

# One Calgary

## 2019-2022 Service Plans and Budgets



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# Welcome to your 2019-2022 Service Plans and Budgets!

Fellow Calgarians:

Every four years, The City of Calgary delivers business plans and budgets based on Council's direction, and on what we have heard from thousands of Calgarians over the past few years. These business plans and budgets provide a roadmap for Calgary for 2019-2022, and ensure The City stays focused on what matters most to Calgarians while continuing to make life better every day.

Since the last business plans and budgets were released, we have recovered from a major flood that affected thousands, and experienced an economic downturn that has been challenging for many of us. While we continue to work hard to recover and maintain our resilience, we also continue to recognize the great things about living in Calgary. This year, The Economist's 2018 "Global Living Index" surveyed 140 cities around the world and ranked them on 30 factors around stability, healthcare, culture and environment, education and infrastructure. Calgary was ranked as the best city to live in North America, and the fourth best city in the world. This is a very big deal and demonstrates how lucky we are to live in this great city.

Over the past few years, Calgarians have emphasized that they want to know more about what services The City provides, and the value they are getting for their tax dollars. To provide this view of our City's spending, I'm happy to say that this time around, we are releasing business plans and budgets by service, instead of by department. This service view of The City's plans and budgets will make it clearer the services The City provides, how much those services cost, and how your tax dollars are being invested to ensure you continue to see service value.

You told us what's important to you and Council set the direction for our colleagues at The City of Calgary to reflect your values in thorough service plans and budgets. I'm proud that The City of Calgary has worked together with Council as "One Calgary" to deliver service plans and budgets that are more meaningful for our citizens, our customers and our communities. At the end of the day, it's our job to ensure we are investing in what Calgarians value most, and that Calgary is a great place to make a living, and a great place to make a life.

Sincerely,



Naheed K. Nenshi

MAYOR



# Executive Summary

## INTRODUCTION

This year, *The Economist* ranked Calgary as the best city to live in North America and the fourth best city in the world: a testament to the fact that our city is a great place to make a living, a great place to make a life. Shocks and stressors still challenge us, however, including a gradual economic recovery and more extreme weather.

Council listened to what is most important to citizens and articulated five Citizen Priorities for 2019-2022. Under each priority, Council developed Directives for what is most important to achieve in the next four years. Our proposed One Calgary 2019-2022 Service Plans and Budgets describe how we will address ongoing challenges, implement Council's Directives for the next four years, and move a step closer to achieving the long-term vision for our city. We will continue to transform our internal culture to provide City services with a citizen and customer focus. Our plans are affordable within the indicative tax rate set by Council in April 2018, and the available capital means.

The following summary highlights by Citizen Priority how City services will deliver value to citizens, while striking the right balance between costs of providing the services and benefits they will provide. Together, our service plans and budgets describe what The City will do in 2019-2022 to make life better every day for Calgarians.

### A PROSPEROUS CITY

Calgary is open for business. In 2019 and 2020, The City will hold planning and building fees at 2016 levels and business licensing fees at 2018 levels. We will continue to support key business investment areas to create, promote and maintain strong local businesses and support a business-friendly environment. Working with partners and stakeholders, we will implement Calgary's Economic Strategy, and increase investments in arts organizations and creative industries.



Our services will provide inclusive opportunities so that all Calgarians can achieve a prosperous future, no matter their situation. We will continue to provide access to reduced rates for City programs and services for low-income Calgarians. With our partners, The City will develop a community-wide mental health, addictions and crime prevention strategy to support Calgarians experiencing vulnerabilities. We will continue to support the development of affordable housing by providing incentives to non-profit organizations, by continuing to leverage provincial and federal funding and by expediting approvals to get the Calgary community building.

### **A CITY OF SAFE & INSPIRING NEIGHBOURHOODS**

We will partner with the community to create safe and inspiring neighbourhoods where all citizens feel secure and are welcome to participate in the social, cultural and economic life of the city. From the moment a community is planned and designed, our focus is on a whole community approach, recognizing the value that individuals, neighbourhoods and businesses contribute. Development will be enabled through approval services that are effective, efficient and citizen and customer-oriented. Good environmental design supports the development and delivery of programs for social well-being and inclusion. We will deliver services that meet the diverse needs of Calgary.

We will continue to advance programs connected to the goals of the Enough For All Strategy, Seniors Age Friendly Strategy and Social Wellbeing Principles to make sure citizens can thrive and participate in our community. We provide prompt and efficient 9-1-1, police, fire and emergency response services. We will continue the implementation of the Main Streets Program and Centre City initiatives. We will initiate a new generation of guidebooks and community plans that will be informed by inclusive engagement with diverse stakeholders to best understand the local context. We will identify, prioritize and deliver infrastructure, facilities and services through an integrated growth strategy that will embrace all areas of the city.

### **A CITY THAT MOVES**

We will help Calgarians, visitors and goods to get where they need to go. We will make mobility in Calgary safer, more accessible, and more affordable, while improving the customer experience and reducing our environmental footprint. We're making Calgary a safe place to walk, bike, drive, ride transit and use shared mobility services. Implementing the Step Forward pedestrian strategy and the Safer Mobility Plan will foster safer communities across our city. Our new MAX rapid transit service and Green Line Light Rail Transit construction will bring primary transit closer to more Calgarians.

We will continue to use innovative solutions such as temporary traffic calming curbs, adaptive sidewalks and next generation traffic management to address citizen concerns. Construction of new Main Streets will continue to enhance the public realm. We are improving the customer experience and accessibility by adding specialized transit trips, expanding accessible taxi service and improving snow clearing on sidewalks. Partnerships and technologies help run an efficient parking system and make our roadways and transit more reliable.

### **A HEALTHY & GREEN CITY**

Our climate is changing and we are adapting. Over the next four years, we will lead the implementation of solutions that will build community resilience to the challenges of climate change. These solutions include: caring for our tree canopy, further investing in flood protection measures and continuing to protect our rivers and green spaces. This work requires collaboration and engagement with other orders of government and a diverse cross-section of citizens, businesses and community partners. While we move forward with this important work to protect public health and the environment, we will continue to invest in what is most important to our citizens: quality drinking water and the management of waste and recycling.

We will also support active, healthy lifestyles by continuing to make our parks a priority in new and established communities. We will provide recreation opportunities that are accessible, affordable and inclusive and we will implement additional strategies to create public spaces that connect people. Our integrated approach to these services ensures we will continue to both respect our environment and promote healthy lifestyles.

### **A WELL-RUN CITY**

We will promote a progressive public service culture through 'One City, One Voice'. We will focus on continuous improvement and encourage appropriate risk-taking that fosters innovations and experimentation. Our efforts will be focused on meeting citizen expectations for a government that is modern and efficient. We will work within our regulatory and legislative framework to provide, enable or facilitate citizen access to the programs and services offered by The City. We will facilitate and provide oversight of the democratic and quasi-judicial processes that support the transparency and accountability that is critical to a well-run City.

We will deliver a resilience strategy for Calgary to help us withstand the shocks and stressors facing our community and be future-ready. We will continue to intentionally invest in infrastructure and assets that support our service delivery and contribute to the quality of life for our citizens. We will focus on ensuring that City information is available and accessible to citizens and providing opportunities for meaningful public feedback to inform City decision-making. These opportunities will be accessible, make use of available technologies, reflect Calgary's multilingualism and be inclusive of diverse perspectives.

Developing a new vision for The City's work with Indigenous peoples, we will establish an Indigenous Relations Office to support the City's advancement of the recommendations of the Truth and Reconciliation Commission.

### **ENABLING SERVICES**

The City's enabling services support the entire organization and are foundational to delivering on the above Citizen Priorities. We will ensure all City services are supported to serve their customers efficiently and cohesively. We will work together to ensure the assets, people, processes and finances of the organization are resilient, safe and flexible.

Over the next four years, we will continue to improve all areas of service delivery. We will work with citizen-facing services to meet their business needs and create flexible solutions to make life better every day. We will work with our partners to implement organization-wide strategies like the Integrated Civic Facility Planning Policy and Framework. Finally, we will work to ensure technology solutions enable improvements in service delivery, and that daily operations data collected by The City is available and integrated to support data-driven decision-making for all City services.

### **THE ONE CALGARY JOURNEY**

Furthering Citizen Priorities and Council Directives and delivering service value in a financially restrained environment required a new way of thinking and working together. One Calgary is the latest step on our journey to become a service and results-driven, accountable and resilient municipal government, placing citizens, customers, communities and businesses at the forefront of our plans, decisions and actions. Presenting our plans and budgets by service rather than department and adopting a corporate-wide approach to prioritizing investments, further breaks down organizational silos and increases collaboration. During 2019-2022 we will build on the progress made since 2014 to embed a 'One City, One Voice' corporate culture. We will ensure that the shift in focus from who delivers services to what will be delivered, how well and why, how it contributes to the quality of life of Calgarians, is not only reflected in our service-based plans and budgets, but something firmly rooted in every part of our business. Working together, we can achieve the quality of life Calgarians aspire to today and for generations to come.

## BUDGET SUMMARY

The total annual operating investment will be reaching \$4,496 million by 2022 (refer to Table 1).

**Table 1: The proposed operating budget for 2019-2022 (\$millions):**

	2019	2020	2021	2022	Total <sup>(1)</sup>
<b>Expenditures</b>	4,525	4,672	4,807	4,935	18,939
<b>Recoveries</b>	(441)	(441)	(440)	(439)	(1,762)
<b>Expenditures (net of Recoveries)</b>	4,083	4,231	4,367	4,496	17,177
<b>Revenues</b>	(4,083)	(4,231)	(4,367)	(4,496)	(17,177)
<b>Net</b>	-	-	-	-	-

(1) Totals may not add due to rounding

Capital investment within the 2019-2022 cycle consists of \$2,052 million in previously approved capital and \$3,211 million proposed capital, for a total proposed investment of \$5,263 million (refer to table 2).

**Table 2: The proposed 2019-2023+ capital budget (\$millions):**

	2019	2020	2021	2022	2023+	Total
<b>Expenditures</b>	1,742	1,404	1,128	846	142	5,263

*Note: The 2019-2023+ capital budget includes the total budget of investments that are anticipated to commence during the 2019-2022 period that may continue in 2023 and beyond.*

The One Calgary 2019-2022 Service Plans and Budgets represent a public investment of \$22,440 million (refer to table 3) in infrastructure and daily services to Calgarians to meet the Citizen Priorities.

**Table 3: Total investment for Citizen Priorities (\$millions) 2019-2022:**

Citizen Priority	Operating					Capital Total	Operating & Capital Total
	2019	2020	2021	2022	Total <sup>(1)</sup>		
A Prosperous City	263	262	268	276	1,068	534	1,602
A City of Safe & Inspiring Neighbourhoods	942	957	981	993	3,874	372	4,246
A City That Moves	684	732	745	767	2,928	1,645	4,573
A Healthy & Green City	1,136	1,181	1,226	1,259	4,803	2,072	6,875
A Well-Run City	103	104	106	103	415	31	446
<b>Total Citizen Priorities</b>	<b>3,128</b>	<b>3,236</b>	<b>3,326</b>	<b>3,398</b>	<b>13,089</b>	<b>4,654</b>	<b>17,743</b>
Enabling Services	294	307	317	322	1,240	608	1,848
Corporate Programs <sup>(2)</sup>	661	689	723	775	2,849	-	2,849
<b>Grand Total <sup>(1)</sup></b>	<b>4,083</b>	<b>4,231</b>	<b>4,367</b>	<b>4,496</b>	<b>17,177</b>	<b>5,263</b>	<b>22,440</b>

(1) Totals may not add due to rounding

(2) Refer to glossary for definition of Corporate Programs

The City funds its four-year operating investments (\$17,177 in table 1) through sales of goods and services (\$5,171); non-residential property taxes (\$4,453); residential property taxes (\$3,775); Franchise Fees and Dividends (\$1,455); and other (\$2,323).

The City funds its capital investments (\$5,263 in table 2) through government grants (\$1,036); debt (\$1,135); Pay-As-You-Go and Reserves (\$2,692); and other funding (\$400).



# Three Conversations, One Calgary

The City of Calgary works with many partners to make life better every day. Part of this is ensuring that we focus on what's most important to Calgarians by regularly checking in with them on what they value, and what concerns them. To do this, The City approached its service planning and budgeting by focusing on three important conversations, which provide the organizing framework for this document:

- **VISION:** What the Community wants as long-term quality of life conditions for Calgary, and Council's leadership role in defining The City's contribution to this vision.
- **STRATEGY:** What Council asks Administration to deliver over the next four years, and how Administration will respond.
- **VALUE:** How Administration will ensure the Community receives value through the services we deliver over the next four years.



Our Community is made up of people and groups who can simultaneously be citizens and customers. Depending on the situation, individuals have different needs from their government, whether it is transactional, as in a direct payment for a good or service (e.g. swim lessons at the community pool or purchasing a business license) or through investments that reflect their participation in a collective societal good (e.g. safe streets and communities or a business-friendly environment).

Governments can increase public trust and reduce costs when they deliver services based on the needs of the people they serve. Our service plans and budgets were informed by multiple touchpoints with citizens over the past year to understand their priorities for 2019-2022 and beyond. This included specific citizen research and engagement as part of the planning and budgeting process, as well as leveraging insights from the ongoing citizen input that is gathered on a continual basis to ensure responsive service delivery.



One Calgary brings together the **vision, strategy** and **value** conversations to articulate one common experience that Calgarians will get over the next four years.

Putting citizens and our community first, One Calgary is also about integration – working together as “one” to collaboratively, cohesively, and efficiently deliver services to citizens.



The focus of this document is Administration’s proposal to further Council’s direction for the next four years, including how our services will deliver value to the Community.





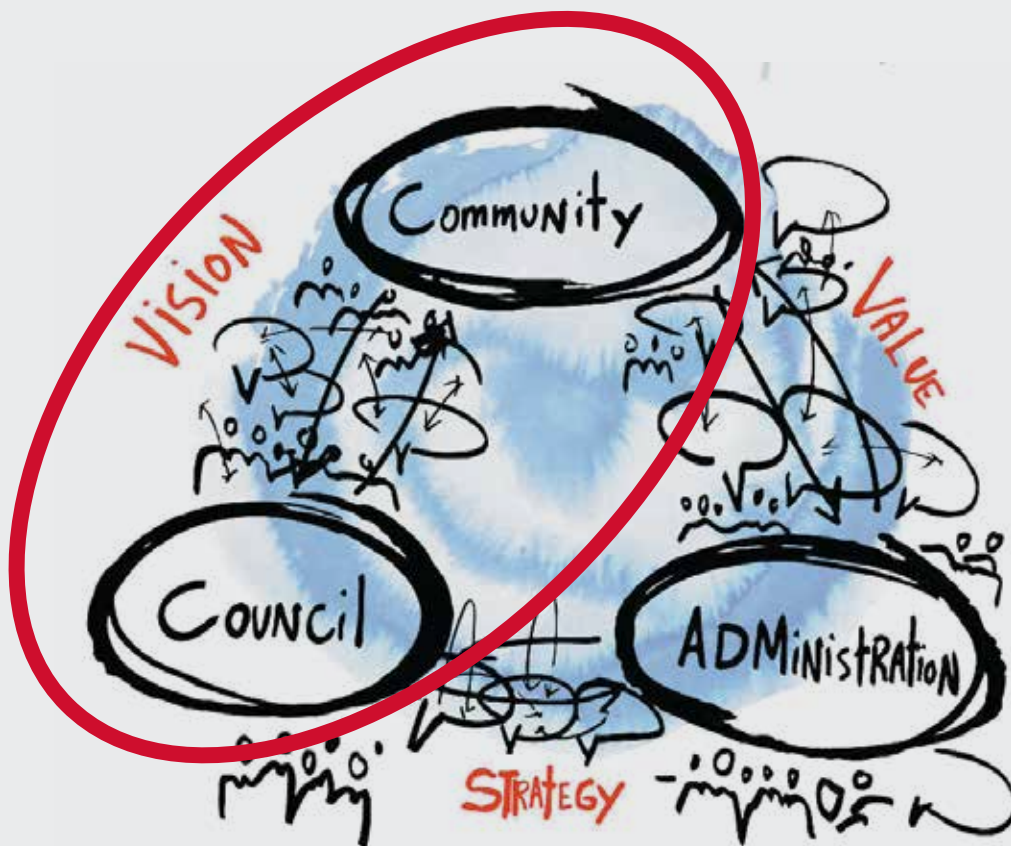




**VISION**

# The conversation between our Community and Council

This section is about VISION: What the Community wants as long-term quality of life conditions for Calgary, and Council's leadership role in defining The City's contribution to this vision.



Through ongoing conversations, research and engagement, citizens have made it clear what Calgary should look like in the future. They have a robust vision for their quality of life – the long-term goals and aspirations for life in their community. The foundation of this vision is imagineCALGARY.





## **A great place to make a living, a great place to make a life.**

imagineCALGARY is Calgary's long-range urban sustainability plan. Created in 2006, the plan represents the voice of 18,000 Calgarians and outlines a shared 100-year vision for our city with a detailed plan to get there. It provides a foundation that Calgarians continue to build on for their quality of life aspirations. Through actions, stories, and supporting our communities, we continue to make Calgary into the kind of city you never want to leave.



## **A place of historical significance and future potential**

For thousands of years, people have met at the confluence of two vital rivers to imagine and realize their futures. Together, we have built a city of energy, born of a powerful convergence of people, ideas and place. Together, we continue to imagine a Calgary and a community where:

**We are each connected to one another. Our diverse skills and heritage interweave to create a resilient communal fabric, while our collective spirit generates opportunity, prosperity and choice for all of us.**

**We are each connected to our places. We treasure and protect our natural environment. Magnificent mountain vistas and boundless prairie skies inspire each of us to build spaces worthy of our surroundings.**

**We are each connected to our communities. Whether social, cultural or physical, these communities are mixed, safe and just. They welcome meaningful participation from everyone, and people move freely between them.**

**We are each connected beyond our boundaries. We understand our impact upon and responsibility to others. Our talent and caring, combined with a truly Canadian sense of citizenship, make positive change across Alberta, throughout Canada and around the world.**

**We can make it happen!**

With purpose, drive and passion, Calgary will be a model city, one that looks after the needs of today's citizens and those to come. We make imagination real; it's the Calgary way. It's what we've always done and will always do.

## Quality of Life

Seven key themes describe what Calgarians mean by a great place to make a living, a great place to make a life:



Calgary is an inclusive city.



Calgary has a prosperous and resilient economy.



Calgary is an innovative city that thrives on knowledge.



Calgary is a city that moves well.



Calgary is a city of safe and vibrant neighbourhoods.



Calgary has a sustainable natural environment.



Calgary is a healthy and equitable city.

Quality of life for Calgarians is a long-term, enduring goal that requires the joint effort of various partners working together. Some of our partners may contribute more towards certain quality of life conditions than others based on their respective mandates. The City of Calgary works closely with our partners to contribute towards long-term quality of life for citizens through our four-year plans and budgets.



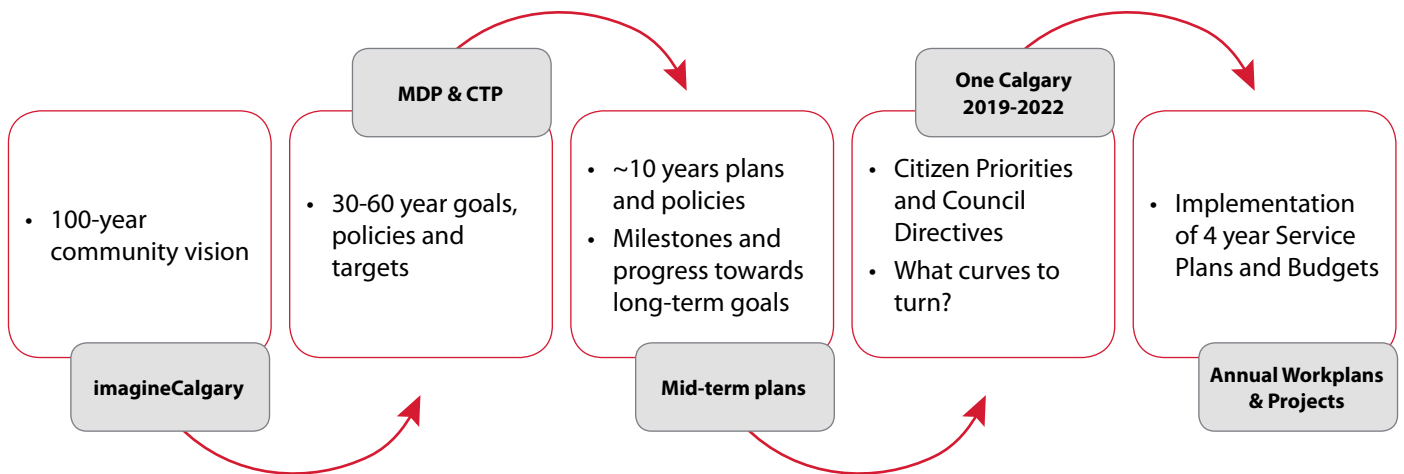
## The City of Calgary's Long-Term Plans and Policies

While imagineCALGARY articulates the long-term vision for our community, there are a number of supporting long-term plans in place that guide decision-making as we work towards achieving the aspirations in imagineCALGARY. The Municipal Development Plan (MDP) and the Calgary Transportation Plan (CTP) describe strategies that will shape Calgary over the next 30 to 60 years. Additional mid-term plans, typically with a 10-year or more timeframe, target outcomes in specific areas such as economic development, poverty reduction, emergency preparedness and climate change resiliency. Together, these documents form a portfolio of plans that informed the development of the 2019-2022 Service Plans and Budgets. The proposed strategies and actions of each service are aligned to the most relevant and current of these plans.

Multiple services contribute to achieving the goals of these broad, long-term plans. For example, in work aligned to the MDP, City Policy & Planning works with community and industry stakeholders to create plans and policies that enable desired growth, Bylaw

Education & Compliance ensures ongoing safety and priority response in all communities, Corporate Governance works to advance The City's interests with the federal and provincial government and Water Treatment & Supply monitors growth and optimizes the capacity of our water treatment plants.

Guidance is drawn from these long-term plans and policies as we address current challenges facing Calgary. For example, to increase economic diversity and prosperity, plans such as Enough for All, Foundations for Home, and the Cultural Plan for Calgary are foundational for planned strategies from services including Economic Development & Tourism, Neighbourhood Support, Affordable Housing, Community Strategies and Social Programs. These are just a few examples of the many integration points between services, long-term plans, and future outcomes. Each service plan and budget highlights the key long-term plans that have guided their strategies in 2019-2022 in the "What Council has directed" section.



# 2019-2022 Citizen Priorities

Informed by citizen feedback, including what Council heard on the campaign trail, Council found that the priorities of citizens remained largely consistent with the previous plan and budget cycle. It was therefore decided that the same priorities be the focus for 2019-2022, with the addition of safety to the “inspiring neighbourhoods” priority to reflect a growing concern among citizens.

The Citizen Priorities for 2019-2022 are:

- **A Prosperous City:** Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business.
- **A City of Safe & Inspiring Neighbourhoods:** Every Calgarian lives in a safe, mixed and inclusive neighbourhood, and has the right and opportunity to participate in civic life. All neighbourhoods are desirable and have equitable public investments.

- **A City That Moves:** Calgary’s transportation network offers a variety of convenient, affordable, accessible and efficient transportation choices. It supports the safe and quick movement of people and goods throughout the city, and provides services enabling Calgarians and businesses to benefit from connectivity within the city, throughout the region, and around the globe.
- **A Healthy & Green City:** Calgary is a leader in caring about the health of the environment and promotes resilient neighbourhoods where residents connect with one another and can live active, healthy lifestyles.
- **A Well-Run City:** Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners, and others.

Delivering on the above Citizen Priorities over the next four years contributes towards achieving long-term quality of life results for Calgarians and thus supports building a more adaptable, sustainable and resilient city for the immediate and long-term future.



# Pulse check: Calgary's key community indicators

Citizen Priorities for 2019-2022 were developed in late 2017. At that time, oil prices remained unstable since their dramatic fall in 2014, and Gross Domestic Product (GDP) in Calgary had been on a decline in 2015 and 2016. Population growth slowed, and the unemployment rate was at a twenty-first century peak by 2016.

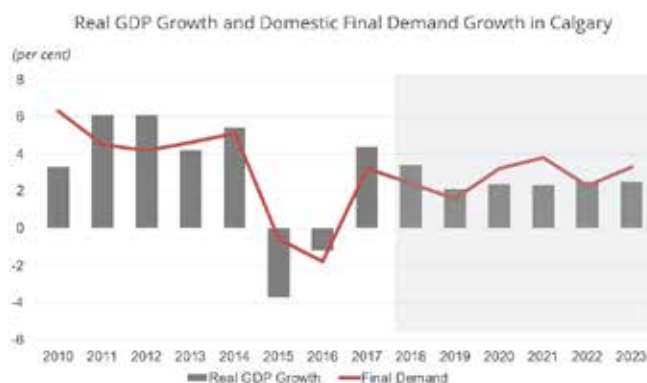
Since then, Calgary has begun to show signs of improvement, although at a gradual pace. The following section outlines how we are doing on some key community indicators, trends, and citizen perceptions related to each Citizen Priority. In addition to these trends, each service will continue to be watchful of shifts unique to the service. A strong understanding of the trends and indicators related to the priorities for the next four years will allow us to anticipate service demands and prepare for future community needs.



## A Prosperous City

The uptrend in Gross Domestic Product (GDP) growth, and downtrend in the unemployment rate are evidence of Calgary's economic improvement. Recovery is expected to continue over the next few years, sustained by increases in oil prices, improved business spending and steady consumer demand.

### CER: Real GDP and Final Demand



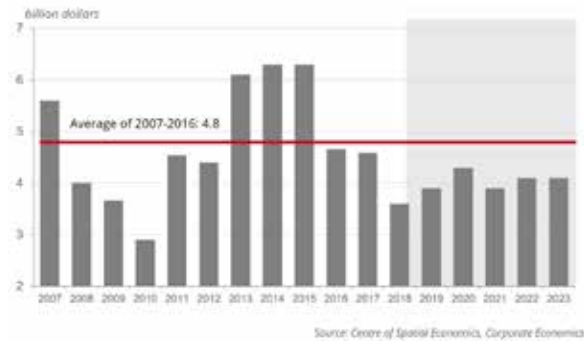
### Unemployment Rates




41 per cent of Calgarians surveyed in Spring 2018 said the economy in Calgary would be stronger in six months, down from 44 per cent since 2017 (Economic Perspectives Survey, 2018).

Building permit values are an indicator of the investment intentions of the Calgary real estate market. Changes in building construction rules just before the recession, in addition to favourable economic conditions, had resulted in an overbuild before 2015 and 2016. Levels have since returned to normal, and are anticipated to stabilize over the next few years, supported by the increase in net migration and improving market conditions.

**City of Calgary: Building Permit Values**



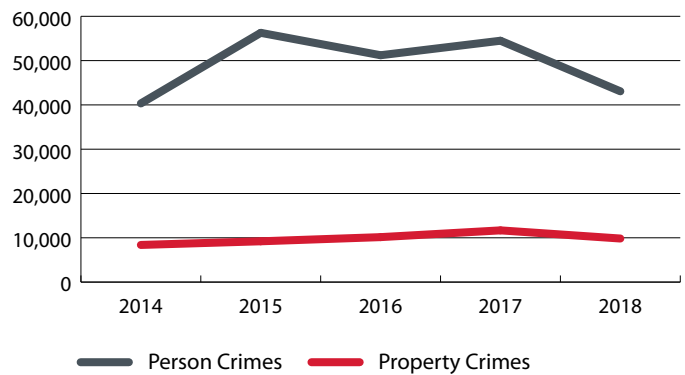
 Business leaders surveyed in spring 2018 appeared to have a less positive perception towards Calgary’s economy, with 19 per cent who say the economy in Calgary will be stronger in six months, compared to 33 per cent last year (Business Perspectives Survey, Q1 2018).

At the peak of the recent economic boom that was driven by high oil prices, net migration to Calgary was as high as 28,000 persons in 2014. At the worst of the economic downturn that followed, more people left Calgary than those who arrived with net migration at -6,500 persons in 2016. After two years of recovery, in 2017 and 2018, it is anticipated that net migration to Calgary will return to normal levels in 2019-2023. Immigration is a key source of population growth and while it is a crucial resource for growth and economic prosperity, barriers to equitable treatment remain.

While the population continues to grow, it is at a much more moderate pace than five years ago and is expected to be increasingly diverse. The population is also aging, with the fastest growing cohort aged over 65. Calgary’s Indigenous population, however, is young and growing.

Associated with the economic situation is a rise in property crime rates and person crime incidents, including domestic violence. This trend is consistent with other cities faced with economic recessions.

**Total Person and Property Crimes – Calgary**



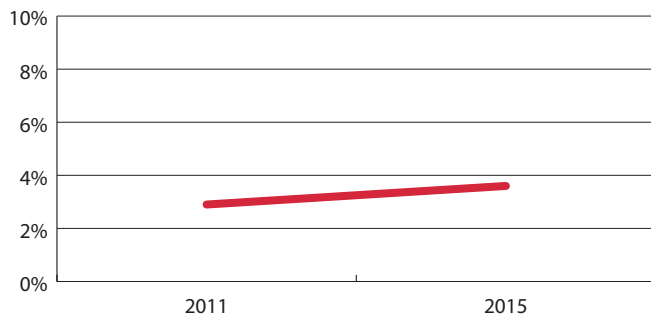


In 2017, 81 per cent of Calgarians said they feel safe walking alone in their neighbourhood after dark, down from 83 per cent in 2016

(Fall CitSat, 2017)."

The recent economic downturn has further exacerbated the systemic issues associated with low-income populations. The availability of subsidized, affordable housing units for low-income families in Calgary has risen at a slow pace reaching 3.6 per cent in 2015, below the national average across Canada of 6 per cent.

**Percentage of non-market housing units out of total housing stock in Calgary**



Source: Calgary Source: Housing in Calgary: An Inventory of Housing Supply 2015/2016 City of Calgary



In 2018, 95 per cent of Calgarians surveyed indicated that affordable housing for low-income Calgarians is important, with 65 per cent suggesting that more investment in this area is needed

(Spring Pulse Survey, 2018).

There are ongoing external influences and risks potentially impacting Calgary's economy, such as the faster rate of economic expansion elsewhere in Canada and the United States. Shifts in the global oil market also continue to bring uncertainty to one of the key industries that fuels Calgary's economy. Coupled with emerging trends for cleaner and more renewable energy sources, the urgency for economic diversification continues to increase.

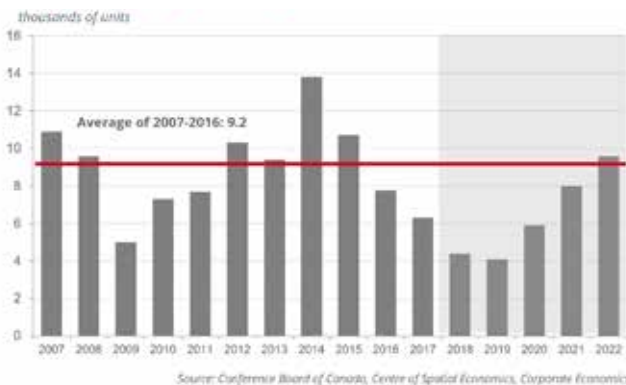
Rising inflation has impacted the general affordability of goods and services of both citizens and businesses. Rising Bank of Canada interest rates have increased financing costs, and minimum wage rate increases have raised the cost of doing business for many industries.



## A City of Safe & Inspiring Neighbourhoods

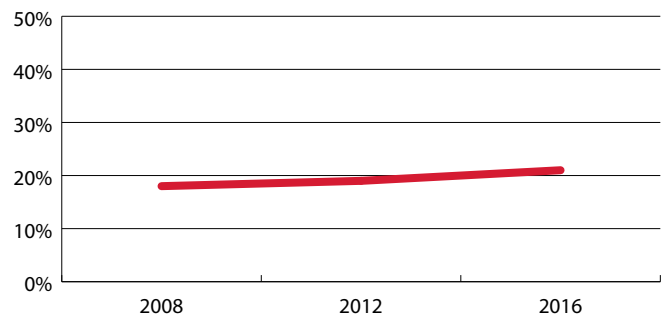
In keeping with the pace of population growth in the boom years, construction activity of residential housing was on the rise. As growth slowed during the 2015 and 2016 recession, the number of housing starts declined. Recovery has been slow but improving as there were 605 more housing starts in Calgary between January and August in 2018 compared to the same period in 2017 (8,085 vs. 7,480). Housing starts may be slower due to stricter mortgage lending policies and higher borrowing costs as the Bank of Canada has been gradually increasing interest rates.

### City of Calgary: Housing Starts



These regulatory measures have also reduced housing affordability. On the flip side, the availability of fewer buyers has led to depressed housing prices, potentially benefiting Calgary's working population looking at entering home ownership. With population growth, there is pressure to support the development of complete communities and ensure accessible and affordable access to municipal services.

### Percentage of population living near major community activity centres and within 600m of urban corridors



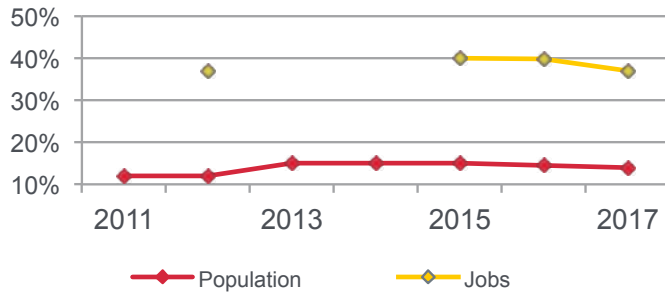
Despite living in an age of digital communication technologies which purport to increase connectivity, there's a growing sense of disconnectedness among individuals with one another and from their communities. This poses significant implications and obstacles for building community and social cohesion at the local level.



