



Calgary



CITY OF CALGARY  
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IN COUNCIL CHAMBER

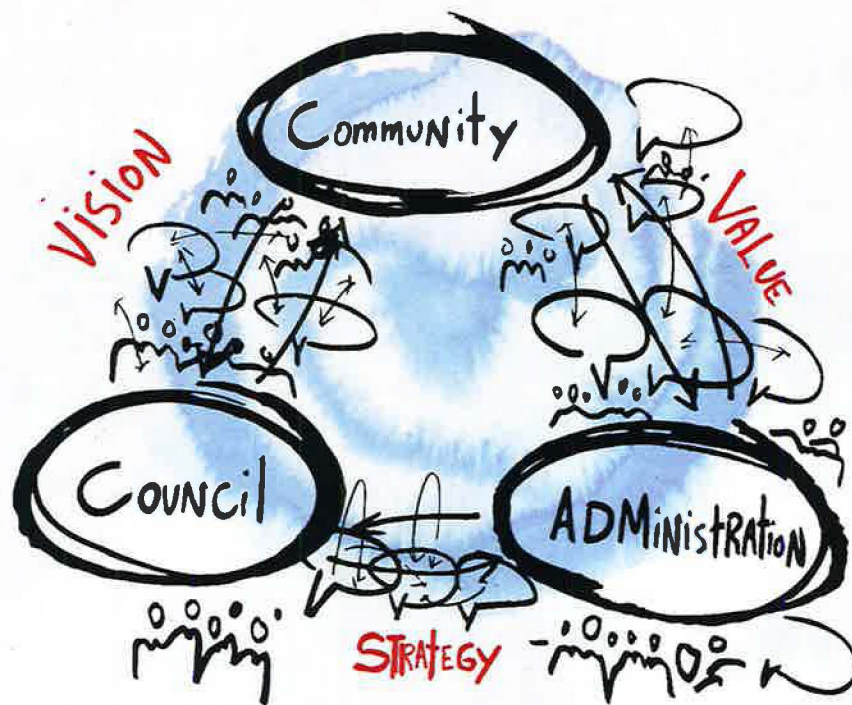
NOV 14 2018

ITEM: 9.2.1 C2018-1158  
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CITY CLERK'S DEPARTMENT

