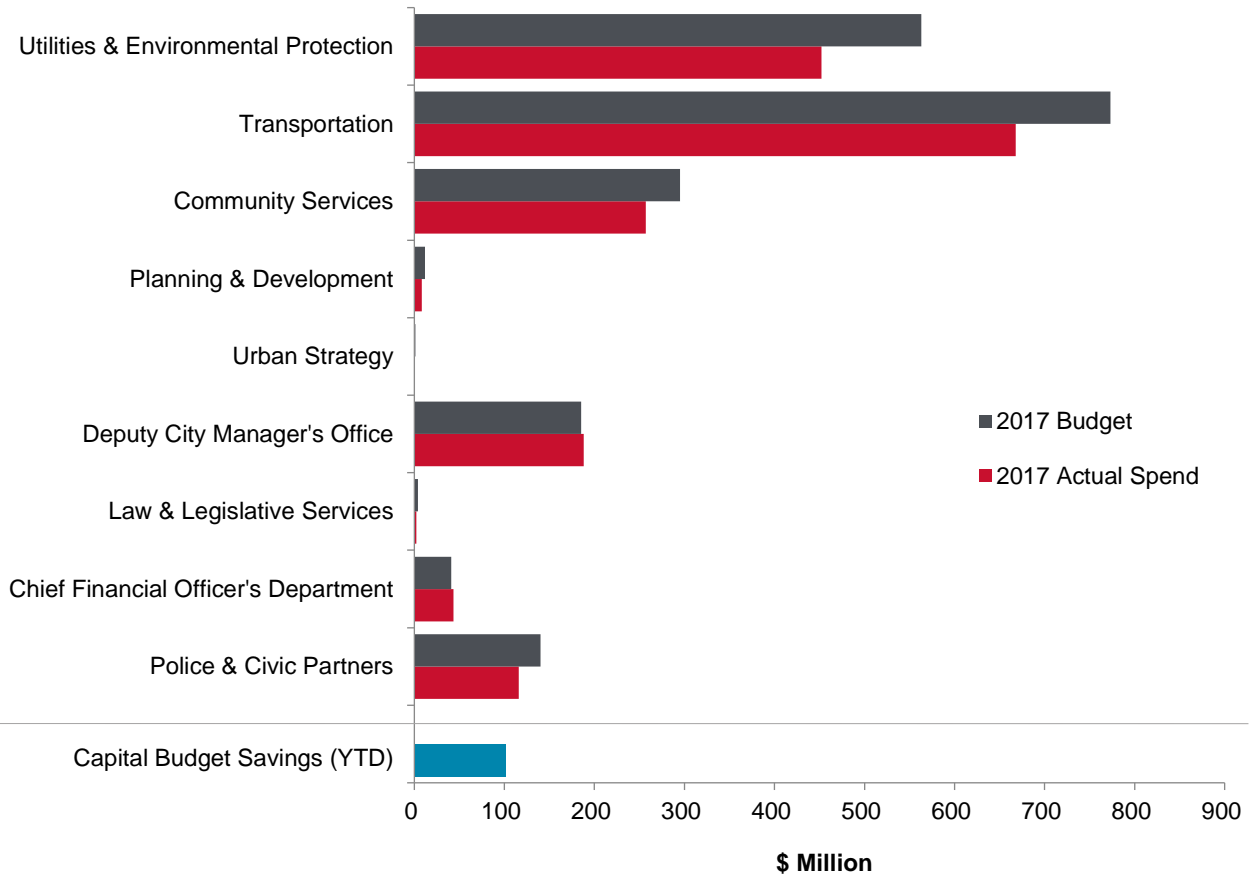
Intentional savings of \$77.8 million transferred to the Fiscal Stability Reserve (FSR):

- Lower actuarial valuations on pensions and retirement benefits, lower spending on Corporate Workforce Strategy program and savings in other health benefits, partially offset by higher Workers Compensation Board (WCB) rate and lower fringe benefits recoveries (\$25.6 million favourable);
- Higher investment income earned due to a strong capital market, external investment managers realizing capital gains, and higher principal balances invested in external portfolios (\$21.7 million favourable);
- Unbudgeted revenue due to full reimbursement received from the Provincial Government for the 2016 Fort McMurray Fire (\$6.3 million favourable),
- Lower corporate contingency expenses, net of transfers to Community Economic Resilience Fund for providing tax relief to assist Calgary non-residential tax payers (\$45 million), Economic Development Investment Funds (\$25 million), and Municipal Complex Structural Upgrade - Truss Recovery (\$8.1 million), \$31.8 million favourable was partially offset by lower franchise fees received from ATCO Gas and ENMAX due to lower natural gas prices and electricity prices, \$7.9 million unfavourable (net to \$23.9 million favourable);
- Savings in Council's Office (\$3.0 million favourable); and other small variances (net to \$2.7 million unfavourable).

The transfer to the FSR with the year-end close brings the uncommitted balance of the reserve to \$428.0 million which is 13.6 per cent of tax-supported gross expenditures net of recoveries. The minimum FSR balance is 5 per cent with a target of 15 per cent.

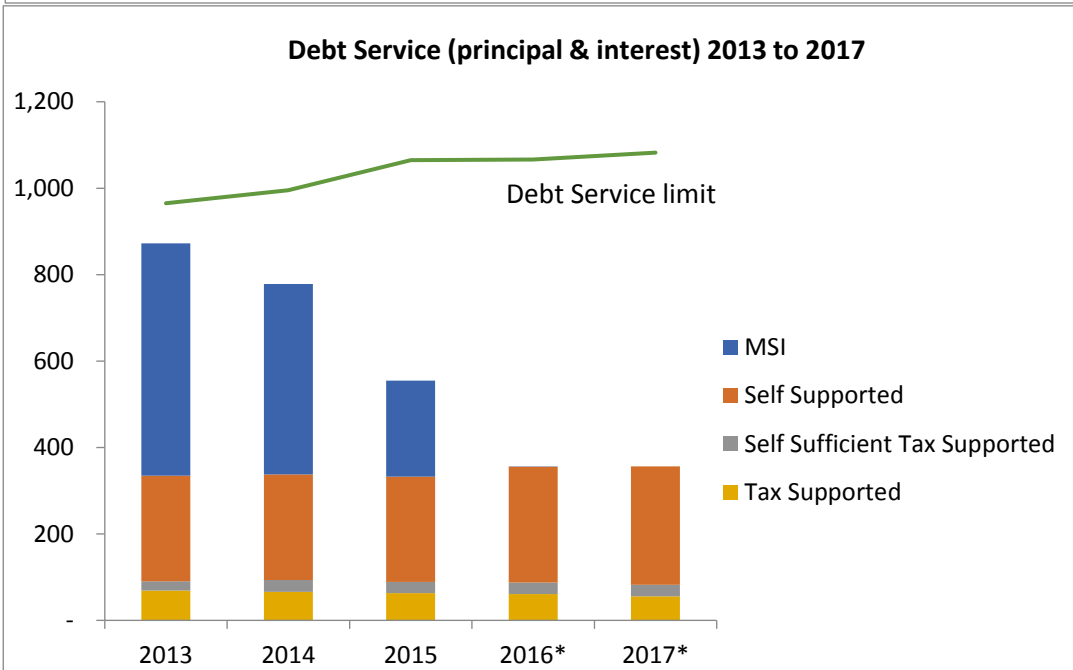
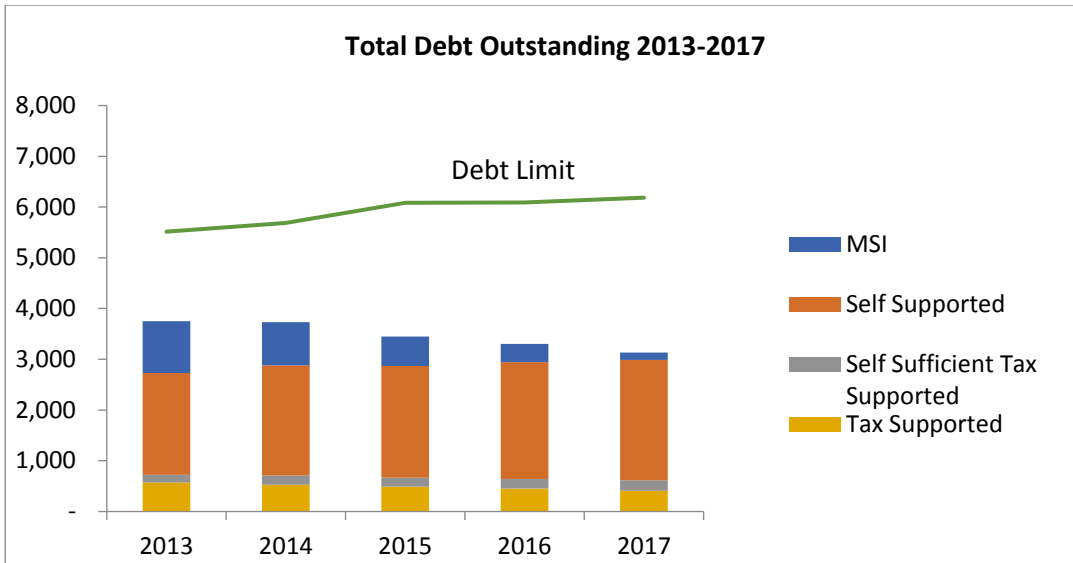
Note: Financial numbers and variance explanations are provided prior to final external audit confirmation. Numbers are as at 2018 February 8.

Total City 2017 Capital Budget and Spend as of December 31, 2017



In 2017, the City's capital investment was \$1.735 billion (86.2 per cent of the \$2.014 billion budget). This represented a 13.0 per cent increase from the \$1.535 billion capital investment made in the same period in 2016. The tax supported component of the City's 2017 investment represents approximately 83.4 per cent or \$1.447 billion.

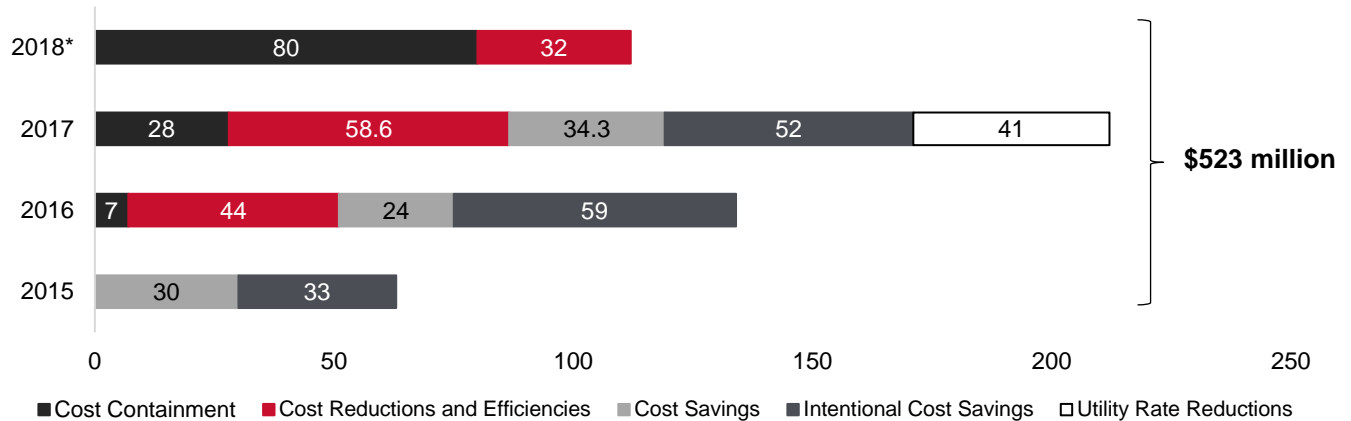
The cumulative balance in the Capital Budget Savings Account is \$196.3 million with 2017 contributions representing \$101.1 million. These savings were included in the corporate capacity identified by Infrastructure Calgary to fund a list of recommended new projects (C2017-0214).



* Due to Provincial changes in the debt service calculation, the portion of the MSI debt maturing after 2016 December 31 are excluded (MSL:124/11 and 077/16).

Debt outstanding in 2017 was \$1.1 billion lower than estimated in Action Plan. The 2017 Action Plan estimated outstanding debt was \$4.3 billion.

Efficiencies, Savings & Reductions (Base and One-Time) (\$ millions)



**There may be intentional cost savings and cost savings in 2018; however, it is too early to know or forecast what those may be at this point in time.*

Since Action Plan 2015-2018 was approved, The City of Calgary has achieved approximately **\$523 million** in savings and efficiencies.

Cost Containment in 2017 (**\$28 million**) was achieved by reducing the budgeted increase in pay for exempt employees along with lower than budgeted settlements for some unions.

The **\$58.6 million** in Cost Reductions and Efficiencies in 2017 was composed of corporate efficiencies (**\$21 million**), efficiencies arising from the 2017 Mid Cycle Adjustments (**\$10 million**), and Action Plan budgeted business unit efficiencies (**\$11 million**).

Some of the Cost Reductions and Efficiencies in 2017 included but were not limited to:

- \$6.4 million saved by switching to trenchless technology for the sanitary collection network;
- \$2.0 million saved on electricity through accelerated completion of the retrofit of 80,000 street lights;
- \$0.9 million saved by initiatives including pursuing alternative service delivery for parks maintenance and implementation of other Parks ZBR recommendations.
- \$0.8 million saved through energy consumption and improved monitoring and conservation systems

More details on Cost Savings contributed to the Budget Savings Account (**\$34.3 million**) and the Intentional Cost Savings used to fund certain 2018 Adjustment initiatives (**\$52 million**) can be found in the Operating Budget Overview on page 18.

The ZBR program has identified between \$57.3 million (low estimate) and \$68.2 million (high estimate) in annual financial gains. Of these identified gains, \$15 million was realized in 2017, bringing the total realized to \$27.3 million.



UEP Business Units

Environmental & Safety Management (ESM)

Waste & Recycling Services (WRS)

Utilities - Water Resources and Water Services (UTIL)

UEP aligns with the following Council Priorities:

A city of inspiring neighbourhoods

A healthy and green city

A well-run city

OVERVIEW

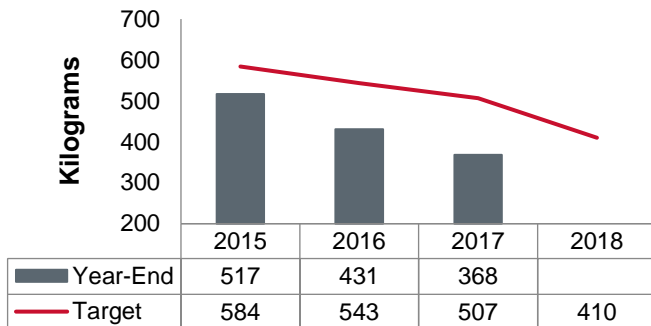
Utilities & Environmental Protection (UEP) protects public health and the environment and helps all employees work safely. Services include: collection of residential waste; recycling services; composting and waste diversion programs; landfill management; contaminated site management; environmental and safety management; provision of safe, clean drinking water; treatment and disposal of wastewater; stormwater management, and protection of our rivers and watercourses.