## A City that Moves

Getting around Calgary easily and safely has always been a high priority for citizens. Currently, the number of jobs that are served by the Primary Transit Network (PTN) has fallen to 37 per cent, largely due to fewer jobs in the downtown core which has high transit coverage. The number of residents that are served by Primary Transit is holding steady at 15 per cent.

### Access to primary transit network (within 400m)

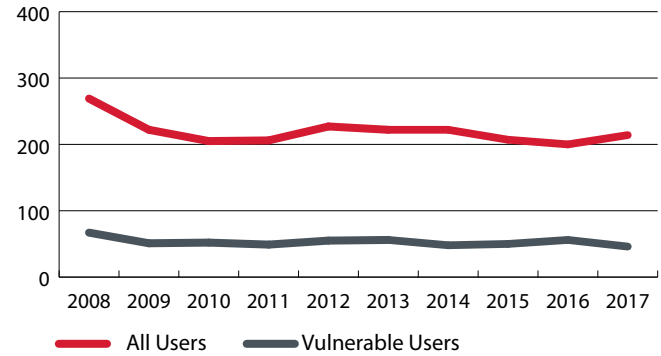


Source: Transportation



Casualty collisions continue a long-term downward trend over the past ten years but have been relatively flat since 2015.

### Casualty collision rates per 100,000 population



Source: Transportation/Calgary Police Service



In 2016, 93 per cent of Calgarians consider travel to be reasonably safe on Calgary roads due to road conditions, consistent with previous year's results (Annual Roads Survey, 2016).

The transportation industry is undergoing significant change because of several new trends. The advancement of electric vehicles and their affordability (both for individual and commercial use) is expected to increase their use. In addition, more autonomous vehicles are expected to come into the marketplace and there has been a growing trend in connectivity and use of shared mobility (e.g. car shares, bike shares and transportation network companies). These innovations have resulted in changes in consumer behaviour, and in turn, the needs and expectations of municipal infrastructure to support these modes.



## A Healthy & Green City

The consequences of climate change are widespread. Although Calgarians have a positive perception of the overall state of the environment, in recent years, Calgary has experienced an increased frequency and magnitude of extreme weather-related events causing floods and outages.

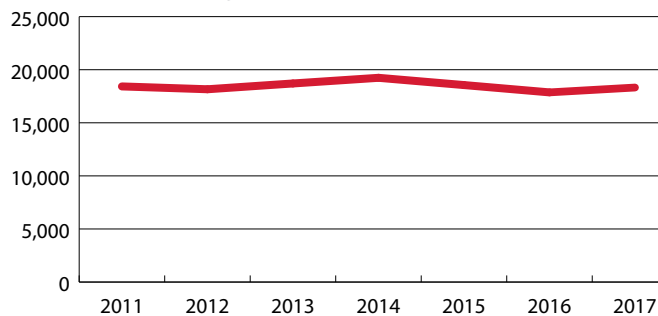


94 per cent of Calgarians rate the overall state of Calgary's environment as good

(Spring Pulse Survey, 2018).

While community-wide greenhouse gas (GHG) emissions in Calgary appear to be relatively stable since 2015, GHG modelling studies have concluded that emissions will increase over time.

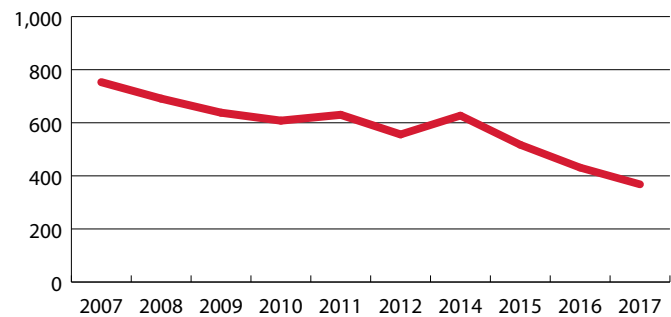
### Community-wide greenhouse gas emissions in Calgary (kT/CO<sub>2e</sub>)



Source: Environmental & Safety Management

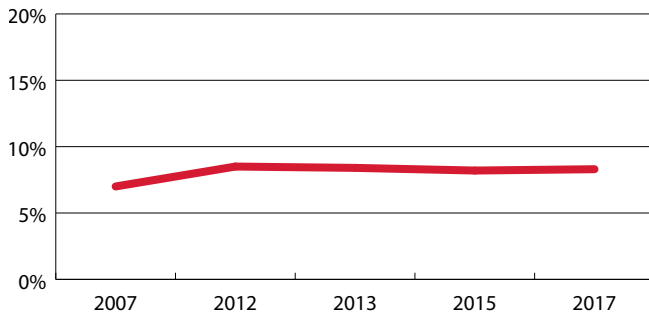
Per capita waste to landfill has been trending downwards due in part to less waste from commercial customers over the recession period, as well as increased diversion efforts.

### Per capita waste to landfill (kilograms)



Source: Waste & Recycling

### Urban forest canopy (per cent)



Source: Parks

Calgary's tree canopy coverage has recovered only slightly over the last decade due to challenging climate and the impacts of the 2013 flood and 2014 snow event. There is a challenge to meet long-term targets to increase the urban canopy.



91 per cent of Calgarians rate their personal performance as a "good job" when it comes to protecting the environment in Calgary (Riparian Action Plan: General Public Survey, 2016)

### A Well-Run City

There are significant new technologies that will have an impact on how we do business. These include blockchain, virtual and augmented reality and predictive analytics. While we do not yet know the extent of the impacts these technologies will have on our business, we know that they may be helpful in being more effective and efficient in managing transactions, traffic, assessing planning projects and predicting behaviours to identify needs of customers or safety issues.

The City of Calgary monitors the performance and impact of our services on an ongoing basis as part of continuous improvement and accountability to citizens. Further information is provided in the Strategy and Value sections of this document.



# The City of Calgary Charter

The City of Calgary and The City of Edmonton worked with the Government of Alberta over the past four years to develop City Charters. City Charters focus on some key policy areas to address the cities' specific needs, aligning funding with responsibilities, and providing the flexibility needed to ensure Alberta's two largest cities remain accountable to citizens and respond effectively to future challenges and opportunities.

The City of Calgary Charter was signed into law in April 2018, with a retroactive effective date of January 1, 2018. This is a new legislative framework for The City of Calgary and will inform service delivery in 2019-2022 and beyond.

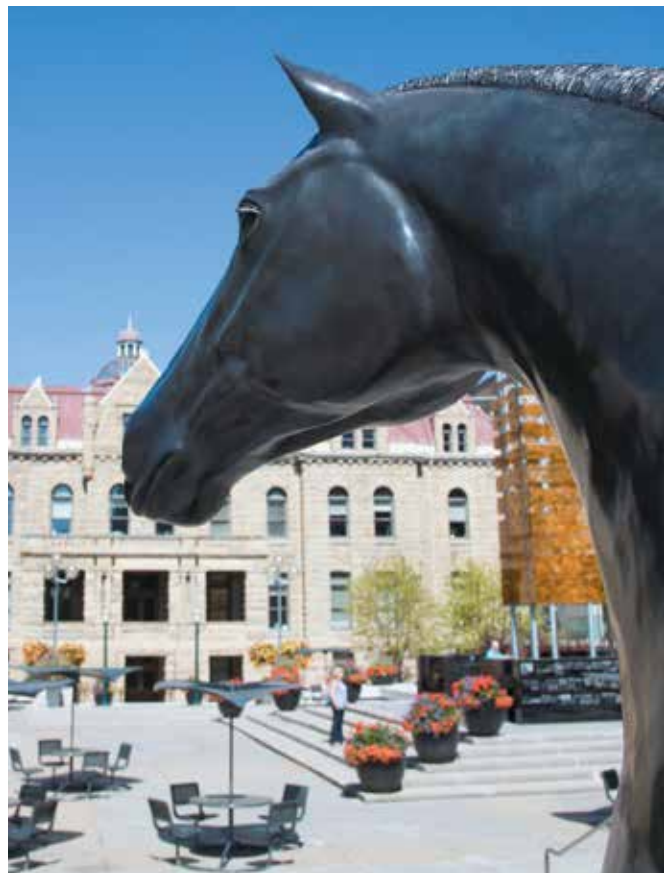
The Charter contains 37 new authorities, which are grouped into four main categories:

- Administrative efficiency
- Community well-being
- Community planning
- Environmental stewardship

Examples of City services that are directly impacted by The City of Calgary Charter include Streets (the Charter enables The City to allow for the use of variable speed limits), Environmental Management (the Charter requires The City to develop climate change mitigation and adaptation plans), and Appeals & Tribunals (the Charter establishes the ability to create a municipal administrative tribunal system to streamline and improve customer service for transit and parking bylaw).

Corporate Governance is responsible for developing corporate strategic plans and negotiated agreements with other orders of government. As such this service will continue to provide one voice for The City with partners and other orders of government. The primary focus for this service over the next four years is to ensure The City's governance framework addresses the many rapid changes and emerging issues, including increased legislative requirements and new City Charter authorities.

The Charter also includes a collaboration agreement to support ongoing, long-term coordination between the two cities and the Government of Alberta. Collaboration tables have been initiated to share ideas and work towards joint goals regarding social policy, transportation, and the environment and climate change.



# Citizen research and engagement themes

Citizen input was a critically important part of determining The City's focus for the 2019-2022 Service Plans and Budgets. The One Calgary process leveraged ongoing citizen research and engagement and identified the following key themes heard from Calgarians through hundreds of engagement initiatives, surveys and focus groups over the past year.

- Overall, satisfaction with City services is high, despite concerns with the economy.
  - Key priority areas for citizens include: public safety, ease of transportation, affordable housing and services, as well as investment in infrastructure and community, parks and urban forestry, recreational activities, streets and sidewalks, city planning, and neighbourhood support and development.
  - Businesses want City services and policies to support, not impede their sustainability and growth, and they tend to be more critical of City services overall.
- There is growing interest in social services like Affordable Housing and Specialized Transit.
  - Citizens and businesses alike want opportunities to provide meaningful input on City initiatives.
  - Citizens want open, efficient and effective City services.
  - Citizens are split between increasing taxes to maintain or expand services, and cutting services to maintain or reduce taxes.











**STRATEGY**

# The conversation between Council and Administration

This section is about STRATEGY: What Council asks Administration to deliver over the next four years, and how Administration will respond.



# 2019-2022 Council Directives

For each Citizen Priority, Council has created Directives that identify what is important for the next four years. Administration will focus its efforts on strategies that will progress these things over the 2019–2022 business cycle. On the following pages, each Council Directive is listed and is accompanied by highlights of Administration’s strategies to further Council’s direction through the services it provides.



# A Prosperous City

Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business.



**1 Council Directive (P1):** The City needs to continue building a local economy that is more resilient to changes in commodity prices. Although Calgary continues to diversify its economy and reduce dependency on the resources sector, Council acknowledges that more work is required. We need to update and implement Calgary's economic development strategy while maintaining support for our energy and technology industries.

**Plan Highlights:** We will continue the implementation of the economic strategy, *Calgary in the New Economy: An update to the Economic Strategy*, to diversify and build a resilient, prosperous local economy. To support economic development, we will invest in Civic Partners to help meet the demand for entrepreneurial support and foster innovation. As our Civic Partners manage and operate City-owned assets and steward Council approved strategies, our investment in them provides a cost-effective approach to delivering economic development and tourism services.



**2 Council Directive (P2):** Recently Calgary Economic Development identified six potential industries that will drive economic growth and spur job creation. These all require attention and nurturing. For example, one of those growth industries, travel and tourism, needs to move to a new level with an enhanced focus on arts, culture, festivals, and winter activities.

**Plan Highlights:** We will participate in capital planning to support arts, culture, festivals and events to assist in attracting new businesses and industries to Calgary. The development of a Winter City and Event strategy will increase the opportunities for citizens to participate in civic and community life. By leading tourism programs and delivering high quality cultural attractions we will help grow the travel and tourism industry. Support will be increased to Calgary Arts Development Authority to sustain operations of Calgary's arts organizations and creative industries.



**3 Council Directive (P3):** Accordingly, Calgary’s new economic strategy must include policies that will attract these growth industries to Calgary, support Calgary’s existing businesses, enhance support for entrepreneurs, and revitalize the city’s downtown core. At the same time, The City needs to methodically remove red tape and barriers that impede businesses from locating to Calgary or interfere with existing businesses and new business start-ups. Attracting and retaining new talent must remain an important cornerstone of our economic strategy.

**Plan Highlights:** We are continuing to make the development approval process more efficient and getting to decisions quicker in support of realizing development. We will continue to work with industry to understand their business imperatives, reduce barriers and enhance responsiveness through continuous process improvements. The increased use of online platforms will enable efficient access to business licensing. Following our economic strategy, we will support key business investment areas to create, promote and maintain strong local business areas.



**4 Council Directive (P4):** Many Calgarians continue to struggle with housing, income, and food instability. We must continue to implement Enough for All, Calgary’s Poverty Reduction Initiative. Enhancing our partnerships with other orders of government, the non-profit sector and businesses, will be critical to fully implement this initiative, and provide equitable access to services for all Calgarians.

**Plan Highlights:** We will continue to provide access to subsidized City programs and services for low income Calgarians by maintaining the current service level of Fair Entry. With partners, we will develop a community-wide mental health, addictions and crime prevention strategy to support Calgarians’ social wellbeing. We will work with partners to collectively implement shared priority areas from the updated Enough for All Strategy to support poverty reduction. We will deliver preventive social services through non-profit partners to increase protective factors and decrease risk factors among vulnerable populations.



**5 Council Directive (P5):** Finally, The City needs to work with other orders of government, non-profit and private sector partners to deliver programs to provide sufficient supply of affordable housing, while maintaining the safety and quality of the existing affordable housing stock. Further, The City must advocate to the provincial and federal governments to adequately fund their responsibility for affordable housing.

**Plan Highlights:** We will get the Calgary community building by providing incentives and expediting approvals for the development of affordable homes. We will leverage provincial and federal funding to design and build new City affordable homes. By strengthening intergovernmental partnerships, we will collaborate with, and engage other orders of government in affordable housing needs for Calgary.

# A City of Safe & Inspiring Neighbourhoods

Every Calgarian lives in a safe, mixed and inclusive neighbourhood, and has the right and opportunity to participate in civic life. All neighbourhoods are desirable and have equitable public investments.



**1 Council Directive (N1):** Calgarians want neighbourhoods and public spaces that are safe, accessible and inclusive for all Calgarians, including seniors and the disabled. The City needs to work with community partners to address social issues impacting older Calgarians enabling them to receive the services they need to age in place.

**Plan Highlights:** Safety, accessibility and inclusivity are interwoven across multiple services. For the safety of all Calgarians, we will improve the success and reliability of 9-1-1 with the implementation of the Next Generation 9-1-1 system allowing communication through voice, photos, video and text. We will continue work to advance strategic plans including Enough for All, the Seniors Age Friendly Strategy, and the Social Wellbeing Strategy. Calgary Police Services will strengthen and leverage partnerships to respond to the needs of our vulnerable populations and deliver crime prevention, education and intervention programs.



**2 Council Directive (N2):** Our current method of relying on the community associations as the voice of the community must be re-examined. We need to engage Calgarians at the neighbourhood level in a way that encourages local community connections and active participation in civic life across all ages, cultures and stages of life. Calgarians have a vibrant community-oriented culture that The City will support by improving connections among neighbours through community hubs and partnerships that support vulnerable families.

**Plan Highlights:** We are committed to increasing opportunities for citizens to participate in community planning. This increase in community and stakeholder participation will more fully capture community aspirations by collecting citizen input from a broad and diverse audience. We will develop additional community hubs by leveraging existing partnerships and City facilities. These community hubs become inclusive gathering spaces for local communities and enhance access to services and support, contributing to poverty reduction in Calgary.

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**3 Council Directive (N3):** Cherishing and protecting our heritage will enrich the sense of place in our communities. We need to ensure that The City's heritage processes are suitable to improve the protection and enhancement of heritage assets.

**Plan Highlights:** Culture, identity and heritage are key aspects of inspiring neighbourhoods. We will increase investment in The City's heritage grant program and develop additional tools to support heritage preservation.

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**4 Council Directive (N4):** We must also ensure that all communities are complete communities. Greenfield communities need to quickly, sustainably and sensitively grow to a scale where they can support community services such as transit. Developed communities need to be encouraged to re-develop sustainably and sensitively, in a way that accommodates changing community needs, and supports the public investment in them. Making it easier to build development that meets our Municipal Development Plan and the Calgary Transportation Plan will be essential to achieve this.

**Plan Highlights:** We will effectively enable community and economic growth in Calgary in alignment with the Municipal Development Plan and the Calgary Transportation Plan. We will continue to plan, design and implement our Main Streets initiative. We will complete the Transit-Oriented Development Implementation Strategy. Together we will provide an integrated growth and change strategy for new communities, established areas, transit-oriented development and industrial areas. Civic facilities also contribute to the economic, social and cultural needs of communities and we will continue to plan and develop multi-service sites and integrated facilities that optimize the use of space in new and existing facilities. As new communities continue to develop, we will ensure adequate emergency response coverage is available to meet citizen needs with the addition of necessary fire stations, personnel, vehicles and equipment.



**5 Council Directive (N5):** Growth of the city needs to be managed in a way that achieves the best possible social, environmental and economic outcomes within financial capacities. The cost of growth needs to be minimized for The City while maximizing housing choice and affordability within these constraints.

**Plan Highlights:** We will focus on enabling growth and change by better aligning Council direction, communities' aspirations and effective plans and policies. As part of our planning process, we will provide stakeholders with tools to improve the quality of urban design and advance our sustainability, climate resilience, and food security policies. We will also strengthen the urban design review of development applications to ensure we are providing the vibrant neighbourhoods that Calgarians expect. We will support desired growth by linking private sector investment to potential development opportunities along Main Streets and activity centres.

# A City That Moves

Calgary's transportation network offers a variety of convenient, affordable, accessible and efficient transportation choices. It supports the safe and quick movement of people and goods throughout the city, and provides services enabling Calgarians and businesses to benefit from connectivity within the city, throughout the region, and around the globe.



**1 Council Directive (M1):** Council's primary concern is with the safety of all Calgarians, therefore all modes of transportation must be safe.

**Plan Highlights:** We will support the implementation of the Safer Mobility Plan by increasing the capital allocation to safety-specific projects, specifically problematic intersections. To increase safety on public transit we will invest in additional peace officers for high-visibility patrols to support vulnerable users. Increased street light outage response will support all transportation system users during night hours. We will encourage and promote safe behaviours of all users.



**2 Council Directive (M2):** All options for mobility should be desirable. We want to make walking, cycling, and transit attractive choices for Calgarians while not unduly penalizing motorists.

**Plan Highlights:** We will better support pedestrians through the implementation of Step Forward, the Safer Mobility Plan, and the expansion of snow and ice control in the pedestrian realm. Investments in Public Transit align with making transit an attractive choice by providing public transit service to customers in actively developing communities and improving service levels in established communities. Through increased innovation and leveraging technology we will enhance system efficiency.





- 3 Council Directive (M3):** Innovative technology partnerships can help to build, fund and sustain a resilient transportation network. We need to recognize that The City cannot solve all transportation connectivity issues on its own – we need to identify and form partnerships with public, private sector and non-profit entities in conjunction with The City, to deliver programs to improve our transportation network, adopt new transportation business models, and position Calgary as a city that moves into the future.

**Plan Highlights:** We will continue to optimize the use of existing technologies, as well as evaluate new technologies such as alternative fuel technologies, identify public and private partnerships to evaluate innovative service delivery methods, and evaluate integration of public and specialized transit trips. These investments will help sustain the new Compressed Natural Gas (CNG) facility, Stoney Garage, to be operationalized in 2019, which will be managed under public and private sector partnership.



- 4 Council Directive (M4):** We need to develop and implement innovative and technological solutions with respect to existing and new transportation infrastructure that both enhances Calgarians' safety and reduces peak-hour traffic congestion.

**Plan Highlights:** We will continue to monitor traffic conditions and coordinate incident response. Changes will be made to improve on-street parking management in residential areas, improving the customer experience. We will invest in opportunities to increase innovation in our service delivery and planning of transit service. Operationalizing Calgary Transit's mobile payment application will enhance the customer experience for fare payment. Low cost, high benefit solutions will be analyzed as appropriate and implemented at a higher frequency.

# A Healthy & Green City

Calgary is a leader in caring about the health of the environment and promotes resilient neighbourhoods where residents connect with one another and can live active, healthy lifestyles.



**1 Council Directive (H1):** Calgary needs to address climate change in a way that engages Calgarians, resonates with the majority, and doesn't alienate people. We need to lever incentives that focus on the economic benefits of addressing climate change (such as business diversification, job creation, opportunities for small businesses and all Calgarians) and align The City's climate change strategies with other orders of government and industry initiatives.

**Plan Highlights:** We will implement the Climate Resilience Strategy and Action Plans. We will invest operating and capital funds to help reduce the impacts from severe weather, decreasing energy costs and greenhouse gas emissions by implementing energy efficient solutions into our fleet, facilities and operations. We will design future capital infrastructure to ensure service provision to Calgarians are maintained. Over the next four years, focus will be to reduce The City and the community's environmental impact through approaches that educate and engage citizens, businesses, stakeholders and community partners. We will foster environmental stewardship and leadership in The City and community. Through the collective work of services throughout The City, as well as collaboration with government and industry, this strategy will provide a committed approach to addressing climate change mitigation and adaptation.



**2 Council Directive (H2):** Calgary and The City should become nationally and internationally competitive by embracing a low carbon economy, fostering alternative energies and developing strategies to reduce adverse impacts and vulnerabilities resulting from climate change.

**Plan Highlights:** We will support the protection and enhancement of our community's natural environment. Over the next four years, we will invest in technology and alternative energy to improve our organization's environmental performance, including a greener fleet. Within the community, we will evaluate, protect and manage our ecological corridors to support biodiversity and environmental resilience. Working collaboratively with City services, business community and citizens, this strategy will help position us to be more competitive, as we move toward a low carbon economy.



**3 Council Directive (H3):** Integrated watershed management is essential to protect public health and the environment, while strengthening our resiliency to a changing climate. Calgary must develop our communities with a focus on achieving future water security and a sustainable water supply. Accordingly, watershed management must be integrated into our land use policies, plans and decisions. Accomplishing sustainable, effective watershed management within Calgary and the region will also require working collaboratively with other orders of government, adjacent municipalities, residents, landowners, developers, businesses, and the First Nations.

**Plan Highlights:** We will continue to work with stakeholders to reduce risks to our source water, all to ensure the quality and quantity of The City's drinking water. We will also continue to work with regulators and make additional investments in wastewater treatment upgrades to meet regulatory compliance and protect the health of the river. We will strengthen our resiliency to climate change by considering climate change parameters into capital design and operating activities. The City will make investments in flood resiliency and improvements to river and riverbank health and collaborate with citizens and partners on flood mitigation and preparedness.



**4 Council Directive (H4):** We must also develop strategies to create communities that support healthy lifestyles and interaction amongst residents (walkability, pedestrian, bike and public transit connections) to reduce and prevent social isolation. Partnerships with community groups, not-for-profits and businesses will encourage the development of public meeting places that can be used by Calgarians of all ages, abilities and during all seasons.

**Plan Highlights:** Maintaining a network for walking and cycling is essential for every neighbourhood to support healthy lifestyles and social connections. We will continue to build, maintain and modify sidewalks and pathways to make walking and cycling attractive options. Safety and accessibility are key concerns and we will increase resources to advance the Safer Mobility Plan, Step Forward, and the Pathway and Bikeway Plan to improve conditions for citizens. Examples include temporary traffic calming curbs, curb ramp retrofits with tactile pads, audible pedestrian signals, improved pathway and bike route connections. Through our neighbourhood supports, we will provide funding for the capital lifecycle of community facilities operating on City-owned land to ensure the preservation of public spaces. Our social programs will continue to provide local, equitable programs for Calgarians facing negative social conditions to achieve social wellbeing.



**5 Council Directive (H5):** We need to continue to implement a range of accessible and affordable recreational programs and opportunities that encourage active daily living. Continuous investment in indoor and outdoor recreation facilities that address the changing needs of Calgarians will be important to support healthy lifestyles for all.

**Plan Highlights:** We will continue to provide, and support our partners to provide, a variety of recreation opportunities that are accessible, affordable and encourage active living. Through both traditional structured opportunities and unstructured opportunities such as mobile adventure playgrounds, skateparks and community sport hubs, we will continue to create inclusive communities. We will continue to participate in, and advocate for, long-term capital and investment planning to meet the recreational needs of Calgarians. Together with our partners, we will make sure opportunities are equitable by measuring service outcomes across the publicly funded recreation sector.



**6 Council Directive (H6):** Finally, we must continue to make parks and green spaces a priority and proactively seek to increase green space in neighbourhoods.

**Plan Highlights:** Guided by key long-term strategies such as the Municipal Development Plan and imagine Parks, we will continue to make parks and green spaces a priority and to provide citizens with safe, fun and accessible parks within both new and established communities. Listening to citizen feedback we will repurpose low-use sport fields to reflect community needs through the Community Park Initiative.

# A Well-Run City

Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners, and others.



**1 Council Directive (W1):** Council and Administration need to speak in a collective voice that improves communication with Calgarians to help them understand: the services The City delivers; how their taxes are invested; that their municipal government functions to serve Calgarians; and that their municipal government is well-run and efficient. We need to learn from Calgarians through meaningful engagement to fully understand and respond to their service requirements and needs.

**Plan Highlights:** Administrative leadership will continue to work with Council to sustain a cooperative and meaningful relationship and will continue to promote a progressive public service culture through One City, One Voice. Listening to citizen feedback and using it in our decision-making process is key to improving City programs, services, and quality of life. We will provide safe, fair and accessible opportunities for citizens to give meaningful and actionable insight to inform City decision making, mitigate risks, and drive continuous improvement. We will deliver and implement a Resilience Strategy for our community to help manage the stresses and shocks our community may face. Through this strategy, we will fulfill our responsibility to listen to citizens, provide their perspectives to decision-makers, and report back to citizens on how their voices were heard and used to make life better for all of Calgary's citizens.



**2 Council Directive (W2):** We need to shift our understanding and focus from how services are delivered to why services are delivered. The City must work on improving the value of municipal services delivered by simplifying and streamlining processes and procedures, cutting red tape, eliminating service silos, and discontinuing those services that The City should not be providing. Beyond removing barriers, The City must move to a culture that actively promotes businesses.

**Plan Highlights:** Learning about our customers, both individuals and businesses, enables us to reflect their expectations in our service design, and focus on what they value most. The Corporate Strategy for Efficiency and Effectiveness will be updated and expanded to provide greater focus on service scope reviews, and find ways to energize the front line to make service improvement part of our culture at every level. Many services are leveraging an increased use of technology to create efficiencies in their operations and improve interactions with their customers. We will continue to promote and support a business-friendly environment and respond to changing business needs including a review of how our business licensing practices can better enable business success.



**3 Council Directive (W3):** We need to validate those rules and processes that support community engagement and activism while eliminating impediments to citizens who are trying to help make improvements in their communities.

**Plan Highlights:** We will continue to ensure that barriers are removed for citizens to participate fully in making improvements to community and civic life. We will work to ensure that City information is available and accessible to citizens. We are improving language access and translation services to engage with all citizens. We are enhancing the communication and recruitment processes for Boards, Commissions and Committees to ensure a diversity of applicants. Through our appeals and tribunal processes, we will continue to provide impartial opportunities for residents to challenge specific City decisions.



**4 Council Directive (W4):** We need to recognize that we miss opportunities for innovation in management, service delivery and planning because of an existing culture of risk avoidance. We need to create a culture, including City Council, that embraces appropriate levels of risk, innovation, experimentation, and embraces lessons learned as opportunities to improve.

**Plan Highlights:** We will continue to nurture a culture of innovation that is more willing to experiment and take appropriate risks to advance improvements in our services. We will enhance the understanding, reporting and management of risk throughout the organization. Through service reviews we will identify areas where we are overly risk-averse, and where accepting an increased level of risk would offer substantial efficiency gains with minimal impact on service levels. By better aligning our efforts to manage risk in a consistent manner across the organization, we will help build trust and confidence in a well-run city.



**5 Council Directive (W5):** The City must develop a positive, strong and enduring relationship with Treaty 7 First Nations, Métis Nation of Alberta Region 3, and all urban Indigenous Calgarians. Council is committed to developing a new vision of Truth and Reconciliation that acknowledges historical issues and challenges and focuses on a future of trust and mutual respect. We recognize that true reconciliation is only possible within an ethical space of engagement and understanding of Indigenous-Canadian history. We will build capacity amongst City staff and all Calgarians to foster cultural humility and competency, understanding and sensitivity to support true partnership Indigenous partners.

**Plan Highlights:** We will develop a new vision for The City's work with Indigenous people by establishing an Indigenous Relations Office to support The City's advancement of Truth and Reconciliation as outlined in the White Goose Flying report.



# Council's Five Guidelines to Administration

Council's Five Guidelines to Administration outline the strategic objectives and expectations for the City Manager with respect to: the leadership of The Corporation, strategic priorities regarding culture, investment and value, and operational focus on service delivery.

Council's Five Guidelines describe Council's expectation of Administration with regards to how it delivers services to citizens and customers. Following a model of integrated service delivery, working collaboratively across the organization, fostering a trustworthy relationship with Council, providing services with a customer focus in mind, and all based on a sustainable financial plan are overarching principles that Council expects Administration to follow while delivering on every Directive set by Council for 2019-2022.

The following five Guidelines define the high-level "how" of Administration's actions towards delivering on Council's Directives.

- 1. Integrated Service Delivery** – Council is consistent in its view that The Corporation needs to provide services in a much more coordinated and integrated way.
- 2. Engaged Leadership** – Council wants collaborative organizational leaders and managers that function together as a team.
- 3. Trust and Confidence** – Council is asking for an organization that is reliable, honest, effective, and has its confidence and trust.
- 4. Investment and Value** – Council expects a sustainable financial plan from Administration that is responsible and creates value.
- 5. Corporate Alliances** – Council endorses strategically important relationships that promote community and city building.





# Administration's Commitments

These commitments summarize Administration's response to Council's direction and are intended to provide high-level strategic guidance to the organization for the four-year term.

## **1. Sustain a cooperative and meaningful relationship with Council.**

Administration will continue to work with Council to maintain public trust and confidence through a shared strategic agenda based on Three Conversations, One Calgary. This includes a focus on open and proactive communication between members of Council and Administration and a shared understanding of the organization's tolerance for risk.

## **2. Foster a safe and respectful workplace for all employees.**

Administration will continue to promote and foster a safe and respectful work environment through the Employee Promise. This includes working with our union partners to ensure employees and leaders are aware of their responsibilities under the Code of Conduct and feel empowered to bring concerns forward.

## **3. Continue to promote a progressive public service culture through One City, One Voice.**

Administration will continue to focus its attention on promoting and maintaining the principles upheld in the One City, One Voice culture. This includes an ongoing emphasis on reducing organizational silos, and working with union partners to demonstrate engaged leadership and encourage employee pride in the workplace.

## **4. Focus attention on planning and building a resilient city, including flood mitigation and climate change.**

Administration will work with our indigenous, industry and regional partners as well as other orders of government to plan and build a city that is resilient to shocks and stresses. This includes a focus on inclusive leadership and decision making, infrastructure, economic diversification and the impacts of a changing climate on our growing city.

## **5. Enhance service to our customers and communities, including citizens and businesses.**

Administration will continue to provide clarity to citizens and businesses about the value they receive for their tax dollars. This will be accomplished through the delivery and execution of service plans and budgets and by leveraging data and strategic partnerships to foster innovation, reduce red tape and enhance customer experience.

## **6. Further strengthen the Corporation's financial position.**

Administration will continue to update and monitor The City's strategic financial plan to address immediate financial pressures and ensure long-term financial sustainability. This includes ensuring tax-supported expenditures are well-managed, exploring new and improved opportunities to generate revenue, creating new financial partnerships, prioritizing capital investment, and keeping debt levels within acceptable limits.

## Measuring Corporate Performance

Administration's commitments to working in a way to assist Council, employees and citizens are measured against a corporate scorecard of metrics aligned

with the "three conversations". Below are those indicators and performance measures used to score performance against Vision, Strategy and Value.

### How are we doing?

	Measure	2014	2015	2016	2017
<b>Vision</b>	Calgary is a great place to make a life	85%	84%	82%	81%**
	Calgary is a great place to make a living	86%	80%	65%	68%**
	On the right track to being a better city 10 years from now	89%	88%	86%	82%**
<b>Strategy</b>	I am confident that The City will work together with local businesses and other levels of government to find the best solutions to help our city through this economic downturn	NA	NA	82%	79%
	How much do you trust or distrust The City of Calgary?	NA	NA	NA	62%**
	I trust The City of Calgary to make the right decisions when it comes to building projects like roads, public transportation and local facilities	NA	NA	NA	52%
	The City of Calgary's credit rating	AA+	AA+	AA+	AA+
	I am proud to work at The City of Calgary	75%	87%	87%	85%
	I trust my direct supervisor	NA	73%	74%	72%
	I am supported to speak up about unsafe conditions	NA	NA	81%	80%
	Senior management clearly communicates The City's goals and objectives	NA	52%	53%	49%
<b>Value</b>	Overall satisfaction with level and quality of City services and programs	79%	80%	79%	73%**
	Satisfaction with the overall level and quality of customer service	78%	80%	80%	78%*
	The City does a good job of providing citizens with information about how their property tax dollars are invested in various City services	67%	65%	63%	60%**

\* Fall: August-September 2017

\*\* Late fall: November 2017

## Resilience

The City was named part of the 100 Resilient Cities (100RC) – pioneered by The Rockefeller Foundation – in May 2016. 100RC is a global network of cities working to address some of the biggest challenges facing cities.

The City Resilience Framework (illustrated below), developed by Arup Group Ltd. with support from the Rockefeller Foundation, is based on extensive research in cities across the globe. It provides a lens to understand the complexity of cities and the

drivers that contribute to their resilience. Looking at these drivers can help cities assess the extent of their resilience, identify critical areas of weakness and identify actions and programs to improve the city’s resilience. The resilience lens has been applied throughout the One Calgary service plans and budgets development process, and this work has formed the foundation of a resilience strategy for Calgary which will be released in 2019.



