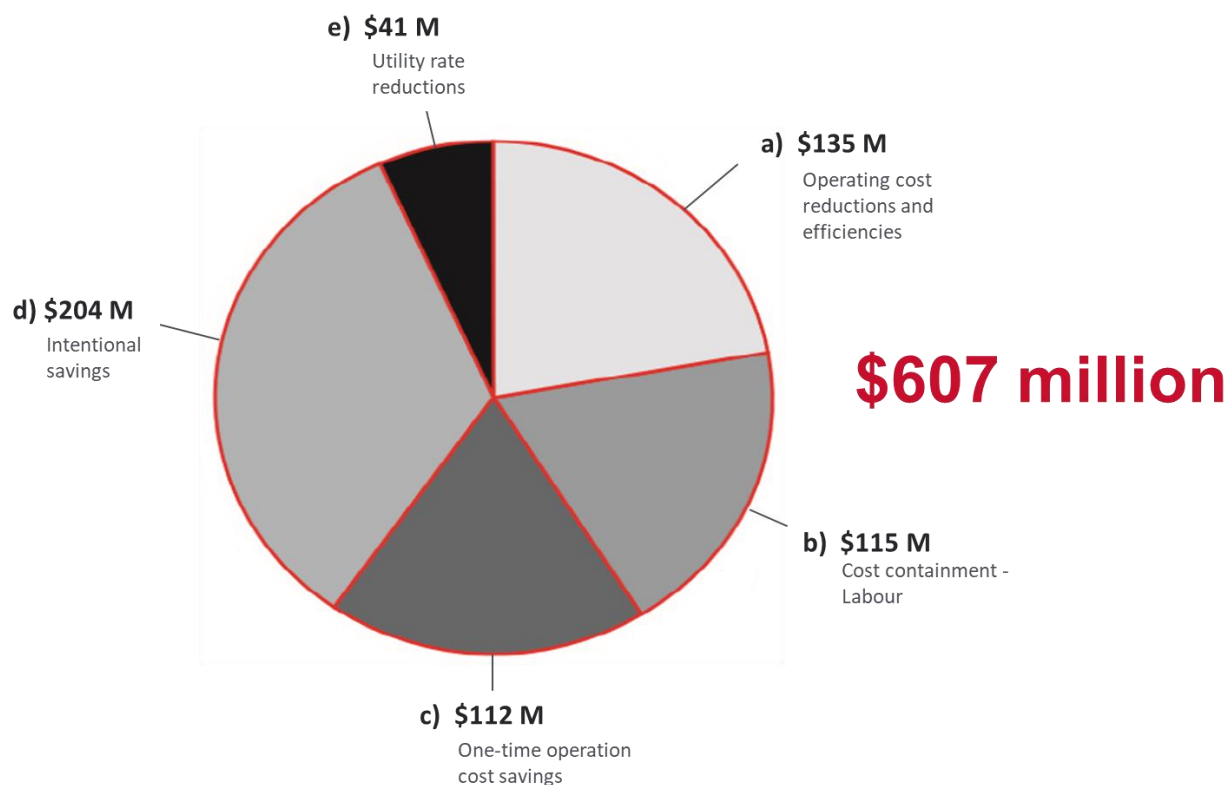


Savings, Efficiencies and Reductions 2015-2018

Intentional Management is a process The City's leadership has adopted and implemented to realize significant savings in three key areas: cost reductions and efficiencies, cost containment, and operating cost savings. Savings found through intentional management are redirected to allow The City to deliver services within our means and provide benefits such as tax relief, fee relief, offsetting revenue shortfalls to avoid tax implications, and community support (e.g. social programs, affordable housing, etc.).



From 2015-2018, The City identified \$607 million in savings, efficiencies and reductions (as of November 2018) through intentional management, including:

- a) \$135 million in base savings through reductions in business unit budgets, corporate costs, and manageable costs to reduce the previously approved 2015-2018 tax rate increases to respond to the change in economic conditions. Furthermore, in response to landfill revenue shortfalls, reductions to landfill services were implemented while also freezing fees.
- b) \$115 million in reductions for lower-than-budgeted union settlements, lower-than-budgeted increases for exempt employees, and intentional management of the workforce. These savings were used to reduce previously approved tax rate increases and to offset projected revenue shortfalls with some available for future use.

- c) \$112 million was contributed to the budget savings account reserve through further one-time savings from delayed hiring and cost containment, with another \$203 million in capital budget savings found and reallocated to projects that benefit Calgarians including the Opportunity Calgary Investment Fund, Calgary Transit, Crowchild Trail short-term improvements project, Main Streets program, and initiatives to lower the property tax rate, to name a few.
- d) \$204 million in intentional cost savings was used to fund certain initiatives such as the phased tax program to provide tax relief, community services, and the low-income transit pass for Calgarians in need.
- e) \$41 million in utility rate reductions achieved through reducing expenses.