UEP leads The Corporation for workplace health and safety and environmental performance. Through the Corporate Safety Strategy and environmental policies, UEP supports all City departments to continually improve safety performance and manage environmental risk.

YEAR-END HIGHLIGHTS

- Drinking water and wastewater facilities met provincial regulations at all times.
- The department experienced significant reductions in revenue, requiring adjustments to operating budgets through efficiencies and operating reductions.
- The City continues to work collaboratively to implement flood mitigation solutions on the Bow and Elbow rivers.
- The City completed implementation of the residential Green Cart Program for single-family homes and is servicing all Calgary communities.
- The City of Calgary's Organics and Biosolids Composting Facility, a Public Private Partnership (P3), was completed on time and on budget.
- Climate change working groups were established to provide guidance and feedback for the development of the City's Low Carbon Plan.
- Corporate Safety is being addressed through greater focus on hazard identification, communication, incident investigation and follow-up.

H.PM2 Annual Waste Landfilled Per Capita



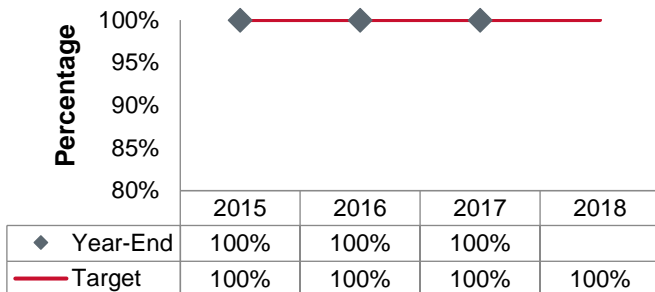
H.PM2 Annual Waste Landfilled Per Capita

Waste landfilled per capita measures the total amount of waste disposed at The City of Calgary landfills by all customer sectors and allocates an average amount (kilograms) to each Calgarian.

Year-End Update

Waste landfilled per capita continues to trend downward attributed to lower tonnage from commercial customers, current economic conditions and increased diversion. With the implementation of new strategies and the city-wide green cart composting program, it is anticipated that this trend will continue.

H.PM5 Provincial Regulations Met for Treated Drinking Water Quality



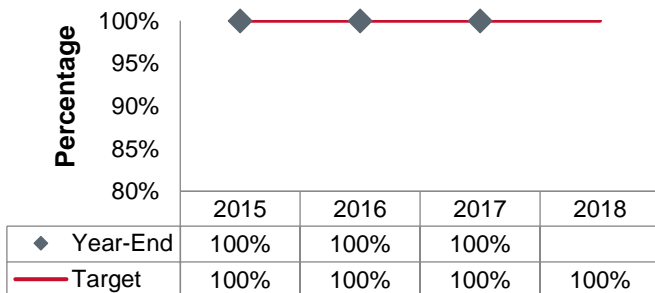
H.PM5 Provincial Regulations Met for Treated Drinking Water Quality

The Water Utility is committed to protecting public health and the environment, and treating drinking water in order to meet provincial regulations. This involves over 100,000 accredited laboratory tests per year, on more than 150 water quality parameters.

Year-End Update

In 2017, Provincial regulations for treated drinking water quality were met 100 per cent of the time at The City's Water Treatment Plants.

H.PM6 Provincial Regulations Met for Treated Wastewater



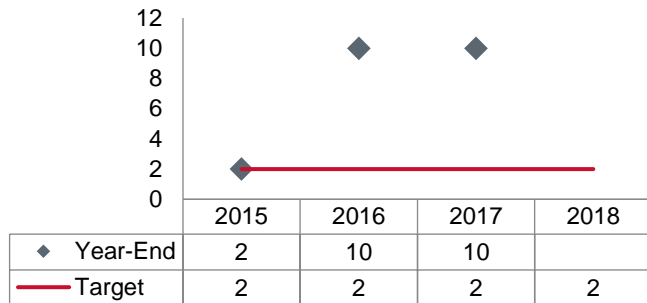
H.PM6 Provincial Regulations Met for Treated Wastewater

The Water Utility's treated wastewater must meet standards set by the provincial operating approval and Federal Regulations that came into effect in January 2015. Regular tests are conducted to measure the quality of the treated water returning to the river.

Year-End Update

In 2017, Federal and Provincial regulations for treated wastewater were met 100 per cent of the time at The City's Wastewater Treatment Plants.

N.PM3 Number of City-Owned Brownfields Returned to Productive Community Use



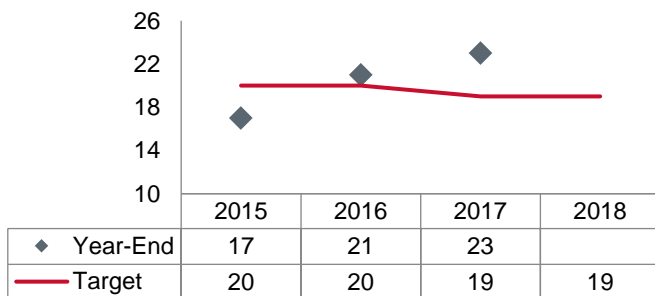
N.PM3 Number of City-Owned Brownfields Returned to Productive Community Use

The City encourages the return of productive use of City-owned brownfields. Redeveloping brownfields allows for the re-use of land, supports urban densification, and stimulates community revitalization.

Year-End Update

A combined total of 10 brownfield sites were returned to productive community use in 2017, exceeding the annual target. The additional sites included 7 land dispositions, 2 redevelopments and 1 interim use project.

W.PM17 Annual Average Number of Days Lost Per Lost Time Claim Throughout the Corporation



W.PM17 Annual Average Number of Days Lost Per Lost Time Claim throughout The Corporation

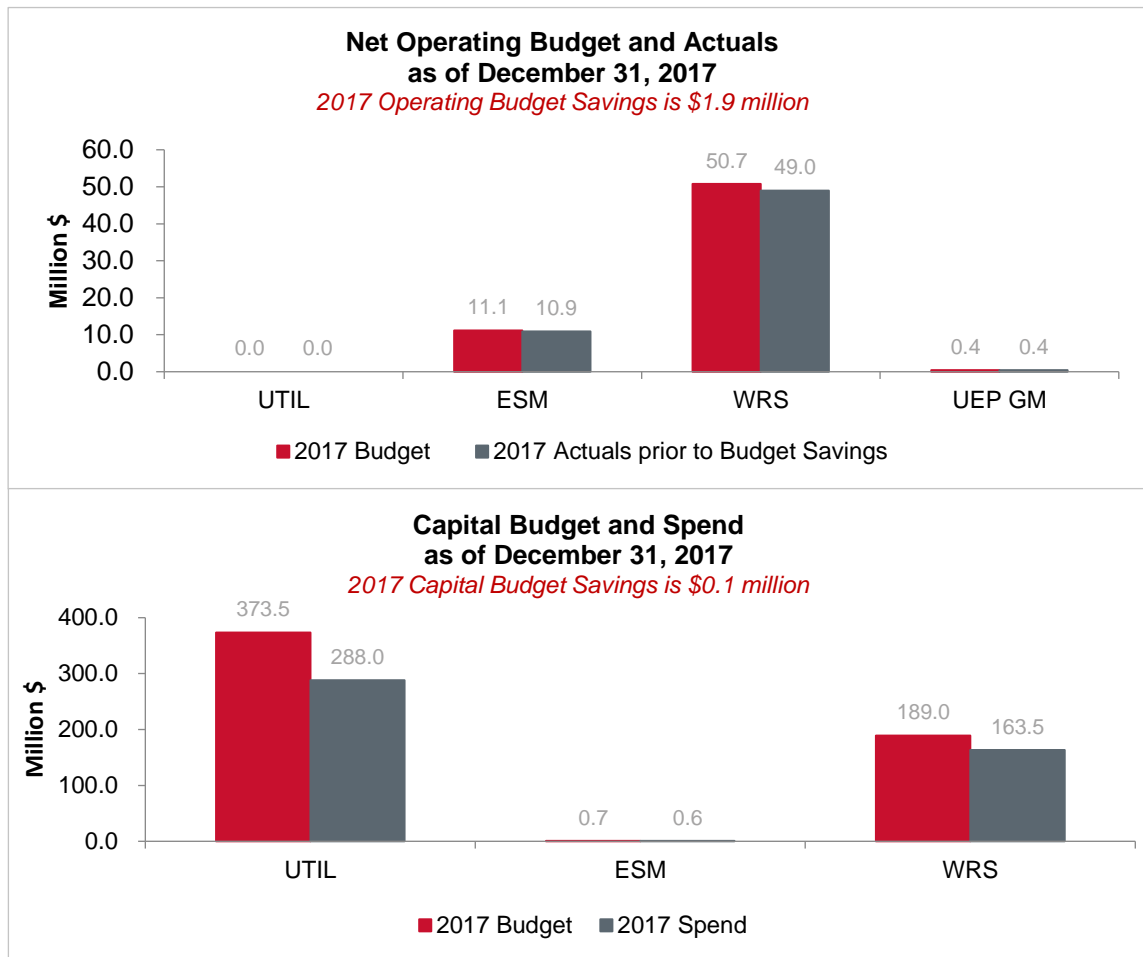
Reducing the number of days lost per Lost Time Claim (LTC) supports employees and contributes to reducing Workers' Compensation Board (WCB) claims costs. Supporting employees in their recovery through gradual increases in their duties and work hours reduces the number of days away from work and reduces costs.

Year-End Update

Business Units, ESM and Human Resources are working collaboratively to ensure employees are accommodated to return to work. The focus has been to find suitable work for employees to return to some capacity, until they have the capability to return to their original job duties.

[Link to additional performance measures here](#)





Operating Budget Summary

Tax-supported operations in WRS were \$1.76 million favorable due to efficiency improvements, and as planned, the additional efficiencies on black cart collection was used to offset the costs of the green cart program. ESM was \$191 thousand favorable mainly due to savings in Salary & Wages net recoveries from delay in filling vacant positions and efficiency from Contract and General Services. These favorable variances were contributed to the Budget Savings Account. Self-supported - Utilities' year end variance was 0 because the operating surplus of \$240.6 million was transferred to reserve. The reserve used for funding capital expenditures and offsetting future borrowing was larger than budget primarily due to higher water consumption during the dry and hot summer months. WRS (blue cart recycling and landfill operations) revenue was \$11.8 million favorable mainly due to the tipping fees from the Green Line waste removal, which will be applied to the cost of waste removal and future capital and maintenance of replacement infrastructure.

Capital Budget Summary

Utilities: The capital spend rate was 77 per cent. Bonnybrook Dewatering Building was commissioned in October 2017 as scheduled. Other major projects that made good progress in 2017 were Bonnybrook Plant D Expansion, Bonnybrook Electrical System Upgrades, and the Silverado West Pine Creek Trunk. Projects that were challenged in 2017 were stormwater and flood recovery projects, which typically have more complex stakeholder and regulatory issues to manage. ESM – The capital spend rate was 92 per cent mainly due to the Climate Change project. WRS - The capital spend rate was 87 per cent. The Organics and Biosolids Composting Facility, with P3 partner Chinook Resource Management Group, was completed and moved into operation in July 2017. Federal Gas Tax funding of \$56.8 million was used to fund a variety of environmental and facilities projects.



Transportation Business Units

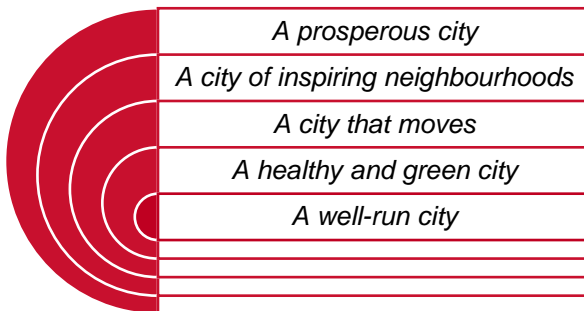
Calgary Transit (CT)

Roads (RDS)

Transportation Infrastructure (TI)

Transportation Planning (TP)

Transportation aligns with the following Council Priorities:



OVERVIEW

Transportation provides a comprehensive system of safe, efficient and customer-focused travel choices that keep Calgarians moving. The department works together and with partners to plan, design, build, operate and maintain a transportation network that supports walking, cycling, transit, goods movement and private motoring. Transportation focuses on constant improvement in safety, efficiency and effectiveness to enhance and support the growth of our city.

YEAR END HIGHLIGHTS

- A final alignment and staging plans were completed for the Green Line LRT project. Funding from the Province of Alberta was announced and phase one of the project is now moving towards design and construction.
- After several behind-the-scenes infrastructure upgrades, four-car CTrain service was rolled out on the blue line. The entire system now sees regular four-car service.
- 32 new S200 LRVs were put into service bringing improved features and comfort to riders.
- Four major interchanges were opened at Bowfort Rd/Trans-Canada Hwy, Glenmore Tr/Ogden Rd, Sarcee Tr/16 Ave and Macleod Tr/162 Av. This includes Canada's first diverging diamond interchange.
- The multi-year Crowchild Trail corridor study was completed and short-term improvements are currently under construction.
- Construction started on the Bus Rapid Transit (BRT) network including dedicated transitways.
- Complete Streets projects were completed on 8 Avenue SE, Marlborough Way NE and 40 Street SE. This is the first on-street bicycle infrastructure east of Deerfoot Trail.
- Roads completed retrofitting over 80,000 streetlights to LED more than a year ahead of schedule, providing better visibility and ongoing savings of approx. \$5 million per year.

M.PM5 Annual transit ridership (in millions)



	2015	2016	2017	2018
◆ Year End	110.0	102.5	101.9	
— Target	113.2	116.0	118.6	120.5

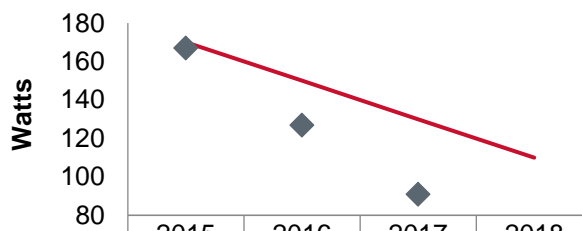
M.PM5 Annual transit ridership (in millions)

The number of trips taken on Calgary Transit each year is an indicator that people are choosing a more economically and environmentally sustainable modes of travel.

Year End Update

Transit ridership remains lower than expected due to a weakened economy and considerable downtown vacancy where transit is most competitive. Transit ridership tends to lag economic downturns and recovery, and this year is no exception. Calgary Transit is strategically adjusting service and improving efficiencies to adjust to these changes and maintain their financial position.