# The City's Financial Position

## Municipal Financing

Municipal governments are facing continuing challenges in matching their revenue sources to their expenditures, particularly in developing greater sources of growth-related, long-term secure funding. As municipalities are expected to do more with their limited revenue sources, local governments are finding it critical that they achieve greater financial sustainability through actions such as:

- Moving towards a service-based approach to enhance integration of service delivery, creating public service culture within the organization and focusing on investment and value.
- Incorporating longer-term financial focus through multi-year business plans and budgets, and understanding long-term revenues and costs.
- Obtaining sufficient predictable funding to deliver services that citizens rely on.
- Building financial flexibility and resilience into financial outlooks and risk assessments to address emerging and unforeseen circumstances.
- Strategically managing debt and reserves to support municipal growth and infrastructure requirements.
- Diversifying funding sources for greater municipal control and flexibility to address growing needs.
- Managing municipal services with increasing efficiency to get the most for every dollar.
- Developing and updating Long Range Financial Plans.

## The City's financial position

Calgary faces many of the same challenges and issues that other municipalities in Canada face. In March 2018, Council considered The City's financial outlook as one of many inputs into its decisions on the 2019-2022 indicative rates and fees which provided Administration with a preliminary budget envelope to develop the 2019-2022 Service Plans and Budgets.

In March, Council was also provided The City's Long Range Financial Plan projection identifying an operating gap of \$230 million emerging by 2028 as a result of revenues growing at a slower pace than expenditures. This assumes that property tax increases match The City's inflation rate and reflects the structural difficulty between inflationary and growth impacts on revenues and expenditures.

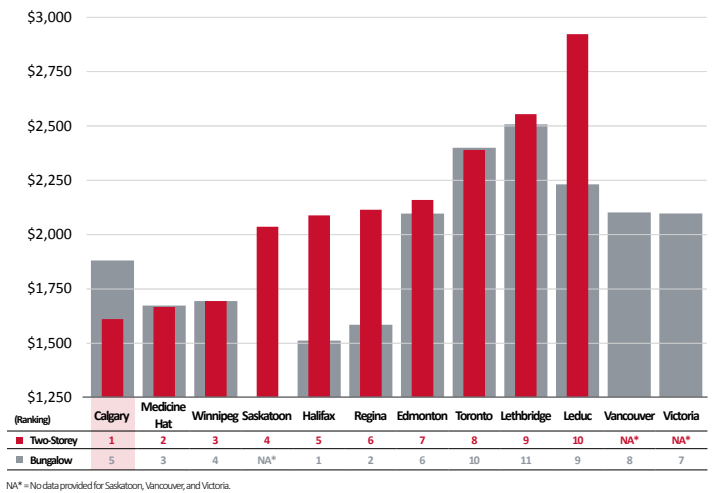
## The City is currently in good financial shape

From 2015 to 2016, Calgary experienced two years of economic recession. Oil prices (West Texas Intermediate) fell for two consecutive years from \$93.2 in 2014 to \$48.7 in 2015 and \$43.3 in 2016. Gross Domestic Product (GDP) declined 4 per cent in 2015 and a further 2 per cent in 2016. Population growth slowed dramatically with negative net migration in 2016 as employment opportunities fell significantly, and the unemployment rate increased to the twenty-first century high of 9.2 per cent. Beginning in 2017, Calgary has continued to show signs of recovery, however at a gradual pace. The recovery presents challenges, such as a long period of high unemployment rates and a high downtown office vacancy rate, along with opportunities to bolster industries other than oil and gas. The City remains in a strong financial position with prudent fiscal practices and good liquidity in reserves to cope with the problems and provide goods and services to support the opportunities.

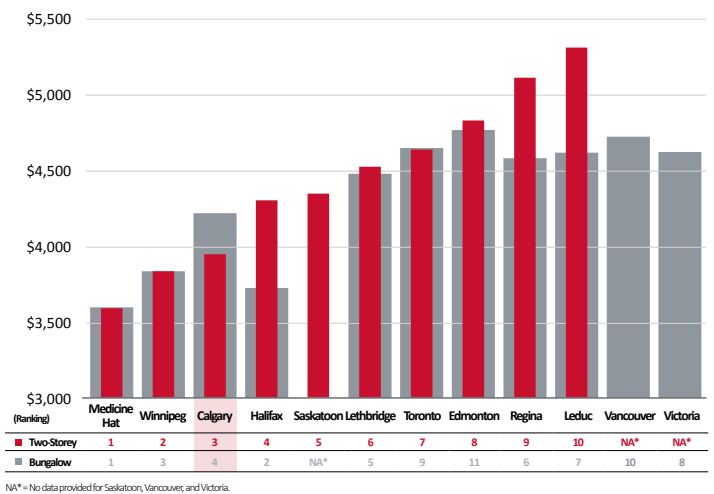
Calgary has one of the lowest residential property taxes among 12 Canadian municipalities. For both utility charges and property taxes, the cost in Calgary remains lower than the average for the surveyed municipalities. The 12 municipalities surveyed by Corporate Economics were Calgary, Medicine Hat, Winnipeg, Saskatoon, Halifax, Regina, Edmonton, Toronto, Lethbridge, Leduc, Vancouver and Victoria.

The City continues to achieve a high credit rating of AA+, which is among the top for Canadian municipalities. The rating given by external rating agencies assesses The City’s creditworthiness and ability to repay debt or financial obligations. The credit rating is based on a number of different financial measures and ratios that the financial industry considers indicators of good financial stewardship. In addition, The City’s 2015-2018 Action Plan was recognized for its thoroughness in the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) of the United States and Canada.

### Municipal Property Tax for a Representative Two-Storey and Bungalow House in 2017 – Canadian Cities



### Canadian Municipal Property Tax and Utility Charges for a Representative Two-Storey and Bungalow House in 2017 – Canadian Cities



## Emerging issues and financial pressures

Although currently in a strong financial position, The City recognizes a number of emerging issues that must be considered in order to maintain its solid financial position over the 2019-2022 business planning and budget cycle and in the long-term. Some of the key emerging issues affecting The City's budget include demand for infrastructure investments, increasing costs due to growth, constrained capital funding sources, and pressure to balance tax increases with service levels. From the 2017 Citizen Satisfaction Survey, overall satisfaction with the level and quality of City services and programs is strong, however citizens remain split in their preference for tax increases versus service reductions.

The City's revenue structure remains a key issue for keeping up with the cost of running the city. The City's key sources of revenue and expenditures are shown below.

Property taxes, determined by Council, comprise the largest single component of The City's total revenue sources for the operating budget. The other component consist of sources that The City has little control over. This means that when inflation increases City expenditures, the property tax component must absorb a greater share of the increase in order for total City revenues to maintain the same pace as expenditures.

The rate of municipal inflation is a key financial pressure on The City's budget. Unlike the Consumer Price Index (CPI), which considers household costs such as shelter, food and transportation, the Calgary Municipal Price Index (MPI) takes into account The City's key expenditures – salary, wage and benefit costs, costs of materials, supplies, fuel, contracts, and insurance. Contracts for unions have expired in 2018 and are in negotiation. Utilities such as natural gas and electricity are expected to increase at a higher rate than household inflation.

**The City of Calgary 2019 Revenues and Expenditures (\$ millions)**

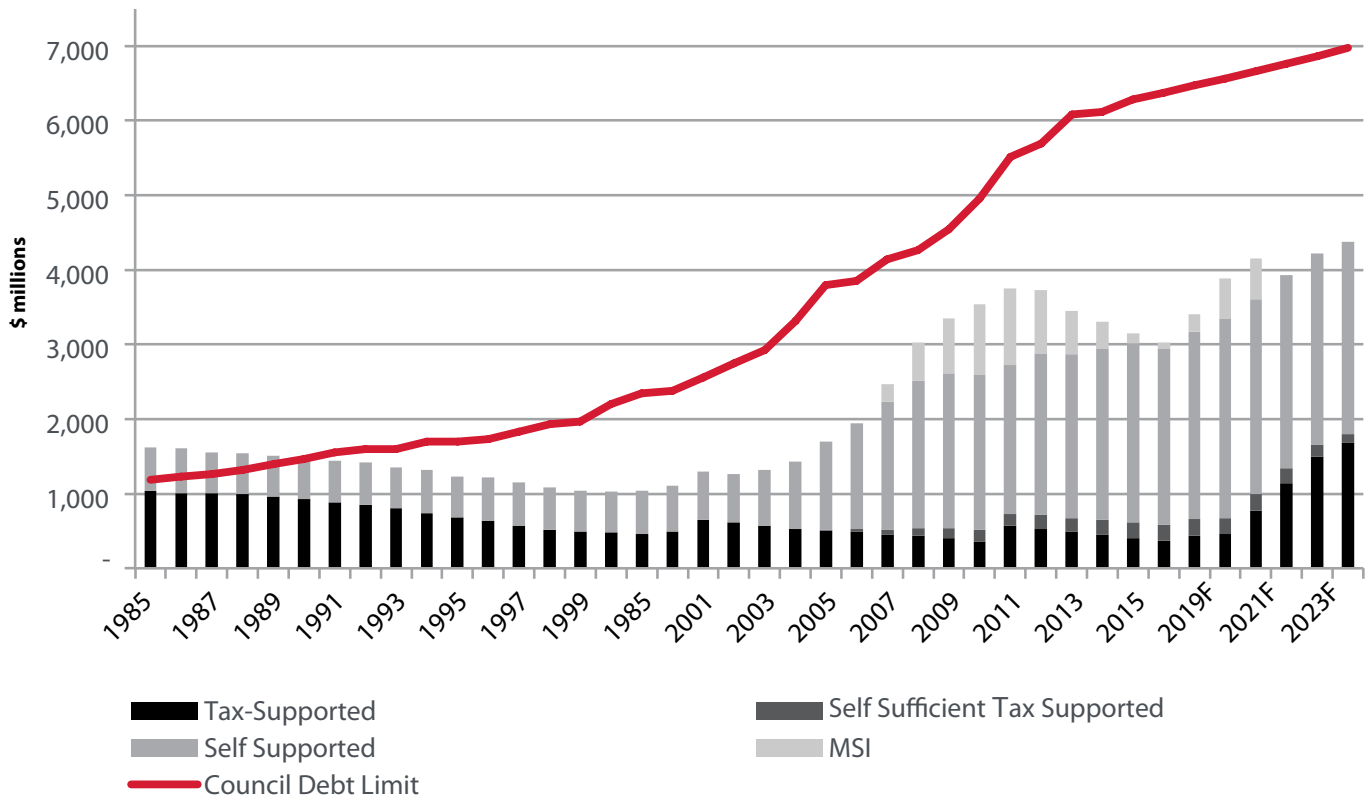


## The City of Calgary's historic and projected debt levels

As demonstrated in the figure below, The City's debt levels based on approved projects are relatively stable between 2019 and 2024, considering the impact of bridge financing of the Municipal Sustainability Initiative (MSI) grants. The City's debt is expected to remain well within the Council debt limit, which is based on revenues and represents 80 per cent of The City's currently legislated maximum debt level (the Municipal Government Act sets the total limit at two times annual revenue). However, there are a number of potential projects which, if debt financed, could together push The City above the debt limit.

The potential level of debt could also have a negative impact on The City's credit rating. The Government of Alberta, The City of Edmonton, and The City of Calgary are collaborating toward an update to the fiscal framework of the City Charter which is anticipated to eliminate the legislated debt and debt servicing levels. The City would still be required to maintain an investment grade credit rating, but would have more flexibility in assessing debt and debt service levels going forward.

Debt Limit 1985-2024 using budgeted debt issuances

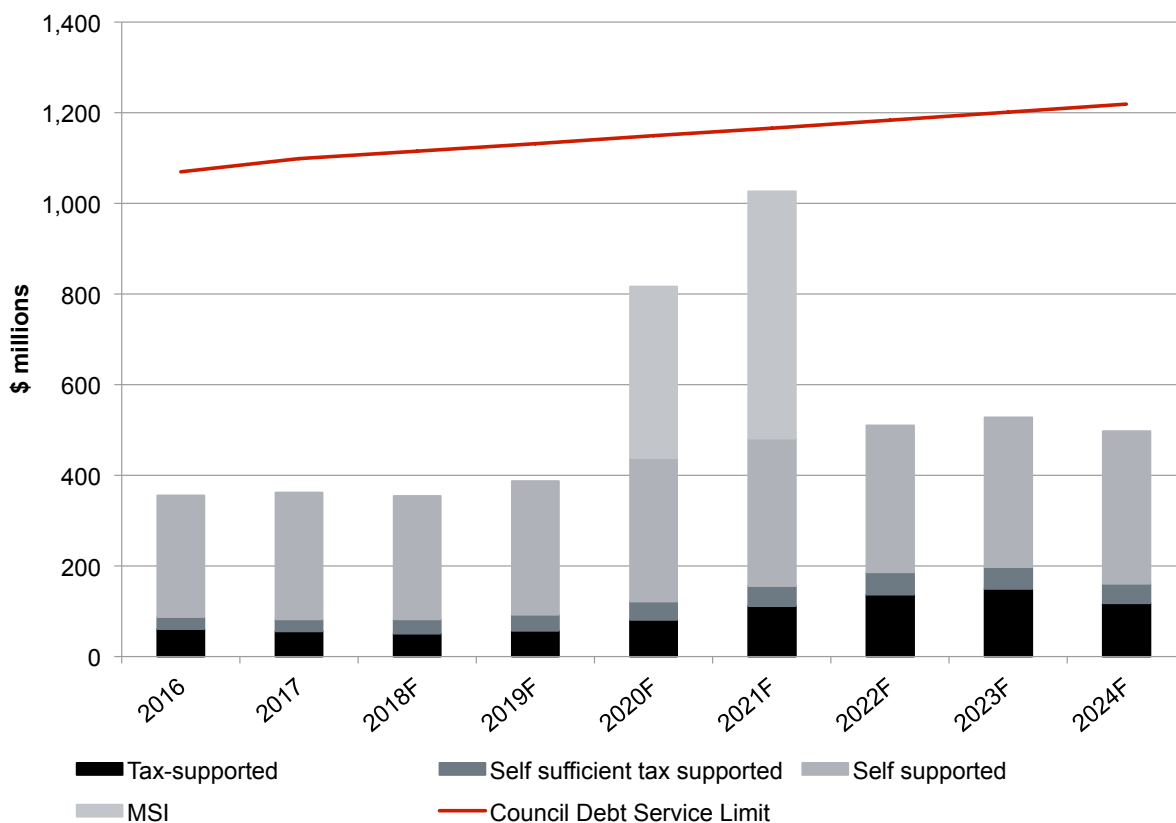


## Debt Service Limit (Principal & Interest) 2016-2024

Debt servicing (the annual principal and interest payments on debt) is a concern for The City. For 2019 and 2020, The City will continue to benefit from the ability to exempt outstanding MSI debt servicing costs from the total debt service limit calculation. The exemption that started in 2016 will expire at the end of 2020. For the final two years of the budget cycle, 2021 and 2022, rules for the debt service limit and calculation may change because a reconsideration of the limit is a part of yet to be concluded work on the City Charter. This would reduce the 2020 and 2021

MSI-related debt service. The City's calculated debt servicing costs, with the purple line representing 80 per cent of The City's legislated debt service limit (defined in the MGA as 35% of annual revenue), is shown below. As this chart indicates, calculated debt servicing costs are the bigger concern relative to The City's debt limits over the 2019-2023+ budget. In addition to absolute debt levels, The City must also be mindful of the impact that different debt structures have on the debt service calculation.

Debt Service Limit (Principal & Interest) 2016-2024





## Long Range Financial Plan and Capital Infrastructure Investment Principles

Key components of The City's financial strategy are the Long Range Financial Plan (LRFP) and Capital Infrastructure Investment Principles (CIIP). The LRFP provides goals and strategies for all financial matters, while the CIIP specifically guides capital investment decisions.

### Long Range Financial Plan

The LRFP sets out financial goals and strategies to achieve long-term financial sustainability and includes a projection of operating and capital requirements and financial position over the next ten years. The City published its first such plan in 2007, updated it in 2011 and 2015. The City also provided Council a projection in March 2018. The LRFP will be reviewed and updated on an on-going basis. The LRFP identifies financial sustainability and resilience as its overarching goal.

### Financial Sustainability

- the enduring ability of The City to ensure that it can deliver the level and types of services expected by the community, while proactively assessing and managing associated risks, at acceptable levels of taxation and fees.
- the ability to balance revenue and expenditure constraints over the long term, beyond the ability to raise sufficient revenue to meet the current expenditures.



## Resilience

- The capacity of The City to recover from shocks and longer term stressors and to adapt and grow from disruptive experiences.
- Not only surviving shocks, but also thriving even under conditions of adversity.

The goal is further supported by five main financial strategies:

### 1. Flexibility

Being able to respond to changing circumstances which may relate to economic, social, environmental, or political conditions.

### 2. Efficiency

Using public funds in ways that provide the highest level of needed services possible within the amount of funding available.

### 3. Sufficiency

Having sufficient resources to support the delivery of services for which The City of Calgary bears responsibility.

### 4. Risk Management

Reducing risks to financial sustainability and resilience which, in turn, reduce risk to The City's ability to provide needed infrastructure and services consistent with The City's Integrated Risk Management approach.

### 5. Credibility

Achieving financial performance in a way that maintains and enhances public confidence in the municipal corporation.

## Capital Investments

The City of Calgary recognizes the importance of intentional capital investment that supports services, which in turn support the quality of life in our community, as per citizen input.

One Calgary marks a departure from the timing and process of previous business plans and budget cycles, where capital envelopes were provided to departments for allocation. The new process is one coordinated by a cross-corporate group, Infrastructure Calgary, with a focus on a corporate approach to capital investment that supports infrastructure resilience, organizational alignment and a cultural shift to integrated service delivery and intentional management of The City's capital portfolio. This optimizes the value of The City's investment, maximizing benefits to Calgarians. These concepts are included in a revised capital strategy, titled the Capital Infrastructure Investment Principles, approved by Council on 21 March 2018.

### Capital Infrastructure Investment Principles

Intentional management of capital at The City will:

#### 1. Support the delivery of City of Calgary services, at approved service levels

Capital investments facilitate the delivery of services to residents. Services and service levels are defined by Council through the approval of multi-year service plans and budgets. The primary criteria for identifying, prioritizing and funding capital investments will be the need for capital to deliver services at approved service levels and the associated operating impact of this capital.

## **2. Promote the well-being of communities, environment, and economy**

Capital investments are intended to promote the well-being of a community through improved connectivity, accessibility, inclusion, and environmental health as well as long-term resilience. The range of typical social, economic and environmental objectives accomplished through infrastructure investments includes benefits such as maintaining public safety and security, improving economic productivity, facilitating community cohesion, addressing risks and vulnerabilities for service providers, reducing the impact on climate change and enhancing public spaces and interactions within communities.

## **3. Build an adaptable, resilient and smart city**

With adaptable and resilient infrastructure, The City can better manage risks and vulnerabilities to shocks and stresses. Resilient infrastructure is designed to ensure service delivery (meeting the needs of today while anticipating and not compromising the needs of tomorrow), adaptation (capacity to withstand disruption, both natural and man-made), community preparedness and financial strength. Infrastructure should also be designed to be resilient to the effects of climate change, and respect and help maintain ecological and biological diversity.

Smart cities utilize data innovation and technology to better inform decisions on service delivery, purpose and size of capital investments, economic development and resident empowerment and inclusion. Capital infrastructure planning and investments provide potential opportunities to explore, incubate, and potentially utilize innovative technologies, design, services and practices.



## **4. Enhance the long-term value of City assets**

Capital planning and investment at The City requires a thorough appreciation of the long-term implications of service demand and asset needs, legal and regulatory provisions, technological trends, finance and asset ownership along with the integration of whole-of-life costing (i.e. asset acquisition, operation, maintenance and upgrades, and responsible disposal viewed through a single lens of asset stewardship). Capital planning and investment is necessary to deliver citizen facing services as well as supportive services (within The City's control), to maximize the value to residents while minimizing service disruption, public safety and security risks, energy and environmental impacts and whole-of-life cost. Adopting industry-standard systematic asset management practices reduces legal and reputational risks to The City and improves accountability and transparency to the tax payer.

To maximize the value of The City's previous and proposed capital investments, funding is required for the development of asset management plans addressing costs across the entire lifecycle (planning, building/acquisition, operation, maintenance, evaluation and eventual disposal) and the prioritization of municipal capital investment to support intensification prior to the completion of communities in planned and /or future greenfield areas. Maintaining the overall asset health is necessary to ensure The City's ability to reliably and sustainably deliver Council-approved levels of service. Resources need be allocated to achieve an appropriate balance between the maintenance and renewal of existing infrastructure and the demand for new growth infrastructure.

## **5. Integrate, coordinate and optimize The City's investment**

Capital investments should be managed in a way which provides maximum value to the community. An integrated and coordinated approach to capital planning, prioritization and funding – administered at the corporate level – refines investments, identifies efficiencies and achieves economies of scale. Where possible, The City's capital investments should contribute to multiple services and ensure continuity during times of normal use, emergency response and recovery. Regional benefits should also be considered.

Infrastructure investments may be coordinated or focused upon an identified investment need, support a service gap in the community, and/or contribute to alignment with external (i.e. private, provincial, federal) investment for a specific time. A directional investment focus may influence the corporate-level identification, prioritization and funding for capital investments.

Council recognizes the need to embrace appropriate levels of risk, innovation and experimentation as opportunities to improve. Capital planning and investments create opportunities to explore and potentially make use of innovative technologies, design, services and practices.

## **6. Optimize financing and funding sources**

The development of a fiscally sustainable corporate approach to financing and funding will maximize The City's opportunity to provide capital investments that support service delivery. Allocating the most restricted funding sources first, and switching accordingly (where permissible) to free up more flexible funding will enable The City to more effectively respond to current and emerging funding opportunities.

Focusing on long-term financial strategies, attracting private and other government investments and/or other alternative funding mechanisms (such as shared service delivery models and cost/revenue sharing mechanisms) creates the opportunity to realize greater economic and social value. Developing partnerships with external organizations to reach common goals for Calgarians will further promote entrepreneurship and investment within the city.

While The City remains in a fortunate capital funding situation compared to many other municipalities, and a significant investment will be made in the community, capital funding is more constrained for the upcoming cycle. Given the constraints, Infrastructure Calgary worked with service owners to refine the 2019-2022 capital budget requests, with a focus on identifying and optimizing funding to cover essential capital investments. Essential capital is defined as the capital investments needed to meet legal, regulatory, health and safety requirements, critical infrastructure, critical asset risk mitigation or minimize service delivery costs.

# Budget overview

The service plans and budgets together provide an outlook on what services citizens can expect from The City during the next four years. The budgets constitute the financial plan to support the service plans, which in turn reflect Citizen Priorities for 2019-2022.

Maintaining services in response to a recovering economy continues to be the immediate challenge for The City of Calgary. Over the longer term, responding to changing demographics and maintenance of The City's aging infrastructure

will continue to emerge as significant challenges. The One Calgary 2019-2022 service plans and budgets represent a public investment of \$22 billion to provide infrastructure and daily services to Calgarians.



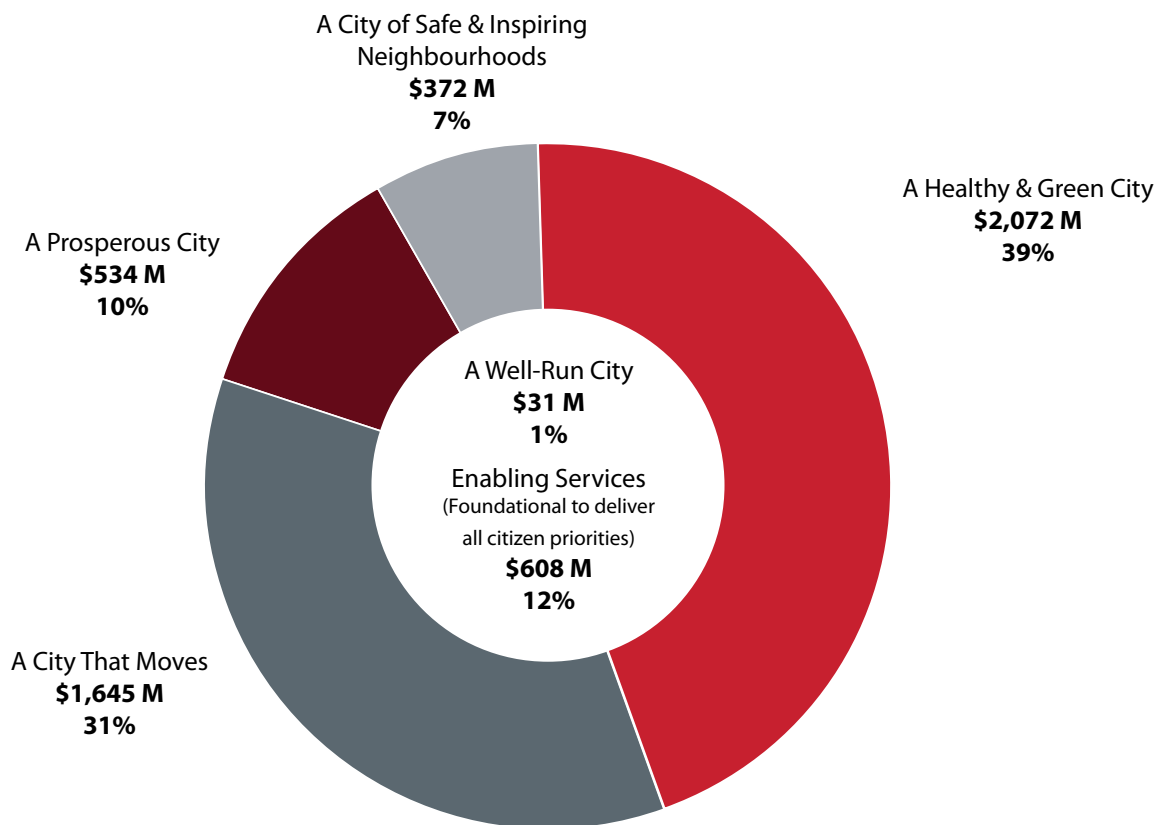
## Capital Budgets

The 2019-2023+ capital budget includes the total budget of investments that are anticipated to commence during the 2019-2022 period that may continue in 2023 and beyond. The five-year budget shows the complete impact of multi-year investments, as well as the distribution of expenditures and how funds are spread over time. The City's capital requirements are driven by many factors, such as rates of growth in the city, both population and area; the need to maintain and upgrade existing aging infrastructure, meet

industry standards; and government legislation and regulations. The proposed five-year capital budget for 2019-2023+ is \$5.3 billion (2015-2019 - \$7.6 billion). This includes \$3.6 billion for tax-supported operations and \$1.7 billion for utilities.

The capital budget is comprised of investments that will address all Citizen Priorities.

### The 2019-2023+ Proposed Capital Budget by Citizen Priority

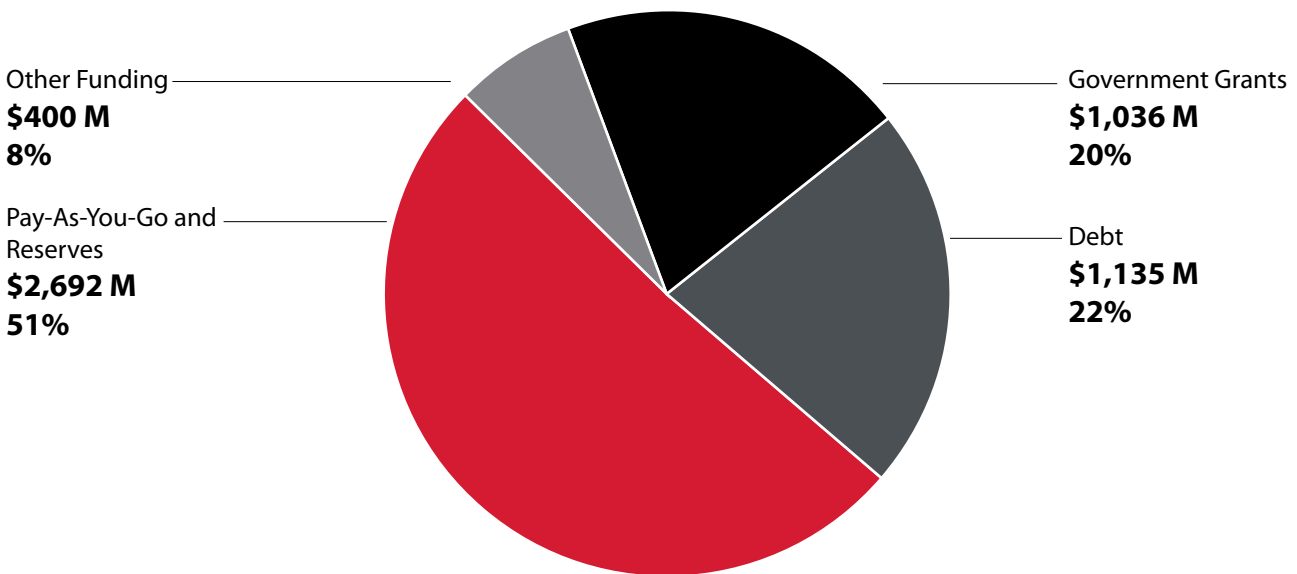


Excluded from the above totals is \$12.9 million of capital funding previously transferred to the Capital Budget Savings Account residing in Corporate Programs and identified as capacity for Infrastructure Calgary. This funding has either been committed through Council reports or has restrictions that limit the ability to allocate to the 2019-2023+ proposed capital budget.

## Funding the 2019-2023+ Proposed Capital Budget

- The City of Calgary funds its capital investments through a combination of external and internal sources. External sources include federal and provincial programs and grants, local improvement levies, and debentures, while internal sources include contributions from operations (Pay-As-You-Go) and specific reserves.
- The government programs and grants of \$1,036.4 million primarily includes MSI (\$554.7 million), Federal Gas Tax Fund (GTF) (\$293.1 million), and other (\$188.6 million). MSI monies are used to fund transportation, recreational, cultural and protective services projects, while the other monies are used primarily to fund transportation projects.
- Debt of \$1,134.5 million is another main funding source for capital expenditures. Funding from debentures is split among utilities (\$877.9 million) and tax-supported operations (\$3.2 million)/self-supported operations (\$253.4 million).
- The City has set up reserves to fund specific capital projects such as landfill, storm sewer upgrade, downtown improvements, legacy parks and lifecycle maintenance and upgrades. Contributions from reserves and PAYG are \$2,691.6 million.
- Contributions from the developers and local improvement levies (included in Other Funding of \$400.0 million) primarily help fund investments in Public Transit, Sidewalks & Pathways, Fire & Emergency Response, and Streets.

Funding the 2019-2023+ Proposed Capital Budget



**2019 – 2023+ Capital Budget: \$5.3 billion**

**2018 Capital Budget: \$2.0 billion (not included in the above totals)**

## Operating budget

The four-year operating budget represents the costs and funding required to provide for the ongoing operations of the City. The operating budget was based on considering a number of factors including citizen engagement; statistics from the Conference Board of Canada and Statistics Canada; population growth and indicative tax rates approved by Council.

Gross expenditure (net of recoveries) is expected to reach \$4.5 billion by 2022, an increase of \$551 million from 2018. Almost 72% of this increase is in the tax-supported areas, with the balance of the increase in the Utilities. Approximately \$40 million in efficiencies has been found plus Administration previously committed to an additional \$20 million over the four year period, the equivalent of an average 0.8 per cent annual tax increase over the cycle. Administration is also committing to a further \$40 million in efficiencies to offset one-time costs. The One Calgary 2019 - 2022 operating budget represents a total investment of \$17.2 billion in base budget and \$92.9 million in one-time budget.

Impact of inflation is expected to increase net expenditures (net of recoveries and service specific revenues) by \$146 million by 2022. This is largely driven by increases in contract & general services, with further pressure from fuel, natural gas/propane and other commodities.

The operating costs of capital projects that will be completed in this budget cycle is expected to add another \$87 million to the base budget and \$23 million in one-time budget. Of these amounts, \$55 million in base budget is the result of capital projects that have been previously approved in previous business plan and budget cycles.

An addition of \$551 million in operational investments in The City services by 2022, such as Wastewater Collection & Treatment (\$128 million) and Public Transit (\$64 million), along with public safety areas such as Police Services (\$25 million), while also maintaining Streets (\$25 million) and Sidewalks & Pathways (\$14 million).

Through growth and rate increases, non-tax revenue is expected to rise by \$233 million. This is driven in part by an annual increase in the Waste & Recycling rates. The increase of \$4.40 per household per month in 2019 is due to a new Residential Black Cart Program fee as this program moves from tax-support to self-support, and the Residential Green Cart Program moving to full self-support in 2019.