C2018-1158  
PRESENTATION

# One Calgary: 2019-2022 Service Plans and Budgets

Regular Meeting of Council  
November 14, 2018



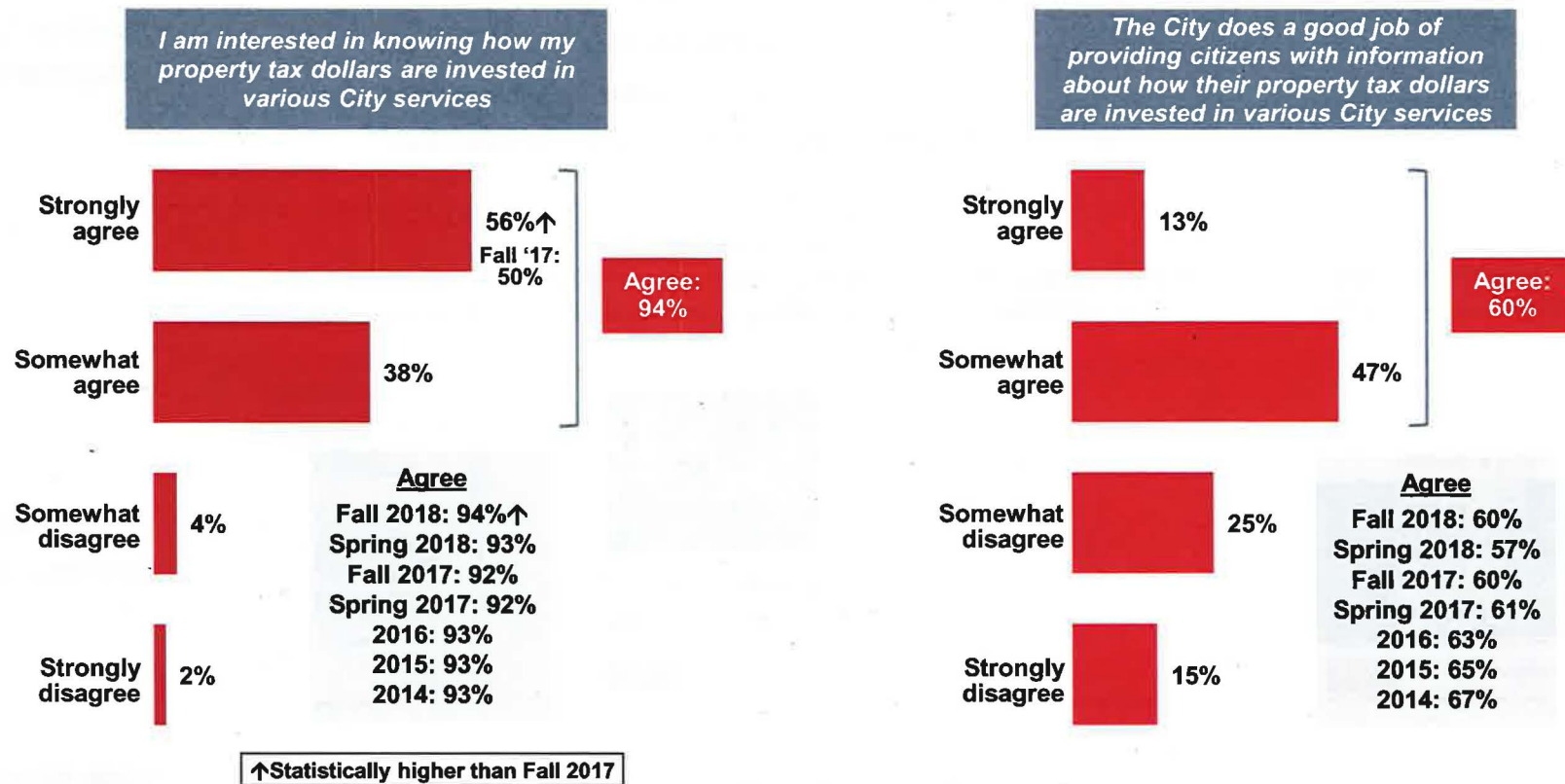
## Three Conversations, One Calgary

Framework that guided the  
development of the **2019-2022 Service  
Plans and Budgets**





## Increasing transparency about how The City is investing tax dollars



Please indicate if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each of the following statements.  
 Base: Valid respondents (n=2,487 / n=2,463)

## Overview of One Calgary materials

### For Council decision:



**Cover Report** (including recommendations)



**Attachment 1: Proposed 2019-2022 Service Plans and Budgets** (*binder*)



**Attachment 2: Investment Options**



**Attachment 3: User Fee and Rate Changes**

### Supporting information:

- **Attachment 4:** Results of October Citizen Engagement and Research
- **Attachment 5:** Heritage Park Financial Update
- **Attachment 6:** Accessibility Update
- **Attachment 7:** One Calgary Council and Committee Referred Items
- **Attachment 8:** Previous Council Direction on One Calgary
- **Attachment 9:** Supplemental Budget Information
- **Attachment 10:** Summary Business Cases for Proposed Capital Investments (*electronic only*)



## Proposed 2019-2022 Service Plans and Budgets

### What's included?

- ✓ Strategies that deliver on all Citizen Priorities and Council Directives (see Executive Summary and Strategy sections of Attachment 1)
- ✓ Proposed budget balances and falls within the financial means set by Council (including indicative property tax rate), and the available capital funding capacity
- ✓ Includes \$40 million in anticipated efficiencies, plus a commitment to achieve a further \$60 million for a total of \$100 million in efficiencies in 2019-2022
- ✓ Feedback has been incorporated from the September service plan previews and October 11 Special Meeting of Council, including additional funding proposed in five areas (Attachment 2)

### What's not included?

- Some additional investment options (Attachment 2)
- Material unfunded investments (PFC2018-1238)
- Further discussion needed regarding the non-residential tax shift (PFC2018-1134)