H.PM1 Average energy usage (Watts) per streetlight



	2015	2016	2017	2018
◆ Year End	167	127	91	
— Target	170	150	130	110

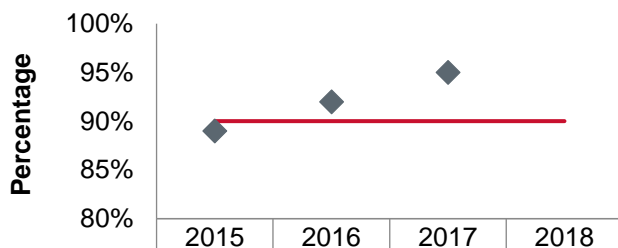
H.PM1 Average energy usage (Watts) per streetlight

Streetlights make up one of the largest infrastructure systems in the city. A major multi-year initiative to refit fixtures to LED from other technologies was started in 2015 and is now complete more than a year ahead of schedule. The change not only uses more efficient lighting that saves energy and saves money, it also improves reliability reducing the amount of time and effort needed to maintain a quality streetlight system.

Year End Update

After accelerating the LED streetlight refit program, work is now completed on the over 80,000 replacements that were planned. Finishing this work more than a year ahead of schedule is allowing The City to realize the savings from lower energy use and lower maintenance costs quicker than anticipated. Average energy usage is now lower than 2018 targets.

W.PM1 Transportation's 311 service request on-time completion rate



	2015	2016	2017	2018
◆ Year End	89%	92%	95%	
— Target	90%	90%	90%	90%

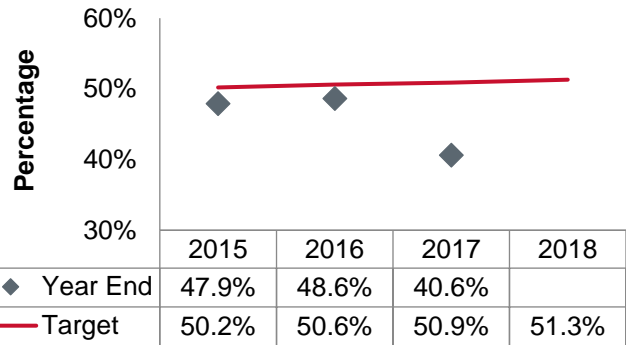
W.PM1 Transportation's 311 service request on-time completion rate

On-time completion of requests is an important reflection of our commitment to citizens, businesses, visitors and customers.

Year End Update

Transportation has been focusing on improving citizen service and this metric in particular. Steady improvement over the past five years has brought the on-time completion rate to 95 per cent while the number of total requests continues to rise. Transportation answered over 120,000 requests seen in 2017.

M.PM16 Per cent of trips going to the centre city made by transit in the AM peak period



M.PM16 Per cent of trips going to the centre city made by transit in the AM peak period

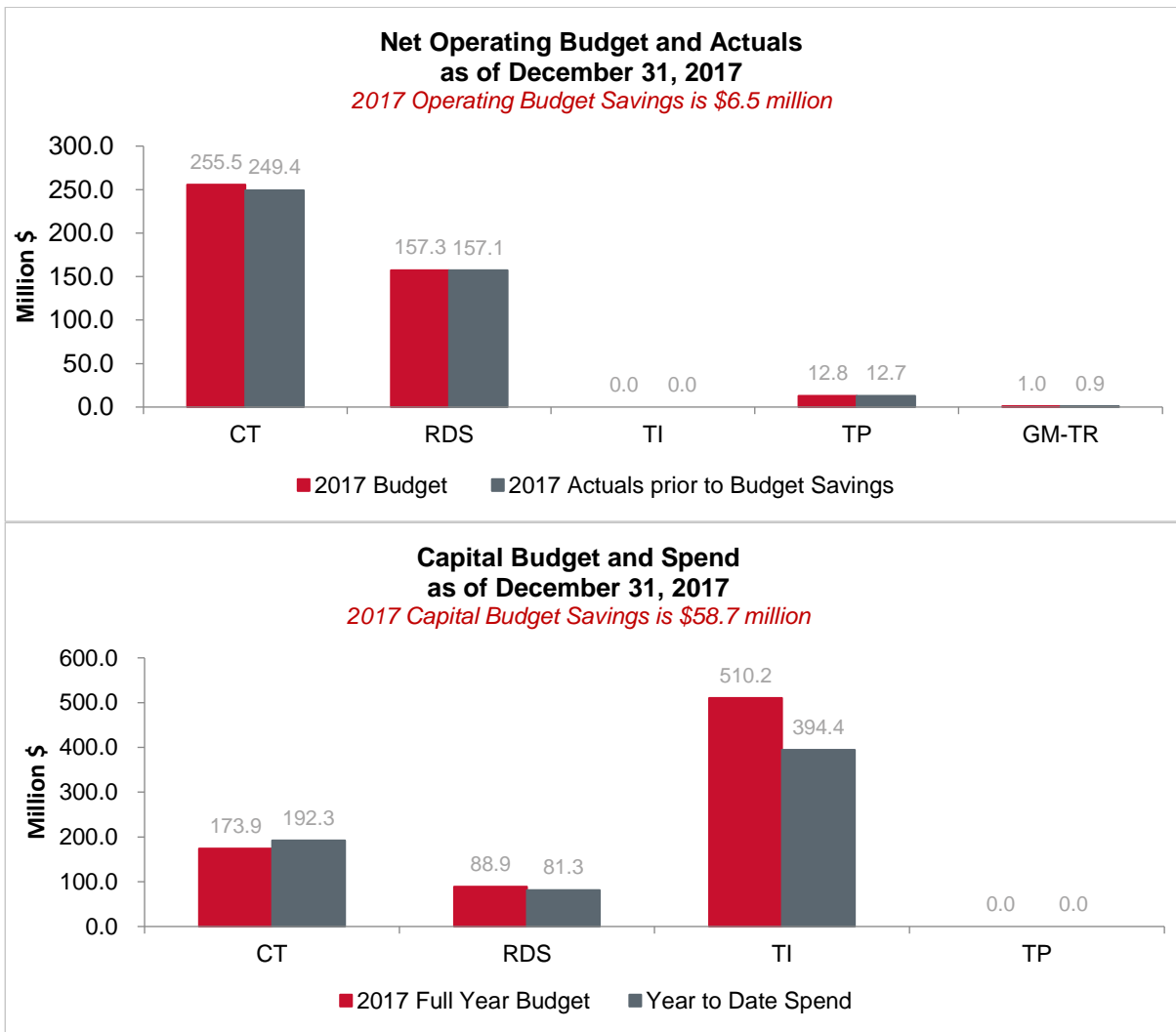
Downtown Calgary is an economic engine of the city and the centre of the transit system. The proportion of transit trips into the city centre is an indication that Calgarians are choosing to commute by sustainable modes.

Year End Update

The proportion of transit trips has fallen significantly during the economic downturn. This is largely correlated to fewer jobs in the downtown core where transit is very competitive with other travel choices. Approximately 28 per cent fewer Calgarians travel to downtown as compared to peak levels in 2013. This reduces traffic congestion for all modes, and affects how different travel choices compete with each other.

[Link to additional performance measures here](#)





Operating Budget Summary

A sustained drop in ridership resulting from the economic downturn has led to lower overall revenues for Calgary Transit. Careful adjustment of service levels throughout 2017 has controlled costs leading to a small favourable variance. A busier than average winter in 2016/2017 led to higher snow and ice control costs, but these were offset by higher than expected permit revenues.

Capital Budget Summary

Several major capital projects were completed in 2017 including Bowfort Road/Trans-Canada Highway, Glenmore Trail/Ogden Road, Macleod Trail/162 Avenue and Sarcee Trail/Trans-Canada Highway. Several other major projects started including the major components of the BRT network, a bridge at 194 Avenue/Priddis Slough and enabling works for Green Line. The capital spend rate for Transportation was 86% in 2017.

Work was also completed on the LED streetlight retrofit program which provides ongoing operating savings while reducing energy use, light pollution and maintenance costs. Over 80,000 fixtures were replaced since 2014.



CS Business Units

Calgary Community Standards (CCS)

Calgary Emergency Management Agency (CEMA)

Calgary Fire Department (CFD)

Calgary Housing (CH)

Calgary Neighbourhoods (CN)

Calgary Parks (PRK)

Calgary Recreation (REC)

CS aligns with the following Council Priorities:



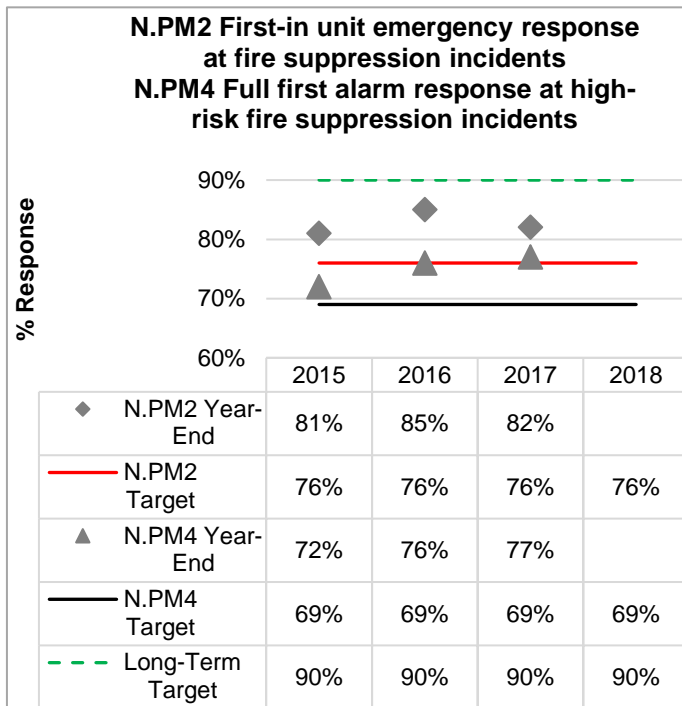
OVERVIEW

Community Services (CS) is The City's most citizen-facing department. CS works with The City's official Civic Partners and hundreds of other partner organizations to deliver programs and services that contribute to the well-being and quality of life of Calgarians.

Much of CS' work has a direct impact on Calgarians' quality of life and contributes to all five Council Priorities. CS and its partners lead 21 and support another 22 of Council's 48 Strategic Actions.

YEAR-END HIGHLIGHTS

- Affordable housing strategy improvements included supporting the development of over 1,000 units through fee rebates and grants (from the Housing Incentive Program) and establishing the Home Program to increase housing stability through Ready to Rent.
- 10,000 citizens celebrated Canada 150 at Confederation Park. In honour of the park's 50th Anniversary, citizens also enjoyed new park improvements including a natural playground, barbeque stands, seating areas, public art murals and accessible interpretive signs.
- In anticipation of the federal Cannabis Act, a City team was established to work on identifying issues and potential impacts of cannabis legalization.
- International Play Conference: Community Services and the International Play Association Canada successfully hosted 700 delegates from over 30 countries this fall. The City's legacy play work sets a foundation for improving children's physical and mental health in Calgary. A Mobile Adventure Playground program also hosted over 800 children during the event.
- A Community Hubs partnership was launched between The City, the United Way and the Rotary Club, in support of the *Enough For All* strategy. This initiative establishes approaches and practices to support full participation of vulnerable populations in City activities.
- City staff participated in two large-scale emergency exercises – a flood and snowstorm – to test response, recovery and business continuity processes and plans. A comprehensive update of Calgary's Municipal Emergency Plan was completed to reflect updated processes, roles and responsibilities, including alignment with business continuity and recovery planning.

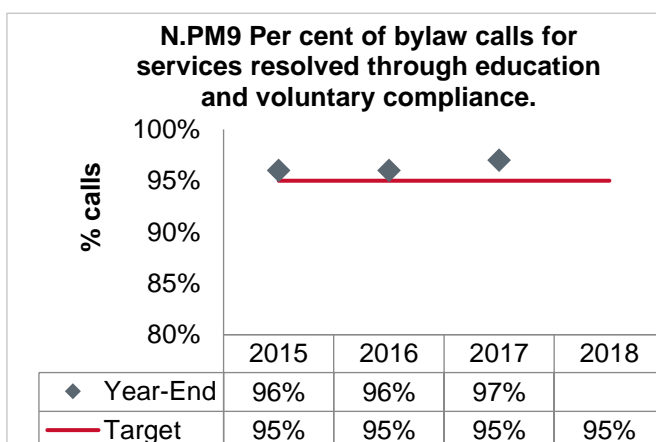


N.PM2 First-in unit emergency response within seven minutes at fire suppression incidents

Calgary Fire’s year over year response performance declined by 3 per cent over 2017, but improved by 1 per cent since 2015, notwithstanding the 10 per cent increase in the number of calls in 2017. 90th percentile performance for first-in unit emergency response at fire suppression incidents was 7 minutes and 55 seconds, with 82 per cent of responses within the target time of 7 minutes. For Calgaryans, even a small change can translate to lives and property saved.

N.PM4 Achieve full first alarm assignment at high-risk fire suppression incidents within 11 minutes

Despite the economic downturn and other factors contributing to a 10 per cent increase in calls, Calgary Fire made an improvement in its fire response performance at high-risk fire suppression incidents. Calgary Fire assembled the needed firefighters, slightly higher than the short-term target of 69 per cent, with 90th percentile performance at 13 minutes and 31 seconds. Significant improvements are required to make the long-term target of 90 per cent within 11 minutes.

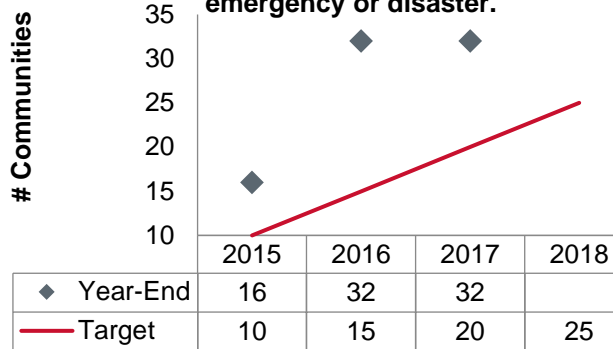


N.PM9 Per cent of bylaw calls for services resolved through education and voluntary compliance.

The voluntary compliance rate measures our success in public awareness programming in partnership with other city business units, community organizations, and schools to promote public safety, community standards and bylaw compliance. It reflects the core value we believe in – compliance comes before enforcement.

The target was exceeded in 2017. Calgary Community Standards put considerable effort into public education programs and outreach initiatives to foster citizens’ compliance with bylaws. The programs we delivered in 2017 include 113 community cleanups and the Safety Expo event.

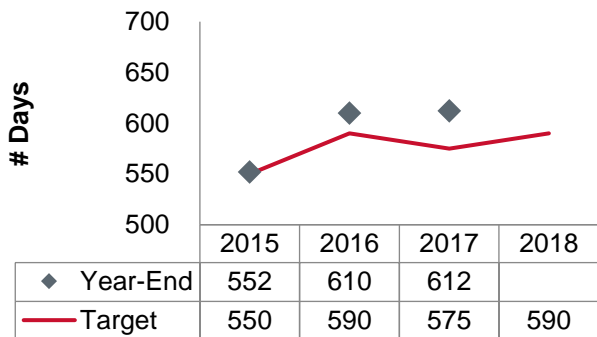
N.PM6 Number of communities informed about preparing for, responding to, and recovering from an emergency or disaster.