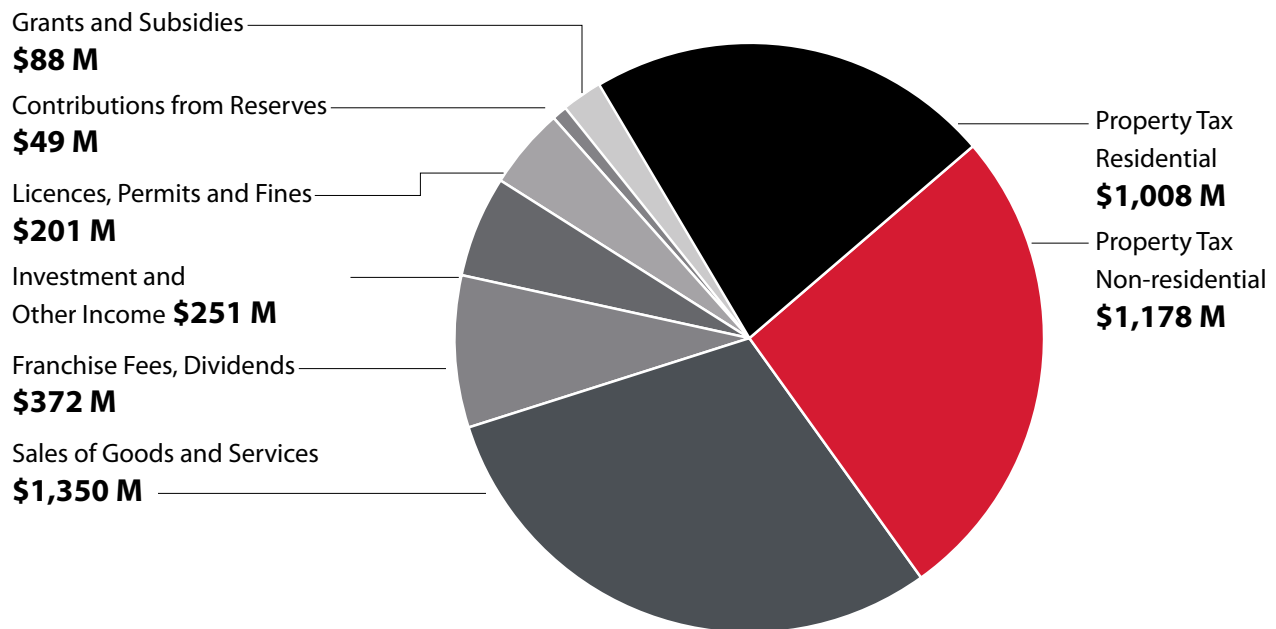
The total property tax revenue will increase \$319 million in 2019-2022. Property tax revenue increases are due from property tax rate increases as set by Council and through physical growth. Physical growth consists of renovations and new buildings and lots. Property tax rate increases are anticipated to increase property tax revenues by \$202 million by 2022. Physical growth in the property tax base is anticipated to increase tax revenue by \$117 million by 2022. The typical household overall will pay an additional \$23.92 per month by 2022 (Property tax increase \$20.55 per month; Utilities decrease \$2.23 per month; and Waste & Recycling increase \$5.60 per month).



## Funding the 2022 Operating Budget

- The City of Calgary has limited number of revenue sources with which to fund its operations. The single largest non-tax contribution to our revenues (about 30 per cent of the corporate total) is the sale of goods and services, of which approximately 58 per cent is from Utilities, 15 per cent is from Public Transit and 10 per cent is from Waste & Recycling.
- Other funding sources include franchise fees, investment income, contributions from operating reserves, licenses, permits and fines.
- The property tax revenues are the factors that produce a balance budget; together they constitute 49 per cent of corporate revenue.
- On this chart, \$111.3 million has been adjusted to remove double counting of franchise fees and dividends paid by Utilities to the City's operating fund. Utilities is composed of Stormwater Management, Waste Water Collection & Treatment and Water Treatment & Supply.

### Funding the 2022 Operating Budget



## 2022 Operating Budget Funding: \$4.4 billion

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

	2019	2020	2021	2022
Property tax rate increase	3.45%	3.03%	3.03%	3.03%
Property tax (based on 2018 Assessment of \$480,000)	\$5.40	\$4.90	\$5.05	\$5.20
Utilities decrease rate	-0.3%	-0.4%	-0.7%	-0.5%
Utilities	-\$0.32	-\$0.52	-\$0.79	-\$0.60
Waste & Recycling (Note 1)	\$4.40	\$0.40	\$0.40	\$0.40
<b>Total</b>	<b>\$9.48</b>	<b>\$4.78</b>	<b>\$4.66</b>	<b>\$5.00</b>

Note 1: The increase of \$4.40 in 2019 is due to a new Residential Black Cart Program fee as this program moves from tax-support to self-support, and the Residential Green Cart Program moving to full self-support in 2019.







**VALUE**

# The conversation between Administration and the Community

This section is about VALUE: How Administration will ensure the Community receives value through the services we deliver over the next four years.



## What is the value provided to citizens and customers?

The value The City provides is clearer when we present our business plans and budgets by service. Our community will better understand what they are getting for their tax dollars and tell us what they value most. As a result, we will be able to provide better service. This conversation is measured by our service value, which is woven throughout each service.

### The Value story in each Service Plan and Budget

Each plan and budget is designed to tell a short and powerful story of the service. The first page of each plan provides background information: why The City provides the service and the current service value (results and cost). The next page provides information on what drivers may affect the service in the next four years, including key trends, Council's direction, citizen input and key value dimensions. Page three of each plan provides three to five headline performance measures which relate to the key drivers on page two. Based on the key drivers and performance, services propose strategies on page four to maximize service value. Pages five onward provide the operating and capital budgets to support this service delivery.



**Service need and current performance**

→  
**Provides background for**

Key service drivers for 2019-2022 (trends, Council direction, citizen input, value dimensions)

→  
**Informs**

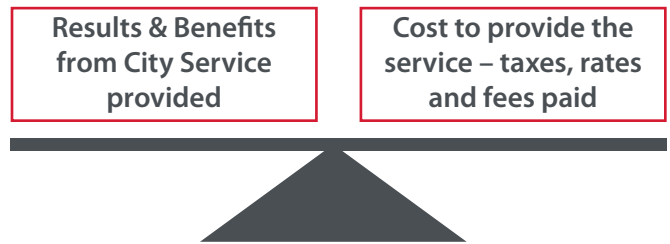
Which performance measures to focus on  
Key service strategies

→  
**Determines**

Operating and capital budgets required to deliver service results

## Defining Service Value

At its core, the value a service provides can be described as the balance between what is provided (results and benefits) and the cost of providing the service.



### Results & Benefits:

From a service perspective, an emphasis has been placed on identifying and measuring the key results the service provides that solves the identified needs both from individual citizens and the community as a whole. These are called value dimensions – the short-term (e.g. Functional) and long-term (e.g. Social Impact, Emotional, Life Changing) benefits the service provides.

Each service plan and budget has a consistent format that includes the following information to help quantify the results & benefits:

- Service Need (Value Dimension) – Why do we provide the service? What need is being met?
- Current State Service Value Statistics – Key service statistics
- What Matters (Key Value Dimensions for the service)
- Benchmarking
- Service Performance

### Cost to Provide the Service:

The cost and the benefits & results together provide the necessary information to make an informed judgment on value. Each Service Plan & Budget includes the following cost information:

- Breakdown of the 2018 service gross operating expenses (how the service is funded)
- Proposed 2019-2022 Operating Budget
- Proposed 2019-2023+ Capital Budget

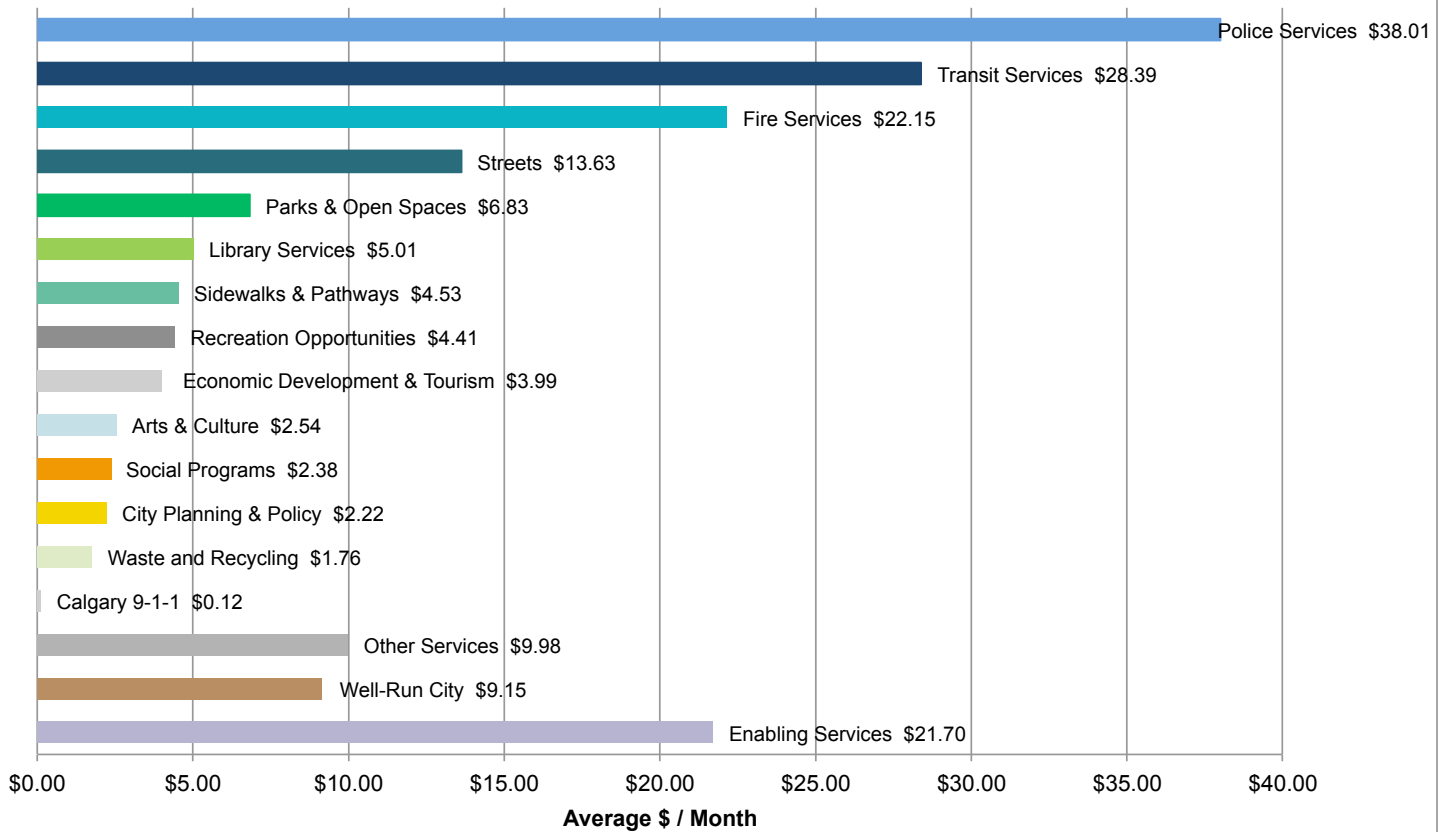
### Communicating Value:

There is one item that brings together both the cost of the service and the results and benefits:

- Service Cost Ratio – communicating the value of the service in a way that is relatable to citizens



## How Property Tax Dollars Are Invested Every Month For A Typical Calgary Household (2022) Total: \$176.80



- 1) Other Services includes Urban Forestry, Community Strategies, Bylaw Education & Compliance, Affordable Housing, Neighbourhood Support, Environmental Management, Emergency Management & Business Continuity, Pet Ownership & Licensing, Parking, City Cemeteries, Development Approvals, Land Development & Sales, Stormwater Management, Building Safety, Business Licensing, Taxi, Limousine & Vehicles for Hire, Water Treatment & Supply, and Wastewater Collection & Treatment.
- 2) Well-Run City includes Property Assessment, Corporate Governance, Mayor and Council, Executive Leadership, Citizen Information and Services, Citizen Engagement and Insights, Taxation, Appeals and Tribunals, Council and Committee Support, Records Management, Access and Privacy, City Auditor's Office, and Municipal Elections.
- 3) Enabling Services includes IT Solutions and Support, Facility Management, Human Resources Support, Financial Support, Legal Counsel and Advocacy, Corporate Security, Procurement and Warehousing, Infrastructure Support, Organizational Health, Safety and Wellness, Data Analytics and Information Access, Strategic Marketing and Communications, Real Estate, Insurance and Claims, and Fleet Management.

**Learn more about how your property tax dollars are being spent and get the tax breakdown for your household at [calgary.ca/tax-breakdown](https://calgary.ca/tax-breakdown). This tool will be updated in 2019 to reflect the approved 2019-2022 Service Plans and Budgets.**





# The City of Calgary's Services

Below are services The City of Calgary provides. We work together as One for Calgary to provide service value for citizens, customers and communities.



A Prosperous City	A City of Safe & Inspiring Neighbourhoods	A City That Moves	A Healthy & Green City	A Well-Run City					
<ul style="list-style-type: none"> <li>Affordable Housing*</li> <li>Arts &amp; Culture*</li> <li>Business Licensing</li> <li>Community Strategies*</li> <li>Economic Development &amp; Tourism*</li> <li>Land Development &amp; Sales</li> <li>Library Services*</li> <li>Social Programs</li> </ul>	<ul style="list-style-type: none"> <li>Building Safety</li> <li>Bylaw Education &amp; Compliance</li> <li>Calgary 9-1-1</li> <li>City Cemeteries</li> <li>City Planning &amp; Policy*</li> <li>Development Approvals</li> <li>Emergency Management &amp; Business Continuity</li> <li>Fire &amp; Emergency Response</li> <li>Fire Inspection &amp; Enforcement</li> <li>Fire Safety Education</li> <li>Neighbourhood Support</li> <li>Pet Ownership &amp; Licensing</li> <li>Police Services</li> </ul>	<ul style="list-style-type: none"> <li>Parking</li> <li>Public Transit</li> <li>Sidewalks &amp; Pathways</li> <li>Specialized Transit</li> <li>Streets</li> <li>Taxi, Limousine &amp; Vehicles-for-Hire</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Management</li> <li>Parks &amp; Open Spaces*</li> <li>Recreation Opportunities*</li> <li>Stormwater Management</li> <li>Urban Forestry</li> <li>Waste &amp; Recycling</li> <li>Wastewater Collection &amp; Treatment</li> <li>Water Treatment &amp; Supply</li> </ul>	<ul style="list-style-type: none"> <li>Appeals &amp; Tribunals</li> <li>Citizen Engagement &amp; Insights</li> <li>Citizen Information &amp; Services</li> <li>City Auditor's Office</li> <li>Corporate Governance</li> <li>Council &amp; Committee Support</li> <li>Executive Leadership</li> <li>Mayor &amp; Council</li> <li>Municipal Elections</li> <li>Property Assessment</li> <li>Records Management, Access &amp; Privacy</li> <li>Taxation</li> </ul>					
<table border="0"> <tr> <td data-bbox="142 1367 414 1543"> <b>Enabling Services</b> (foundational to all five Citizen Priorities)                 </td> <td data-bbox="418 1367 685 1543"> <ul style="list-style-type: none"> <li>Corporate Security</li> <li>Data Analytics &amp; Information Access</li> <li>Facility Management</li> <li>Financial Support</li> </ul> </td> <td data-bbox="690 1367 956 1543"> <ul style="list-style-type: none"> <li>Fleet Management</li> <li>Human Resources Support</li> <li>Infrastructure Support</li> <li>Insurance &amp; Claims</li> </ul> </td> <td data-bbox="961 1367 1227 1543"> <ul style="list-style-type: none"> <li>IT Solutions &amp; Support</li> <li>Legal Counsel &amp; Advocacy</li> <li>Organizational Health, Safety &amp; Wellness</li> </ul> </td> <td data-bbox="1232 1367 1502 1543"> <ul style="list-style-type: none"> <li>Procurement &amp; Warehousing</li> <li>Real Estate</li> <li>Strategic Marketing &amp; Communications</li> </ul> </td> </tr> </table>					<b>Enabling Services</b> (foundational to all five Citizen Priorities)	<ul style="list-style-type: none"> <li>Corporate Security</li> <li>Data Analytics &amp; Information Access</li> <li>Facility Management</li> <li>Financial Support</li> </ul>	<ul style="list-style-type: none"> <li>Fleet Management</li> <li>Human Resources Support</li> <li>Infrastructure Support</li> <li>Insurance &amp; Claims</li> </ul>	<ul style="list-style-type: none"> <li>IT Solutions &amp; Support</li> <li>Legal Counsel &amp; Advocacy</li> <li>Organizational Health, Safety &amp; Wellness</li> </ul>	<ul style="list-style-type: none"> <li>Procurement &amp; Warehousing</li> <li>Real Estate</li> <li>Strategic Marketing &amp; Communications</li> </ul>
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\*Service includes Civic Partners



18-00508073

# Service owner commitment

The service plans and budgets were developed through the collective effort of hundreds of employees from across the organization. The dedication and leadership shown by each and every person who touched this process was incredible. On behalf of everyone involved, we as service owners are committed to providing value for citizens and making life better every day through the 2019-2022 Service Plans and Budgets commitment.

<p><b>Sarah Woodgate</b> Affordable Housing</p> 	<p><b>Kathy Palmer</b> City Auditor's Office</p> 	<p><b>Darren Lockhart</b> Development Approvals</p> 	<p><b>Ken Uzeloc</b> Fire Inspection &amp; Enforcement</p> 	<p><b>Jill Floen</b> Legal Counsel &amp; Advocacy</p> 
<p><b>Laura Kennedy</b> Appeals &amp; Tribunals</p> 	<p><b>Gary Daudlin</b> City Cemeteries</p> 	<p><b>Lori Kerr</b> Economic Development &amp; Tourism</p> 	<p><b>Ken Uzeloc</b> Fire Safety Education</p> 	<p><b>Lori Kerr</b> Library Services</p> 
<p><b>James McLaughlin</b> Arts &amp; Culture</p> 	<p><b>Joachim Mueller</b> City Planning &amp; Policy</p> 	<p><b>Tom Sampson</b> Emergency Management &amp; Business Continuity</p> 	<p><b>Sharon Fleming</b> Fleet Management</p> 	<p><b>Laura Kennedy</b> Municipal Elections</p> 
<p><b>Marco Civitarese</b> Building Safety</p> 	<p><b>Melanie Hulsker</b> Community Strategies</p> 	<p><b>Christopher Collier</b> Environmental Management</p> 	<p><b>Leslie Shikaze</b> HR Support</p> 	<p><b>Cheryl Joynt</b> Neighbourhood Support</p> 
<p><b>Kent Pallister</b> Business Licensing</p> 	<p><b>Brad Stevens</b> Corporate Governance</p> 	<p><b>Jeff Fielding</b> Executive Leadership</p> 	<p><b>Steve Wyton</b> Infrastructure Support</p> 	<p><b>Christopher Collier</b> Organizational Health, Safety &amp; Wellness</p> 
<p><b>Doug Odney</b> Calgary 9-1-1</p> 	<p><b>Owen Key</b> Corporate Security</p> 	<p><b>Darrel Bell</b> Facility Management</p> 	<p><b>Fazal Ashraf</b> Insurance &amp; Claims</p> 	<p><b>Glen Furtado</b> Parking</p> 
<p><b>Krista Ring</b> Citizen Engagement &amp; Insights</p> 	<p><b>Laura Kennedy</b> Council &amp; Committee Support</p> 	<p><b>Cathy An</b> Financial Support</p> 	<p><b>Heather Reed-Fenske</b> IT Solutions &amp; Support</p> 	<p><b>Nico Bernard</b> Parks &amp; Open Spaces</p> 
<p><b>Clarke Bellamy</b> Citizen Information &amp; Services</p> 	<p><b>Bruce Cullen</b> Data Analytics &amp; Information Access</p> 	<p><b>Steve Dongworth</b> Fire &amp; Emergency Response</p> 	<p><b>Chad Blash</b> Land Development &amp; Sales</p> 	

**Alvin Murray**  
Pet Ownership & Licensing



**Doug Cassidy**  
Real Estate



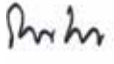
**Doug Morgan**  
Specialized Transit



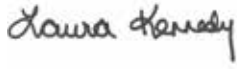
**Abdul Rafih**  
Taxi, Limousine & Vehicles-for-Hire



**Paul Cook**  
Police Services



**Laura Kennedy**  
Records Management,  
Access & Privacy



**Rob Spackman**  
Stormwater Management



**Todd Reichardt**  
Urban Forestry



**Sarah Aspinall**  
Procurement & Warehousing



**James McLaughlin**  
Recreation Opportunities



**Aisha Sinclair**  
Strategic Marketing  
& Communications



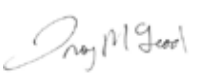
**Rick Valdarchi**  
Waste & Recycling



**Nelson Karpa**  
Property Assessment



**Troy McLeod**  
Sidewalks & Pathways



**Troy McLeod**  
Streets



**Dan Limacher**  
Wastewater Collection  
& Treatment



**Doug Morgan**  
Public Transit



**Cynthia Busche-Hiebert**  
Social Programs



**Mike Perkins**  
Taxation



**Nancy Stalker**  
Water Treatment & Supply















# Affordable Housing

Led by: Calgary Housing

## Description:

Great cities are places where everyone can afford to live and work. Affordable housing is a critical component of our great city and a vital contributor to our citizens' successes, making Calgary's communities affordable, inclusive and accessible for all. The Affordable Housing service improves outcomes for individuals and families by transforming the housing system through stakeholder collaboration, and contributing to increase the non-market housing supply by using every municipal lever to fund, develop, enable, partner and leverage. The service also provides 2,433 City-owned non-market homes for low and moderate income Calgarians, helping to prevent and reduce poverty in Calgary.

## Customers:

- Low and moderate income Calgarians who apply for affordable housing (e.g., seniors, Indigenous people and families);
- Non-profit housing providers;
- Non-profit agencies; and,
- Affordable housing residents

## What is delivered to customers:

- New and regenerated City affordable homes;
- City land at below-market cost to scale-up non-profit operations;
- Prioritized planning service, and incentives for affordable housing development; and,
- Programs delivered by The City and non-profit agencies to improve outcomes for affordable housing residents.

## Partners:

- Calgary Housing Company to operate City-owned affordable housing;
- Silvera for Seniors to provide seniors lodge housing;
- Community Housing Affordability Collective to create systemic changes in affordable housing delivery;
- Non-profit housing providers and private developers to develop affordable housing; and,
- Provincial and federal governments to collaborate on affordable housing opportunities.

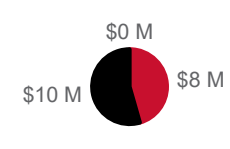

## Service need (value proposition):

Affordable housing is foundational to community prosperity by: creating local jobs; strengthening residents' purchasing power; attracting employers with a stable workforce; and reducing demand for emergency services, saving \$34,000 per homeless person housed.

The private housing market meets the needs of 78% of Calgary's households. Of those remaining, 3.6% are supported by government and non-profits, but 18% struggle with housing costs. Housing is especially unaffordable for low income earners, including Indigenous people, newcomers, people with disabilities, lone parent households and seniors. In 2016 60% of Calgarians and 66% of Indigenous people earning less than \$60,000 annually spent over 30% of income on shelter.

Addressing this need requires collective action. City investment is vital for the sector to leverage and stack federal and provincial funds to increase housing supply.

## Current state service value

<p><b>15,000</b> New non-market homes, 10yr sector target</p> <p><b>53,000</b> Calgary households in core housing need</p>	<p><b>2,249</b> New non-market homes created 2016-2018</p> <p><b>777</b> Subsidized supportive homes for seniors</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$10</b> Annual Municipal Operating Cost per Calgarian to Deliver Affordable Housing</p> <p><small>*Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget. The pie chart includes Provincial funding that flows to Calgary Housing Company, while the Service Ratio does not.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>•Corporate Affordable Housing Strategy Implementation \$11,246 (\$4,538 base/debt servicing/reserve and \$6,708 one-time);</li> <li>•Silvera for Seniors Lodge Program (mandated by the Alberta Housing Act) - provides supportive housing for low income seniors in lodges in Calgary \$1,399 (\$1,365 Civic Partners and \$34 Calgary Neighbourhoods);</li> <li>•Cost to offset City-owned affordable housing operated by Calgary Housing Company \$542.</li> </ul>
		<p><b>Key Capital Investments</b></p> <p>Projects to increase affordable housing supply, including: critical lifecycle maintenance programs, development of new and redevelopment of existing City properties and capital requirements as per the Alberta Housing Act for Silvera for Seniors.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

In the 2018 Citizen Satisfaction Spring Pulse Survey, affordable housing was Calgarians' top priority for investment, with 93% of residents urging The City to invest the same or more. 95% of Calgarians indicated that affordable housing for low-income families and individuals was important. With an increased operating budget, Affordable Housing can meet citizen priorities by using every municipal lever to improve the housing system and contribute to increased affordable housing supply.

## What Council has directed

Affordable Housing delivers the Corporate Affordable Housing Strategy and aligns with and contributes to the Enough for All Strategy, the Senior Age-Friendly Strategy and the citizen priority 'A Prosperous City,' making Calgary a place with opportunity for all where everyone can afford to live and work. The service develops, delivers programs and partners with other orders of government, nonprofit organizations and businesses to provide equitable access to and sufficient supply of affordable housing (P4, P5); advocates and engages other orders of government to meet Calgary's affordable housing needs (P5); maintains the safety and quality of existing City affordable housing (P5); ensures Calgary's neighbourhoods are inclusive and housing affordability is maintained as the city grows (N1, N5); and streamlines City planning processes and approvals for affordable housing development (W2).

## What are we watching

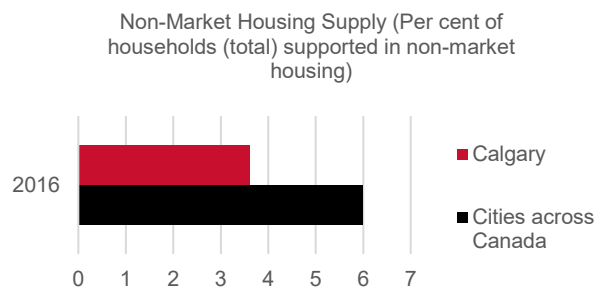
New funding opportunities: In 2017 the provincial and federal governments identified affordable housing as a top priority by announcing strategies with significant funding, including funding targeted for off-reserve Indigenous housing.

Condition of existing affordable housing supply: The City and other housing providers face aging properties, outdated programs, and expiring operating funding agreements.

Increasing need; Rate of core housing need in Calgary grew fastest (26%) among Canada's eight largest cities (average 3.4%) between 2006-2016. Calgary's low income rates have not changed significantly since 2006. In 2016, there were 121,990 Calgarians classified as low income.

Changing demographics: Calgary's Indigenous population grew by 35% between 2006-2016. Calgary's senior population is growing and by 2036, nearly one in five Calgarians will be a senior (estimated).

## Benchmarking



Source: Housing in Calgary: An inventory of housing supply, 2015/2016 (City of Calgary); Building From the Ground Up, March 2010 (The Conference Board of Canada) -Report cites Wellesley Institute National Housing Report Card, 2008

Only 3.6% (total) of households in Calgary are supported by non-market housing, compared to 6% (total) of households nationwide. To reach the 2016 national average Calgary would need to add approximately 15,000 new affordable housing units. A lack of overall rental stock and expensive rents for low-income households, relative to other major Canadian cities, adds to Calgary's supply challenge. The City is using every municipal lever to address the affordable housing supply deficit and improve outcomes for affordable housing residents through collaboration and housing system transformation.

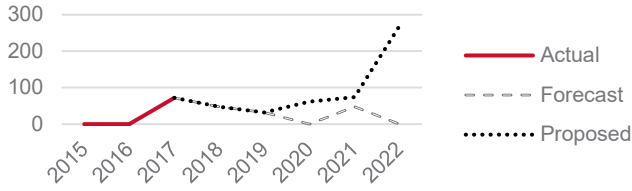
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Affordability	Public, private, non-profit partners, and The City build new affordable homes for low and moderate income Calgarians
Safety	City-owned affordable housing is safe, secure and well maintained
Availability	The City partners to provide incentives and scales up non-profits to build new affordable homes faster and easier
Prevention	The City enables and facilitates partnerships to support affordable housing residents to achieve their highest potential
Accessibility	The City and partners collaborate on housing programs and services that support tenants and are clear and easy to find



## How is the Service performing? Where we are headed and where do we want to go?

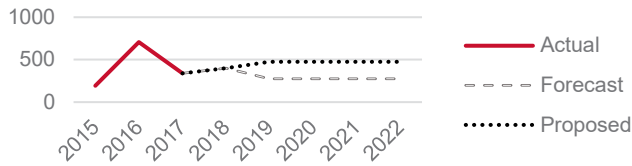
New City owned affordable homes developed through leveraged federal or provincial funding (number of homes opened)



### Story behind the curve

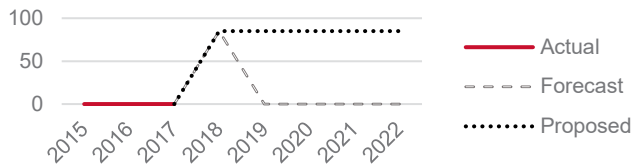
Affordable Housing's base operating budget increase allows continued implementation of the Corporate Affordable Housing Strategy, turning the curve for performance measures by: supporting and scaling up the non-market housing sector; developing, regenerating and repairing City-owned affordable housing; leveraging significant provincial and federal government funding and strategy commitments; improving the well-being of residents; and supporting cross-sector collaboration to improve the housing system.

New affordable homes planned for development by other non-market housing providers that are supported through City initiatives (number of homes counted at development permit approval)



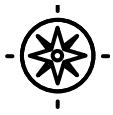
New City affordable homes: With increased investment to continue support of The City's affordable housing capital development program, 437 homes will be delivered (2019-22) which include: 187 new homes, 196 redeveloped homes and 54 homes acquired through land sales by leveraging \$0.70 of provincial and federal funding on the dollar; without this investment, only 80 homes total would be built.

Satisfaction with Home Program activities to improve self-sufficiency and community well-being for affordable housing residents (per cent of surveyed respondents satisfied)



New non-profit affordable homes: Increased investment supports the continuation of the Housing Incentive Program, which covers pre-development costs and rebates City fees for affordable housing, and the City's land program, which disposes land at below market cost to non-profit housing providers. These programs support the sector to deliver 1,900 homes (2019-22), almost double than without these programs.

Improved resident outcomes: The City's Home Program partners with non-profit organizations to impact the demand side of affordable housing and support affordable housing residents toward greater self-sufficiency and community well-being. A 2018 interim third-party evaluation of the program found early success in increasing housing stability, improving financial competency, enabling access to community well-being services, and empowering residents to lead. Increased investment allows for continuation of the Home Program, with 85% of customers satisfied with programs.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Get the Calgary community building by providing incentives and expediting approvals for the development of affordable homes.
Leverage City land to support non-profit housing providers to build assets, increase operational capacity and develop more affordable homes.
Leverage provincial/federal funding to design and build City affordable homes by implementing the 10 Year Affordable Housing Capital Program.
Regenerate and maintain City-owned affordable housing to ensure the health and safety of residents.
Strengthen intergovernmental partnerships to collaborate with and engage other orders of government in affordable housing needs for Calgary.
Improve the housing system by supporting affordable housing residents' well-being and the Community Housing Affordability Collective.
Research, collect and analyze affordable housing data to inform policy, advocacy and decision-making.

#### Why?

By implementing the Corporate Affordable Housing Strategy, we deliver on Council's directive to partner, support and contribute to sufficient supply of affordable housing; positioning The City to leverage provincial and federal funding and ensure the safety and quality of aging City-owned affordable homes.

### What we propose to do less of

STRATEGY
Spending on energy efficiencies.

#### Why?

Our top investment priorities are on life-safety and critical maintenance repairs for City-owned affordable housing which take precedence over spending on energy efficiencies.

### What we propose to do more of or include as a new offering

STRATEGY
Increase funding (provincially legislated) for Silvera's Senior Lodge Program to meet operating deficits and regulatory requirements
Provide an Affordable Housing Resource (1.0 FTE) to support development of off-reserve Indigenous housing in Calgary, starting in 2020.
Implement a new, transformational model for City- and provincially-owned social housing over the long-term to prevent unit closures.

#### Why?

Affordable Housing is Calgarians' top priority for increased investment. These strategies invest more in housing for Calgary's growing senior population; offer new support to facilitate relationships and housing applications for urban Indigenous affordable housing development; and prevent unit closures and enable tenants to be better off in a financially sustainable social housing model.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
New City owned affordable homes developed through leveraged federal or provincial funding (number of homes opened)	48	↑
New affordable homes planned for development by other non-market housing providers that are supported through City initiatives (number of homes counted at development permit approval)	400	↑
Satisfaction with Home Program activities to improve self-sufficiency and community well-being for affordable housing residents (per cent of surveyed respondents satisfied)	85	↔

### Breakdown of net operating budget - Affordable Housing Service Excluding Calgary Housing Company (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	8,232	15,301	12,785	13,181
Less Previous Year one Time	(4,569)	(3,730)	(200)	-
Base	3,663	11,571	12,585	13,181
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	60	64	62	64
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(44)	(48)	(46)	(48)
Service Reductions	-	-	-	-
Service Increases	7,892	998	580	759
One Time	3,730	200	-	-
Realignments	-	-	-	-
Total	15,301	12,785	13,181	13,956

### Operating Grants to Civic Partner (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Silvera for Seniors	1,365	5,867	6,725	7,265	8,024

### Total Operating Budget (\$000s) for Approval - Affordable Housing Service Excluding Calgary Housing Company

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	18,069	19,269	6,230	25,499	20,283	200	20,483	20,879	-	20,879	21,654	-	21,654
<b>Recoveries</b>	(1)	(1)	-	(1)	(1)	-	(1)	(1)	-	(1)	(1)	-	(1)
<b>Revenue</b>	(9,836)	(7,697)	(2,500)	(10,197)	(7,697)	-	(7,697)	(7,697)	-	(7,697)	(7,697)	-	(7,697)
<b>Net</b>	8,232	11,571	3,730	15,301	12,585	200	12,785	13,181	-	13,181	13,956	-	13,956



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

### Operating Budget (\$000s) for Approval - Calgary Housing Company's Operating Budget relating to City-owned portfolios

	2018 Budget	2019			2020			2021			2022		
	At May 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	27,651	31,830	-	31,830	32,545	-	32,545	33,548	-	33,548	34,217	-	34,217
<b>Revenue</b>	(27,725)	(32,616)	-	(32,616)	(32,962)	-	(32,962)	(33,576)	-	(33,576)	(34,229)	-	(34,229)
<b>Accumulated Surplus Allocation*</b>	74	786	-	786	417		417	28	-	28	12	-	12
<b>Net</b>	-	-	-	-	-	-	-	-	-	-	-	-	-

\* CHC is requesting that surpluses generated from the City partnership portfolio are retained by CHC to be invested in lifecycle maintenance required by any City-owned properties

Note: Calgary Housing Company's 2018 Budget is as at May 31st which is different than the March 31st as at date for the rest of the service. Calgary Housing Company is a wholly owned subsidiary of The City of Calgary and has chosen to present 2018 Budget as at May 31, 2018 which reflects approval of the social housing funding from the Province.