### Assumptions (Spring 2018)

- Population growth (average = 1.3%)
- Calgary Municipal Price Index (average = 1.9%)
- Housing starts (average = 7,000/year)



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## Working together as “One” Calgary

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MAKING LIFE  
**BETTER**  
EVERY DAY





## Indicative Tax Rate set by Council

	2019	2020	2021	2022
<b>Approved indicative tax rate increase</b>	<b>2.65% - 3.45%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>
<u>Comprises:</u>				
<b>*July 2018</b> (C2018-0900)				
<i>Actively developing community growth</i>	1.40%	0.40%	0.40%	0.40%
<i>New community growth*</i>	0.45% - 0.75%	-	-	-
<b>Total indicative tax rate for growth</b>	<b>1.85% - 2.15%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>
<b>April 2018</b> (C2018-0489)				
<i>Indicative tax rate without growth</i>	2.1% - 2.6%	2.1% - 2.6%	2.1% - 2.6%	2.1% - 2.6%
<i>Waste &amp; Recycling financial policy change</i>	(1.3%)	-	-	-
<b>Total indicative tax rate without growth</b>	<b>0.8% - 1.3%</b>	<b>2.1% - 2.6%</b>	<b>2.1% - 2.6%</b>	<b>2.1% - 2.6%</b>
<b>Final approved indicative tax rate increase</b>	<b>2.95% - 3.45%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>



## Proposed Tax Rate

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	2019	2020	2021	2022
<b>Final approved indicative tax rate increase</b>	<b>2.95% - 3.45%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>
<i>Actively developing community growth</i>	1.40%	0.40%	0.40%	0.40%
<i>New community growth</i>	0.75%	-	-	-
<b>Total proposed tax rate for growth</b>	<b>2.15%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>
<i>Proposed tax rate without growth</i>	2.55%	2.35%	2.10%	1.90%
<i>Waste &amp; Recycling financial policy change</i>	(1.30%)	-	-	-
<b>Total proposed tax rate without growth</b>	<b>1.25%</b>	<b>2.35%</b>	<b>2.10%</b>	<b>1.90%</b>
<b>Total proposed tax rate before one-time requests</b>	<b>3.40%</b>	<b>2.75%</b>	<b>2.50%</b>	<b>2.30%</b>
<i>Recommended one-time funding</i>	0.05%	0.25%	0.5%	0.7%
<b>Total proposed tax rate</b>	<b>3.45%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>





# One-Time Budget Strategy

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		2019	2020	2021	2022	
<b>Final approved indicative tax rate increase</b>		<b>2.95% - 3.45%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>	<b>2.5% - 3.0%</b>	
<i>Actively developing community growth</i>		1.40%	0.40%	0.40%	0.40%	
<i>New community growth</i>		0.75%	-	-	-	
<b>Total proposed tax rate for growth</b>		<b>2.15%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	
<i>Proposed tax rate without growth</i>		2.55%	2.35%	2.10%	1.90%	
<i>Waste &amp; Recycling financial policy change</i>		(1.30%)	-	-	-	
<b>Total proposed tax rate without growth</b>		<b>1.25%</b>	<b>2.35%</b>	<b>2.10%</b>	<b>1.90%</b>	
<b>Total proposed tax rate before one-time requests</b>		<b>3.40%</b>	<b>2.75%</b>	<b>2.50%</b>	<b>2.30%</b>	
One-Time Budget Strategy	<i>Availability within the approved tax rate range</i>	0.05%	0.25%	0.5%	0.7%	<b>Total</b>
	<i>Funding capacity available to fund one-time requests</i>	-	\$4M	\$13M	\$28M	\$44M
	<i>One-time funding proposed requiring funding</i>	\$15M	\$28M	\$18M	\$15M	\$76M
	<i>Efficiency savings strategy</i>	<div> <div></div> <div>\$32M</div> <div></div> </div>				\$32M
	<i>Maximum Budget Savings Account bridge financing required</i>	\$15M	\$24 M	\$5M	-	\$44M
<b>Total proposed tax rate</b>		<b>3.45%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	