N.PM6 Number of communities informed about preparing for, responding to, and recovering from an emergency or disaster.

2017 saw an evaluation and re-scoping of the Ready Calgary program to include an online version, increasing access for Calgary communities. The online version is anticipated to launch in Q2 of 2018. Therefore, 32 communities remained engaged in Ready Calgary education as previously reported. It is forecasted that another 18 communities will be trained by the end of 2018, for a cumulative total of 50 targeted communities for the period of Action Plan.

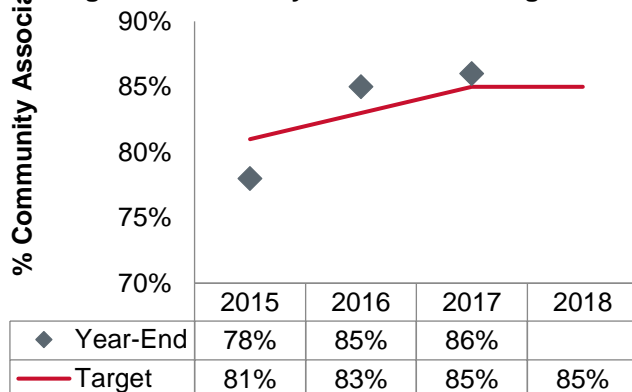
P.PM7 Number of City-supported festival and event days.



P.PM7 Number of City-supported festival and event days.

With 8 more events than 2016, and 612 event days in 2017, Recreation exceeded its target in supporting community organizations and partners to create a sense of community and civic pride through cultural activities, community celebrations, festivals and sporting events. Canada 150 events led the way throughout the year and Calgarians demonstrated the importance they place on festivals and events with their support and attendance.

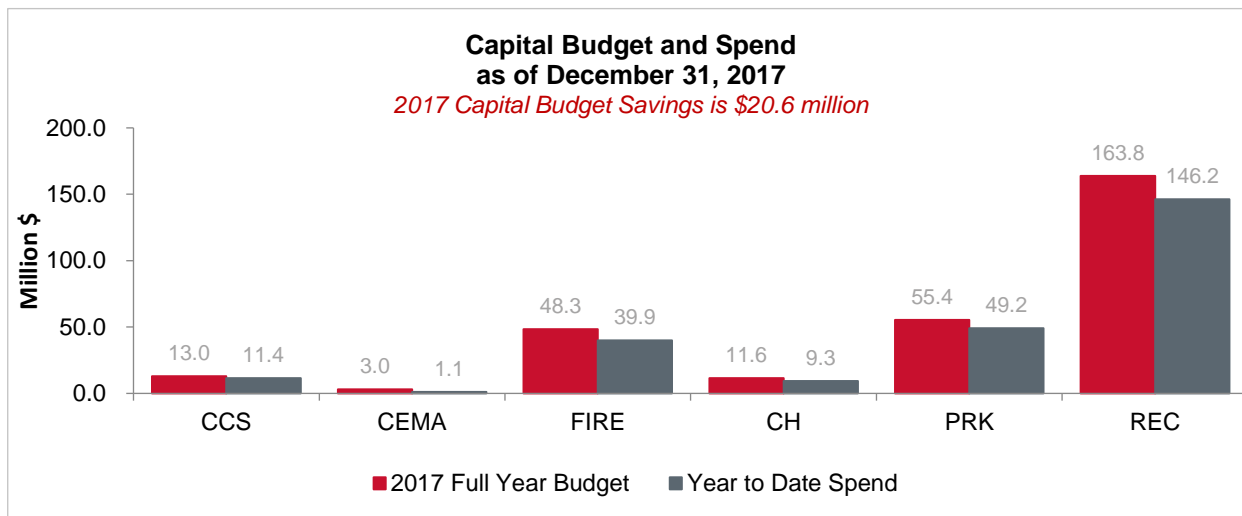
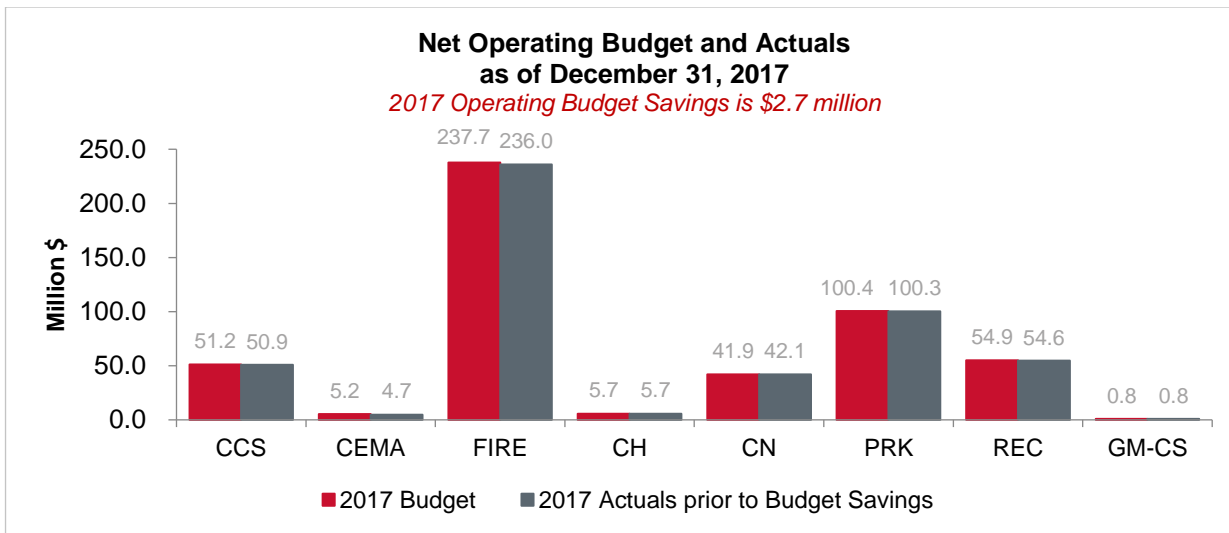
N.PM7 Per cent of community associations that are at a good/satisfactory financial standing.



N.PM7 Per cent of community associations that are at a good/satisfactory financial standing.

Financial health is an important factor in the long-term sustainability of any organization. City Liaison staff support Community Associations (CAs) with their financial practices and governance. A financial review and compliance status of CAs and social recreation organizations with a lease or license of occupation on City-owned land is reported to Audit Committee and Council on an annual basis. 86 per cent of 177 organizations that had their financial statements reviewed in 2017, received a rating of “good” or “satisfactory”, demonstrating financial stability. This performance measure has seen continued improvement since 2015, in part due to City Liaison staff helping CAs to take a proactive approach in identifying and implementing mitigation strategies for financial, facility or organizational risks.

[Link to additional performance measures here](#)



Operating Budget Summary

Community Services (CS) had a positive variance of \$2.7 million on a \$506 million operating budget, prior to budget savings. This variance is primarily due to the intentional management of workforce and utilization of other resources.

Capital Budget Summary

CS spent \$257.1 million, achieving an 87 per cent spend rate. Highlights of these investments include Recreation's new Rocky Ridge Recreation Facility, together with renovations to three locations including Village Square Leisure Centre, Canyon Meadows and Foothills Aquatic Centers. Affordable Housing increased their portfolio with three new developments in Crescent Heights, Bridgeland and Kingsland totaling 72 new units. Fire station #7 was re-opened following rehabilitation of aging infrastructure, and Calgary 911 completed procurement of their new 911 IP Phone system, with implementation to follow in 2018. Both Prairie Winds and Bowness Parks were re-opened after redevelopment, and two new adventure playgrounds opened in Confederation Park and Mills Park. Upgrades to trail networks in Nose Hill Park and the Douglas Fir Trail round out the Parks investments. The Capital Conservation Grant invested \$8 million on urgent safety issues in aging neighbourhood group infrastructure, ensuring facilities can stay open and provide for vital community programming.



PD Business Units

Calgary Growth Strategies (CGS)

Calgary Approvals Coordination (CAC)

Community Planning (CP)

Calgary Building Services (CBS)

PD aligns with the following Council Priorities:



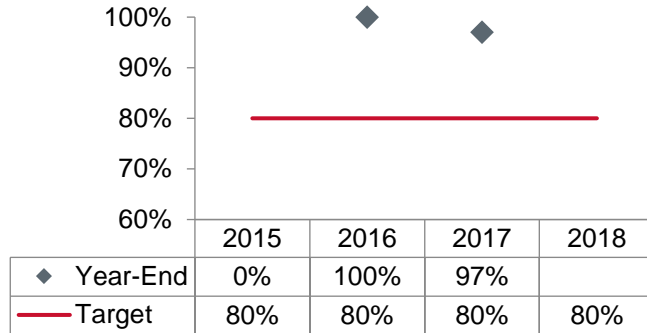
OVERVIEW

Planning & Development's (PD) mission is to plan and enable building a great Calgary. Planning & Development strives to meet the aspirations of communities through great planning, while ensuring Calgarians have safe buildings in which to live and work. We develop plans and policies and deliver services that support land use and development throughout Calgary and in the surrounding region. The department's three key result areas are: Advancing the Municipal Development Plan (MDP) Vision, Realizing Development, and Ensuring Building Safety.

YEAR-END HIGHLIGHTS

- Municipal Development Plan (MDP) is advanced:** The Centre City Guidebook and Developed Areas Guidebook were adopted in 2017, helping to provide clarity and certainty for customers and communities in achieving the MDP vision. Additionally, one new Area Structure Plan (ASP) was approved, along with amendments to the following four: South Macleod Centre ASP, Springbank Hills ASP, Symons Valley Community Plan, and West Springs ASP. PD also received approval on two new Area Redevelopment Plans (ARP's): Anderson Station ARP and the Rundle Station Area Master Plan.
- Development is Realized:** We improved communication with customers through the implementation of customized timelines for specific application types for land use and development permit applications. PD facilitated the completion of 4,593 development permits, 349 land-use amendments, and 19 outline plans. We increased transparency with Industry and citizens through releasing the 2017 Off-site Levy Report, along with the Centre City Levy Program.
- Buildings are safe:** PD responded to 573 urgent response service requests and 136 Infill (unsafe construction) service requests, attending incidents where unsafe conditions have been identified and/or conducting an inspection at the specific site. PD also completed 16,071 building permits and 51,953 trade specific permits ensuring compliance and safety. In 2017, there was a 27 per cent increase to a total of 890 suites on the City's Secondary Suites Registry, which ensures safe and legal secondary suites.

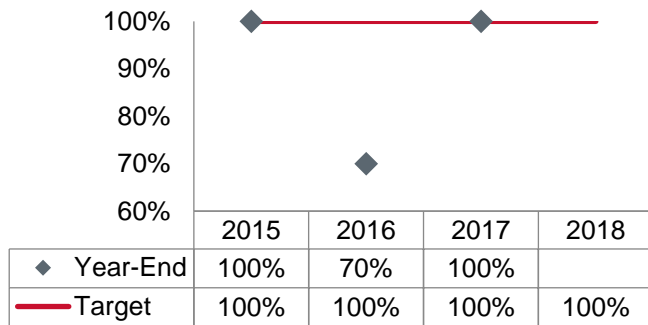
P.PM2 Participant rating of four out of five or better for service levels on affordable housing inquiries/applications



P.PM2 Participant rating of four out of five or better for service levels on affordable housing inquiries/applications

This performance measure demonstrates a commitment made to engaging in two-way communication with our customers and creating mutual benefit through meaningful feedback. With 2017 being the highest response rate from the survey to date, the feedback clearly demonstrates that this program has been embraced by customers and the end result is an added benefit to our citizens and communities.

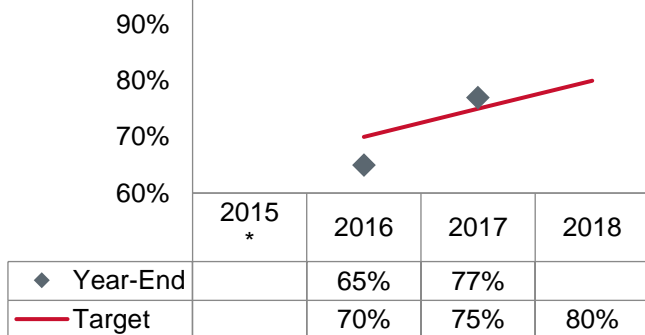
N.PM5 Per cent of the municipal heritage conservation grant program utilized in the current budget cycle



N.PM5 Per cent of the municipal heritage conservation grant program utilized in the current budget cycle

The reserve fund supplying the City of Calgary Historic Resource Conservation Grant Program is 100 per cent allocated (subscribed) through this current budget cycle. The grant program has been an important incentive in the City's heritage conservation program with its availability enticing several property owners to designate their heritage property's to access the grant program. Participation in this program helps promote inspiring neighborhoods, and vibrant character-inclusive communities. With the reserve fund depleted through 2018 it's likely that fewer property owners will seek designation than in the past.

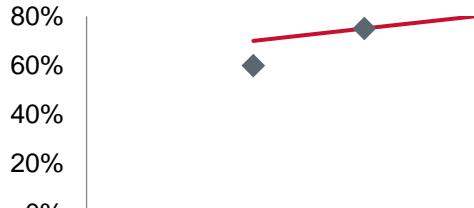
N.PM6 Per cent of development permit decisions made for low density residential infill applications within 90 calendar days of application



N.PM6 Per cent of development permit decisions made for low density residential infill applications within 90 calendar days of application submission

This performance measure provides a level of certainty for customers to facilitate a predictable review process and construction timeline. Applications for infills and major additions have shown a significant increase over 2016 volumes and resulted in an overall increase of 42 per cent over 2016. The increased training, process efficiencies and utilizing digital circulations have contributed to the performance target of 75 per cent being successfully achieved (77 per cent).

N.PM7 Per cent of development permit decisions made within 120 calendar days of application submission



	2015	2016	2017	2018
◆ Year-End		60%	75%	
— Target		70%	75%	80%

*N.PM6, N.PM7 and W.PM7 were new performance measures from 2016 May 06 PUD2016-0322 report and had no 2015 measures to report.

N.PM7 Per cent of development permit decisions made for multi-family, commercial, industrial and institutional applications within 120 calendar days of application submission

This performance measure incorporates both City and applicant times to reach a decision, and requires the parties to work collaboratively. This measure is in addition to any applications where a customer has approached The City to develop a customized timeline related to concurrent applications, or for extenuating circumstances causing an extension of time being requested by the customer (such as a delayed Provincial approval). PD continues to work with its partners to find process improvements, standardization and other efficiencies as part of the Continuous Process Improvement initiative of the Industry/City Work Plan. Additionally, PD has reached an agreement with BILD to reduce the amount of time applicants are given to respond to City comments. It is expected that this change, along with continued use of customized timelines for extremely complex applications, will allow us to reach our 2018 target of 80 per cent.