### Calgary Housing Company Total Operating Budget (\$000s) for Information

	2018 Budget	2019			2020			2021			2022		
	At May 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	104,421	105,953	-	105,953	105,881	-	105,881	108,140	-	108,140	110,106	-	110,106
<b>Revenue</b>	(110,040)	(115,705)	-	(115,705)	(107,713)	-	(107,713)	(109,988)	-	(109,988)	(110,542)	-	(110,542)
<b>Accumulated Surplus Allocation</b>	5,619	9,752	-	9,752	1,832	-	1,832	1,848	-	1,848	436	-	436
<b>Net</b>	-	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		8,131	21,777	44,682	40,263	26,000	140,853
403994	Affordable Housing Redevelopment	200	12,800	32,800	34,400	26,000	106,200
403995	Lifecycle Maintenance	5,214	6,261	9,165	4,505	-	25,145
480350	Silvera for Seniors - LMP	2,716	2,716	2,716	1,358	-	9,507
Project(s)		-	-	-	-	-	-
Program(s)		-	3,562	2,853	2,835	-	9,250
403980	Increase Affordable Housing Supply	-	3,562	2,853	2,835	-	9,250
<b>Sub-Total (New Budget Requests)</b>		8,131	25,339	47,535	43,098	26,000	150,103
Previously Approved Budget Remaining		36,709	-	-	-	-	36,709
<b>Total Capital Investment</b>		44,840	25,339	47,535	43,098	26,000	186,812

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 403994: Affordable Housing Redevelopment

New Budget Request of \$106,200 thousand to redevelop/regenerate existing affordable housing. This program will position The City to leverage provincial and federal funding.

Funding from Pay-As-You-Go (\$31,860 thousand) is contingent on receiving provincial and federal funding.

Operating Impact of Capital: None

#### Activity 403995: Lifecycle Maintenance

New Budget Request of \$25,145 thousand to address critical lifecycle maintenance repairs on City-owned affordable housing to ensure the health and safety of tenants.

Funding from Lifecycle Maintenance & Upgrade Reserve.

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 480350: Silvera for Seniors -LMP

New Budget Request of \$9,507 thousand for a lifecycle program to maintain these facilities in good working condition over the next 4 years.

Funding from Lifecycle Maintenance & Upgrade Reserve.

Operating Impact of Capital: None

### Program(s)

#### Activity 403980: Increase Affordable Housing Supply

New Budget Request of \$9,250 thousand to increase the supply of affordable housing. This program will position The City to leverage provincial and federal funding.

Funding from Pay-As-You-Go (\$2,775 thousand) is contingent on receiving provincial and federal funding.

Operating Impact of Capital: None







# Arts & Culture

Led by: Calgary Recreation

## Description:

We contribute to building Calgary's cultural landscape, creating vibrant communities and inspiring people to live creative lives by investing in the arts and culture sector. With partners across the community, we provide arts and culture experiences to Calgarians and visitors by supporting the production and delivery of festivals and events; commissioning, acquiring and maintaining public art; and planning for publicly accessible art and cultural spaces and facilities. Together with Calgary Arts Development Authority (CADA) we support a variety of visual and performing arts programming.

## Customers:

Our customers include citizens; festival and event organizers; visual and performing arts participants, including families, children, youth, seniors and adults; arts organizations; partners; educational organizations; community stakeholders; and artists.

## What is delivered to customers:

Together with CADA we support a variety of visual and performing arts activities in Calgary. We produce and provide support for the production and delivery of festivals and events. We offer visual and performing arts programming for Calgarians of all ages and abilities and coordinate The City's public art program.

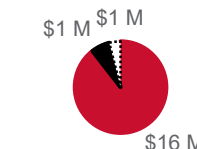

## Partners:

Our partners include: City of Calgary business units (e.g. Parks, Roads); City lines of service (e.g. Economic Development and Tourism); Civic Partner (Calgary Arts Development Authority); short-term project partners (e.g. National Music Centre, cSPACE, Decidedly Jazz); and community partners (e.g. Action Dignity, Calgary school boards).

## Service need (value proposition):

Individuals and communities want opportunities to connect, enjoy festivals, events, ethnic and cultural experiences, and to express and see themselves through artistic creation. Individual and community wellbeing is supported by connecting people to each other through opportunities that are stimulating and evoke emotion. Citizens benefit from opportunities to enjoy ethnic and cultural experiences in harmony through festivals and events. Public art transforms the way Calgarians see, think and experience the city. Economic development is strengthened by a vibrant arts and culture scene and strong creative industries by bringing talent, tourism and businesses to our city. Arts and culture allows exploration of self-expression, to experience and create, improving mental health and developing social skills through a wide range of visual and performing arts programs.

## Current state service value

<p><b>\$20.00</b> revenue generated for every \$1 invested</p> <p><b>612</b> City-supported festival and event days</p>	<p><b>72%</b> of participants satisfied with festivals and events</p> <p><b>\$24.7M</b> raised for charity through events</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$13.50</b> Annual operating cost per resident</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Festivals and Events - \$7,380          Investments in Calgary Arts Development Authority (CADA) to deliver arts and culture opportunities - \$6,410          Visual and Performing Arts (Recreation Art Centres) - \$2,185          Public Art - \$1,182</p> <p>Note: Budget for Sub-services only includes base operating funding.</p> <p><b>Key Capital Investments</b></p> <p>Funds from the Cultural Municipal Sustainability Initiative have been allocated to address an existing service gap in arts and culture spaces. Currently, capital funding of public art is within individual service lines.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Our art centre customers see many benefits of arts and culture activities and events, including increased quality of life (84 per cent), stronger community (84 per cent), fun and entertainment (71 per cent), and better mental health (67 per cent). Most Calgarians (83 per cent) say that support for arts and culture is important and 81 per cent agree arts and culture are key to creating a vibrant city. Calgarians support increased access to free and low-cost cultural activities (71 per cent), believe that supporting local arts in Calgary is an important part of being a good citizen (66 per cent), and that having Public Art installations across different parts of Calgary is important (65 per cent).

### What Council has directed

Together with our partners, we contribute to four Citizen Priorities, creating a desirable place to live, visit and do business. Arts & Culture contributes to A Prosperous City by supporting growth industries such as tourism through arts and culture opportunities (P2) and by investing in CADA, we provide more opportunities and attract new businesses (P3). We support A City of Safe & Inspiring Neighbourhoods and Healthy & Green City through festivals, events, and activities that encourage community connections and active participation in civic life (N2, H4). In support of A Well-Run City, we honour the Calls to Action from the Truth and Reconciliation Commission, integrating Indigenous culture into our activities (W5). Policies that influence service delivery include: Festival and Event Policy CSPS032, Calgary Civic Arts Policy CSPS001, and Corporate Public Art Policy CSPS014.

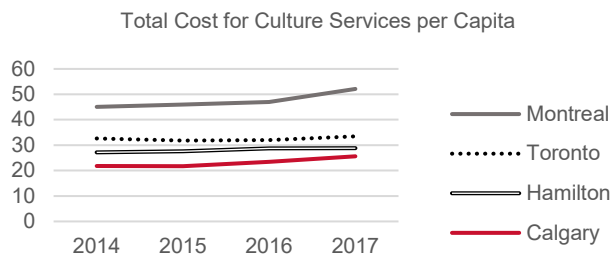
### What are we watching?

Investment. Decreasing philanthropic activity has compromised the sustainability of many arts organizations, as evidenced by CADA's funding request. We are watching corporate sector funding of arts and culture in Calgary.

Economic trends. Due to the economic conditions in Calgary we are watching participation trends at festivals, events, and arts and culture activities. Calgarians continue to look for free and low-cost opportunities.

Demographic factors. We are watching evolving ethnocultural needs – specifically, a growing Indigenous and immigrant population – requiring opportunities for better cultural understanding. We are also watching growth in creative industries, and the desire for Millennials to work in these industries.

### Benchmarking



Source: Municipal Benchmarking Network Canada

This measure represents the total cost of providing cultural services including grants and the funding of cultural venues (e.g. art galleries, historical sites, cultural centres and museums) per person. Calgary's cost per capita is lower than all the other participating municipalities. Continued investment in the sector will engage more Calgarians who have stated that a strong arts and culture scene contributes to a vibrant, prosperous city.

Note: Currently, there are a number of cultural services included in this measure that are organizations within the Economic Development and Tourism service line.

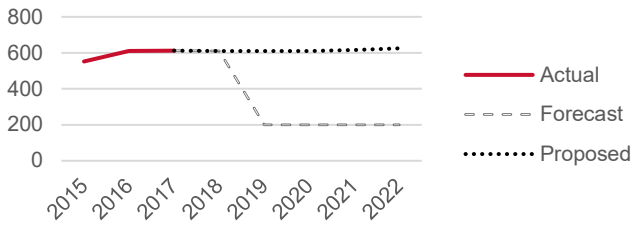
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Affordability	Arts and culture opportunities that are available to Calgarians of all income levels.
Quality	Arts and cultural programs, activities and services that address and evolve to the needs of customers and communities.
Accessibility	Arts and culture activities that are easily accessible, inclusive, convenient and welcoming to Calgarians.
Fun/Entertainment	A range of arts and culture opportunities that inspire Calgarians to enjoy creative lives.
Reconciliation	Indigenous culture is recognized as a part of arts and culture opportunities.



# How is the Service performing? Where we are headed and where do we want to go?

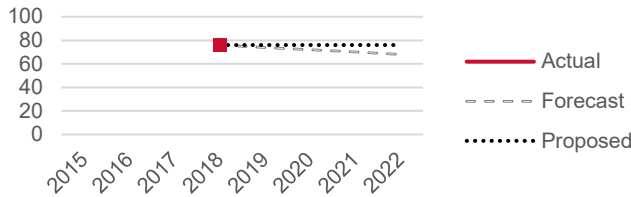
Number of City-supported festival and event days. (Days)



## Story behind the curve

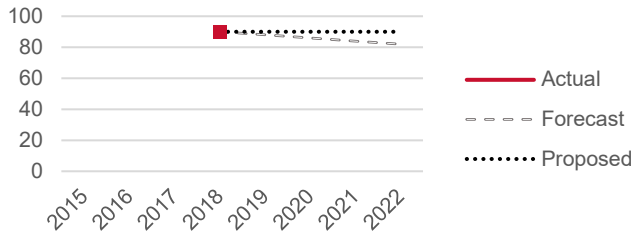
Targeted investment will enhance art, culture, festival and winter event opportunities which will allow us to increase the number of City supported festivals and event days, contributing to stronger communities and economic development. This investment will also support Calgarians' continued access to products, services and amenity offerings including low- and no-cost events. We will maintain citizen and customer satisfaction in that they have access to a wide variety of arts and culture products, services and amenity offerings; and that they receive good value for money.

Customers that agree The City provides access to a wide variety of products, services and amenity offerings. (Percentage)



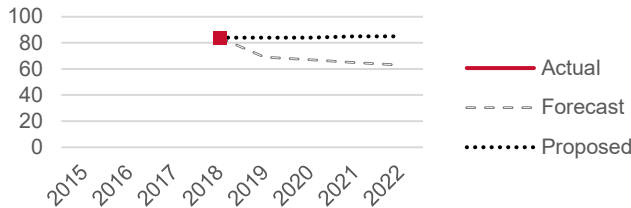
Investment in the sector through CADA will help sustain the operation of Calgary's arts' organizations, individual artists, artists' collectives and ad hoc arts groups. This will result in ongoing arts and cultural offerings, and attract creative industries such as music, performing arts, film and art in the public realm, supporting an increase in the percentage of Calgarians who attend arts and culture activities or events.

Customers that agree they receive good value for money. (Percentage)

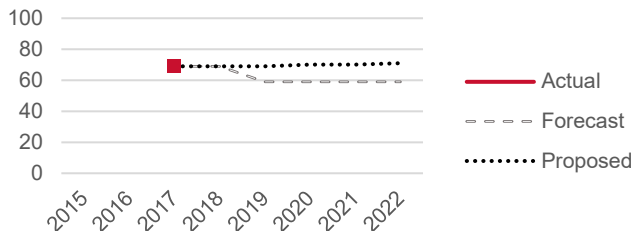


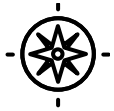
Individual and population outcomes would decline without enhanced investment. Investment in Arts & Culture and in the sector through CADA will improve our ability to turn the curve on benefits to citizens, who report varied arts and culture opportunities create stronger communities.

Percentage of customer households who report arts and culture opportunities create stronger communities. (Percentage)



Percent of population that attended an Arts and Culture activity or event. (Percentage)





# What do we propose to do?

## What we propose to continue doing

STRATEGY
Support the production of festivals and events, including subsidy for recurring not-for-profit events, according to Council direction.
Provide visual and performing arts instruction and programming that encourage creative living.
Directly and through partners deliver low-cost and no-cost festivals, events and, arts and culture opportunities.
Participate in capital planning to support arts, culture, festivals and events to assist in attracting new businesses and industries.
Create opportunities to action the City of Calgary's Cultural Plan, Public Art Policy and Truth and Reconciliation Calls to Action.

### Why?

These strategies support the key citizen value dimensions of affordability, quality, accessibility, fun/entertainment, and reconciliation. They address key societal benefits of increasing quality of life, quality of place and building stronger communities.

## What we propose to do less of

STRATEGY
Run visual and performing arts programs that are historically undersubscribed.
Keep art facilities open and staffed when insufficient user demand exists (e.g. align facility operating hours with demand).

### Why?

These strategies will optimize service delivery with minimal impact to residents and allow us to focus on higher-value activities.

## What we propose to do more of or include as a new offering

STRATEGY
Develop an Event Strategy and a Winter City Strategy to increase the number of events and opportunities to participate in community life.
Increase support to Calgary Arts Development Authority to sustain operations of arts organizations and creative industries.
Implement the Cultural Plan to integrate culture into City planning and policies, enhancing quality of place and contributing to the economy.
Implement an updated Public Art Program to improve governance, artist participation, financial accountability and citizen engagement.

### Why?

These strategies will engage more Calgarians who have stated that a strong arts and culture scene contributes to a vibrant and prosperous city. These strategies will strengthen the arts and culture sector, which will help attract new and creative industries, such as music, performing arts, film, and art in the public realm. This will contribute to economic growth and support existing businesses.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of City-supported festival and event days. (Days)	610	↔
Customers that agree The City provides access to a wide variety of products, services and amenity offerings. (Percentage)	76	↔
Customers that agree they receive good value for money. (Percentage)	90	↔
Percentage of customer households who report arts and culture opportunities create stronger communities. (Percentage)	84	↔
Percent of population that attended an Arts and Culture activity or event. (Percentage)	69	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	16,006	22,935	24,795	26,630
Less Previous Year one Time	(231)	-	(400)	-
Base	15,775	22,935	24,395	26,630
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	265	265	265	265
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	6,895	1,195	1,970	1,290
One Time	-	400	-	-
Realignments	-	-	-	-
Total	22,935	24,795	26,630	28,185

### Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Calgary Arts Development Authority Ltd.	6,400	12,450	13,550	14,700	15,900

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	17,885	24,814	-	24,814	26,274	400	26,674	28,509	-	28,509	30,064	-	30,064
Recoveries	(710)	(710)	-	(710)	(710)	-	(710)	(710)	-	(710)	(710)	-	(710)
Revenue	(1,169)	(1,169)	-	(1,169)	(1,169)	-	(1,169)	(1,169)	-	(1,169)	(1,169)	-	(1,169)
Net	16,006	22,935	-	22,935	24,395	400	24,795	26,630	-	26,630	28,185	-	28,185



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		2,500	2,778	5,496	1,225	3,675	15,674
401482	Pumphouse Theatre Project	-	228	946	-	-	1,174
480650	ICFP - Arts & Culture Hub	-	50	50	1,225	3,675	5,000
480652	Calgary Opera Arts Centre	2,500	2,500	2,500	-	-	7,500
480653	ICFP – Symons Valley Centre	-	-	2,000	-	-	2,000
Program(s)		90	90	2,205	2,205	4,410	9,000
480651	Community Cultural Spaces	90	90	2,205	2,205	4,410	9,000
<b>Sub-Total (New Budget Requests)</b>		<b>2,590</b>	<b>2,868</b>	<b>7,701</b>	<b>3,430</b>	<b>8,085</b>	<b>24,674</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>2,590</b>	<b>2,868</b>	<b>7,701</b>	<b>3,430</b>	<b>8,085</b>	<b>24,674</b>

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 401482: Pumphouse Theatre Project

New Budget Request of \$1,174 thousand to address critical lifecycle work at Pumphouse Theatre, including essential systems and structural components (e.g. roof replacement, HVAC and fire detection system).

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None

#### Activity 480650: ICFP - Arts & Culture Hub

New Budget Request of \$5,000 thousand for the Greater Forest Lawn Arts & Culture Hub to address a service gap in Calgary. The facility will explore integration with the Forest Lawn optimized recreation facility.

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None





## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 480652: Calgary Opera Arts Centre**

New Budget Request of \$7,500 thousand towards the development of a new 45,000 square-foot facility to address the need for rehearsal, performance and production-building space in Calgary.

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None

### **Activity 480653: ICFP – Symons Valley Centre**

New Budget Request of \$2,000 thousand to develop arts and culture space for Phase 1 of the Symons Valley Multi-Service Centre, which will include a library, affordable housing units and community spaces.

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None

### **Program(s)**

#### **Activity 480651: Community Cultural Spaces**

New Budget Request of \$9,000 thousand for the identification and development of three to five community cultural spaces in underserved areas of the city, which may include studios, theatre and multipurpose space.

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None







# Business Licensing

Led by: Calgary Community Standards

## Description:

Business Licensing oversees 40 types of businesses that do not fall under any other regulations, ensuring citizen's expectations for safe and ethical businesses are met. Business Licence peace officers play a key role in the service by investigating business operations to ensure compliance of bylaws and provincial statutes.

## Customers:

- Citizens seeking a business license
- Citizens calling to report incident(s)/concern(s) with a business
- Citizens seeking a permit for street use activities and special functions (tents and trade shows)

## What is delivered to customers:

Business licenses processed within a set amount of time.  
 Prompt response/resolution to citizens' concerns/complaints by peace officers.  
 Online access to business licensing resources and application.

## Partners:

Other lines of service: Building Approvals, Development Approvals, Fire & Emergency Response and Police Service.  
 Other orders of government: Alberta Health Services, Alberta Gaming Liquor and Cannabis Commission, Service Alberta and Alberta Motor Vehicle Industry Council

## Service need (value proposition):

Our service fulfills the need for citizens to be assured that businesses operating in Calgary have met certain standards of public safety, consumer protection and legislative compliance. Business owners seek clear rules and timely processes.

## Current state service value

<p><b>92%</b> Citizens satisfied with service</p> <p><b>86%</b> New business licences issued within 90 days</p>	<p><b>38,000</b> Business licences issued/renewed in 2017</p> <p><b>2,800</b> Citizen complaints resolved in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$200</b> Average operating cost of issuing a business licence</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes</b> This service has no sub-services</p> <p><b>Key Capital Investments</b> OneCity Records Management system will enhance the safety of business licensing officers by offering enhanced communication systems and collection of business intelligence on emerging community trends (e.g. short-term rentals), aligning with provincial recommendations.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Business Licensing continues to meet citizen expectations.

The 2018 Spring Pulse Survey indicated:

- 92 per cent of Calgarians are satisfied with business licensing and inspection services.
- 91 per cent of Calgarians think The City should invest more, or the same amount on the business licensing and inspection services.
- 85 per cent of Calgarians feel business licensing and inspection services are important to them.

## What Council has directed

P1: Legislative changes in cannabis and the Cannabis Consumption Bylaw have resulted in increased accountability to support businesses and protect citizens. A Notice of Motion on short-term rentals policy and bylaws will change the current activity and compliance for short term rentals.

P3: Adoption of the MyBusiness portal has streamlined license applications, review and approvals.

W1: Delivery of services based on citizen engagement through Citizen Satisfaction Survey.

## What are we watching?

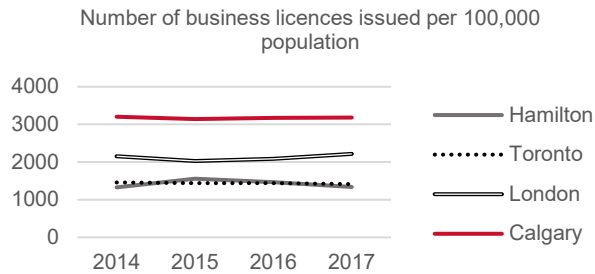
Demographic Change: Calgary's aging population is growing. Scams and frauds are targeted at senior citizens who are vulnerable; future solutions will require public awareness and education to address these concerns.

Economic Change: Economic recession often corresponds to increased home-based businesses and businesses operating unlawfully. This trend will directly impact Business Licensing's capacity and resources to provide licensing and enforcement.

Technology Change: The way citizens access information and seek services has evolved. Business owners and citizens need fast, accessible services which empower them to operate lawfully.

Legislative Change: Legislative changes to cannabis will result in increased activity to ensure compliance is created.

## Benchmarking



Business development contributes to the resilience of communities and the wellbeing of citizens through job creation and economic diversity. The legalization of cannabis and growth of sharing economies represent new industries, providing new options for citizens to explore business development. Business Licensing will continue to improve business licensing practices by removing red tape and barriers to better support existing businesses and attract growth industries.

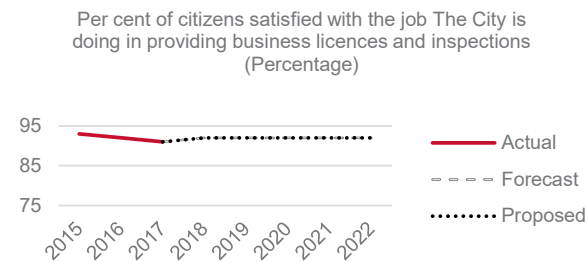
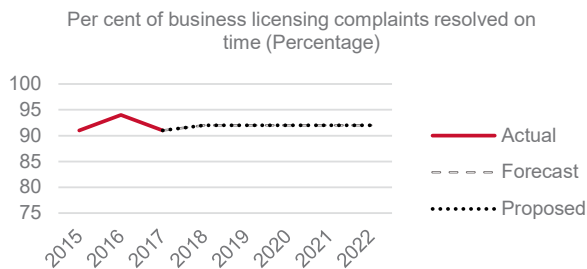
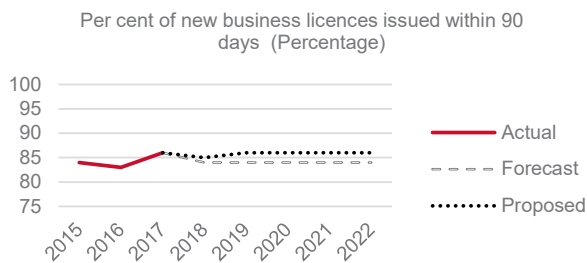
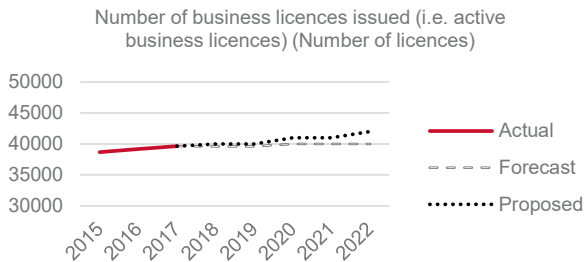
Source: Municipal Benchmarking Network Canada

## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Business licence is issued within a reasonable timeframe.
Quality	Business owners are satisfied with the licensing service. This includes clear and easily accessible information, and consistent decisions on applications.
Fairness	Enforcement is transparent, fair, consistent and delivered by competent Business Licence Peace Officers. Peace officers provide quality customer service, demonstrating professionalism, courtesy, responsiveness and knowledge.
Legislative Compliance	Investigations and inspections ensure businesses comply with legislation and the licensing bylaws that apply to them.



## How is the Service performing? Where we are headed and where do we want to go?



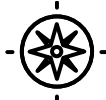
### Story behind the curve

Calgary has an energetic business environment that is responsive to change. Forecasted trends demonstrate new growth for licensing, specifically in cannabis and short term rentals. Technology has spurred the rapid development of industries and creates new needs for regulation to guarantee safety standards and quality. Industry evolution and regulation will positively contribute to the resiliency of the local and regional economy.

Ensuring business licenses are reviewed and approved is key to supporting business owners. Forecasted trends identify improvements in online tools that allow applicants to determine their level of readiness and seek appropriate resources. Licence demand is expected to increase with economic resilience and new business opportunities. Business Licensing will address increasing demand by building efficiencies into processes and creating more engagement.

Citizens seek fair and safe businesses when looking for services or products. When a complaint is reported, response by a peace officer provides education and creates compliance, ensuring safe experiences for citizens. Historic trends demonstrate a high resolution rate with minor fluctuations. Transitioning of services to online platform, increased complexity of investigations and staff resourcing have created challenges in meeting citizens' resolution expectations. Developments in cannabis and potential short-term rentals will invite new businesses, creating distinctive needs for licensing. Business Licensing will seek to meet citizens' needs and adapt to regulatory change.

Historic and ongoing satisfaction rates have remained high, with trends demonstrating improved satisfaction from delivery of online licensing and past efficiencies; ongoing improvements will continue to improve customer experience. Business licensing activity is expected to increase as cannabis legalization and short-term rentals mature. Scaling of support and resources will be required to maintain current engagement, education and compliance activities.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Improve business licensing practices through involvement of an oversight effectiveness committee to expedite business approvals.
Ensure a state of readiness for growth within shared economies such as short-term rentals.

#### Why?

Business development contributes to the resilience of communities and the wellbeing of citizens through job creation and economic diversity. The legalization of cannabis and growth of short-term rentals represent new industries, providing new options for citizens to explore business development.

### What we propose to do less of

STRATEGY
Front counter services by transitioning to online business licence application platform.

#### Why?

Citizens are seeking accessibility and quicker responses for license applications. An online licensing portal enables citizens to access business licensing from their home, promoting effective delivery of services and efficient response by staff.

### What we propose to do more of or include as a new offering

STRATEGY
Creating a Calgary-specific regulatory response to the legalization of cannabis and Council approval of a new Cannabis Consumption Bylaw.
Technology has promoted growth within Sharing economies, which requires additional education and compliance activities to address.
Review how business licensing processes can better enable business success.

#### Why?

Legalization of cannabis will mark the emergence of a new industry, where consumer (citizen) needs will facilitate economic growth via business development/interests. Education and enforcement will be key in proactively addressing citizen and business issues as both industry and regulation mature and require higher service levels.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of business licences issued (i.e. active business licences) (Number of licences)	39,600	↑
Per cent of new business licences issued within 90 days (Percentage)	84	↔
Per cent of business licensing complaints resolved on time (Percentage)	92	↔
Per cent of citizens satisfied with the job The City is doing in providing business licences and inspections (Percentage)	92	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	-	-	-	-
Less Previous Year one Time	-	-	-	-
Base	-	-	-	-
Revenue Changes	(188)	(251)	(224)	(208)
Internal Recovery Changes	(36)	(73)	(71)	(72)
Inflation	255	294	295	280
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	30	-	-
Efficiencies	(31)	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	-	-	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	11,355	11,170	-	11,170	11,469	-	11,469	11,735	-	11,735	11,994	-	11,994
Recoveries	(2,105)	(2,944)	-	(2,944)	(3,017)	-	(3,017)	(3,088)	-	(3,088)	(3,160)	-	(3,160)
Revenue	(9,250)	(8,226)	-	(8,226)	(8,452)	-	(8,452)	(8,647)	-	(8,647)	(8,834)	-	(8,834)
Net	-	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		50	50	50	50	-	200
462240	Compliance Services Equipment Lifecycle	50	50	50	50	-	200
Project(s)		-	-	-	-	-	-
Program(s)		-	200	100	-	-	300
480400	OneCity Coord RMS - BLic	-	200	100	-	-	300
<b>Sub-Total (New Budget Requests)</b>		50	250	150	50	-	500
Previously Approved Budget Remaining		73	60	-	-	-	133
<b>Total Capital Investment</b>		123	310	150	50	-	633

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 462240: Compliance Services Equipment Lifecycle

New Budget Request of \$200 thousand to lifecycle and maintain Business License equipment and address expansion need for Regulatory Services playing a vital role in the emphasis of consumer protection.

Funding from Capital Reserves

Operating Impact of Capital: None

### Program(s)

#### Activity 480400: OneCity Coord RMS - BLic

New Budget Request of \$300 thousand to create an integrated information management system, for coordinated information sharing to support effective service delivery, investigations and enforcement.

Funding from Capital Reserves

Operating Impact of Capital: This request requires \$30 thousand base funding of operating costs starting in 2020.





# Community Strategies

Led by: Calgary Neighbourhoods

## Description:

Community Strategies creates policies and strategies that are used by City departments, community partners, non-profit social service providers, industry and the public to advance common goals and vision around social wellbeing. We are responsible for implementing Council-approved strategies including the Enough For All poverty reduction strategy, the Seniors Age Friendly Strategy and the White Goose Flying report. In addition, support is provided to the Advisory Committee on Accessibility, the Calgary Aboriginal Urban Affairs Committee, the Social Wellbeing Advisory Committee and the Calgary Local Immigration Partnership to advance strategic plans aimed at furthering social wellbeing.

## Customers:

Community Strategies works to improve social wellbeing for all Calgarians by building strategies that improve quality of life results. Together with our partners, we advance policies and strategies that address social issues so that Calgarians across all ages, cultures and stages of life have opportunities to thrive.

## What is delivered to customers:

Through evidence-informed strategies, we champion the shared process of truth and reconciliation, use a prevention approach to stop problems before they begin, seek opportunities to support and grow culture, and support the provision of equitable services by developing strategic approaches that remove barriers to participation in civic life.

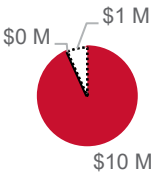

## Partners:

Community Strategies works with our partners to maximize the collective impact of our strategies. We support advisory committees of Council, other City services, non-profit social service providers, other funders and Calgarians to achieve our social wellbeing outcomes.

## Service need (value proposition):

We respond to unmet and emerging social needs identified by Council and Calgarians. We aim to address these needs by removing barriers to participating in civic life through the development and implementation of evidence-based strategies. These strategies set direction and coordinate efficient and effective programming and service-delivery for Calgarians by The City and our partners. We work to meet the needs of diverse Calgarians by advancing the principles of social wellbeing in our strategies. To do this, we consider our diverse populations, engage with stakeholders to determine community need, plan and implement strategic activities, and evaluate to ensure we are meeting the desired outcomes.

## Current state service value

<p><b>78%</b> agree The City fosters inclusion</p> <p><b>1 in 10</b> Calgarians live in low income</p>	<p><b>94</b> Truth and Reconciliation Calls to Action</p> <p><b>60%</b> Of seniors participate in civic decisions</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$5.60</b> Annual operating cost per resident</p>  <p>■ Tax-Support ■ Revenue ▨ Internal Recoveries</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> This service does not have a capital budget.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Engagement with Calgarians on Community Strategies indicates that 89 per cent consider Community Strategies to be important and feel The City should invest more or the same in the service. Calgarians' belief that The City is moving in the right direction to ensure a high quality of life for future generations has been decreasing (66 per cent in 2015 to 61 per cent in 2018). Calgarians' belief that The City fosters a city that is inclusive and accepting of all has declined slightly from 80 per cent in 2015 to 78 per cent in 2018.

### What Council has directed

Community Strategies contributes to A Prosperous City by working in partnership with other orders of government, industry and the non-profit sector to support equitable access to services for Calgarians (P4). In addition, it contributes to A City of Safe & Inspiring Neighbourhoods by working with community partners to address social issues impacting older Calgarians (N1). We impact A Healthy & Green City by advancing strategic plans aimed at ensuring Calgary is an accessible and inclusive community for all ages and abilities (H4). In support of A Well-Run City, we also steward Council's Indigenous Policy (W5) and will continue to implement the calls to action through the implementation of the White Goose Flying report. We are responsible for implementing other Council directed strategies and policies including Enough For All and the Social Wellbeing principles.

### What are we watching?

Growing income disparity has been observed in Calgary in recent years. Low income is a barrier to quality of life, as people on low income spend a much larger share of their income on basic needs such as shelter, food and transportation. Addressing the root causes of poverty in our City is important to building resilience and increasing participation in civic life. In addition, seniors, immigrants and Indigenous people are the fastest growing populations in Calgary, increasing the demand for age-appropriate, accessible and culturally sensitive approaches to increase participation and improve wellbeing. Rising social disorder and an increasing number of apparent accidental opioid deaths have been observed recently.

### Benchmarking



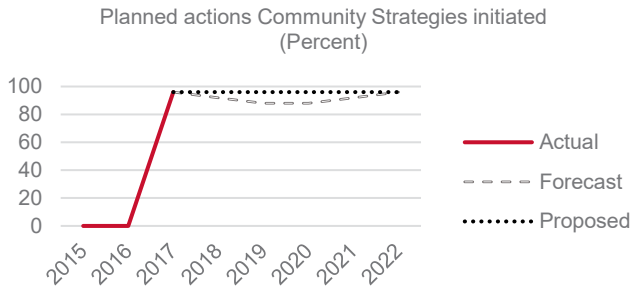
The policies and strategies developed for Calgary reflect the demographics and social wellbeing needs of our population, making them difficult to benchmark. Though strategies are evidence-based and informed by best practice, they are designed, delivered and evaluated in our local context. Where possible we are exploring opportunities to develop new benchmarking approaches through our data and municipal networks. In addition, we will develop and/or implement evaluations to ensure strategies are meeting their intended outcomes.

### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Respond to social issues to advance social wellbeing and quality of life results for Calgarians.
Prevention	Act to prevent social issues and strengthen social wellbeing.
Wellbeing	Develop plans, strategies and policies to address the needs of Calgarians.
Accessibility	Create plans, strategies and policies to remove barriers to participation in civic life.
Reconciliation	Develop and implement strategies and policies to advance truth and reconciliation outcomes.