## Proposed service investments and reductions (tax-supported operating base budget)



### Services with proposed investments:

- Affordable Housing
- Police Services
- Public Transit (including Specialized Transit)
- Sidewalks & Pathways
- Streets



### Services with proposed budget reductions:

- Appeals & Tribunals
- Citizen Engagement & Insights
- Human Resources Support
- IT Solutions & Support
- Procurement & Warehousing
- Social Programs

## Typical Calgary household impact



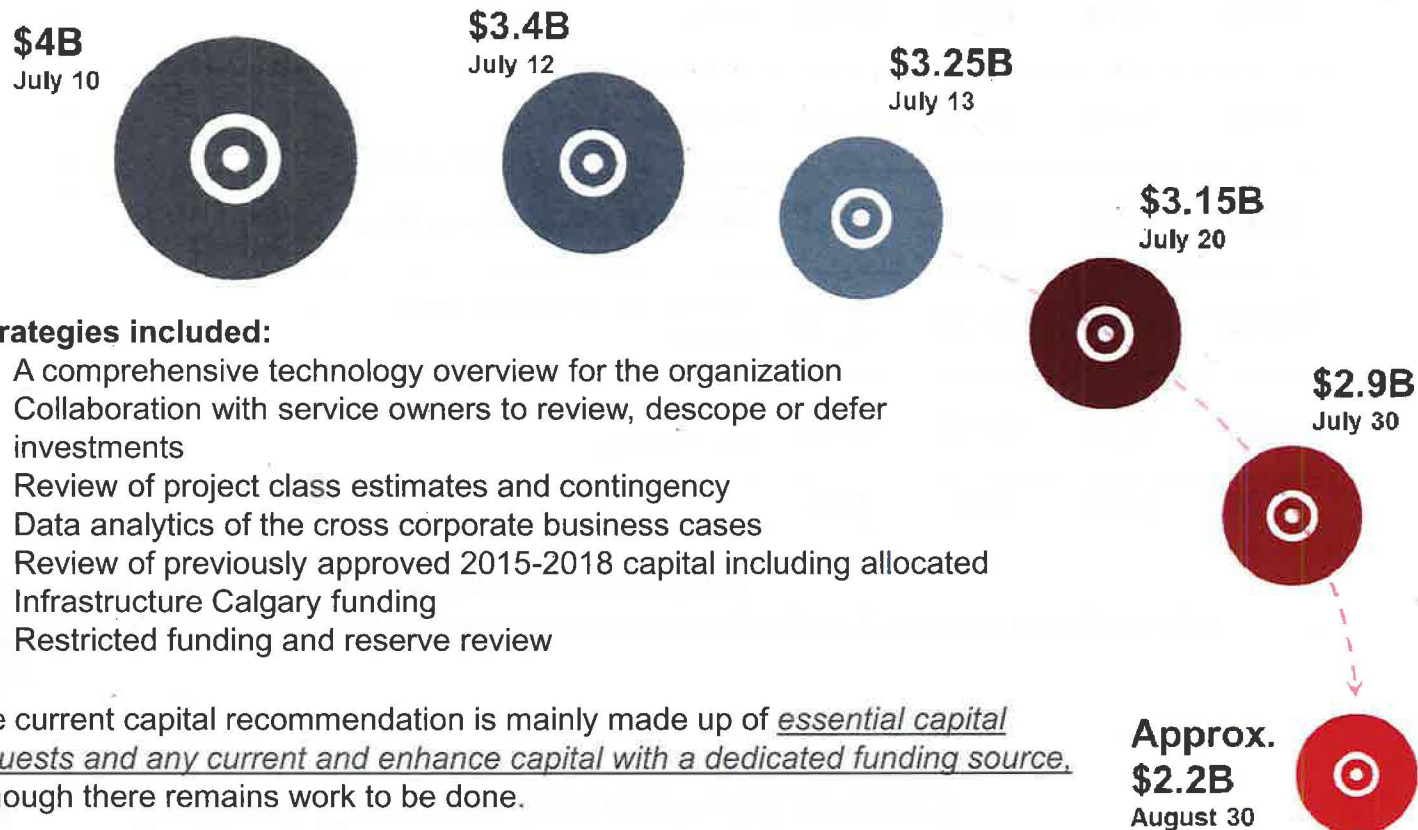
### Estimated monthly impact of residential property tax and selected rate increases on a typical Calgary household