W.PM7 Per cent of building permits for tenant improvements to commercial and multi-family development issued within 21 calendar days of application



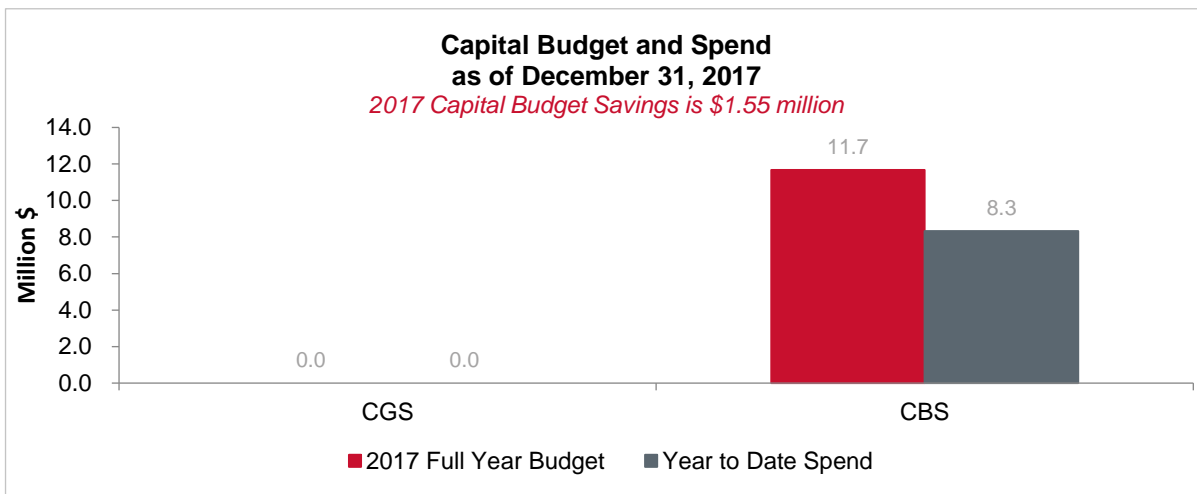
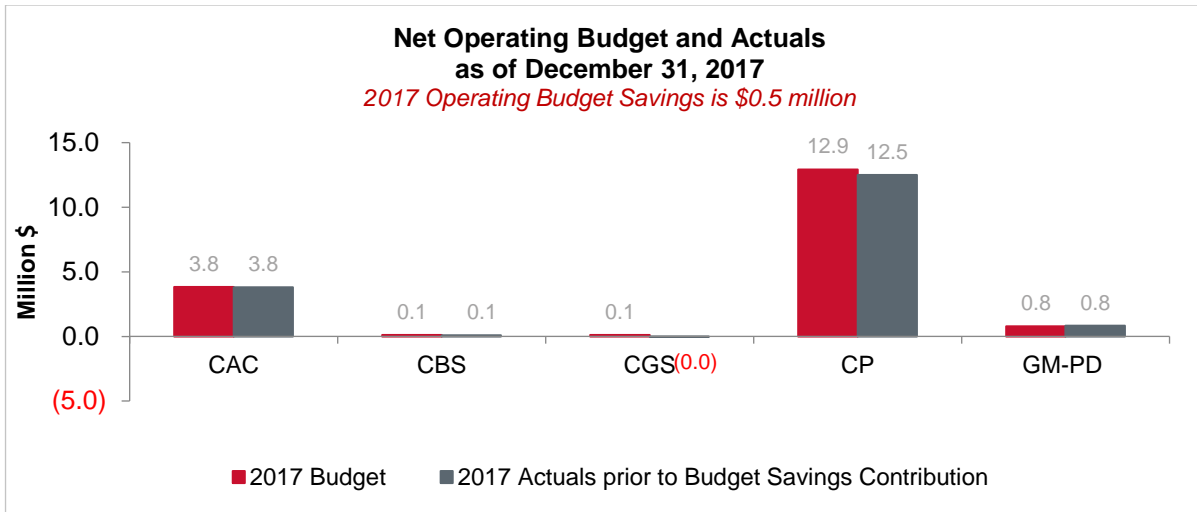
	2015	2016	2017	2018
◆ Year-End		55%	76%	
— Target		65%	70%	80%

W.PM7 Per cent of building permits for tenant improvements to commercial and multi-family development issued within 21 calendar days of application submission

This measure speaks to Administration’s ability to understand and respond to the evolving needs of tenants and business owners through building permit applications for alterations, renovations and/or additions. A timely response provides certainty to the business or property owner and ensures a safe building for tenants. The total number of applications received remained steady over the past two years, and continued in spite of the economy. During downtimes, owners continue to renovate or make tenant improvements, rather than invest in new construction.

[Link to additional performance measures here](#)





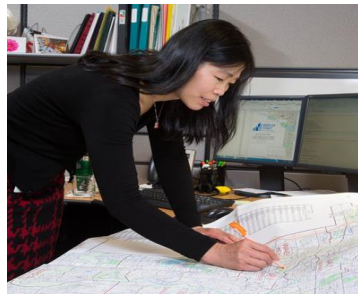
Planning & Development (PD) includes four business units and the General Manager's Office (GMO). Community Planning (CP) and the GMO are tax supported, Calgary Building Services (CBS) is primarily self-supported, Calgary Approvals Coordination (CAC) and Calgary Growth Strategies (CGS) are a mix of tax and self-supported.

Operating Budget Summary

PD's favourable variance of \$0.5 million before BSA contributions is mainly due to favourable license and fee revenue as well as savings in contractual services and office rental. CBS is mandated to fund its operating and capital expenditures from its revenue and transfer all operating surplus or deficit to/from the CBS Sustainment Reserve to sustain its self-supporting status. As at 2017 December 31, the CBS Sustainment Reserve has a balance of \$86.8 million (down \$12.3 million from the previous year) mainly due to a \$20 million contribution in 2017 to the Economic Development Investment Fund to attract new business to Calgary downtown. An additional \$20 million contribution for 2018 is also approved. During the 2018 budget deliberation, Council approved the extension of the 2017 PD application fee freeze to 2018. The fee freeze is estimated to reduce the 2018 PD revenue by \$1.4 million.

Capital Budget Summary

As at 2017 December 31, the PD capital expenditure was \$8.3 million (or 71 per cent) of its 2017 capital budget of \$11.7 million. This includes projects for Work Space Initiatives (the 3rd floor Planning Services Counter renovation), Business Technology Sustainment (conversion of systems to support external services and enable on-line application and payment) and Capital Asset Acquisition (e.g. vehicles and lifecycle replacement of computer equipment).



DCMO Business Units

Corporate Analytics & Innovation (CAI)

Facility Management (FM)

Fleet Services (Fleet)

Real Estate & Development Services (RE&DS)

Resilience and Infrastructure Calgary (RIC)

Supply Management (SM)

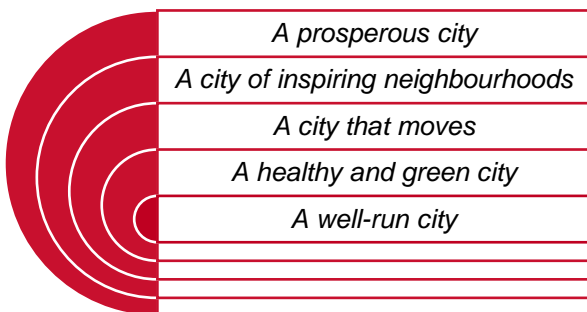
OVERVIEW

The DCMO collaborates with all departments to manage data, assets and relationships within the organization and with other levels of government. Through innovative problem solving, new coordinated approaches to managing the organization's capital, information and assets have been identified and implemented.

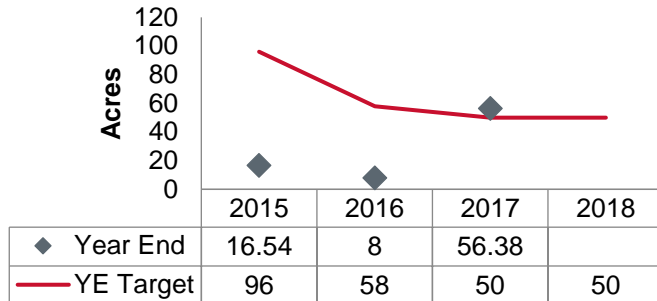
YEAR END HIGHLIGHTS

- Fleet created an asphalt carrier that can be interchanged with a stainless-steel sander on a standard truck reducing the number of trucks required by the organization. Fleet sold one of these vehicles to the City of Airdrie reflecting the marketability of the finished product.
- Supply co-championed and actively participated in the Supply Transit Enhancement Program (STEP) to improve business outcomes through an end-to-end integrated process review from maintenance planning to delivery of requested goods and services.
- Infrastructure Calgary oversaw the reallocation of capital budget and alignment of funding capacity for over 20 newly funded capital projects, aligned with the new Capital Investment Plan.
- CAI developed the Calgary Rights-of-Way Management (CROWM) portal to meet the requirements of the new Rights-of-Way bylaw. The portal facilitates the application process for utility line assignments, provides enhanced reporting and industry account management tools.
- FM completed an extensive review of best practices for centralized operations and maintenance. This research highlighted the benefits of a centralized approach, including the potential realization of cost savings, efficiencies, and service coordination enhancements.
- RE&DS initiated the planning of the Great Plains-Starfield industrial park to bring on more than 800 acres of prime industrial land in SE Calgary.

DCMO aligns with the following Council Priorities:



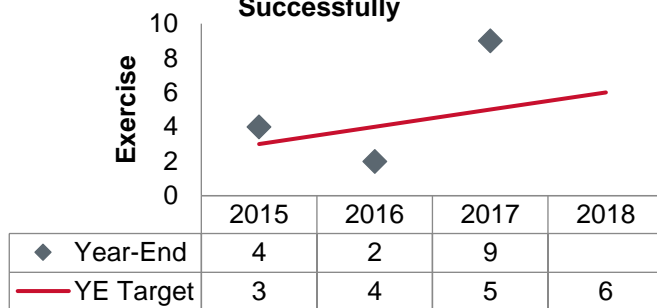
P.PM2 Industrial Land Sold Annually



P.PM2 Industrial Land Sold Annually (Acres)

2017 was a successful year for industrial land sold compared to the past few years where it was a challenge due to the economic downturn. RE&DS has exceeded the targeted goal of 50 acres by selling 56.38 acres of industrial land resulting in a total of \$39 million from 13 transactions.

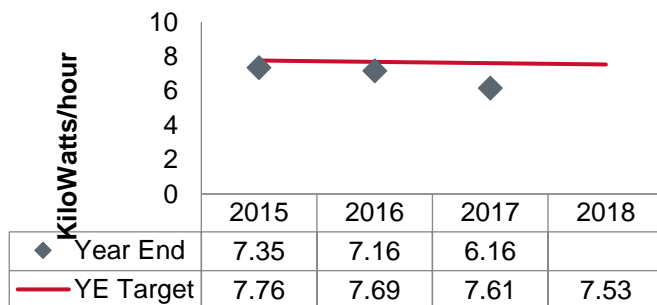
N.PM1 Number of Corporate Workplace Emergency Training Exercises Run Successfully



N.PM1 Number of Corporate Workplace Emergency Training Exercises Run Successfully

Facility Management continues to participate in Calgary Emergency Management Agency (CEMA) led and FM-focused training exercises to help identify gaps, overlaps and interdependencies while improving employee knowledge of business continuity and emergency protocols and systems.

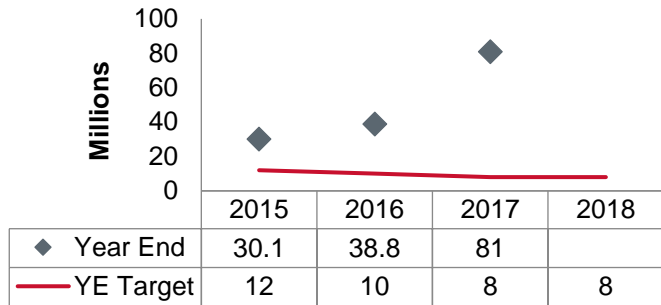
H.PM1 Energy Units Consumption Per Gross Floor Area in FM's BMS



H.PM1 Energy Units Consumption Per Gross Floor Area for Buildings in Facility Management's Building Management System

Facility Management's energy management efforts in 2017 resulted in a consumption rate of 6.16 kWh, which is 19 per cent lower (better) than the target set. FM is well ahead of its final Action Plan target and continues to seek opportunities to reduce utility consumption and contribute to initiatives such as the Corporate Energy Plan.

**W.PM14 Revenue from General Surplus
Parcels Sold Annually**

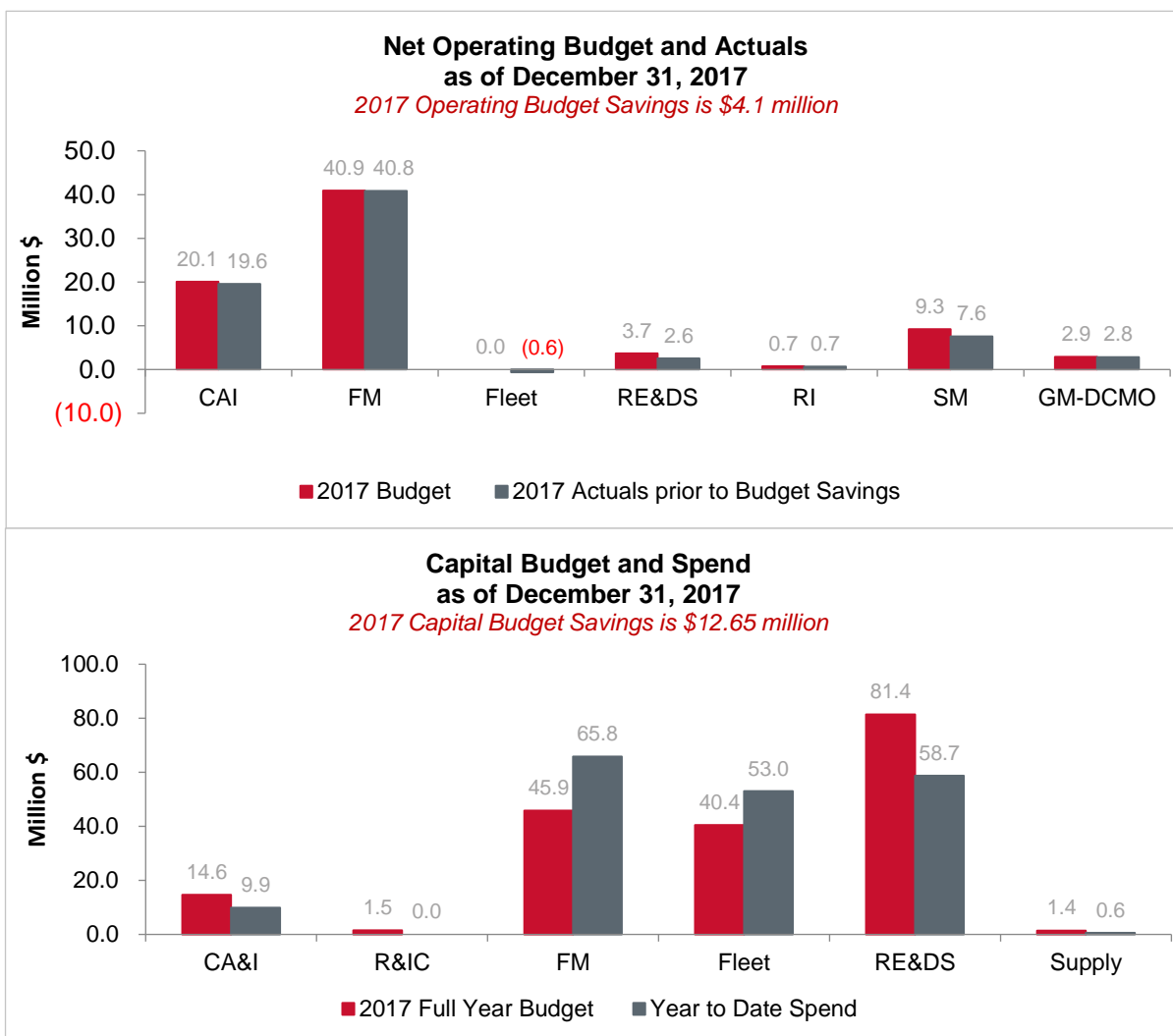


W.PM14 Revenue from General Surplus Parcels Sold Annually

2017 was another positive year for Real Estate & Development Services (RE&DS) in general surplus land sales. The target of \$8 million was well surpassed this year with a total of \$81 million in general lands sold. Overall, RE&DS had a total of 25 transactions over the course of this year, with one large transaction that amounted to \$53 million for the Westbrook Mall lands. Outside of the Westbrook Mall sale, RE&DS was still able to achieve sales well above the targeted \$8 million.