## How is the Service performing? Where we are headed and where do we want to go?



Community Strategies' stakeholders who agree the strategy is helping prevent social/community issues (Percent)

<b>BASELINE TBD</b>
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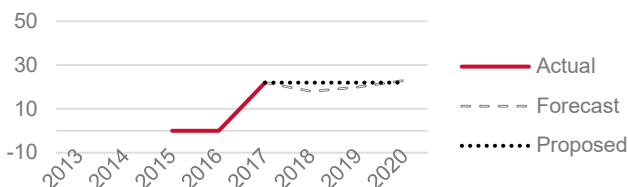
Community Strategies' stakeholders who agree the strategy is helping remove barriers to participation in civic life (Percent)

<b>BASELINE TBD</b>
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Community Strategies' stakeholders who agree that the service is advancing truth and reconciliation outcomes. (Percent)

<b>BASELINE TBD</b>
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Financial Empowerment Initiative program participants that report being currently financially better off than they were a year ago (Percent)



### Story behind the curve

Improving the social wellbeing of Calgarians is integral to our service and is at the core of the Enough For All poverty reduction strategy. The Financial Empowerment Initiative is one aspect of this strategy that helps low income Calgarians increase their economic participation. In 2017, 22 per cent of financial empowerment program participants indicated that their financial situation had improved from a year ago. By continuing to coordinate and invest in financial empowerment more low income Calgarians will have opportunities to thrive.

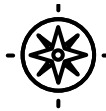
Community Strategies works with partners and stakeholders to respond to social issues (such as mental health and addictions) faced by Calgarians and prevent future negative impacts to their wellbeing. Working with our partners to develop and implement strategies that are preventive in nature and promote social wellbeing demonstrates our commitment to improving social conditions. With continued investment and increased coordination of preventive activities, perceptions of our impact will improve.

Together with our partners we work to implement strategies and policies that remove barriers to participation in civic life. With a focus on leading and coordinating strategies that ensure all Calgarians can participate, we expect to turn the curve on our stakeholders' perceptions of our effectiveness in improving accessibility.

With a commitment to advancing the White Goose Flying recommendations, Community Strategies will focus on activities and outcomes that advance truth and reconciliation and fairly address the needs and experiences of Indigenous people in our community. Building strong relationships with Calgary's Indigenous community in the development and implementation of our strategies will help to grow culture in our city, and advance truth and reconciliation outcomes.

To measure progress in advancing strategies we monitor our planned actions. Through intentional work plans and project management and a focus on strategic projects, 96 per cent of planned actions for strategies were implemented in 2017. As we are challenged by complex social issues we must build strong, effective and intentional relationships with a network of community partners to develop and implement strategic actions effectively.

The middle first three measures do not have data at this time and will be reported when the data is available.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Work with partners to collectively implement shared priority areas from the updated Enough For All Strategy to support poverty reduction.
Work with community partners to advance key activities (including an indicator reporting plan) within six priority areas of the Seniors Age Friendly Strategy.
Support Council advisory committees and community partners to advance strategic plans to increase participation in civic life.
Collaborate to implement new actions based on equity, prevention, truth and reconciliation, and culture to advance social wellbeing.

### Why?

Community Strategies needs to address the barriers faced by Calgary’s diverse population to advance social wellbeing and improve the quality of life for all Calgarians. We will continue to work with partners to achieve collective impact within The City and the community.

## What we propose to do less of

STRATEGY
Focus on implementing actions that are being advanced by the community to decrease duplication and ensure coordination.

### Why?

Community Strategies is directed by Council to scope, develop and implement strategies. The focus on different strategies may change over time based on Council direction or as strategies are implemented. It is not expected that any strategies will draw to a conclusion during the 2019-2022 cycle.

## What we propose to do more of or include as a new offering

STRATEGY
With partners, develop a strategy to advance gender equity and diversity in City services, governance and workforce.
Advance engagement to establish an Indigenous Relations Office to support The City’s advancement of Truth and Reconciliation as outlined in White Goose Flying.
With partners, develop a community-wide mental health, addiction and crime prevention strategy to support Calgarians’ social wellbeing.

### Why?

Community Strategies will advance Council approved strategic initiatives including the advancement of gender equity and diversity and support for mental health and addictions. The service will also work to develop a new vision for The City's work with Indigenous people by establishing an Indigenous Relations Office.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Planned actions Community Strategies initiated (Percent)	92	↔
Community Strategies' stakeholders who agree the strategy is helping prevent social/community issues (Percent)	0	↔
Community Strategies' stakeholders who agree the strategy is helping remove barriers to participation in civic life (Percent)	0	↔
Community Strategies' stakeholders who agree that the service is advancing truth and reconciliation outcomes (Percent)	0	↔
Financial Empowerment Initiative program participants that report being currently financially better off than they were a year ago (Percent)	18	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	10,339	7,320	7,474	7,601
Less Previous Year one Time	(7,350)	-	-	-
Base	2,989	7,320	7,474	7,601
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	10	11	11	11
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(6)	(7)	(7)	(7)
Service Reductions	-	-	-	-
Service Increases	4,327	150	123	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	7,320	7,474	7,601	7,605

### Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
VCC Initiatives Ltd. (Vibrant Communities Calgary)	500	500	500	500	500

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	11,086	8,067	-	8,067	8,221	-	8,221	8,348	-	8,348	8,352	-	8,352
Recoveries	(747)	(747)	-	(747)	(747)	-	(747)	(747)	-	(747)	(747)	-	(747)
Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	10,339	7,320	-	7,320	7,474	-	7,474	7,601	-	7,601	7,605	-	7,605



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Economic Development & Tourism

Led by: Calgary Neighbourhoods

## Description:

Calgary in the New Economy: An update to the Economic Strategy for Calgary stewarded by Calgary Economic Development and approved by Council in 2018 June, guides this service's initiatives and investments including the \$100 million Opportunity Calgary Investment Fund. The service supports a diversified and resilient economy including a vibrant centre city, encourages employment growth, helps build Calgary's global reputation, encourages business investment, and supports entrepreneurship and innovation. Through this service, tourism and convention centre strategies attract businesses and visitors to Calgary, and Calgarians and visitors have access to world-class attractions.

## Customers:

This service meets the needs of the local, national and global business community including entrepreneurs and innovators; business travelers and leisure visitors; and Calgarians.

## What is delivered to customers:

Economic diversification and sector development, convention centre services, local business promotion, branding campaigns, the Calgary Film Centre, trade missions, national and international tourism marketing, support for entrepreneurs and innovators at all stages, co-working space, a Global Business Centre, and access to cultural attractions.

## Partners:


This service collaborates with other services including: Arts and Culture, Building Approvals, Business Licensing, City Planning and Policy, Development Approvals, and Land Development and Sales.

The service is delivered in collaboration with Civic Partner organizations and Business Improvement Areas that leverage City investment and assets to align and implement Calgary's economic strategy.

## Service need (value proposition):

This service supports Calgary's local economy to be resilient and responsive to changes in the global economy, including a focus on diversification. It supports Calgarians to be successful entrepreneurs and innovators, and draws leisure and business travelers to Calgary. The cultural attraction infrastructure provides high-quality, accessible opportunities for Calgarians and visitors to experience. It supports a business-friendly environment that creates a high-quality of life and makes Calgary a city and destination of choice. The broad range of work in this service aligns and supports implementation of City plans and policies including the Centre City Plan, Cultural Plan for Calgary, Enough for All and Economic Strategy for Calgary.

## Current state service value

<p><b>3,100,000</b> Cultural Attraction Visitors</p> <p><b>\$3.65</b> Leverage per \$1 invested</p>	<p><b>\$26,200,000</b> Convention Centre Impact</p> <p><b>86%</b> Economic development satisfaction</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$24</b> Annual operating cost per resident</p> <p> <span style="color: red;">■</span> Tax-Support \$0 M  <span style="color: black;">■</span> Revenue \$33 M  <span style="color: gray;">⋮</span> Internal Recoveries \$33 M         </p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Calgary Centre for Performing Arts, \$2,607; Calgary Economic Development Ltd., \$7,303; Calgary Technologies Inc., \$843; Calgary Convention Centre Authority, \$2,412; Calgary Zoological Society, \$8,435; Fort Calgary Preservation Society, \$1,166; Aero Space Museum Association of Calgary, \$254; Heritage Park Society, \$3,165; Calgary Science Centre Society, \$2,249; Tourism Calgary, \$2,858; Office of Economic Development and Policy Coordination, \$1,562; Business Improvement Areas, \$194</p>
		<p><b>Key Capital Investments</b></p> <p>The Civic Partners supporting this service manage over \$490 million in City-owned assets. Civic Partners supporting this service submitted over \$200 million in capital requests for 2019-2022 for lifecycle and growth projects.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

In 2017, 81 per cent of Calgarians reported they had visited one of The City's cultural attractions and 73 per cent agreed Calgary's attractions offer good value for tax dollars. In 2017, there was agreement that Calgary "is a great place to make a living" increased from 65 per cent in 2016 to 68 per cent. Calgarians look to The City to improve quality of life through job creation or employment. In national survey results, 75 per cent of respondents had positive impressions of Calgary as a place to do business. In 2017, 77 per cent of Calgary Technologies Inc.'s clients and 90 per cent of Tourism Calgary's partners were satisfied. Ninety-five per cent of Calgary TELUS Convention Centre's clients had a good or excellent experience.

### What Council has directed

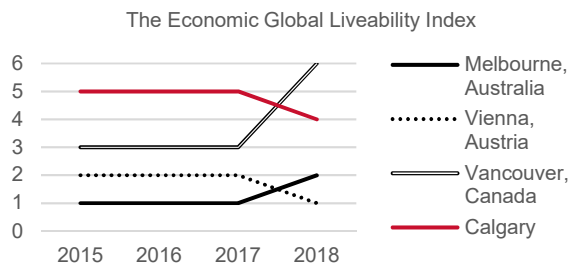
Guided by Calgary in the New Economy: An update to the Economic Strategy, this service supports Council Directives for a Prosperous City and contributes to W5 through initiatives focused on reconciliation. The service helps Calgary be a magnet for talent, a place where there is opportunity for all, and the best place in Canada to start and grow a business. It contributes to the economy through cultural attractions and convention centre delegates, supports entrepreneurs to launch and grow their businesses, supports neighbourhood businesses, and markets Calgary as a destination.

The service aligns and supports the Centre City Plan, Cultural Plan for Calgary, Living a Creative Life, Enough for All, Goods Movement Strategy, Industrial Land Strategy, Investing in Partnerships Policy, Calgary's Destination Strategy, Corporate Affordable Housing Strategy, among other strategies and policies.

### What are we watching?

Guided by Calgary in the New Economy: An updated economic strategy for Calgary, this service tracks, monitors and responds to a variety of economic indicators including commercial vacancy rates and GDP, demographics changes including changes in the age of the population and increased diversity. It also tracks changes in demand for entrepreneurial support including a growth in the demand for services and programs to develop startups and then scale up to established operations. Tourism, convention and cultural attraction work is informed by data about visitors to Calgary, hotel room sales, and convention delegates numbers. While most of Calgary's visitors are from the US, overseas visitors are growing; and while the number of convention centre delegates has declined, a focus on international conferences has increased their economic impact.

### Benchmarking



Source: Economist's Global Liveability Report

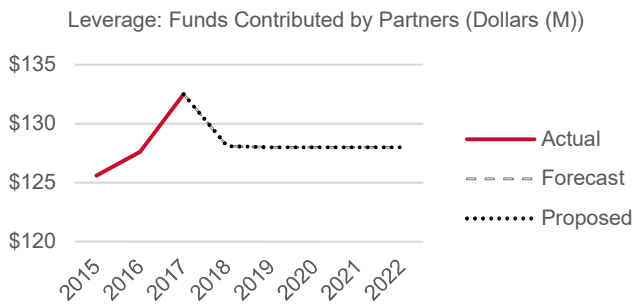
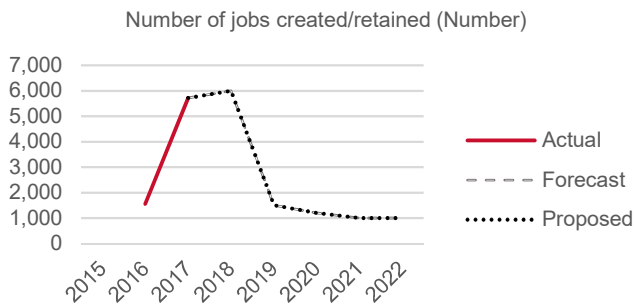
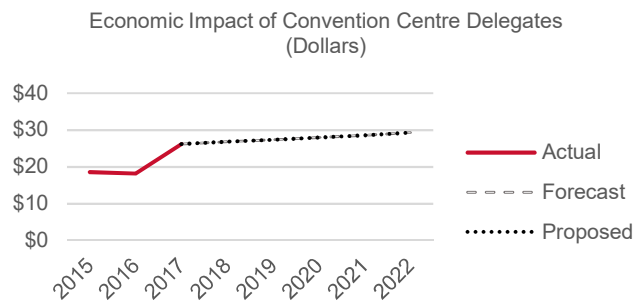
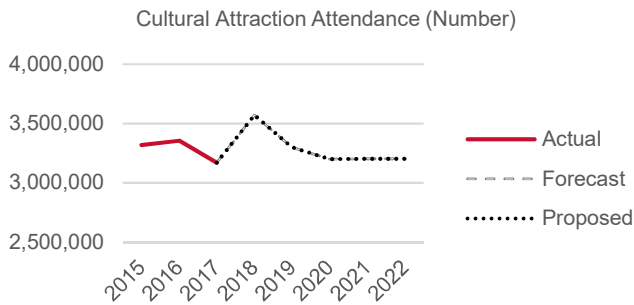
The Economist's Global Liveability Index has consistently ranked Calgary as one of the most liveable cities in the world when compared to 140 cities worldwide on 30 factors related to stability, healthcare, culture, environment, education and infrastructure. A strong local economy is a key driver of many factors that support this rating. The 2018 index ranked Calgary as the fourth most liveable city in the world, up from fifth place in 2017. Economic Development and Tourism contributes to the vibrancy of Calgary and through cultural attraction infrastructure, events, public spaces, special exhibits, school programs, and other initiatives that activate spaces across the city and support the local economy. Efforts to diversify Calgary's local economy including attracting investment and businesses support a stable and resilient city.

### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Attractiveness	Tourism attractions are world-class and offer attractive opportunities for Calgarians and visitors.
Sustainability	Service supports an economy with diverse industries and opportunities for entrepreneurs and businesses of all sizes.
Resilient	Service supports Calgary and Calgarians to withstand and recover from shocks and stressors that disrupt our economy.
Quality	High-quality services and programs attract visitors, business travellers, conventions and businesses.
Responsiveness	Responsive to changes in economic conditions and adapts quickly when needed.



## How is the Service performing? Where we are headed and where do we want to go?



### Story behind the curve

Cultural Attraction Attendance includes five City-owned assets managed and operated by Civic Partners. Cultural Attractions are unique destinations offering educational programs and opportunities for Calgarians and visitors to learn about history, science, aviation and conservation. They contribute to Calgary's economy through direct and visitor spending, including over \$53.8 million visitor spending in 2017. This measure reflects the attractiveness of Calgary as a tourist destination, and Calgarians' engagement. Attendance numbers are anticipated to peak in 2018 with the opening of the Calgary Zoo's Giant Panda exhibit. Attendance levels are impacted by investment in new exhibits and programs, and economic conditions.

The Calgary TELUS Convention Centre contributes to economic development results by attracting delegates to the downtown core that generate direct, indirect and induced economic benefits, and being a centre of excellence for innovators and thought leaders.

While the number of delegates dropped from 191,000 in 2015 to 143,000 in 2017 due to the economic downturn, the overall economic impact of each delegate grew. This is due to a focused strategy to attract more non-local delegates that stay longer and spend more in the local economy. For every \$1 the City of Calgary invests in the Calgary TELUS Convention Centre, delegates spend \$13 in Calgary.

Calgary Economic Development Ltd. is a City of Calgary wholly-owned subsidiary that stewards the collaborative implementation of Calgary in the New Economy: An updated Economic Strategy for Calgary. Economic development work reaches out to local businesses, businesses from other jurisdictions looking to expand or relocate; entrepreneurs, innovators; visitors, meeting planners and tourism industry members. In 2015, with the allocation of \$7 million in Community Economic Resiliency Funding over three years, CED accelerated implementation of the strategy and significantly improved its results including the number of businesses attracted to Calgary.

Partnering to deliver economic development services is mutually beneficial for The City and our Civic Partners. Partners are able to leverage The City's operating and capital funding through other sources including earned revenues, grants, sponsorship and donations. This measure demonstrates how much all Partners bring to the table to deliver these services. On average, The City provides 27 per cent of the total funding for these services.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Implement an updated economic strategy that diversifies and builds a resilient and prosperous local economy.
Lead tourism programs and deliver high quality cultural attractions to grow the travel and tourism industry.
Meet the demand for entrepreneurial support and foster innovation to support economic development.
Create, promote and maintain strong local business areas and engage in placemaking.
Invest in lifecycle maintenance of City-owned assets operated by Civic Partners to support high-quality offerings for Calgarians and visitors.
Invest in lifecycle maintenance of City-owned convention centre assets operated by Civic Partners to support economic development.
Reduce inefficiencies in operations and programming as required to match proposed funding levels for 2019-2022.

#### Why?

The City's investment of operating and capital funding in Civic Partners that manage and operate City-owned assets and steward Council approved strategies provide a cost-effective approach to delivering economic development and tourism services. Partners effectively leverage City investments and matching capital investment to ensure that assets are safe, efficient and meet the needs of Calgarians.

### What we propose to do less of

STRATEGY
Programs and services based on budget levels and evaluation results.

#### Why?

### What we propose to do more of or include as a new offering

STRATEGY
Leverage lifecycle capital funding to support lifecycle projects for resilience and sustainability of City-owned assets.

#### Why?

Civic Partners in this service manage and operate over \$490 million in City-owned assets. The City works with Civic Partners on Asset Management Plans that consider maintenance and lifecycle projects to improve performance and environmental efficiency, including energy audits. This work will continue to be highlighted to reflect The City's Climate Resilience Strategy and Action Plans.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Cultural Attraction Attendance (Number)	3,570,771	↓
Economic Impact of Convention Centre Delegates (Dollars)	26.8	↑
Number of jobs created/retained (Number)	6,000	↑
Leverage: Funds Contributed by Partners (Dollars (M))	128.1	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	33,027	37,735	37,655	40,592
Less Previous Year one Time	(2,182)	(3,411)	-	-
Base	30,845	34,324	37,655	40,592
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	-	512	512	512
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	3,479	2,820	2,425	3,130
One Time	3,411	-	-	-
Realignments	-	-	-	-
Total	37,735	37,655	40,592	44,233

## Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Calgary Centre for Performing Arts	2,565	2,565	2,632	2,698	2,765
Calgary Economic Development Ltd	5,809	10,147	10,347	10,347	10,347
Calgary Technologies Inc.	829	829	851	1,173	1,194
Calgary Convention Centre Authority	1,761	1,761	1,807	1,853	1,899
Calgary Zoological Society	8,296	8,296	8,512	8,729	8,945
Fort Calgary Preservation Society	1,147	1,147	1,177	1,206	1,237
Aero Space Museum Association of Calgary	250	475	425	425	425
Heritage Park Society	3,114	3,614	3,734	3,859	3,989
Calgary Science Centre Society	2,213	2,213	2,270	2,328	2,386
Tourism Calgary	2,812	3,278	3,851	5,924	8,998
Office of Economic Development and Policy Coordination	600	1,961	600	600	600
<b>Total</b>	<b>29,396</b>	<b>36,286</b>	<b>36,206</b>	<b>39,142</b>	<b>42,785</b>

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	33,051	34,347	3,411	37,758	37,679	-	37,679	40,615	-	40,615	44,257	-	44,257
<b>Recoveries</b>	(24)	(24)	-	(24)	(24)	-	(24)	(24)	-	(24)	(24)	-	(24)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	<b>33,027</b>	<b>34,324</b>	<b>3,411</b>	<b>37,735</b>	<b>37,655</b>	<b>-</b>	<b>37,655</b>	<b>40,592</b>	<b>-</b>	<b>40,592</b>	<b>44,233</b>	<b>-</b>	<b>44,233</b>



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		6,460	4,870	4,770	3,789	-	19,889
414100	Convention Centre - Lifecycle	180	180	180	180	-	720
414191	Civic Partners Infrastructure Grant	6,280	4,690	4,590	3,609	-	19,169
Project(s)		4,020	5,750	3,750	3,750	-	17,270
480351	Heritage Park - Wet Dock	270	2,000	-	-	-	2,270
480352	TelusConvCentre - Improve	3,750	3,750	3,750	3,750	-	15,000
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		10,480	10,620	8,520	7,539	-	37,159
Previously Approved Budget Remaining		5,470	222	-	-	-	5,692
<b>Total Capital Investment</b>		15,950	10,842	8,520	7,539	-	42,851

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 414100: Convention Centre - Lifecycle

New Budget Request of \$720 thousand to reduce the partner's operating grant and establish a Major Maintenance and Replacement Reserve to finance items such as lighting system upgrading etc.

Funding from Capital Reserves

Operating Impact of Capital: None

#### Activity 414191: Civic Partners Infrastructure Grant

New Budget Request of \$19,169 thousand to fund a grant on a matching basis to cover the cost of urgently needed maintenance, lifecycle repairs and upgrades on city owned, Partner operated facilities.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

## Project(s)

### **Activity 480351: Heritage Park - Wet Dock**

New Budget Request of \$2,270 thousand for the Office of Partnerships to proceed with this project to replace the wet dock.

Funding from Reserve for Future Capital

Operating Impact of Capital: None

### **Activity 480352: TelusConvCentre - Improve**

New Budget Request of \$15,000 thousand for lifecycle and improvements to increase usage and revenue while creating the best experience for The City of Calgary and the Calgary TELUS Convention Centre.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None





# Land Development & Sales

Led by: Real Estate & Development Services

## Description:

Our core service is the development and sale of industrial lands with the purpose of economic diversification, optimizing value and maximizing the financial return on City-owned land under City stewardship. In response to strategic corporate needs and significant public transit investments by The City and other levels of government, our service will direct resources to leverage strategic redevelopment opportunities. The same business driver underlies all three development programs: maximize the economic, social and environmental benefits by growing the non-residential tax base and generating economic investment and employment opportunities.

## Customers:

Small business owners/entrepreneurs  
 Large corporations  
 Building developers  
 Citizens

## What is delivered to customers:

To attract and sustain employment, business investment and economic diversification in the city; we provide serviced land available for sale; complete service connections and driveways; execute land sales transactions and provide post transaction client support.

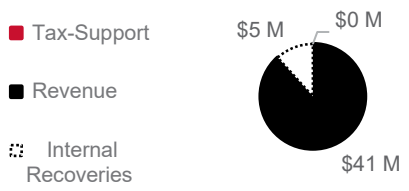

## Partners:

Many internal City partners play an integral role in the development and sale of serviced land including: Law, Finance, Calgary Growth Strategies, Transportation Infrastructure, Calgary Approvals, Roads, Water Resources, Transportation Planning, Parks, Affordable Housing, Customer Service & Communication and Environmental & Safety Management

## Service need (value proposition):

Supporting Calgary's ability to create new business investment opportunities and diversify the economy are key drivers for our service. The economic spinoffs are significant with increases to the non-residential tax base, business diversification and job creation, which all help to benefit Calgary's economy. Our customers require a variety of land types and sizes in a range of locations and land uses to meet their business objectives. We ensure all land parcels are made available for sale to the public and are offered at competitive market prices. We also offer post-transaction client support; a unique feature in the industry, well-used by our customers. Our planning and sales teams offer customized solutions to support a customer's building approvals process.

## Current state service value

<p><b>\$41 M</b> Gross Industrial Sales Revenue</p> <p><b>350</b> Permanent Jobs Created</p>	<p><b>\$3.4 M</b> Additional NonRes Tax Base Contribution</p> <p><b>\$26.5 M</b> Business Investment in Industrial Land</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$1.50</b> Return on Investment</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p>Connections to Citizen Priorities</p> 		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>•Development of serviced land ready for building development (\$6,287)</li> <li>•Land sales (\$41,000)</li> </ul> <p><b>Key Capital Investments</b></p> <p>Industrial parks, strategic redevelopment, transit oriented development, business and office parks</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Our customers expect reasonably priced, well-located serviced land in various sizes and land uses to support their business needs. The desired sales transaction experience is responsive and timely followed by post-transaction client support. Of the 11,346 Engage Portal responses, 29 per cent were directed towards A Prosperous City suggesting economic growth is a priority for citizens. The results indicate customers value a balanced land portfolio, resilience to volatile market conditions and a positive return on investment. Citizens' View Panel results ranked attractiveness–fair market prices as the most important value dimension.

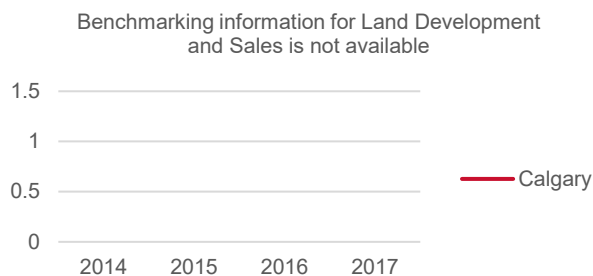
## What Council has directed

The 2013-22 Industrial Land Strategy (LAS2013-06) and Council Directive: A Prosperous City guides our focus on maximizing the value of City-owned land to ensure a positive return on our investments. From the early planning stages of land development to construction, we develop land that creates business opportunities and investment. Our land sales translate into more businesses becoming a part of The City's non-residential tax base as well as to overall economic growth and diversification. Our expanded strategic redevelopment program includes advancing the Anderson TOD project and initiating preliminary planning of other City-owned redevelopment sites. Investment in transit infrastructure can be optimized by adding residential and commercial land uses; the result is more housing options, greater transit use and the promotion of healthy lifestyles through our public spaces and pathways.

## What are we watching?

- General economic conditions and its effect on land sale prices and volume. Prices have a direct financial impact on land sales revenue, the rate of development and land inventory levels.
- Broader range of customer needs and expectations for lot sizing, configuration and servicing requirements and other value-added features.
- Sustainability of real estate reserve fund as a result of corporate needs for developed land at costs lower than market value.
- Increasing government oversight and land development and policy requirements leads to higher project costs and extended approval timelines.
- Continued growth in e-commerce and logistics will require more serviced industrial land to accommodate the need for logistics and distribution facilities.
- The limiting factor of a high office vacancy rate on new commercial office property development.

## Benchmarking



An MBNCanada land development benchmark does not exist, however discussions with The City of Edmonton and research of other municipalities who undertake land development did occur. Lack of historical data and/or performance metrics determined a mutual benchmark is not currently available. Developing similar performance reporting was supported which may lead to potential benchmarking opportunities that explore the value dimensions of attractiveness and responsiveness. The discussion was also helpful in sharing knowledge of our respective land portfolios and development strategies.

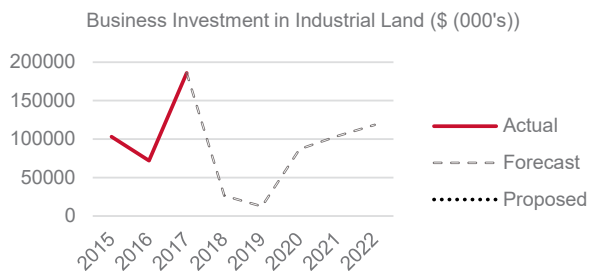
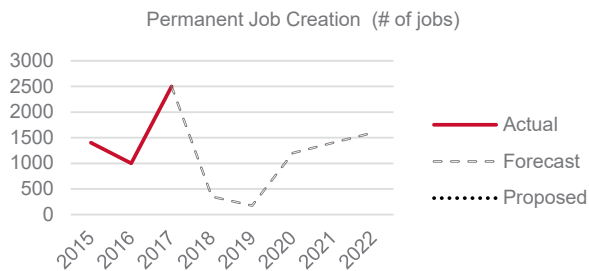
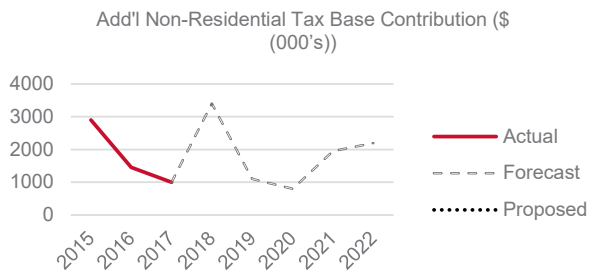
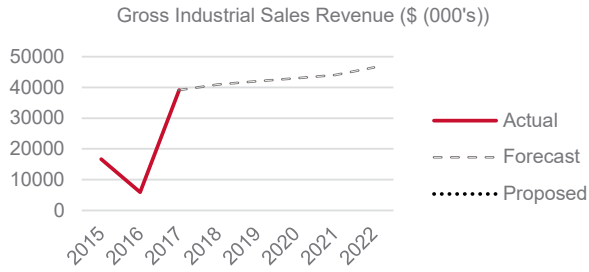
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Attractiveness	Serviced City-owned land sold at fair market value; land parcel characteristics align with customer's business needs.
Availability	Consistent supply of serviced land available for sale.
Responsiveness	Real estate transactions are completed in a timely manner and customer inquiries are responded to quickly.
Resilient	Our diverse land portfolio enables us to withstand and respond to market fluctuations in land sales and to sustain our direct role in promoting local economic development and diversification for Calgary.
Convenience	Serviced land ready for building construction and supported by a team of sales, engineering and planning experts.





## How is the Service performing? Where we are headed and where do we want to go?



### Story behind the curve

Industrial market performance is often viewed as a leading indicator of economic activity. In response to signs of improving market conditions in Q4 of 2017, we are pursuing several initiatives to increase land sales for the next four years.

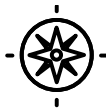
To bolster our industrial land development program, a stronger partnership with Calgary Economic Development will help identify opportunities to align our product with prospective buyers and to reveal emerging economic growth opportunities. Our work program will also focus less on business and office park development in reaction to the continuing high office vacancy rates and shifting demand for more industrial properties.

With respect to operational efficiencies, we recently restructured our development teams to improve alignment between staff expertise and stage of development. We also plan to formalize a customer intake and delivery process, and consolidate our service connection and driveway installation work – all designed to expedite customers' building construction timelines and to improve their post-transaction customer experience.

To support The City's long-range urban planning goals, our strategic redevelopment program is designed to intensify development around Anderson Station and other transit infrastructure. The program also includes optimizing the redevelopment potential of underutilized lands in the inner city and other developed area neighbourhoods. We strive to provide more housing options, increase transit ridership and develop sustainable urban land use patterns.

In the last business cycle, factoring in the economic slowdown, our average gross industrial land sales revenue was \$21.4 million per year. For One Calgary, we are forecasting an average of \$44 million per year.

Sales revenue is the foundation for our self-supporting business model and it generates significant economic spinoffs. Based on our sales revenue forecast, we project the lands we sell will lead to an additional \$6.0 million to the non-residential tax base. And with projections for more than 200 short-term construction and 4,400 permanent jobs to be created due to new businesses constructing on our industrial lands, our service directly contributes to the economic prosperity and business diversification of the city.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Industrial Land Development and Sales Program.
Service Connections and Driveways.

#### Why?

The industrial market is a leading indicator of economic recovery and with signs of improved market conditions in late 2017, developing additional lands acquired last year would respond to anticipated greater customer demand. Consolidating all service connection work from our industrial development program will create greater efficiencies with service delivery and transparency in financial cost reporting.

### What we propose to do less of

STRATEGY
Business and Office Park development in favour of Transit Oriented Development and Strategic Redevelopment.

#### Why?

We are responding to the current market conditions of low market demand and high inventory of suburban and downtown commercial office space. Until the transit alignment to the airport has been finalized, site planning work for Aurora Business Park will be put on hold.

### What we propose to do more of or include as a new offering

STRATEGY
Strategic Redevelopment Program.
Transit Oriented Development.

#### Why?

- To align with the long-range, urban sustainability goals of the MDP and CTP, and increased funding in transit infrastructure.
- To shape Calgary's built environment and infrastructure networks by maximizing the redevelopment potential of underutilized land assets with thoughtful intensification and innovation.
- To activate development intensification to support existing transit infrastructure with the objective of providing more housing options and increased ridership.



# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Gross Industrial Sales Revenue (\$000's)	41,000	↑
Add'l Non-Residential Tax Base Contribution (\$000's)	3,400	↑
Permanent Job Creation (# of jobs)	350	↑
Business Investment in Industrial Land (\$000's)	26,500	↑

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	442	442	442	442
Less Previous Year one Time	-	-	-	-
Base	442	442	442	442
Revenue Changes	(2,004)	(1,030)	(1,030)	(2,575)
Internal Recovery Changes	(2,295)	-	-	-
Inflation	2,295	-	-	-
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(6,119)	-	-	-
Service Increases	8,123	1,030	1,030	2,575
One Time	-	-	-	-
Realignments	-	-	-	-
Total	442	442	442	442

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	47,287	51,586	-	51,586	52,616	-	52,616	53,646	-	53,646	56,221	-	56,221
Recoveries	(5,487)	(7,782)	-	(7,782)	(7,782)	-	(7,782)	(7,782)	-	(7,782)	(7,782)	-	(7,782)
Revenue	(41,358)	(43,362)	-	(43,362)	(44,392)	-	(44,392)	(45,422)	-	(45,422)	(47,997)	-	(47,997)
Net	442	442	-	442	442	-	442	442	-	442	442	-	442



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		13,363	22,440	4,750	5,490	4,380	50,423
402010	Point Trotter	903	7,500	2,000	1,500	-	11,903
402550	Anderson Station TOD	8,960	11,080	750	2,250	4,380	27,420
480850	Heritage Station TOD	600	1,100	100	100	-	1,900
480851	Srvc Connections&Driveways	1,000	1,200	1,200	1,400	-	4,800
480852	Centre St&16 Ave NW Stn TOD	400	100	-	-	-	500
480853	West Village Redevelopment	1,100	800	400	-	-	2,300
480854	South Hill Station TOD	-	260	300	240	-	800
480855	West Downtown Redevelopment	400	400	-	-	-	800
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		<b>13,363</b>	<b>22,440</b>	<b>4,750</b>	<b>5,490</b>	<b>4,380</b>	<b>50,423</b>
Previously Approved Budget Remaining		44,227	56,402	103,986	-	-	204,615
<b>Total Capital Investment</b>		<b>57,590</b>	<b>78,842</b>	<b>108,736</b>	<b>5,490</b>	<b>4,380</b>	<b>255,038</b>

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 402010: Point Trotter

New Budget Request of \$11,903 thousand is requested to cover additional onsite construction and increased off site obligations (Glenmore/68th ST intersection) for the remaining lands acquired last year.