	2019	2020	2021	2022
Property Tax (based on 2018 assessment of \$480,000)	\$5.40	\$4.85	\$5.00	\$5.15
Utilities (Water, Wastewater, Stormwater)	(\$0.32)	(\$0.52)	(\$0.79)	(\$0.60)
<b>Total Property Tax &amp; Utilities</b>	<b>\$5.08</b>	<b>\$4.33</b>	<b>\$4.21</b>	<b>\$4.55</b>
Waste & Recycling	\$4.40*	\$0.40	\$0.40	\$0.40
<b>Total</b>	<b>\$9.48</b>	<b>\$4.73</b>	<b>\$4.61</b>	<b>\$4.95</b>

\* Reflects the Waste & Recycling financial policy change



## Refinement of the essential capital ask through the Infrastructure Calgary review process



## 2019-2022 One Calgary capital budget reconciliation

Capital Budget (2019-2023+)	(\$millions)
Total Capital Budget	5,183
Less: Previously Approved Budget Remaining	(2,052)
<b>New Capital Requests</b>	<b>3,131</b>
Less: Utilities (includes growth)	(1,018)
<b>New Capital Requests (excluding Utilities)</b>	<b>2,113</b>
Less: Actively Developing/New Community Growth*	(217)
<b>New Capital Requests (Tax supported – excluding growth)</b>	<b>1,896</b>

\*Includes infrastructure for Transportation and Community Services (Fire)



## Investment Options– arising from Sept/Oct discussions

### 1 Included, with additional funding proposed, in the proposed plans and budgets

#### Operating

- 1.5 Wheelchair accessible taxis (\$700k one-time)
- 1.3 Integrated Civic Facilities Plan (\$300k)
- 1.4 Main Streets (\$190k one-time)

#### Capital

- 1.1 Affordable Housing (\$31 million)
- 1.2 Civic Partners – Vivo (\$22.5 million)
- 1.3 Integrated Civic Facilities Plan (\$16 million)
- 1.4 Main Streets (\$30 million)

### 2 For Council consideration (capital budget implications)

- 2.1 Affordable Housing
- 2.2 Arts & Culture
- 2.3 Better citizen engagement
- 2.4 Civic Partners
- 2.5 Maintain/enhance tree canopy
- 2.6 Missing links (Sidewalks & Pathways, Streets)
- 2.7 Pedestrian Strategy

Up to \$119 million  
requested

Approx. \$43 million  
available

### 4 No additional budget recommended at this time

#### Operating

- 4.1 Acceleration of improved corporate capacity and capability for an integrated new community, established area and industrial area strategy
- 4.2 Crime prevention through policing
- 4.5 Snow and ice control

#### Capital

- 4.3 Infrastructure gap
- 4.4 Maintain 4-car trains

### 3 For Council consideration (operating budget implications)

- 3.1 Arts & Culture - Festival and events subsidy, and additional funding for Calgary Arts Development Authority
- 3.2 Better citizen engagement
- 3.3 Civic Partners
- 3.4 Crime prevention through social development and environmental design
- 3.5 Sustainable funding for low income transit

Total requests  
\$36 million

No current capacity  
available within  
indicative tax rate





## Next Steps

C2018-1158  
PRESENTATION

1. **Public Release:** November 14
2. **Orientation, Inquiries and Feedback:** November 14 to 25
3. **Council Discussion and Deliberations:** November 26 to 30
4. **Communication of Approved Plans and Budgets:** Dec 2018 to Q1 2019
5. **Approval of the Property Tax Bylaw:** April 2019



## Administration Recommendation

That Council recess to reconvene at 9:30 a.m. on Monday, 2018 November 26 in the Council Chamber to continue this Regular Meeting of Council– One Calgary 2019-2022 Service Plans and Budgets.