[Link to additional performance measures here](#)





Operating Budget Summary

The Deputy City Manager's Office (DCMO) favourable variance of \$4.1 million, prior to budget savings, is mainly attributed to intentionally reducing manageable costs within the Department including materials and business expenditures. Other drivers of the favourable variance include unbudgeted markup revenues earned from the sales of LED street lights in SM, higher than budgeted Utility Line Assignment revenue in CAI, favourable acquisition fee revenues earned because of the Green Line project in RE&DS, and lower utilities costs in FM.

Capital Budget Summary

The DCMO capital budget is 102 per cent spent as of 2017 December 31. SM - Monitoring equipment was installed on all fuel sites which enhanced safety compliance and supports the accurate reporting of fuel inventory and status. CAI - The corporate imagery program implemented the use of Geospatial Information Systems (GIS) to conduct 3-dimensional analysis of properties in the Springbank Hill community identifying which properties had panoramic view of the mountains resulting in a more accurate property valuation for the community. The Calgary.ca web mapping framework upgrade program worked with the Roads business unit to redesign and improve the maintenance process of the Snow and Ice Control (SNIC) online map by simplifying how information was displayed to enable the public to more quickly and easily find the information required for their travel routes within The City. Also, the solar potential map was updated with the most recent data to enable citizens to explore the potential of powering their homes and workplaces with solar energy. This raw data was posted on The City's open data portal for citizens to integrate and analyze the information with other data sources.



CFOD Business Units

Assessment (ASMT)

Customer Service & Communications (CSC)

Finance (FN) + Corporate Initiatives (CI)

Information Technology (IT)

Human Resources (HR)

CFOD aligns with the following Council Priorities:

<i>A prosperous city</i>
<i>A city of inspiring neighbourhoods</i>
<i>A city that moves</i>
<i>A healthy and green city</i>
<i>A well-run city</i>

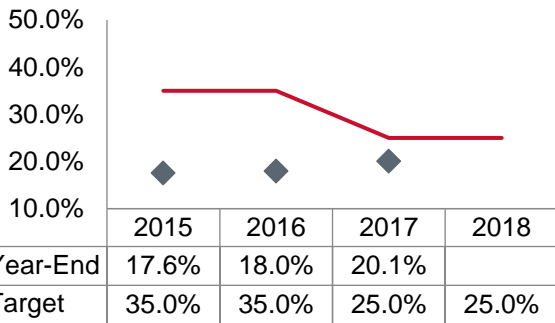
OVERVIEW

The Chief Financial Officer's Department (CFOD) collaborates with internal and external partners to provide financial leadership, annual market value assessments, technology solutions, human resources strategies, customer and communication services as well as strategic leadership and coordination of corporate-wide initiatives.

YEAR-END HIGHLIGHTS

- Through budget adjustments, Council reduced the 2018 property tax increase from the previously approved 4.7 per cent to 0.9 per cent, and directed Administration to fund tax relief to businesses. Additionally, Council approved \$126 million in benefits for citizens, including adjusted landfill tipping fees and planning and development permit fees, investment in Low Income Transit Pass, funding targeted to safe communities, youth and low income programs as well as crime prevention efforts.
- 911 event data is being shared with the Advanced Traffic Information System (ATIS) to identify traffic accident locations and inform citizens of detours resulting from the accidents. This information is shared with over 30,000 Twitter followers.
- Through the Workforce Planning Initiative, savings of \$20.2 million were realized by consolidating growth and budget use only positions. One-time contributions to the Budget Savings Account of \$18.9 million were realized through position reductions and vacancy management.
- Assessment initiated a multi-disciplinary team that meets regularly during the tax billing mail-out timeframe to ensure the resolution across business units of potential issues.
- The ZBR program has identified between \$57.3 million (low estimate) and \$68.2 million (high estimate) in annual financial gains. Of these identified gains, \$15 million was realized in 2017, bringing the total realized to \$27.3 million. The program is on track to meet the goal of reviewing services that account for 80 per cent of gross operating budget by 2020.
- The City continues to enhance citizen access to information and services in the channel of their choice. In addition to the 21 million visits Calgary.ca received in 2017, another 30 million interactions were conducted via online applications, an increase of 5 per cent over 2016.

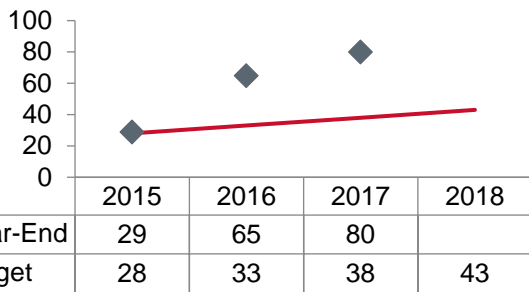
W.PM44 Per cent of the total annual assessment base under formal complaint



W.PM44: Per cent of the total annual assessment base under formal complaint

The per cent of total annual assessment base under complaint has been steadily increasing since 2015. The 2017 result is still distinctly lower than in 2013 and 2014, when it was at 27.5 per cent and 30.4 per cent respectively. To address this trend and increased workload, Assessment is working with Law ahead of establishing assessed values for the year, to have preliminary assessed values signed off on during the Advance Consultation Period and to establish a Tribunal Taskforce.

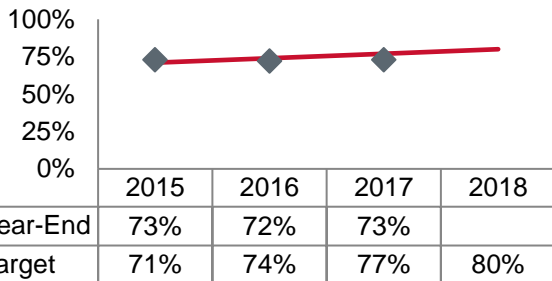
P.PM13: Number of public City of Calgary facilities with free access to wireless internet



P.PM13: Number of public City of Calgary facilities with free access to wireless internet

Since public Wi-Fi was launched in May 2014, there have been more than 22 million connections to the service. The City now offers public Wi-Fi at 80 locations, including every CTrain station, most City Recreation sites, and several Parks locations. The popularity of public Wi-Fi at City facilities demonstrates that Calgarians find value in the service. To keep up with citizen demand for connectivity, The City has already exceeded the 2018 target set out in Action Plan by 86 per cent.

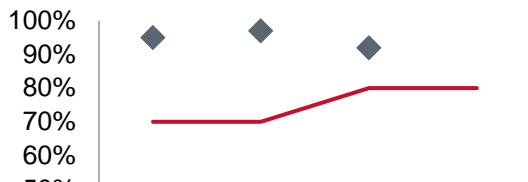
P.PM9 Percentage of website visitors who are able to complete thier task online via Calgary.ca



P.PM9: Percentage of website visitors who are able to complete their task online via Calgary.ca

Task Completion is the percentage of website visitors who are able to complete their task online via Calgary.ca. In 2017 Calgary.ca had over 21 million visits and the task completion score was 73 per cent, which is four percentage points below the target of 77 per cent. The challenge in increasing the score over the past year is primarily the performance of applications used for online transactions. To address this, the prominent public-facing applications will be evaluated to determine their impact on citizens' ability to complete tasks online. User experience improvements along with customer feedback will be shared with application owners to help improve online completion rate.

W.PM17: Job applicant satisfaction with on-line experience

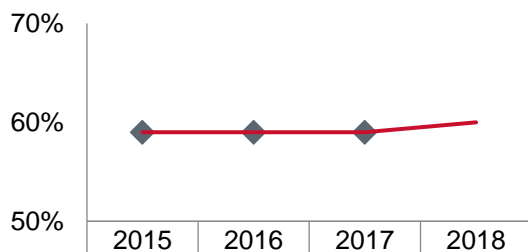


	2015	2016	2017	2018
◆ Year-End	95%	97%	92%	
— Target	70%	70%	80%	80%

W.PM17: Job applicant satisfaction with on-line experience

In 2017, the job applicant satisfaction score continues to be strong at 92 per cent, well above the 80 per cent target. The year over year satisfaction score dropped by 5 per cent as a result of some initial technical issues with the HCM upgrade. These technical problems have since been resolved, resulting in notable increase in job applicant satisfaction since Q4 2017.

W.PM6: Tax Installment Payment Plan Accounts (TIPP) participation



	2015	2016	2017	2018
◆ Year-End	59%	59%	59%	
— Target	59%	59%	59%	60%

W.PM6: Tax Installment Payment Plan Accounts (TIPP) participation

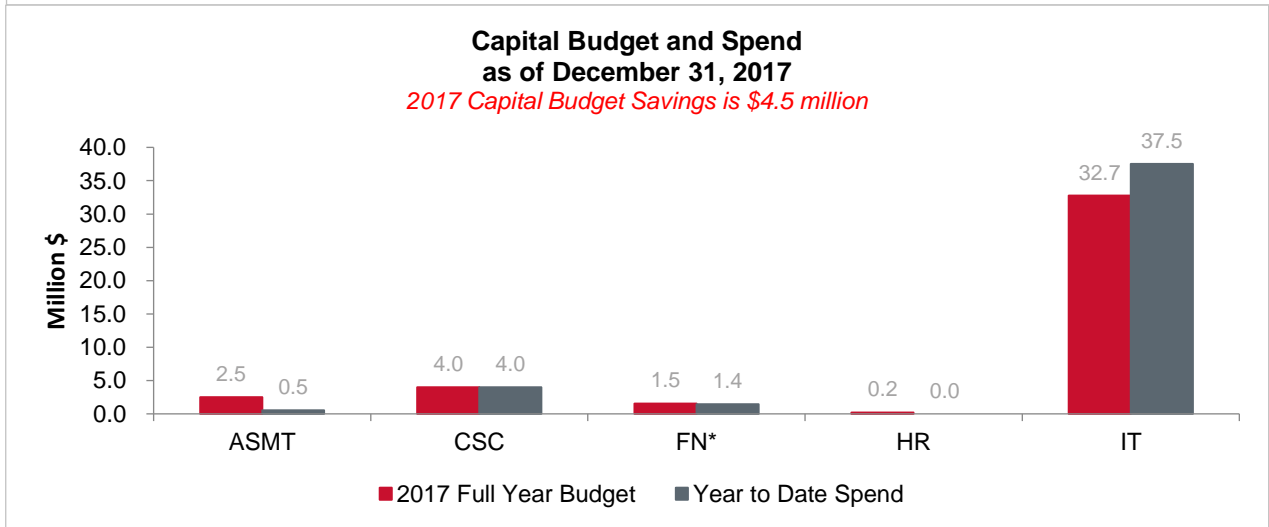
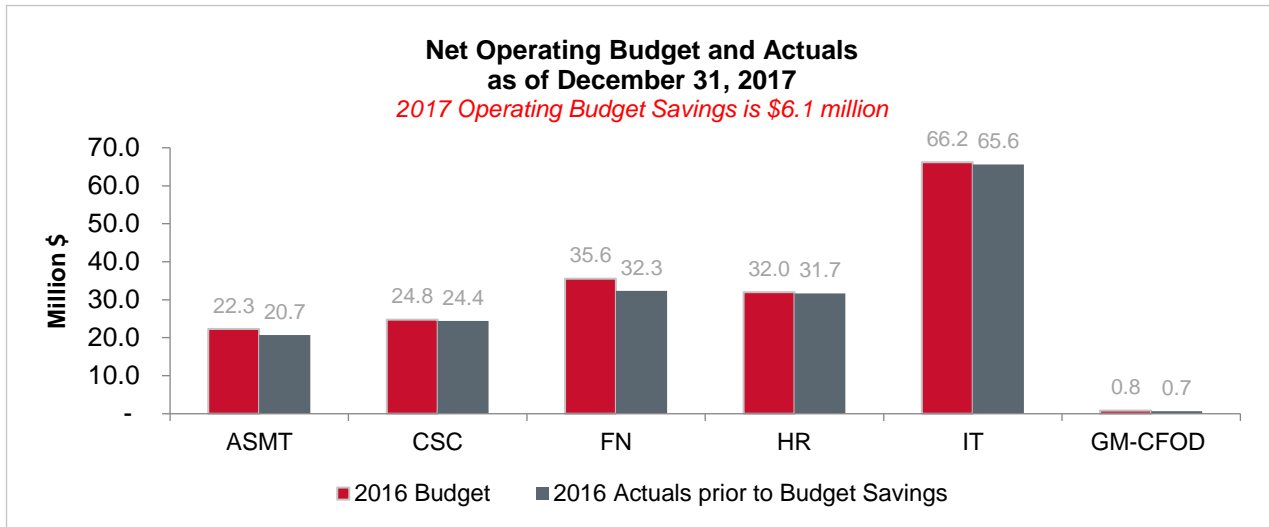
TIPP is a citizen-centric program that allows property owners to pay property taxes on a monthly basis, helping citizens budget payments and reduce the risk of late payment penalties. It provides The City with a reliable income stream, reducing cash flow volatility and short term borrowing. Calgary's TIPP participation rate in 2017 continues to lead the country, remaining constant at 59 per cent as property tax accounts increased steadily. A TIPP recalculation was performed to include the forecast municipal tax rate increase to mitigate the volatility of taxpayers' monthly tax instalments.