Funding from Capital Reserves

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 402550: Anderson Station TOD**

New Budget Request of \$27,420 thousand to initiate redevelopment of City owned lands at Anderson LRT Station into a transit oriented development site.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480850: Heritage Station TOD**

New Budget Request of \$1,900 thousand to determine the transit-oriented development potential of City-owned lands at the Heritage LRT Station.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480851: Srvc Connections&Driveways**

New Budget Request of \$4,800 thousand to improve administration of a cost recovery service to purchasers of City-owned land.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480852: Centre St&16 Ave NW Stn TOD**

New Budget Request of \$500 thousand to explore the development potential of City owned lands adjacent to the future Green Line LRT station at Centre St and 16th Ave NW.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480853: West Village Redevelopment**

New Budget Request of \$2,300 thousand to support Green Line construction and to evaluate redevelopment potential of City-owned lands in West Village.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480854: South Hill Station TOD**

New Budget Request of \$800 thousand to determine the transit-oriented development potential for City-owned lands at the South Hill LRT Station.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480855: West Downtown Redevelopment**

New Budget Request of \$800 thousand to determine future redevelopment potential of City-owned lands in west downtown.

Funding from Capital Reserves

Operating Impact of Capital: None









# Library Services

Led by: Calgary Neighbourhoods

## Description:

Calgary's libraries are community hubs that promote learning, discussion, invention and action. The City's investment of operating/capital grants and assets is leveraged by the Calgary Public Library Board through volunteer support, partnerships, and donations. The Calgary Public Library Board is an independent City of Calgary Civic Partner. It is a separate legal entity set up in accordance with the Libraries Act (Alberta) and bylaw 38M2006.

As a separate legal entity, costs for governance and corporate services (Human Resources, Information Technology, Financial Services, Security and Facility Management) are included in the Library's operating budget breakdown.

## Customers:

Library members, library visitors, school children, preschoolers, daycare children and their caregivers, Indigenous Calgarians, and homebound seniors benefit from the variety of programs and services offered by the Calgary Public Library Board.

## What is delivered to customers:

There are more than 20 library locations. Customers have access to over 2.3 million physical, digital and streamed items; hundreds of programs and events; and internet access through computers, notebooks and wi-fi. Printing and meeting rooms are available at almost all locations and many other services are available outside of Library facilities.

## Partners:

This service is delivered by the Calgary Public Library Board. The City's investment is multiplied through the involvement of other organizations, including Calgary school boards, the YMCA and YWCA, Calgary Police and Fire departments, the University of Calgary and partnerships with other City services on projects and initiatives.



## Service need (value proposition):

The mission of the Calgary Public Library is to empower community by connecting Calgarians to experiences, inspiration and ideas.

Library services seek to positively influence the following outcomes: a sense of belonging, a sense of empowerment in civic decision-making, ability to empathize with others, personal meaning, capacity and connectedness, and a positive, enthusiastic and hopeful outlook on the future.

Library visitors are seeking opportunities to build connections, participate in collaborative action, and deepen understanding of their community. They are also looking for opportunities for personal change and adaptation, to satisfy their curiosity and engage in lifelong discovery.

## Current state service value

<p><b>94%</b> Satisfaction</p> <p><b>83%</b> Report its importance to quality of life</p>	<p><b>82%</b> Report high quality library services</p> <p><b>7,100,000</b> Library visits</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$1.40</b> Cost per library use</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p>
		<p><b>Key Capital Investments</b></p> <p>The Library manages 20 library service locations, with a value of over \$162 million (City-owned assets). \$11.1 million in new capital requests are included from 2019-2022 for Library lifecycle and growth projects.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

In 2017, over 85 per cent of customers were satisfied with staff, in-person/online experiences, and collections; supporting the goal of improving the experience, ease and convenience of using the Library. Ninety-one per cent of members had a sense of pride in the Library.

Early literacy is a priority for the Library and research shows that after visiting a library Early Learning Centre, children showed more constructive, dramatic and physical play; more children initiated family trips to libraries with an ELC and had increased the length of their average stay; and parents reported higher levels of satisfaction with the space, and decreased feelings of social isolation.

## What Council has directed

This service supports a Prosperous City through access to information and training for Calgarians, entrepreneurs and businesses. It is a resource for businesses considering relocating, and supports the integration and education of new Calgarians.

Library locations are gathering places for all Calgarians, connecting them to each other and neighbourhood and civic initiatives (N1, N2). Outreach programs connect those who are isolated or have mobility challenges (N1).

Reconciliation is a priority and the Library is building internal capacity to bring the message of cultural humility and competency, understanding and sensitivity to its members and audiences (W5).

This service aligns with ImagineCALGARY, White Goose Flying, Economic Strategy for Calgary, Seniors Age Friendly Strategy, Enough for All, Cultural Plan for Calgary, Investing in Partnerships policy, among others.

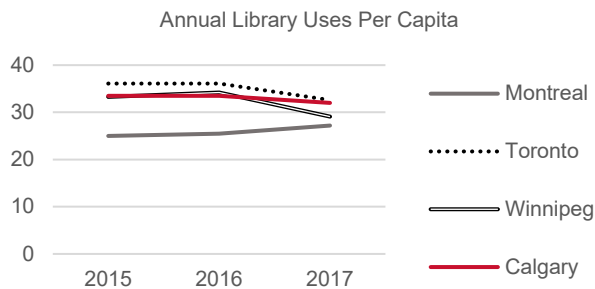
## What are we watching?

Publishing trends that impact purchasing include: popularity of topics/formats, distribution models, exchange rates, and digitization trends that affect customer service tools and skills.

Security trends: Number/type of reported physical incidents in and around libraries impacting staff and visitor experience; facility design and activation that prevent negative behavior and promote safe, welcoming spaces; and threats to digital records and network integrity that impact budgets and approaches to digital-based services.

Relevance trends: Changes in Calgary's demographics and psychographics to inform planning and to focus current programs and services. Customer and partner research and survey results to ensure program design and delivery effectively support the intended impact of Library programs and to assess the effectiveness of internal innovation efforts.

## Benchmarking



Source: Municipal Benchmarking Network Canada

Under the 2017 Municipal Benchmarking Network Canada report, the Annual (Total) Library Uses Per Capita for the Calgary Public Library was 32. This measure demonstrates the core library services accessed divided by population. The Library uses this measure as a proxy for accessibility – the removal of barriers, including distance, fees, process and space should lead this measure higher. Calgary's relative performance is driven by a lack of library space compared to other cities in the benchmark. This space deficit means higher travel times, parking challenges, fewer items to borrow, and fewer spaces in programs and events. Additional library space (included in capital requests) is needed to improve performance on this measure.

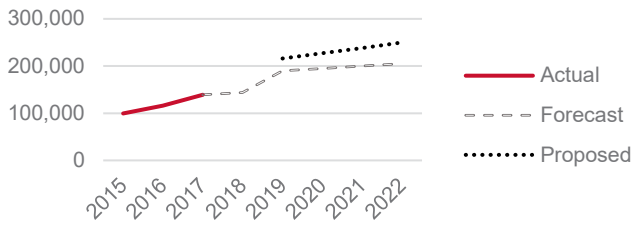
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Accessibility	Reduce financial, social, geographic and physical barriers that affect access to Library services and programs.
Connectivity	Connect customer groups with others, their community, or to other resources and services they may need.
Quality	Provide high-quality Library programs and services that are timely and relevant to customer groups.
Reconciliation	Library programs and services include a shared understanding between Indigenous and non-Indigenous customer groups.
Self-Actualization	Providing Library programs and services that create a sense of personal accomplishment or improvement.

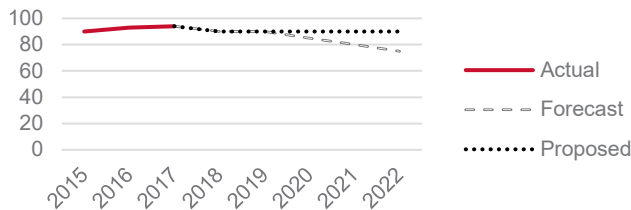


# How is the Service performing? Where we are headed and where do we want to go?

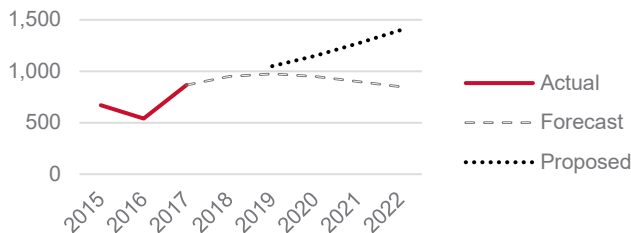
Attendance at In-Library Early Literacy Programs (Number of Participants)



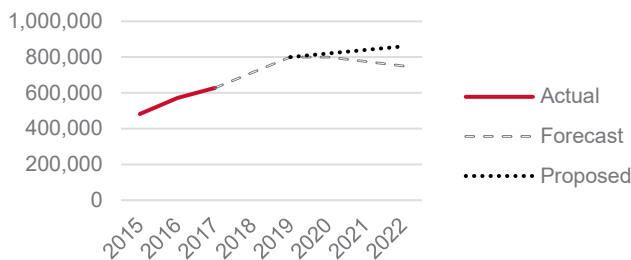
Satisfaction with Experiences at the Calgary Public Library over the Past 12 Months (Per cent of surveyed respondents satisfied)



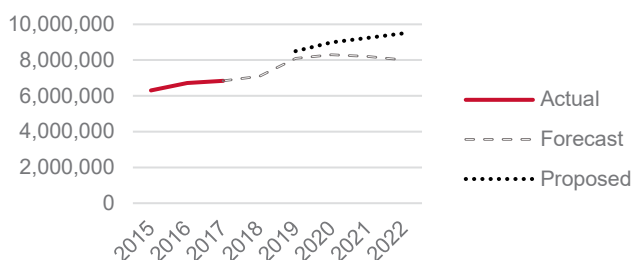
Early Literacy Program Sessions Outside Library (Number of Sessions)



Library Members (Number of Members)



Library Visits (Number of Visits)



## Story behind the curve

The Library's performance measures reflect its customer value characteristics. Members, visits and satisfaction are all indicative of accessibility, quality and connectivity. Increasing levels of all three measures are taken as evidence that Calgarians are finding the Library sufficiently accessible and sufficiently effective at supporting their self-actualization, that they are increasing their utilization.

Additional service hours have been added over the last several years (beyond opening new libraries) by reallocating resources internally. Visits to Library sites has benefitted from an effort to refresh and modernize all community libraries before the New Central Library opens in late 2018. Included in this refresh was the creation of dedicated spaces supporting early literacy and additional gathering and meeting spaces.

Changes in the number of Library members and Library visitors are related to new locations opening.

Attendance at Library Programs and the Number of Programs operated beyond Library walls are indicative of accessibility and connectivity. Realization of these value characteristics is enhanced when the Library comes to users who otherwise cannot utilize the Library (e.g. children in daycare or socially isolated seniors) or when the Library introduces users to new ideas, their proponents and like-minded community members through programming and events.

Accessibility has been enhanced over the last several years by reallocating internal resources to support an aggressive expansion of mobile and other off-site forms of service delivery. Mobile services take Library service to parts of the City that lack permanent Library infrastructure.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Maintain current levels of service at 20 locations (estimated 65,000 hours annually) including year-round Sunday service at 13 locations.
Implement innovative strategies for a safe and secure environment that supports high-quality experiences for visitors and staff.

#### Why?

Open hours is the key determinant of access to borrowing items, program attendance, room bookings and outreach. More open hours are one of the most frequently received customer suggestions.

### What we propose to do less of

STRATEGY
General interest adult programs and events that have lower participation rates.
Printing and distribution expenses by assessing communication priorities and channels.

#### Why?

To use limited resources effectively, the Library Board has identified six priority areas for this planning-cycle including inclusion, reconciliation, connectedness, early literacy, lifelong learning support and personal empowerment. Programs will be reviewed against these priorities and customer feedback to inform choices about the service.

### What we propose to do more of or include as a new offering

STRATEGY
Deliver programs focused on inclusion, reconciliation, connectedness, early literacy, lifelong learning support and personal empowerment.
Focus on creating opportunities for visitors to connect, engage in collaborative action, and deepen understanding of their community.
Develop a new library location in Symons Valley to continue to meet the needs of Calgarians.

#### Why?

The chosen priorities are designed to maximize the Library's influence on users' feelings of connectedness and empathy, participation in civic decision-making, and their ability to lead purposeful and fulfilling lives. These strategies were chosen by the Calgary Public Library Board.



# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Attendance at In-Library Early Literacy Programs (Number of Participants)	144,000	↔
Satisfaction with Experiences at the Calgary Public Library over the Past 12 Months (Percent of surveyed respondents satisfied)	90	↔
Early Literacy Program Sessions Outside Library (Number of Sessions)	950	↔
Library Members (Number of Members)	715,000	↔
Library Visits (Number of Visits)	7,100,000	↔

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	54,050	54,550	54,900	55,200
Less Previous Year one Time	-	-	-	-
Base	54,050	54,550	54,900	55,200
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	-	-	-	-
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	500	350	300	250
One Time	-	-	-	-
Realignments	-	-	-	-
Total	54,550	54,900	55,200	55,450

## Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Calgary Public Library Board	53,750	54,250	54,600	54,900	55,150

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	54,063	54,563	-	54,563	54,913	-	54,913	55,213	-	55,213	55,463	-	55,463
<b>Recoveries</b>	(13)	(13)	-	(13)	(13)	-	(13)	(13)	-	(13)	(13)	-	(13)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	54,050	54,550	-	54,550	54,900	-	54,900	55,200	-	55,200	55,450	-	55,450



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		2,024	3,174	3,619	2,352	-	11,170
413965	Library Lifecycle Grant	2,024	3,174	3,619	2,352	-	11,170
Project(s)		-	3,800	4,200	-	-	8,000
413966	ICFP - Symons Valley Community Library	-	3,800	4,200	-	-	8,000
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		2,024	6,974	7,819	2,352	-	19,170
Previously Approved Budget Remaining		-	5,000	-	-	-	5,000
<b>Total Capital Investment</b>		2,024	11,974	7,819	2,352	-	24,170

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 413965: Library Lifecycle Grant

New Budget Request of \$11,170 thousand of lifecycle funds intended to keep Library buildings, fleet and information infrastructure in a state of good repair and able to support operational goals.  
Funding from Pay-As-You-Go (\$6,170 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$5,000 thousand)  
Operating Impact of Capital: None

### Project(s)

#### Activity 413966: ICFP - Symons Valley Community Library

New Budget Request of \$8,000 thousand for the construction of a library to serve the communities of Sage Hill, Nolan Hill, Kincora, Evanston and Sherwood.  
Funding from Developer & Other Contributions  
Operating Impact of Capital: None







# Social Programs

Led by: Calgary Neighbourhoods

## Description:

Social Programs provides equitable access to programs and services that give Calgarians the skills to build resiliency and capacity. We leverage funds from other orders of government through contractual agreements and collaborative partnerships. We offer social recreational programming for children and youth; career planning and employment support for youth; youth justice services; and seniors home maintenance services. In addition, we administer the Fair Entry Program and fund preventive social services provided by nonprofit partners. These programs and services provide Calgarians with the supports they need to thrive.

## Customers:

Our customers are Calgarians at all stages in life with a focus on those experiencing vulnerability and requiring accessible programs and services to build resiliency and improve their well-being.

## What is delivered to customers:

We deliver leveraged programs and services focusing on social wellbeing through: one window access to reduced rates for City services; accessible child and youth programs; youth justice services; youth career and employment services; home maintenance for vulnerable seniors; and programs delivered through nonprofit social service providers.

## Partners:

To create collective impact, Social Programs are offered in partnership with: all orders of government, nonprofit social service providers, local school boards, businesses and City services (e.g. Recreation Opportunities, Public Transit, Waste & Recycling, etc.).

## Service need (value proposition):

Social Programs increases social inclusion for Calgarians facing vulnerabilities by providing opportunities and building their capacity to fully participate in civic life. Age- and culturally-appropriate programs are necessary to overcome financial, social, geographic and physical barriers. In addition, social programs help build resiliency through increased protective factors such as positive relationships, employment training, social recreational opportunities and access to support services. Over half of the operating budget is funded by other orders of government. By providing equitable access to programs, services and resources Social Programs contributes to a prosperous and inclusive city.

## Current state service value

<p><b>\$8.27</b> Leveraged for every \$1 invested in FCSS</p> <p><b>\$30M</b> Value of volunteer hours contributed</p>	<p><b>96%</b> Fair Entry clients access 2+ programs</p> <p><b>52%</b> Budget is provincial funding</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <ul style="list-style-type: none"> <li>Tax-Support \$3 M</li> <li>Revenue \$27 M</li> <li>Internal Recoveries \$34 M</li> </ul> <p><b>\$60</b> Operating cost per FCSS program visit</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>												
<p><b>Connections to Citizen Priorities</b></p> <table border="1"> <caption>Connections to Citizen Priorities</caption> <thead> <tr> <th>Citizen Priority</th> <th>Connection Level</th> </tr> </thead> <tbody> <tr> <td>A Well Run City</td> <td>Low</td> </tr> <tr> <td>A Healthy and Green City</td> <td>Low-Medium</td> </tr> <tr> <td>A City that Moves</td> <td>Low</td> </tr> <tr> <td>A City of Safe and Inspiring Neighbourhoods</td> <td>Low-Medium</td> </tr> <tr> <td>A Prosperous City</td> <td>High</td> </tr> </tbody> </table>		Citizen Priority	Connection Level	A Well Run City	Low	A Healthy and Green City	Low-Medium	A City that Moves	Low	A City of Safe and Inspiring Neighbourhoods	Low-Medium	A Prosperous City	High	<p><b>What the service includes (\$000s)</b></p> <p>Fair Entry (\$755)          Preventive Social Services (\$57,523) *\$40,000 FCSS grant          Seniors Home Maintenance (\$3,526)          Youth Employment Centre (\$2,535)</p>
Citizen Priority	Connection Level													
A Well Run City	Low													
A Healthy and Green City	Low-Medium													
A City that Moves	Low													
A City of Safe and Inspiring Neighbourhoods	Low-Medium													
A Prosperous City	High													
		<p><b>Key Capital Investments</b></p> <p>This service does not have a capital budget.</p>												



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Engagement with Calgarians on Social Programs has shown: 95% believe that Social Programs are important; 97% indicate that investment in Social Programs by the City should be more or the same; 87% are satisfied with the job the City is doing with Social Programs.

Customer satisfaction surveys indicate high satisfaction and a perceived positive impact with existing services. Our customers have asked us to fill gaps in services such as post-programming support in youth justice programs. In addition, Fair Entry clients report benefitting from improved access to existing services, increasing their social inclusion.

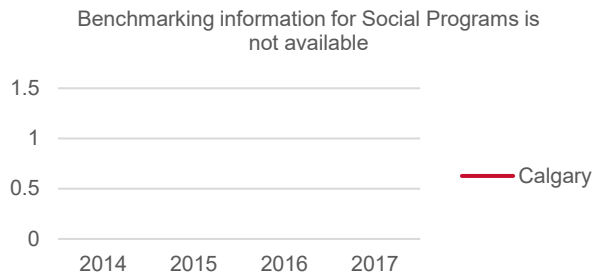
### What Council has directed

In support of A Prosperous City, Social Programs, with its partners, provides equitable access to services for all Calgarians (P4). Social Programs contributes to A City of Safe and Inspiring Neighbourhoods by providing opportunities for vulnerable Calgarians to access programs and services where they live (N1) and to a Healthy and Green City by providing social recreational opportunities that support healthy lifestyles and increase social inclusion (H4). In support of a Well-Run City, Social Programs supports the process of Truth and Reconciliation (W5) by working with the Indigenous community to develop programs and services that meet the needs of Indigenous Calgarians. Our programming is connected to the goals of the Enough For All Strategy, Seniors Age Friendly Strategy, Social Wellbeing Principles and White Goose Flying report.

### What are we watching?

Calgary reports the highest rate of income disparity in Canada, with 1 in 10 Calgarians living on low income. Individuals and families face additional challenges and risk factors that create barriers to social and civic participation (e.g. language, education, employment, mental health, criminality, and addictions), requiring accessible, inclusive programs and services that meet their needs. Rapid growth of immigrant, seniors and Indigenous populations in Calgary means that our population is becoming increasingly diverse with unique needs that require age and culturally-sensitive programs and services that foster social inclusion and well-being for all Calgarians.

### Benchmarking



Our programs and services reflect the specific demographics and social needs of Calgarians, making it difficult to benchmark across municipalities. Social Programs are evidence-based and informed by best practice. They are designed, delivered and evaluated for our local context. Where possible, we will explore approaches to benchmarking through municipal networks such as MBN Canada. We will continue to develop and/or implement evaluations to ensure we meet our intended outcomes.

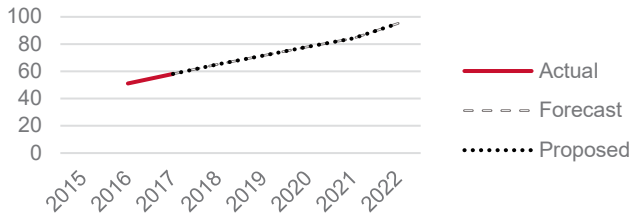
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Accessibility	Reduces barriers for Calgarians to participate in civic life.
Prevention	Provides programs and services that build resiliency and capacity by increasing protective factors and reducing risk factors.
Responsiveness	Provides programs and services to Calgarians in a timely manner in accordance with their needs.
Wellbeing	Designs and delivers programs and services that meet the needs of Calgarians and the community.
Connectivity	Connects Calgarians to the programs and services that increase their opportunities to thrive.



# How is the Service performing? Where we are headed and where do we want to go?

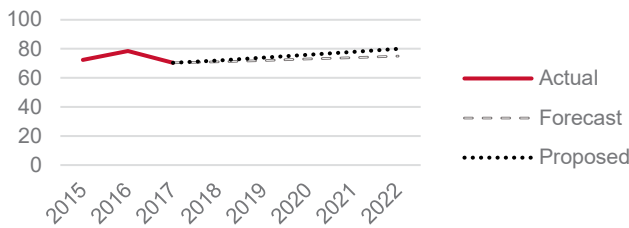
Low Income Calgarians served through Fair Entry (Percent)



## Story behind the curve

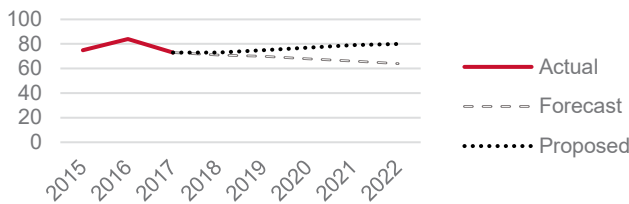
Fair Entry provides efficient one window application and qualification services for low income Calgarians to access reduced rates for eligible services. In 2017, almost 60% of Calgary's low-income population applied and was approved for the program. With sustained funding, Fair Entry will accommodate growing demand for City services at reduced rates while maintaining a consistent level of service and processing times for clients. Social Programs will continue working to increase awareness of Fair Entry and improve accessibility by addressing emerging trends and exploring the use of extended hours and pop-up locations where needed.

Youth who agree YEC has increased their ability (Percent)



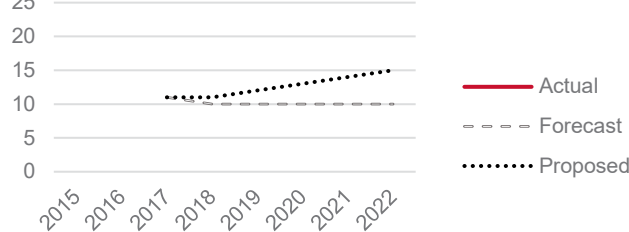
The Youth Employment Centre provides training to youth in gaining employment. The economic downturn resulted in a 26% increase in youth seeking employment and career services in 2017. Seventy percent of youth served by YEC reported an increase in their ability to find a job. Through partnerships with employers and funders (including other orders of government), YEC will continue to connect youth to employment and career opportunities.

Youth Probation clients who have completed successfully (Percent)



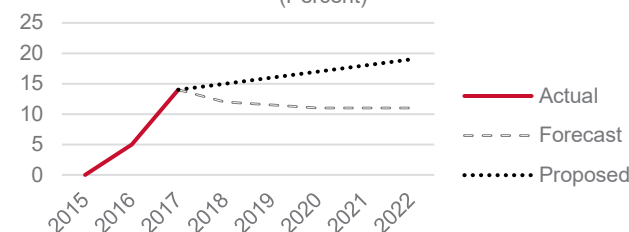
Youth probation is provided through a contractual agreement with the provincial government. While, youth probation caseloads have decreased in recent years the level of complexity exhibited by youth on probation has increased. This has contributed to the decline in the percentage of probation cases closing successfully. Our contribution to turning the curve is to provide programs that fill gaps in service and address the barriers faced by youth involved in the justice system.

Change of participants who report having someone to turn to for advice with a personal problem (Percent)



After participating in our programs, 72% of clients reported having someone to turn to for advice and guidance, an increase of 11%. By continuing to fund programs and services that are focused on social inclusion, it is expected more clients will report having someone to turn to.

Change in participants who have knowledge of programs and services to help them/their family (Percent)



Program evaluations suggest that while clients' knowledge of services increases during their time in our programs they are less confident in navigating resources once they leave programs. To turn the curve, we will build capacity in our clients to access services and resources on their own once they leave our programs.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide crime prevention and early intervention programs for at-risk children and youth by working with partners and other orders of government.
Deliver preventive social services through partners to increase protective and decrease risk factors among vulnerable populations.
Provide local, equitable programs for Calgarians facing negative social conditions to achieve social wellbeing.
Deliver programming that provides cultural opportunities for Indigenous children and youth.
Support youth from leadership development to employment to transition into successful adulthood through the Youth Employment Centre
Partner with, support and prepare employers to hire at-risk youth through the Youth Employment Centre, contributing to a prosperous economy.
Provide access to City services at reduced rates by maintaining Fair Entry service levels to meet the needs of low income Calgarians.

#### Why?

Social Programs will leverage provincial funds through contractual agreements and collaborative partnerships to improve quality of life for all Calgarians through programs and services that build resiliency and capacity. We will provide opportunities that are age and culturally appropriate and maintain equitable access to our programs and services that meet the needs of Calgarians where they live.

### What we propose to do less of

STRATEGY
City operational role by transitioning Seniors Home Maintenance Services to community partners.

#### Why?

Social Programs completed a service review for Seniors Home Maintenance Services to determine efficiencies and realign service delivery. Community partners are well positioned to provide older Calgarians this important service to help them age in place.

### What we propose to do more of or include as a new offering

STRATEGY
Develop programs for youth who are not equipped to access traditional employment services through the Youth Employment Centre.
Develop and provide follow up programming to connect children, youth and families with support after Youth Justice program involvement.

#### Why?

Calgarians experiencing vulnerabilities face challenges and risk factors that create barriers to social participation while limiting their opportunities to thrive. Social Programs will respond to the needs of this population by offering more targeted programs, services and initiatives that build resiliency and capacity in those that need it the most.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Low Income Calgarians served through Fair Entry (Percent)	65.1	↑
Youth who agree YEC has increased their ability (Percent)	71	↑
Youth Probation clients who have completed successfully (Percent)	71	↑
Change of participants who report having someone to turn to for advice with a personal problem (Percent)	10	↔
Change in participants who have knowledge of programs and services to help them/their family (Percent)	12	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	27,120	27,563	27,698	27,248
Less Previous Year one Time	(21)	-	-	-
Base	27,099	27,563	27,698	27,248
Revenue Changes	(131)	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	54	61	61	62
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(54)	(61)	(61)	(62)
Service Reductions	(536)	(265)	(450)	(890)
Service Increases	1,131	400	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	27,563	27,698	27,248	26,358

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	64,339	64,537	-	64,537	64,672	-	64,672	64,222	-	64,222	63,332	-	63,332
<b>Recoveries</b>	(3,308)	(2,932)	-	(2,932)	(2,932)	-	(2,932)	(2,932)	-	(2,932)	(2,932)	-	(2,932)
<b>Revenue</b>	(33,911)	(34,042)	-	(34,042)	(34,042)	-	(34,042)	(34,042)	-	(34,042)	(34,042)	-	(34,042)
<b>Net</b>	27,120	27,563	-	27,563	27,698	-	27,698	27,248	-	27,248	26,358	-	26,358



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.











# Building Safety

Led by: Calgary Building Services

## Description:

The Building Safety service provides Calgarians with the assurance that the buildings they live, work, and play in, are safe. This service reviews building plans submitted to ensure compliance with provincial and national safety codes prior to issuing a permit, then follows up with site inspections to ensure construction also complies. The service responds to building and construction site safety concerns reported by first responders, citizens, and partner agencies providing guidance and direction to ensure a safe resolution. The service works proactively with industry and partner agencies to identify, educate, and promote safety best practices to reduce incidents and public safety concerns.

## Customers:

All persons that undertake constructing, renovating, or demolishing a building which includes: Home owners, business owners, land developers, builders, contractors, trade professionals, supporting professionals. Indirect customers include: Property owners and renters, citizens, communities, and partnering construction industry associations.

## What is delivered to customers:

Building Safety provides citizens, communities and customers assurance that new construction projects have been reviewed and inspected to meet Alberta's safety standards prior to granting occupancy. The service also addresses citizen inquiries on construction sites, existing buildings and responds to urgent calls related to public safety.

## Partners:

Building Safety collaborates with industry associations including BILD, the Calgary Construction Association, ENMAX and ATCO. It works closely with agencies such as Alberta Health Services to identify and investigate public safety concerns. The service participates in safety code changes with the National Research Council, and works with industry to improve construction safety.

## Service need (value proposition):

Building Safety provides its customers direct value through review and inspection of construction, in a timely and consistent manner, to ensure Alberta's safety standards are met. It assists customers on application, code requirements and regulatory changes to support their projects. In addition, the service works collaboratively with industry to help them develop best practices, and identifies growing safety concerns for correction. For citizens and communities, Building Safety provides urgent response service for public safety concerns related to construction sites and existing buildings. It administers important bylaw and safety requirements through the Building Maintenance Bylaw, Public Protection Site Safety Plan, and Infill Construction Collaboration Program.

## Current state service value

<p><b>16,071</b> 2017 building permits issued</p> <p><b>62,785</b> 2017 building inspections performed</p>	<p><b>51,593</b> 2017 safety code permits issued</p> <p><b>92,522</b> 2017 safety code inspections performed</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>	<p><b>\$9</b> Annual operating cost per \$1,000 in building permit construction value</p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Investments include initiatives that enhance service delivery and the customer experience through targeting improvements to customer facing systems, supporting technology platforms and processes.</p>	



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Research on customer expectations was completed through a Zero-based Review. Our customers value transparent processes that are applied fairly with fast and predictable approval of building permits. They value City staff time to help guide them through the process or understand code requirements. Delivery of inspections was deemed 'important' and rated as 'satisfied' by 89% of Calgarians in 2017. The ability to apply, pay and book inspections online is valuable in saving them time and money. Finally, customers expect The City to keep them informed and updated on changes that might impact their application or project.

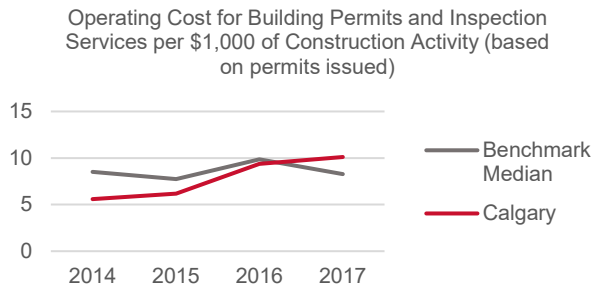
### What Council has directed

Building Safety plays a role in the Council Directives of A City of Safe and Inspiring Neighbourhoods (N1, N4, N5), A Prosperous City (P3), and A Healthy and Green City (H1). Ensure public safety around construction sites by responding and coordinating efforts with first responders, stakeholders and partner agencies. Enable timely occupancy of buildings through plans review and inspections in accordance with safety codes. Support the safety of occupied buildings by administering the requirements of the Building Maintenance Bylaw. Continue to strive to improve internal processes and services for customers to encourage development, and support existing businesses. Participate and influence the National Energy Code to encourage more energy-efficient buildings, proactively develop climate adaptation strategies such as rainwater harvesting and solar panels.

### What are we watching?

Construction activity and economic trends can significantly impact construction activity resulting in unexpected changes to permit volumes and fee revenues which can strain staff resources and service levels. The service continually monitors and tracks economic indicators to minimize impacts to service. There is rigor in balancing costs relative to the service provided. Various safety and energy codes are updated periodically that typically increase permit volumes impacting service levels. The service will expand online services to better meet client expectations and monitor technology utilized by the construction industry in order to maximize technology system upgrades on service delivery. Emergencies such as extreme weather can require resources to be diverted for Emergency Management purposes impacting business continuity.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The Municipal Benchmarking Network Canada benchmark of Operating Cost for Building Permits and Inspection Services per \$1,000 of Construction Activity (based on permits issued) is used to compare the service to other Municipalities across Canada. Calgary has experienced considerable fluctuations in construction values over the past ten years when compared to other cities included in this comparison. Overall construction value in Calgary decreased by 25 per cent in 2016 affecting the operating cost ratio while the operating cost remained fairly stable.

