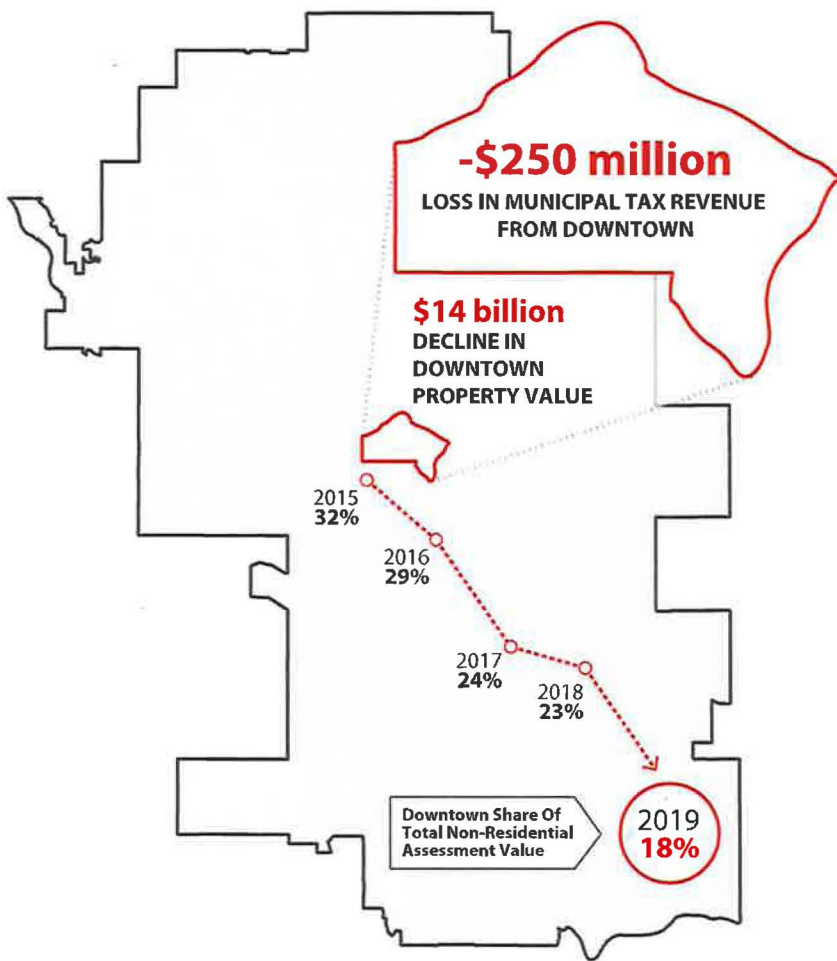


Our Challenge: A New Economic Reality



Our Proposal

1. FIND BUDGET SAVINGS

\$100 million in operating budget reductions

Find Administrative efficiencies and optimize daily service delivery and operations.

2. CREATE A SIMPLE, FAIR & EQUITABLE TAX SYSTEM

\$150 million operating budget reallocation

Reset tax responsibilities to be shared equally by residential and non-residential property owners.

3. EASE THE TRANSITION

\$125 million residential Tax Rebate Program (TRP)

Create a transitional tax rebate to give Calgarians more certainty and ease the 4-year transition to a fair and equitable tax system.

Operating Budget Funding Sources

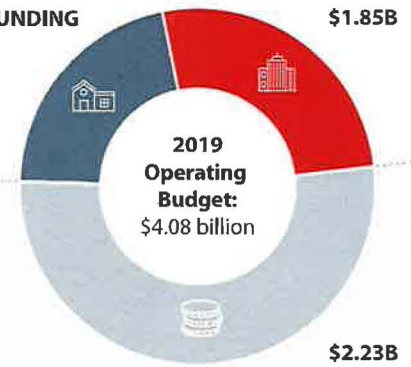
CURRENT PROPERTY TAX FUNDING

Residential Budget
\$0.85 billion

Non-Residential Budget
\$1 billion

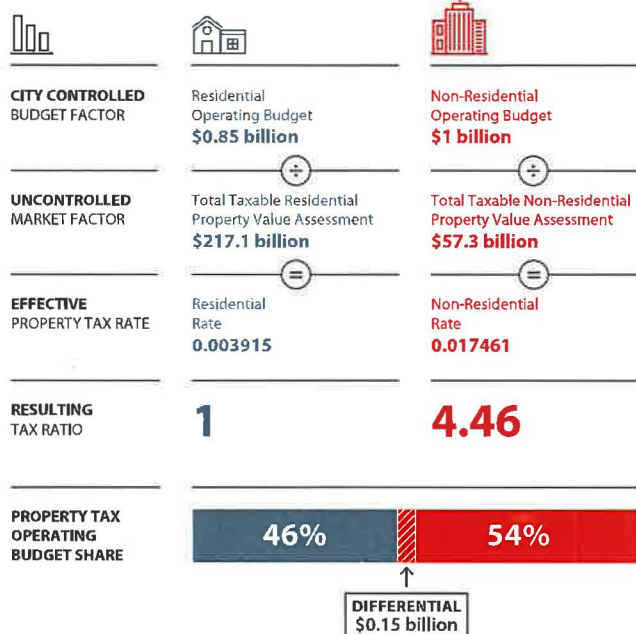
OTHER FUNDING SOURCES

- Sales of Goods and Services
- Grants and Subsidies
- Contributions from Reserves
- Licenses, Permits and Fines
- Franchise Fees, Dividends
- Investment and Other Income