[Link to additional performance measures here](#)

OTHER HIGHLIGHTS

- A new Garbage Day Collection application reminds citizens about their collection day and cart color. Approximately 100,000 citizens have signed up for the application.
- Partnering with the Calgary Public Library, The City leveraged the myID portal, enabling citizens to access the library's catalog, chat, contact management and access e-library, and to make room booking applications.
- The completion of Phase 2 of Accounts Payable Work Flow successfully automated electronic invoice approval, reduced payment cycle time and supported timely invoice approvals.
- The City processed Municipal Phased Tax Program credits of approximately \$20 million to 4,900 non-residential property accounts. It is anticipated that the total cost of the 2017 program credits will be \$30 million when all complaints and appeals have concluded.
- The Engage portal is enhancing public input. Since March 2016, over 212,000 citizens and stakeholders have visited the site, providing 50,000 inputs, ideas, and comments on various initiatives. Seventy-five research projects were initiated in 2017 to gather information and insights from citizens and customers.



Operating Budget Summary

The Chief Financial Officer's Department variance of \$6.1 million, prior to budget savings, is mainly due to hiring of limited term positions, intentional management of expenditures including contractual, printing, and business expenses. This is partially offset by higher postage expenses due to increased tax billing mail outs, higher than budgeted internally provided service costs, and hiring of temporary positions.

Capital Budget Summary

The Chief Financial Officer's Department capital budget is 106 per cent spent as of 2017 December 31. The Accounts Payable workflow implementations and the Human Resource System upgrade were completed. Network, servers, storage, telecommunication, identity management, workstations, and monitors for City employees were successfully lifecycled as planned in 2017. This not only replaced aging equipment, it accommodated current growth and ensured continued redundancy, resiliency and scalability. Several citizen-facing applications were delivered such as the Garbage Day app, My Innovation crowd sourced platform for citizen collaboration, My Home app for online permits, and the streetlight outage app. Delivering on the Council-approved Fiber Infrastructure Strategy, 30 km of new fiber conduit was built, 65 km of new fiber optic cable was pulled, and 120 locations were connected to the fiber backbone. The 311 Software was deployed onto a new platform to increase the quality of service to citizens due to a faster and a more robust platform available to first contact agents. In addition, twenty-six 311 agents are now equipped to work from home which will allow the City to be more resilient and responsive to unplanned events while reducing overall operating costs.



OVERVIEW

In partnership with other City Departments and the private and public sectors, Urban Strategy (US) seeks to effectively realize and attract redevelopment potential. US is focused as a department on four key result areas: the 24 Main Street areas identified in the Municipal Development Plan (MDP) are implemented creating unique, vibrant, and thriving places, the vision of the Centre City is advanced, urban spaces are active and animated, and a comprehensive vision is achieved through Strategic Corporate Coordination.

YEAR-END HIGHLIGHTS

Main Streets:

- A major milestone was achieved in 2017 with land use policy amendments, using the newly approved Developed Areas Guidebook (DAG), and land use redesignations for five Main Street areas.
- US has capital funding to improve the public realm along the street and sidewalks within individual priority Main Streets areas. Work has begun on the streetscape master plans for the first eight Main Streets.

Centre City:

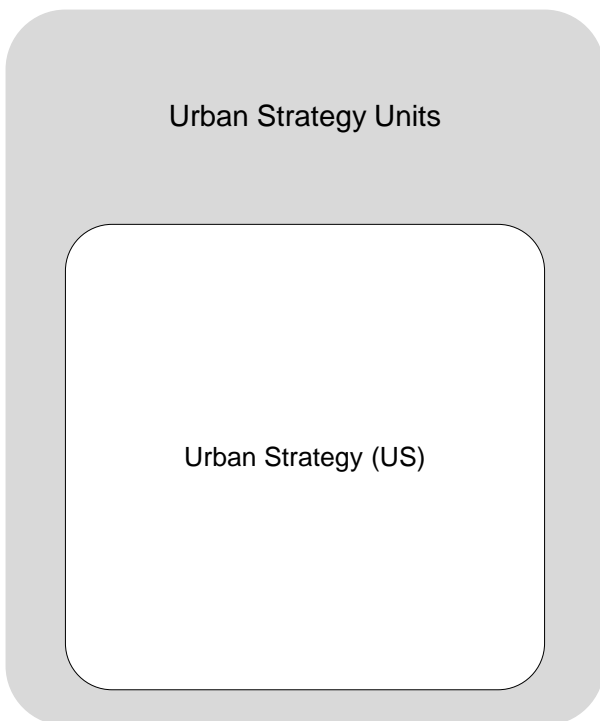
- US collaborated with Planning & Development and Calgary Economic Development successfully in the creation of a Centre City Enterprise District which allows for a temporary suspension of bylaw rules and a streamlined process.
- 1st Street SW corridor improvement project construction has been completed including upgraded sidewalks, lighting and street furniture.
- Streetscape improvements for 3rd Avenue in Chinatown were completed.
- Construction of the West Eau Claire Park has begun and will continue into 2018.

Urban Animation:

- US successfully organized “The Backyard alleyway activation” event in coordination with the 17th Avenue reconstruction. The event showcased the opportunity to help businesses attract citizens in creative ways to the area during construction.

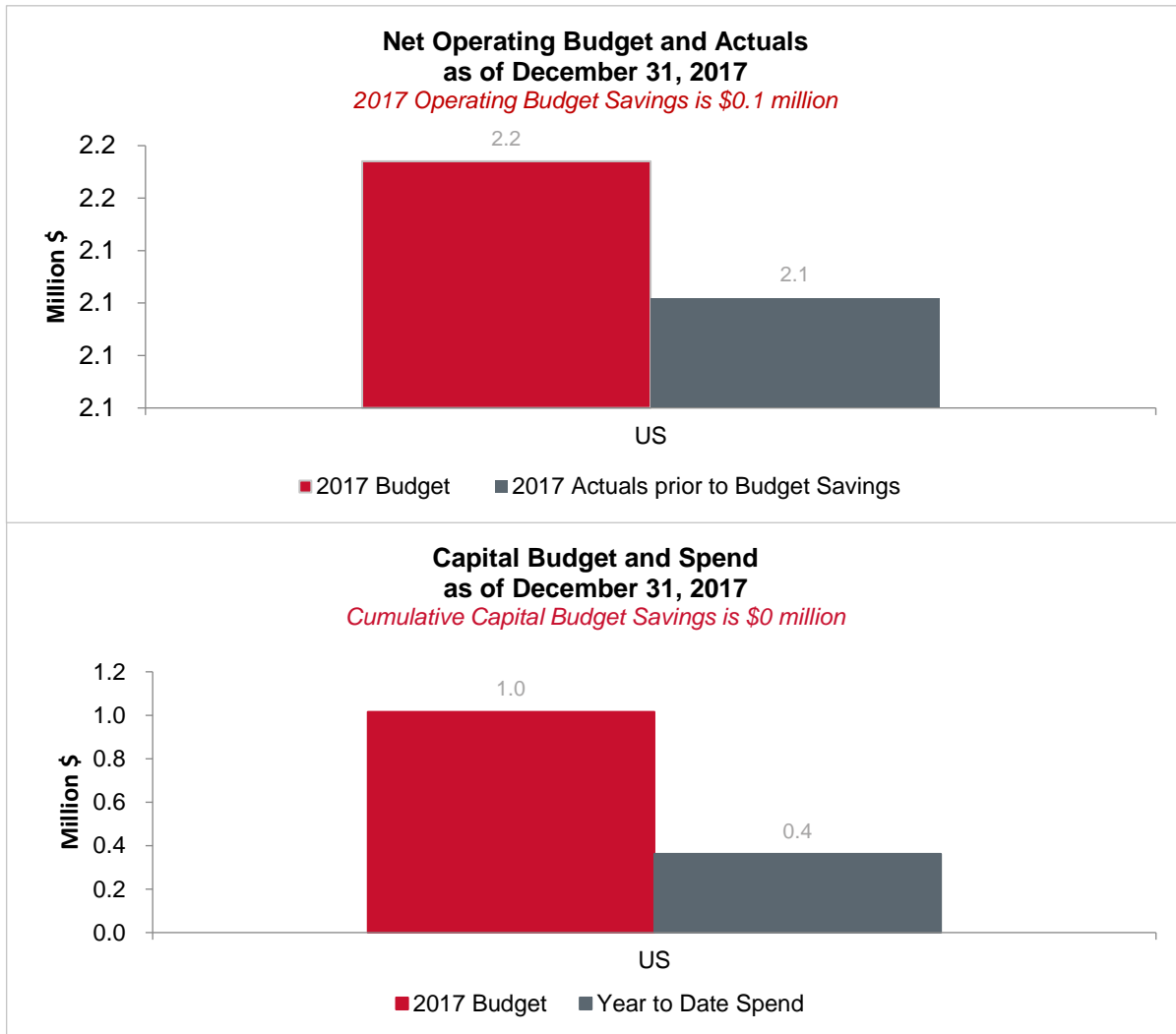
Strategic Corporate Coordination:

- Community engagement sessions were held in collaboration with PD for Dalhousie and North Hill mall to create a vision for each area to inform development applications.



US aligns with the following Council Priorities:



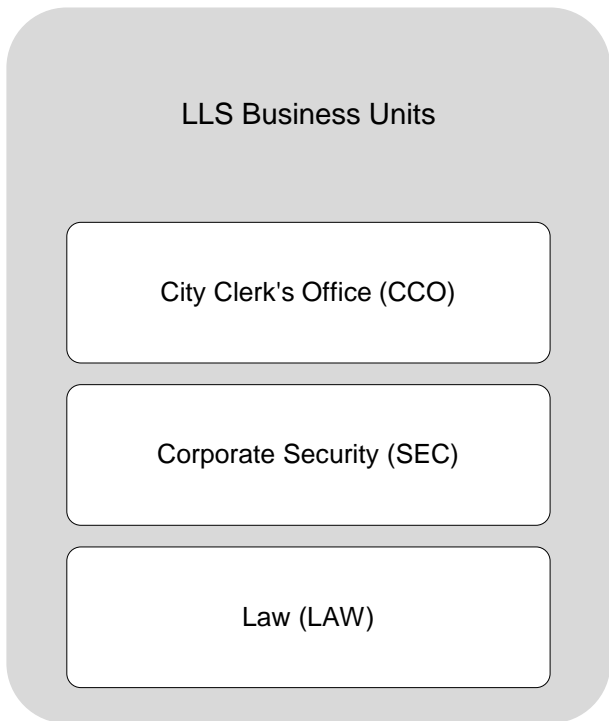


Operating Budget Summary

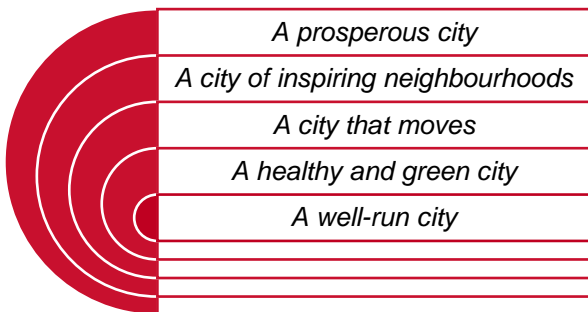
Urban Strategy consists of a mix of tax-supported and self-supported operations. For the year ended 2017 December 31, the tax-supported operation has a favourable variance of \$0.1 million before BSA contribution mainly due to savings in consultants and salary & wage from staff management. The savings in consultants and salary & wage in the self-supported operation is fully offset by reduced recovery from Calgary Building Services for internal administrative support to a net zero variance.

Capital Budget Summary

For the year ended 2017 December 31, Urban Strategy has spent \$0.4 million of its 2017 capital budget of \$1.0 million mainly on Chinatown downtown improvement and banners. The remaining \$0.3 million budget for Centre Street lighting enhancement and the \$0.3 million for the Mainstreet projects have been delayed due to the combining of multiple Main Street areas into one procurement request to increase efficiencies and reduce turnaround times as these corridor projects proceed.



LLS aligns with the following Council Priorities:



*Law & Legislative Services was created as a department on June 1, 2017.

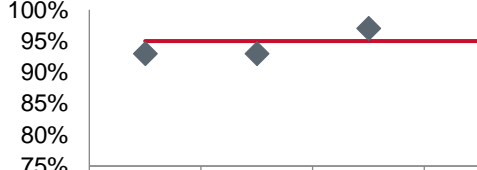
OVERVIEW

Law and Legislative Services (LLS) provides direct service to the public as well as providing enabling services to other areas of The City of Calgary. The CCO serves Calgarians by providing advice, expertise and support to ensure open, accessible, transparent, and impartial government. Law provides legal counsel and advocacy, insurance, risk management and claims, and issues management services to help ensure the timely delivery of Council priorities, corporate objectives and City services within acceptable risk tolerances. SEC is responsible for the security of City employees, infrastructure, assets, and visitors to City facilities.

YEAR-END HIGHLIGHTS

- SEC's Information Security team successfully completed the Cyber Security Awareness Campaign in October 2017.
- SEC's Technical Operations and Physical Security team completed four critical infrastructure threat risk assessments in 2017. One assessment was completed at the Bonnybrook Wastewater Treatment Plant and three assessments were completed at pump stations with reservoirs.
- Working with Supply, Law completed new construction procurement templates and commenced training clients. Law and Supply continue to examine ways in which procurement processes can be made more efficient and effective.
- Led by the CCO, The City's new legislative agenda and minutes system, eScribe, was launched in October 2017.
- Overseen by Elections Calgary, the 2017 election turnout was 58.1 per cent, the highest rate for the City in 80 years. The advance vote saw the highest number of advance votes cast in Calgary and Alberta's civic history. Candidate Profiles were the most viewed content type on the elections website. Website traffic was 4.5 times higher than during the 2013 election.

W.PM1 Percentage of Law and Legislative Services' 311 service requests completed within the target timelines.



	2015	2016	2017	2018
◆ Year-End	93%	93%	97%	
— Target	95%	95%	95%	95%

W.PM1 Percentage of Law and Legislative Services' 311 service requests completed within the target timelines.

In 2017, Law and Legislative Services received a total of 4,495 service requests. 97 per cent of the service requests were completed on time. This is well above The City's 311 on-time target of 80 per cent and surpasses the department's Action Plan performance target of 95 per cent.

W.PM28 Percentage of Freedom of Information and Protection of Privacy (FOIP) requests completed within legislated timelines.

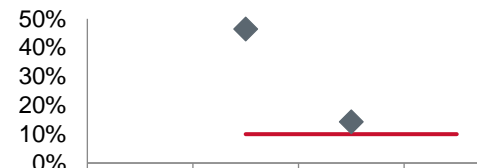


	2015	2016	2017	2018
◆ Year-End	95%	97%	66%	
— Target	95%	95%	95%	95%

W.PM28 Percentage of Freedom of Information and Protection of Privacy (FOIP) requests completed within legislated timelines.

In 2017, 233 out of 352 FOIP requests were completed within legislated timelines, an on-time rate of 66.2 per cent. Increasing complexity in requests resulting in a higher volume of work has required the City Clerk's Office to increase staffing to improve the FOIP Office's ability to respond to customer service expectations.

W.PM36 Percentage increase in legal education seminars



	2015	2016	2017	2018
◆ Year-End		47%	14%	
— Target		10%	10%	10%

W.PM36 Annual percentage increase in legal education seminars offered to clients to assist with earlier identification and mitigation of risk.

In 2017, Law offered 72 education sessions either within the department or to clients to assist with earlier identification and mitigation of risk. This represents a 14.3 per cent increase over the 63 sessions offered in 2016.

W.PM34 Percentage of City Clerk's-supported Committee minutes posted on time

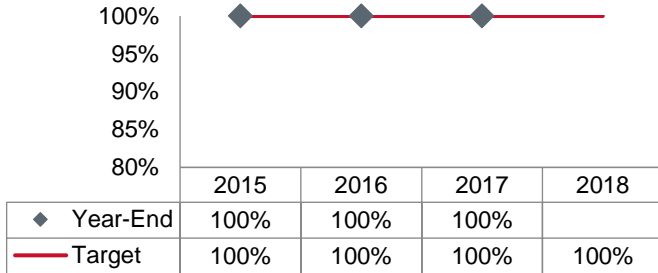


	2015	2016	2017	2018
◆ Year-End	98%	97%	94%	
— Target	100%	100%	100%	100%

W.PM34 Percentage of City Clerk's-supported Committee minutes posted within two business days after the end of the meeting.

81 out of 86 sets of Committee minutes were published on time, representing 94 per cent on-time performance in 2017, a slight reduction from the 97 per cent mark recorded in 2016. This result is largely due to meeting duration and complexity.

N.PM3 Annual percentage increase in critical threat risk assessments performed



N.PM3 Annual percentage increase in threat risk assessments performed on assets identified as critical infrastructure.

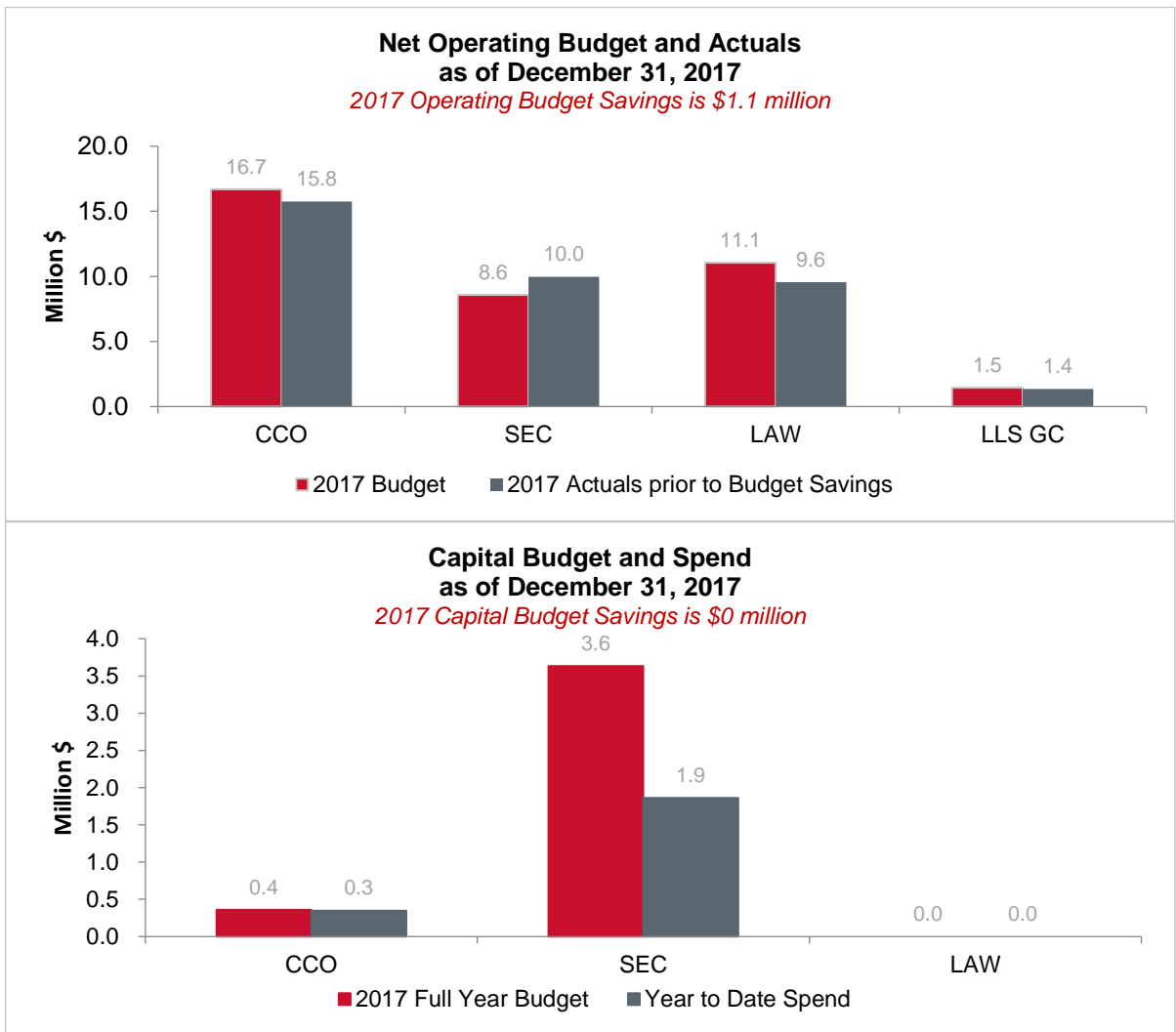
In 2017, Corporate Security conducted 4 threat risk assessments on critical infrastructure sites, doubling the 2 assessments completed in 2016. One assessment was completed at the Bonnybrook Wastewater Treatment Plant and three assessments were completed at pump stations with reservoirs.

[Link to additional performance measures here](#)



ADDITIONAL YEAR-END HIGHLIGHTS

- SEC’s Technical Operations and Physical Security team enhanced access control and upgraded and/or implemented closed circuit television cameras at all Recreation facilities.
- Reviews of business processes in each of Law’s Sections and Divisions were undertaken. These resulted in the development of lists of opportunities and issues that will inform Law’s zero-based review.
- The Subdivision and Development Appeal Board (SDAB) and Assessment Review Board (ARB) were made more open and accessible through website updates, use of OpenCalgary’s data catalogue, better public access to statistics, and the introduction of online video of SDAB meetings.
- The CCO completed the 2017 municipal census. The online Census was completed by 177,700 households, a significant increase from the 98,849 households that participated in 2016.
- Employee suggestion boxes were deployed as part of Law’s employee engagement program. Other initiatives included conducting focus groups on employee survey results, and reviewing and updating hiring and onboarding processes.
- Law concluded a water servicing agreement with Cochrane. Work is ongoing with amendments to agreements with the Tsuut’ina Nation, Rockyview County and the MD of Foothills.



Operating Budget Summary

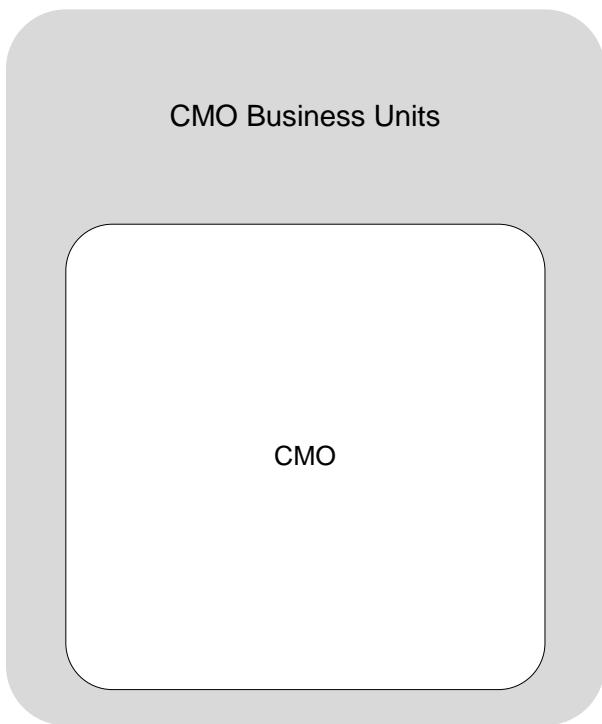
The LLS favorable variance of \$1.1 million before budget savings contributions is mainly attributed to lower Assessment Review Board (ARB) hearing costs in the CCO higher than budgeted settlements collected from third parties or their insurers in the Risk Management and Claims division within Law. This is partially offset by unbudgeted temporary positions and unfavorable internal recoveries within SEC, higher than budgeted legal liability accruals relating to the 2017 fiscal year in Law, and higher than budgeted project costs in CCO.

Capital Budget Summary

LLS' capital budget is 55 per cent spent as of 2017 December 31.

CCO – 2017 ongoing capital projects include the Corporate Records Content Suite Phase 2 project, audio-visual upgrades to the Council Chambers, and the Assessment Review Board's online service enhancement project, which has a paperless hearing pilot project component that was delayed into 2018.

SEC – The Information Security team continued to improve its technology risk mitigation and monitoring abilities in 2017. Projects are progressing with remaining work anticipated to be complete in late 2018 to 2019. The Physical Security team improved enterprise system resilience through awareness campaigns. The remaining identified projects are anticipated to start in 2018 with completion in 2019-2020.



CMO aligns with the following Council Priorities:

	<i>A prosperous city</i>
	<i>A city of inspiring neighbourhoods</i>
	<i>A city that moves</i>
	<i>A healthy and green city</i>
	<i>A well-run city</i>

OVERVIEW

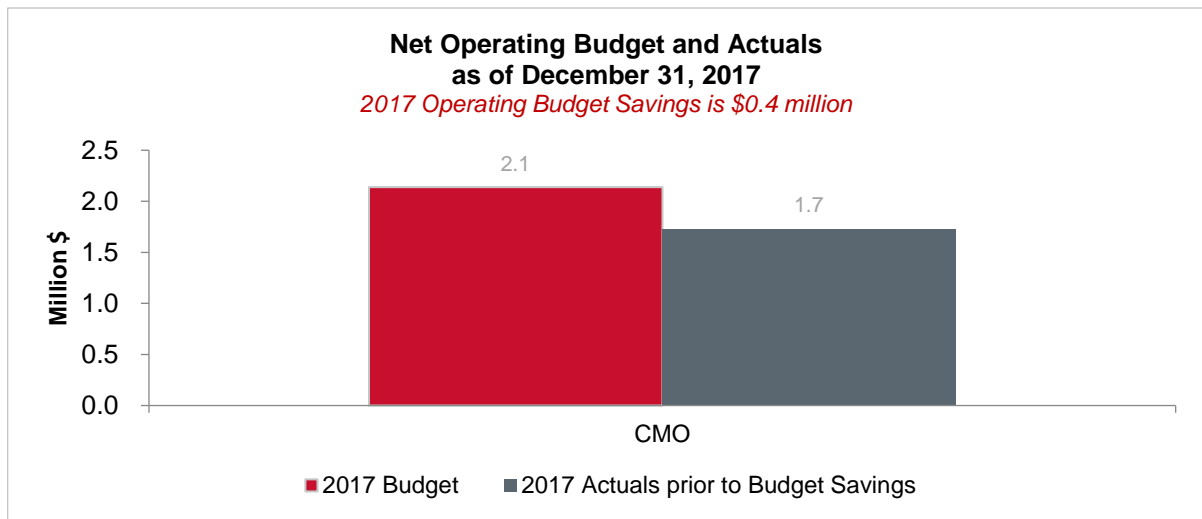
The City Manager is the administrative head of the municipality, ensuring the policies and programs of the municipality are implemented, advising and informing Council on the operation and affairs of the municipality, and performing the duties and functions assigned by the Municipal Government Act and Council. The City Manager's Office (CMO) team supports the City Manager to lead a well-run organization and enable the delivery of quality public services. We provide the City Manager and the Administrative Leadership Team the support they need to lead the organization effectively, helping give employees line of sight to the organization's vision, purpose and values in their everyday work and providing clear corporate direction on goals and priorities.

YEAR-END HIGHLIGHTS

- In partnership with Calgary Economic Development, the City Manager's Office brought forward the Economic Development Investment Fund (EDIF) in December 2017. The \$100 million fund is a mechanism to intentionally address Calgary's economic uncertainty and the financial and economic crisis, which were identified as the top acute shock and chronic stress respectively at the 2017 March 03 #ResilientYYC Agenda-Setting Workshop. The EDIF represents a commitment by local government to invest in strategic and catalytic projects to strengthen the local economy particularly during times of economic downturn and recovery.
- In July 2017, the CMO supported the launch of the "The Top 7 over 70" awards program - a first-of-its-kind in Canada celebrating older adults in Calgary and area (the MDs of Foothills, Rocky View and Bighorn, Kananaskis and Banff). Founded by Calgary businessman and philanthropist Jim Gray, the awards recognize individuals who have started a new venture or reprised an existing one after the age of 70.

YEAR-END HIGHLIGHTS CONTINUED

- The City Manager’s Office led the development of “Calgary’s Economy Report” in September 2017, combining statistical and public perception data. Areas reviewed included demographic trends, standard of living and equity, business climate, City infrastructure, real estate, economic performance, and composition and diversity.
- In 2017, the City Manager’s Office supported Calgary Rotary District 5360’s bid to host the 2025 Rotary House International Convention for Calgary. Hosting the Rotary International Convention will provide significant support to the local economy. The Rotary International Convention also offers opportunities for Rotarians to spread goodwill within the host community about the organization and its objectives, while local members and their partners can enrich their lives through participation.
- The City Manager’s Office hosted a series of roundtables on growth management and financing, property tax, and assessment in the second half of 2017. The CMO also hosted joint Administrative Leadership Team meeting between The City of Edmonton and City of Calgary. These efforts have fostered positive and collaborative working relationships with The City’s stakeholders and partners.
- City Manager Jeff Fielding spoke at a number of events to promote The City as a place to do business, as a place of employment, and as an innovative organization in Calgary. These events included Calgary’s Real-Estate Forum in October, the North American Society of Trenchless Technology Conference in early November, and the Southern Alberta Institute of Technology (SAIT) and the Project Management Institute’s (PMI) *Open Mic Series* on leadership.



Operating Budget Summary

The CMO’s favorable variance of \$408 thousand, before budget savings contributions, is mainly attributed to intentional management of expenditures including salary and wage, business, and contractual costs.

There is no capital budget for the CMO.