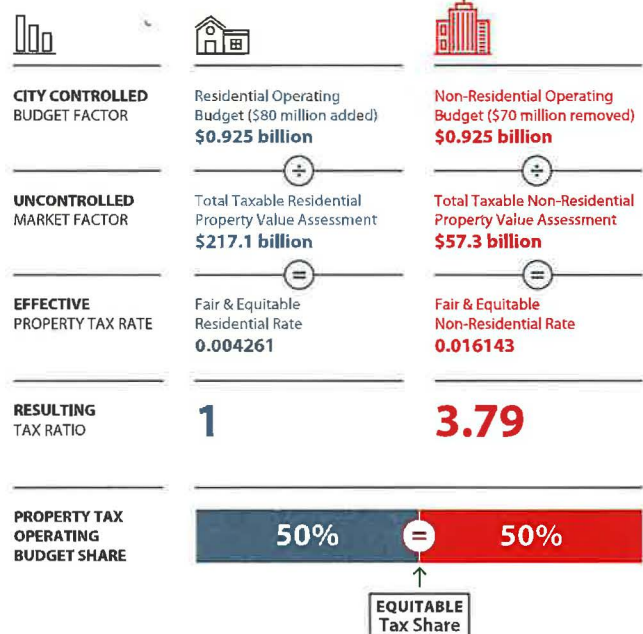
Creating A Simple, Fair & Equitable Property Tax Model

EXISTING: Property Tax Rate Model



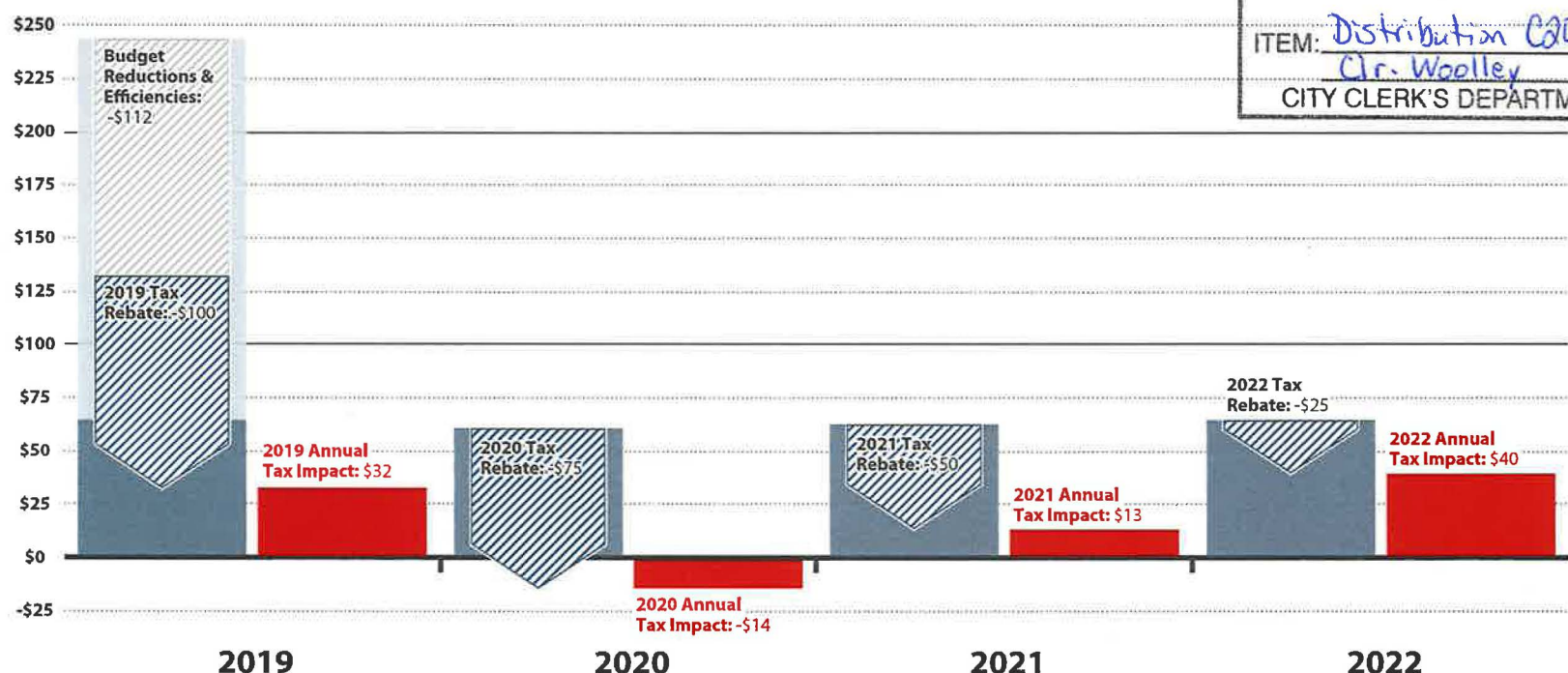
PROPOSED DIFFERENTIAL ELIMINATION
Shift to a fair, equitable and sustainable tax share model

PROPOSED: Fair & Equitable Property Tax Rate Model



Easing The Transition

PROPOSED: Tax Rebate Program (TRP) & Annual Tax Impacts For Average Residential Property Owner



- Without Tax Rebate Program: Annual Tax Impact
- With Tax Rebate Program: Annual Tax Impact
- Differential Elimination Impact: Non-Residential Operating Budget Transfer to Residential Operating Budget