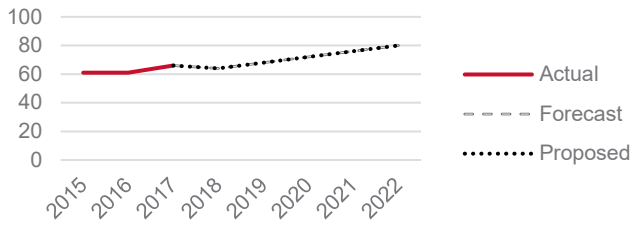
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Provide timely responses to permit applications, performing required inspections, and/ to emergency situations.
Legislative Compliance	Ensure safety standards are met by reviewing plans and inspecting construction according to the Safety Codes Act.
Informs	Provide customers guidance on requirements regarding public safety, energy codes, accessibility, and construction safety.
Prevention	Prevent public safety incidents from occurring through education, and awareness with industry partners and customers.
Safety	Respond to public site safety and building concerns, review plans and inspect construction to ensure safety.

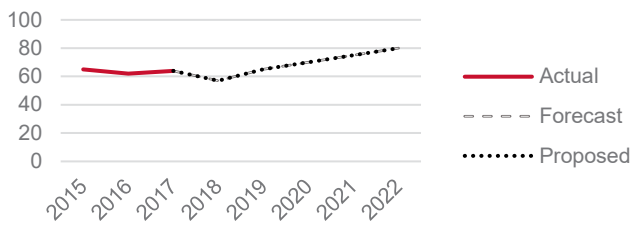


## How is the Service performing? Where we are headed and where do we want to go?

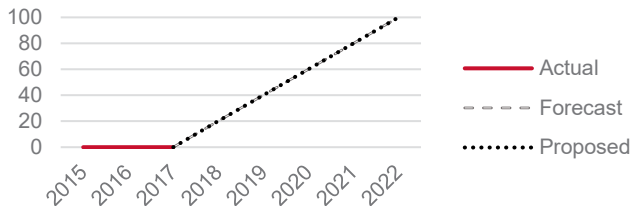
Per cent of new home construction that meets building safety standards upon first-final inspection. (%)



Per cent of Residential Improvement Projects that required a single inspection (%)



Per cent of buildings five storeys or greater and older than 10 years that submit a Building Envelope Visual Inspection for review (%)



### Story behind the curve

All new homes are inspected to ensure the construction meets provincial and national safety codes. New homes require a series of inspections through the construction cycle. Optimally, a single inspection during the final stage of construction would be preferred in order to obtain Permission to Occupy. Safety Code Officers return to re-inspect the home when safety code concerns are found. To improve the customer experience and benefit customers with fewer inspections, the service will create educational strategies to identify and assist customers more easily meet safety code requirements. In addition, internal efficiencies and opportunities will be explored.

Residential Improvement Projects are upgrades to existing residential properties such as basement developments, additions, and raised decks that represent a different market segment than new home construction. Many of these permits are taken out by independent contractors and homeowners that are often inexperienced and represent a higher risk of not meeting safety code requirements. The service aims to provide these customers upfront education of common safety issues before they start their project that will improve the overall customer experience and benefit customers with fewer inspections.

As Calgary's buildings age, it becomes important to assess the exterior condition of existing buildings. The Building Safety service now has the tools to assess these buildings through the Building Maintenance Bylaw. A number of buildings will be identified and audited each year to confirm that the Building Envelope Visual Assessment (BEVA) was completed. Those BEVA assessments with issues are required to be reported, and permits for remediation obtained through The City. Building Safety will analyze the data collected, look for trends and identify growing areas of concern with owners and industry to develop strategies to mitigate public safety risk. The City wants to ensure that buildings within Calgary are being adequately maintained.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Keep buildings safe through a safety codes review.
Strengthen culture utilizing an 'outside in' view to foster the successful realization of development.
Enhance online service offerings and leverage technology to improve our service delivery.
Focus on developing and utilizing data in support of decision-making.
Utilize risk management principles to realize efficiencies and maximize safety.
Continue to monitor costs by reviewing fees to reflect appropriate levels of service while meeting customer expectations.
Proactively manage project submissions to customer expected timelines and reduce review and release times.

#### Why?

The service will continue to strengthen a culture of enabling outcomes, and leverage technology to enhance the customer experience while maintaining public confidence that buildings in Calgary are safe.

### What we propose to do less of

STRATEGY

#### Why?

### What we propose to do more of or include as a new offering

STRATEGY
Use alternate methods of verifying safety to reduce the number of inspections while maintaining service levels.
Ensure site safety through education and collaboration with industry partners.
Proactive site safety inspections to ensure public safety and reduce number of complaints that are received.
Ensure existing buildings are safe through the Building Maintenance Bylaw auditing.
Concurrent plan review with internal services and external agencies.

#### Why?

The service intends to alter its focus to be more proactive and work collaboratively with customers regarding safety for both new construction and existing buildings. Employing a risk management strategy to increase efficiency with inspections allowing for greater interaction earlier in the process.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of new home construction that meets building safety standards upon first-final inspection. (%)	64	↑
Per cent of Residential Improvement Projects that required a single inspection. (%)	57	↑
Per cent of buildings five storeys or greater and older than 10 years that submit a Building Envelope Visual Inspection for review. (%)	20	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	-	-	-	-
Less Previous Year one Time	-	-	-	-
Base	-	-	-	-
Revenue Changes	(2,971)	(956)	(956)	(899)
Internal Recovery Changes	3,211	-	-	-
Inflation	937	1,091	1,096	1,026
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(1,067)	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	(110)	(135)	(140)	(127)
Total	-	-	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	41,408	42,183	-	42,183	43,258	-	43,258	44,405	-	44,405	45,563	-	45,563
<b>Recoveries</b>	(2,731)	(2,472)	-	(2,472)	(2,472)	-	(2,472)	(2,472)	-	(2,472)	(2,472)	-	(2,472)
<b>Revenue</b>	(38,677)	(39,711)	-	(39,711)	(40,786)	-	(40,786)	(41,933)	-	(41,933)	(43,091)	-	(43,091)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		3,000	4,000	8,000	8,000	-	23,000
470140	Business Technology Sustainment	3,000	4,000	8,000	8,000	-	23,000
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		3,000	4,000	8,000	8,000	-	23,000
Previously Approved Budget Remaining		281	-	-	-	-	281
<b>Total Capital Investment</b>		3,281	4,000	8,000	8,000	-	23,281

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 470140: Business Technology Sustainment

New Budget Request of \$23,000 thousand for ongoing investment in citizen, community and customer focused enhancements and the continuous improvement of business processes and information management.

Funding from Capital Reserves

Operating Impact of Capital: None







# Bylaw Education & Compliance

Led by: Calgary Community Standards

## Description:

Bylaw Education & Compliance develops and maintains community standards in Calgary to promote healthy and safe communities and help citizens live in harmony with neighbours. The service includes enforcement of municipal bylaws, provincial statutes and bylaw education that encourage compliance. Peace officers actively enforce bylaws and seek to create resolutions between citizens, creating safe communities.

## Customers:

- Citizens reporting a concern
- Businesses seeking compliance
- Other lines of service (Parks & Open Spaces, Streets, Waste Water & Treatment, Fire & Emergency Response, Police Service)
- Citizens benefiting from desirable and welcoming neighbourhoods

## What is delivered to customers:

Enforcement of 24 municipal bylaws and 11 provincial statutes, including but not limited to:

- Snow and ice
- Untidy properties
- Weeds
- Noise violations
- Graffiti
- Smoking, vaping and cannabis
- Lewd public behavior in public spaces



## Partners:

- Other lines of service: Police Service; Building Approvals; Neighbourhood Supports; Parks & Open Spaces; Streets; Waste Water & Treatment; Business Licensing; Fire & Emergency Response; and Taxi, Limousine & Private Vehicles-for-Hire
- Other agencies: Calgary Alpha House Society, The Safe Communities Opportunity and Resource Centre
- Business Revitalizations Zones

## Service need (value proposition):

Our service fulfills the need for timely resolutions to be delivered when citizens encounter issues/concerns with neighbours, communities and weather events.

## Current state service value

<p><b>59,000</b> Bylaw calls for service received in 2017</p> <p><b>84%</b> Level of customer satisfaction</p>	<p><b>2 hours</b> Average response time to priority call</p> <p><b>97%</b> Calls resolved through compliance</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$8</b> Cost per resident to enjoy clean and vibrant neighbourhoods through compliance and awareness.</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> The OneCity Records Management System provides updates for animal peace officer safety based on enhanced communication systems which enable intelligence gathering on emerging community trends (Opioid use) and align with provincial recommendations.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Overall, we continue to meet Calgarians expectations for service.

The 2017 Quality of Life and Citizen Satisfaction Survey indicated:

- 86 per cent of Calgarians think The City should invest more, or the same amount, in bylaw services.
- 84 per cent of Calgarians feel bylaw services for issues such as noise complaints, fire pits and weeds are important to them.
- 84 per cent of Calgarians are satisfied with the job The City is doing in providing bylaw services.

The 2018 Spring Pulse Survey confirmed:

- 96 per cent of Calgarians feel snow removal is important to them.
- 89 per cent of Calgarians feel bylaw services are important to them.
- 84 per cent of Calgarians are satisfied with the job The City is doing in providing bylaw services.

## What Council has directed

N1: Council's approval of the Cannabis Consumption Bylaw requires the development of effective strategies to engage citizens in awareness and compliance.

N1: Council's amendments to the Streets Bylaw (20M88) to increase the fines and enforcement for failure to clear sidewalks of snow will improve the safety of neighbourhoods and aligns with the 2016 Pedestrian Strategy, Calgary Transportation Plan and Municipal Development Plan.

W1: Monitoring citizens' expectations through the Citizen Satisfaction Survey and Spring Pulse Check ensures we stay in touch with citizens and emerging trends.

W2: Implementing the Hybrid Officer Program and OneCity Records Management System will create efficiencies in the way we work with other service lines and improve our response to citizens.

## What are we watching?

Demographic Change: Aging population, urban sprawl and immigration are influencing the volume of bylaw calls, types of calls and bylaw education.

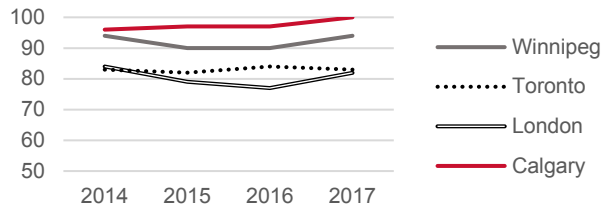
Economic Change: We may see an influx of people to the city as a result of favorable economic environment, which may impact our ability to meet service needs.

Technology Change: Citizens expect to get faster City services through online or automated technology (311 system).

Legislative Change: The province, through the Solicitor General's Office, is changing the Peace Officer Program due to the findings of a fatality report that will have serious impacts on the structure of our workforce with significant financial impacts. New federal legislation and provincial legislation in the next four years may have an impact on service delivery (legalization of cannabis). Lack of regulatory framework and direction from other orders of government to The City to implement the legislative changes (e.g. legalization of cannabis).

## Benchmarking

Per cent of compliance to noise, property standards, yard maintenance, and zoning bylaws compliance



Source: Municipal Benchmarking Network Canada

Compared against eight other municipalities in Canada, Calgary is well above the MBNCanada group average of 84 per cent in 2017. An increased focus on public education and awareness programs have a positive impact on bylaw compliance rate. Bylaw Education & Compliance will continue its efforts to achieve high levels of compliance through ongoing public awareness based on education programs and awareness that encourage compliance with bylaws and are delivered by competent Community Peace Officers.

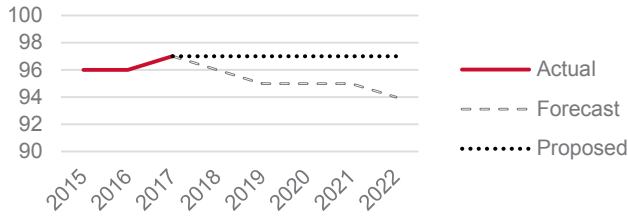
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Citizen complaints and bylaw issues are responded to and resolved in a timely manner.
Safety	Citizens feel safe and protected in their communities.
Fairness	Bylaw enforcement service is transparent, fair and consistent, and delivered by competent Community Peace Officers.

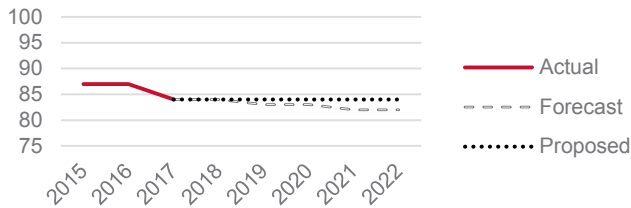


# How is the Service performing? Where we are headed and where do we want to go?

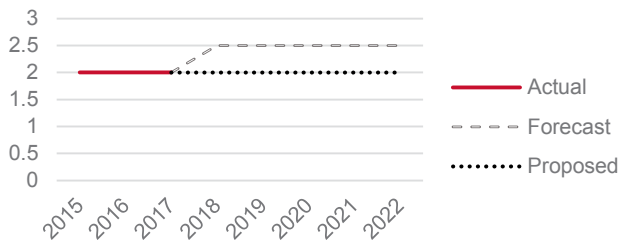
Per cent of bylaw calls for services resolved through education and voluntary compliance (Percentage)



Per cent of citizens satisfied with the job the City is doing in providing bylaw services for issues such as noise complaints, fire pits and weeds (Percentage)



Average response time to priority one 311 calls by bylaw officers (Hours)



## Story behind the curve

Education contributes to positive community impacts, demonstrating effectiveness and improving overall satisfaction of services for citizens. A changing city creates new service needs (e.g. proposed changes in short-term rentals and the Cannabis Consumption Bylaw will impact citizens) which will require new levels of engagement, education and enforcement. Ensuring citizens feel safe, engaged and educated about changes to bylaws aligns with citizens values of fairness and responsiveness.

Bylaw Education & Compliance satisfaction has been high, but Provincial Weed Control changes have impacted satisfaction with dandelions, as they are not classified as a controlled weed. Impacts from competing/emerging priorities create new demands, placing a high demand on resources and impacting citizen satisfaction. Proposed strategies would allow Bylaw Education & Compliance to engage communities in preparation for legal changes to cannabis consumption and short-term rentals, while maintaining current service levels.

Past performance for priority one 311 calls (e.g. animal bites) ensured citizens receive action within two hours. Population growth and emergent pet ownership trends have created a complex operating environment which will challenge future response. Creating efficiencies through a Hybrid Officer Program will reduce existing gaps in service delivery to ensure response readiness meets citizens' expectations.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Enhance a front line officer outreach model to link vulnerable populations to support services.
Ensure ongoing safety and priority response in Calgary communities, including new growth areas.
Implement a funding sustainability plan to ensure reliable funding for programs, promoting community standards through community outreach.
Implement changes to the Public Safety Peace Officer Program.

#### Why?

Citizens' needs are evolving. A growing population, severity of weather and changes in cannabis regulations will require Bylaw to maintain education and engagement approaches. Modification of strategies will need to occur as regulatory needs, such as changes in the Peace Officer Program, bring responsibilities and opportunity to adapt services, improve response through service partners and citizen satisfaction.

### What we propose to do less of

STRATEGY
The number of repeat visits through implementation of a Hybrid Officer Program to enhance customer interaction.

#### Why?

Community peace officers will be capable of delivering enforcement and compliance in one visit, reducing the number of visits received by a citizen. Efficiency through the Hybrid Officer model will enable more comprehensive action through reduced number of visits.

### What we propose to do more of or include as a new offering

STRATEGY
Calgary-specific regulation to cannabis legalization and approved Cannabis Consumption Bylaw, requiring additional enforcement/education.
The possible introduction of short-term rentals and additional enforcement activities to address changes in the sharing economy.
Bylaw Education & Compliance response to recommendations resulting from Lazenby's homicide inquiry.

#### Why?

Legalization of cannabis requires a Cannabis Consumption Bylaw that balances compliance, safety and education. Short and long-term industry change require separate approaches, reflecting government regulation, citizens and business interests. The continued growth of short-term rentals creates need for enforcement and compliance to ensure safety of citizens.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of bylaw calls for services resolved through education and voluntary compliance (Percentage)	96	↔
Per cent of citizens satisfied with the job The City is doing in providing bylaw services for issues such as noise complaints, fire pits and weeds (Percentage)	84	↔
Average response time to priority one 311 calls by bylaw officers (Hours)	2.5	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	8,871	11,668	10,964	11,137
Less Previous Year one Time	-	(1,000)	-	-
Base	8,871	10,668	10,964	11,137
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	32	41	38	37
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	30	120	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	1,735	135	135	-
One Time	1,000	-	-	-
Realignments	-	-	-	-
Total	11,668	10,964	11,137	11,174

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	10,132	11,929	1,000	12,929	12,225	-	12,225	12,398	-	12,398	12,435	-	12,435
<b>Recoveries</b>	(684)	(684)	-	(684)	(684)	-	(684)	(684)	-	(684)	(684)	-	(684)
<b>Revenue</b>	(577)	(577)	-	(577)	(577)	-	(577)	(577)	-	(577)	(577)	-	(577)
<b>Net</b>	8,871	10,668	1,000	11,668	10,964	-	10,964	11,137	-	11,137	11,174	-	11,174



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		225	225	225	225	-	900
480405	CCS ByLaw Equip Lifecycle	225	225	225	225	-	900
Project(s)		-	-	-	-	-	-
Program(s)		-	50	-	-	-	50
480401	OneCity Coord RMS - Bylaw	-	50	-	-	-	50
<b>Sub-Total (New Budget Requests)</b>		225	275	225	225	-	950
Previously Approved Budget Remaining		20	-	-	-	-	20
<b>Total Capital Investment</b>		245	275	225	225	-	970

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480405: CCS ByLaw Equip Lifecycle

New Budget Request of \$900 thousand to ensure that Bylaw technologies and equipment are configured, operated and maintained in the most efficient, safe, reliable and sustainable manner.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$30 thousand base funding of operating costs starting in 2019.

### Program(s)

#### Activity 480401: OneCity Coord RMS - Bylaw

New Budget Request of \$50 thousand to create an integrated information management system, for coordinated information sharing to support effective service delivery, investigations and enforcement.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$120 thousand base funding of operating costs starting in 2020.







# Calgary 9-1-1

Led by: Calgary Community Standards

## Description:

Calgary 9-1-1 connects citizens with the emergency services they require by evaluating and dispatching 9-1-1 and non-emergency calls from within Calgary and for client agencies located outside of Calgary.

## Customers:

- Citizens calling 9-1-1 for Police, Fire and EMS emergencies
- Citizens calling in non-emergency requests for Police, Fire and EMS
- First Responder agencies: Police, Fire and EMS
- Secondary response agencies: Bylaw Education & Compliance and Public Transit
- Nine rural fire departments

## Partners:

- Other lines of service: Police Service, Fire & Emergency Response, Pet Ownership & Licensing, Bylaw Education & Compliance, Emergency Management & Business Continuity, Public Transit.
- Other orders of government: Alberta Health Services
- Other partners: Tsuu T'ina Fire Department



## Service need (value proposition):

This service fulfills the needs for citizens to have reliable 9-1-1 service that they depend on in their time of need.

## What is delivered to customers:

- 9-1-1 calls answered quickly
- Calls handled professionally and according to standards
- Call dispatch times on target
- Accurate and timely information provided to first responders
- Quality life-saving instructions provided over the phone

## Current state service value

<p><b>99%</b> Citizens consider 9-1-1 important</p> <p><b>1,074,000</b> Calls answered in 2017</p>	<p><b>98%</b> Citizens satisfied with 9-1-1 service</p> <p><b>200</b> Available languages to assist citizens</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$37</b> Annual operating cost per resident to ensure 9-1-1 provides a coordinated Fire, Police and AHS response</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Investments will be required for Next Generation 9-1-1, which will create more reliability and flexibility. Computer Aided Dispatch maintenance will support the technology which Emergency Communications Officer use to evaluate and dispatch calls for 9-1-1.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

9-1-1 actions are informed by ongoing citizen and stakeholder engagement.

The 2017 Quality of Life and Citizen Satisfaction Survey indicated:

- 98 per cent of citizens are very satisfied with 9-1-1 services.
- 97 per cent of citizens consider 9-1-1 to be important to them.

The 2018 Spring Pulse Survey confirmed:

- 9-1-1 importance to citizens with a rating of 99 per cent.
- Citizen satisfaction of Calgary 9-1-1 service with 98 per cent.

## What Council has directed

N1 – Citizens desire rapid response when seeking emergency and non-emergency assistance. Improved technology will deliver efficiencies to improve response and aid all citizens.

W2 - Our Public Safety Answering Point optimization will reduce citizens being transferred, connecting citizens with the right response more efficiently.

W4 - Next Generation 911 will expand how citizens can communicate with 9-1-1 by including text, video and picture.

W5 -We will build relationships with Treaty 7 First Nations, Metis Nation of Alberta Region 3. Capitalizing on our capabilities to enhance our relationship with the Tsuut T'ina Nation by providing 9-1-1 and Fire dispatch services.

## What are we watching?

Population and Demographic Change: Calgary's changing population and needs influence the call volume and complexity of emergency calls. This affects how resources are deployed to manage call volume and how staff are trained to effectively handle such changes.

Technology Change: Next Generation 911 is required by the CRTC and will enable the public to communicate with Calgary 9-1-1 using text, videos and images.

Disaster Response: Critical system/technology interruptions and service disruptions as a result of a disaster or other events require business continuity plans to ensure ongoing service is still provided to citizens.

Partnership Change: Risk of losing contracted revenue with Alberta Health Services after contract expiry. Exploration of partnership and collaborative solutions will be required to mitigate impact.

## Benchmarking



Historical reporting measures are not widely shared across Public Safety Answering Points as the National Fire Protection Association (NFPA) 1221 is an accepted standard. In 2018, Calgary 9-1-1 started engagement with other Public Safety Answering Points to identify their NFPA 1221 performance as a starting point. Future refinement and development of benchmarking process will build alignment with other Public Safety Answering Points and create a consistent and comparable benchmark that accurately reflects 9-1-1 service delivery.

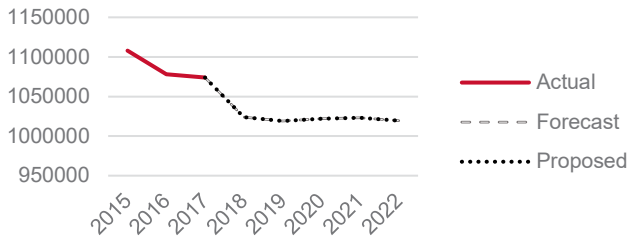
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reliability	Citizens can depend on 9-1-1 in their time of need.
Responsiveness	9-1-1 calls are answered quickly and first responders are notified in a timely manner.
Quality	Courteous and professional support is provided.
Safety	Appropriate response is identified and accurate information is provided to first responders.

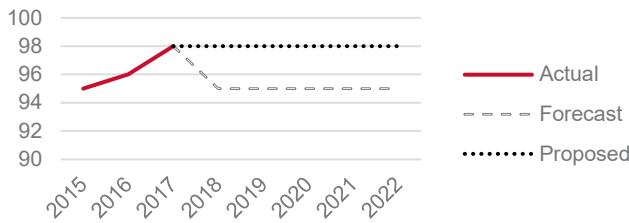


# How is the Service performing? Where we are headed and where do we want to go?

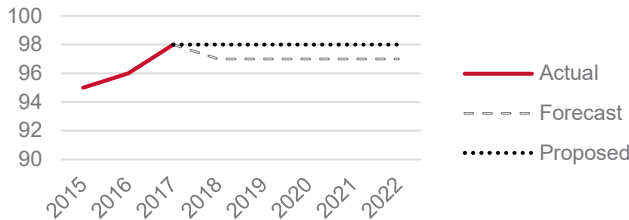
Number of 9-1-1 calls (Number)



Per cent of Public Safety Answering Point (PSAP) calls answered within 15 seconds (Percentage)



Per cent of citizens satisfied with the job the City is doing in providing 9-1-1 services (Percentage)



## Story behind the curve

The number of calls received by 9-1-1 are related to population growth, changes to call center configuration and dispatch models. Proposed strategies address technology changes and citizen demographics, creating an agile environment to support emergency responder work and ensure citizens needs for responsive, reliable and quality service is delivered.

The industry standard for answering is 95 per cent of all calls answered within 15 seconds set by the National Fire Protection Association (NFPA 1221). Past enhancements have enabled 9-1-1 to successfully manage population growth, ethnographic changes and regulatory requirements, while minimizing negative impacts to service quality and safety. Service demands are expected to escalate as external forces (i.e. cyber security) increase vulnerability and decrease resiliency. Upgrading the 9-1-1 network by 2020 will minimize the risks and provide new options to achieve efficiencies.

Timely call response is the first step to delivering emergency services to citizens, with successive steps building, including call evaluation, determining required response, and sending emergency personnel. With population, economy and complexity increasing call volumes, response times will benefit from efficiencies made to our call processes and enhanced technology that opens new ways of connecting with citizens. Citizen's expectations for service will be enhanced and satisfaction with 9-1-1 services will be maintained in the future.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Implement call processing and technology changes to reduce call answer and dispatch times while maintaining service to citizens.
Implement Next Generation 911 system, adapting to advances such as texting, video and social media unifying people, process and technology.
Implement a psychological health and safety system to provide employees with a healthy and resilient work environment.
Implement recommendations to the 9-1-1 Call Centre Audit.

### Why?

Our strategies are developed to meet citizen expectations as we are rated with a 98 per cent satisfaction level and are considered important to citizens with a 99 per cent rating. Going forward, our core services will be refined by capitalizing on efficiencies created for call processing and technology updates to Computer Aided Dispatch (CAD). We will build off our updates to deliver Next Generation 911 and ensure citizens remain confident in our services.

## What we propose to do less of

STRATEGY
Number of call transfers by optimizing public safety answering point.

### Why?

Current calls are received and frequently redirected to the appropriate emergency responders. Public Safety Answer Point optimization will reduce the total number of times calls are transferred to the appropriate emergency response service (Fire and Police) by directing calls to the emergency responder that accounts for a majority of all incoming calls. The improved efficiencies will enable calls to receive the right response.

## What we propose to do more of or include as a new offering

STRATEGY
Upgrade 9-1-1 networks and infrastructure to support enhanced Next Generation 9-1-1 services by 2020.
Training for implementing new software.
Advocate for increases to the 9-1-1 levy to be less mill rate reliant.

### Why?

The success and reliability of 9-1-1 will be greatly improved with the implementation of Next Generation 9-1-1, as it will enhance emergency number services to create a faster, more resilient system that allows voice, photos, videos and text messages to flow seamlessly from the public to the 9-1-1 network. The modernization of 9-1-1 networks creates new opportunities for refining emergency response and becoming a regional standard for enhanced service delivery.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of 9-1-1 calls (Number)	1,024,047	↓
Per cent of Public Safety Answering Point (PSAP) calls answered within 15 seconds (Percentage)	95	↔
Per cent of citizens satisfied with the job the City is doing in providing 9-1-1 services (Percentage)	98	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	34,191	34,556	34,382	34,556
Less Previous Year one Time	-	(500)	(250)	(350)
Base	34,191	34,056	34,132	34,206
Revenue Changes	(1,400)	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	65	76	74	75
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	600	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	1,000	-	-	-
One Time	500	250	350	250
Realignments	(400)	-	-	-
Total	34,556	34,382	34,556	34,531

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	46,617	47,482	500	47,982	47,558	250	47,808	47,632	350	47,982	47,707	250	47,957
Recoveries	(414)	(414)	-	(414)	(414)	-	(414)	(414)	-	(414)	(414)	-	(414)
Revenue	(12,012)	(13,012)	-	(13,012)	(13,012)	-	(13,012)	(13,012)	-	(13,012)	(13,012)	-	(13,012)
Net	34,191	34,056	500	34,556	34,132	250	34,382	34,206	350	34,556	34,281	250	34,531



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		100	450	600	200	-	1,350
440007	Equipment Lifecycle	100	450	600	200	-	1,350
Project(s)		-	-	-	-	-	-
Program(s)		1,900	2,650	2,300	2,300	-	9,150
440009	Critical Technology Maintenance	1,000	1,350	1,000	1,000	-	4,350
440013	NG 911 Technology Upgrades	500	500	500	500	-	2,000
440018	Computer-Aided Dispatch System Maintenance	400	800	800	800	-	2,800
<b>Sub-Total (New Budget Requests)</b>		2,000	3,100	2,900	2,500	-	10,500
Previously Approved Budget Remaining		900	-	-	-	-	900
<b>Total Capital Investment</b>		2,900	3,100	2,900	2,500	-	11,400

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 440007: Equipment Lifecycle

New Budget Request of \$1,350 thousand for an ongoing program to update and lifecycle small to medium equipment that supports 9-1-1 call taking and dispatch services.

Funding from Developer & Other Contributions

Operating Impact of Capital: None

### Program(s)

#### Activity 440009: Critical Technology Maintenance

New Budget Request of \$4,350 thousand to maintain technologies that support 9-1-1 call taking and dispatch, tools and software to support decision making and enable responses to regulatory changes.

Funding from Capital Reserves (\$2,175 thousand) and Developer & Other Contributions (\$2,175 thousand)

Operating Impact of Capital: This request requires \$200 thousand base funding of operating costs starting in 2019.





## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 440013: NG 911 Technology Upgrades**

New Budget Request of \$2,000 thousand to address the limitations of today's 911 legacy communications systems and devices and transform 911 capabilities to evolve with modern digital capabilities.

Funding from Capital Reserves

Operating Impact of Capital: This request requires \$400 thousand base funding of operating costs starting in 2019. This request also requires \$250 thousand one-time funding of operating costs from 2020 to 2022.

### **Activity 440018: Computer-Aided Dispatch System Maintenance**

New Budget Request of \$2,800 thousand for an ongoing program to maintain and regularly upgrade the CAD system software and hardware used by Calgary 9-1-1 for call taking and dispatch services.

Funding from Capital Reserves

Operating Impact of Capital: This request requires \$500 thousand one-time funding of operating costs in 2019 and \$100 thousand one-time funding of operating costs in 2021.







# City Cemeteries

Led by: Calgary Parks

## Description:

The City has one active operating cemetery (Queen's Park), a new cemetery under development (in southeast Calgary) and four historic cemeteries (Union, Burnside, Chinese and St. Mary's). The Government of Alberta's Cemetery Act states that only municipalities and faith-based organizations can provide new cemeteries. There is an obligation in perpetuity to maintain cemetery sites.

## Customers:

Cemetery customers are families and individuals purchasing space in advance or at the time of need.

## What is delivered to customers:

Interment product options (i.e. burials, cremations), memorialisation products, public open space and cemetery maintenance.

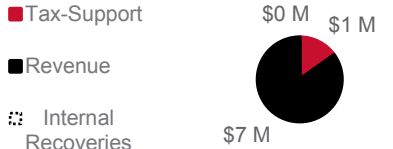

## Partners:

Funeral home providers and related product suppliers.

## Service need (value proposition):

Customers are assured that quality cemetery services, from interment (i.e. burials, cremations) to maintenance and memorialisation products, are available at reasonable/value-based costs. Cemeteries also provide almost 100 hectares of historically and culturally significant public space.

## Current state service value

<p><b>\$7 million</b> Cemetery revenue in 2017</p> <p><b>1,550</b> Total interments in 2017</p>	<p><b>12%</b> Queen's Park interment increase in 2017</p> <p><b>&lt;3 years</b> Casket space available at Queen's Park</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$1</b> Annual operating cost per resident to maintain historic cemeteries</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> A new southeast cemetery is partially funded with an additional ask in 2019-22 for site development. We also have a capital request for future cemetery land in north Calgary as Queen's Park has less than three years of casket burial space available.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Quality was ranked as the top value dimension for this service by participants in both the One Calgary online engagement and Citizen's View panel review. Quality was followed by availability, sustainability and legislative compliance. Comments received included "provide well-maintained spaces" and "ensure sustainable interment options across the city." Applicable general feedback on City services included focusing on programs and services that are affordable, inclusive and accessible for all Calgarians. Ongoing tracking of 311 and in-house cemetery feedback forms provide ongoing insight on customer concerns and service requests.

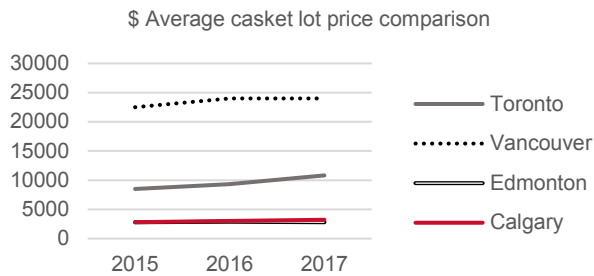
### What Council has directed

Key long-term plans guiding our service are the: Cemeteries Strategic Plan (CPS 2010-04), Cultural Landscapes Strategic Plan (CPS 2012-22) and the province's Cemeteries Act. We support Council Directives H6 and N1 by providing public green spaces for citizens that are safe, accessible and inclusive. All cemeteries are open daily to the public and provide almost 100 hectares in green space. The perpetual care of our four historic cemetery sites: St. Mary's (1876), Union (1891), Chinese (1908) and Burnsland (1923) as well as Canadian military monuments in Queen's Park Cemetery support Council's Directive to cherish and protect our city's heritage (N3). Cemeteries is predominantly a self-supporting service (W1).

### What are we watching?

Trends include more City Cemetery customers purchasing lower-priced, value-based products and services. Traditional cultural burial practices are increasing along with immigration. Second- or third-generation Canadians are increasingly moving towards cremation options. Industry trends include a growing interest in "green burials" to lessen the environmental footprint of traditional interments. The activation of cemeteries as public green space will also continue as cemeteries host diverse community activities. There is a risk that short-term revenues may decline with a transition to the south cemetery as this new cemetery builds customer awareness and clientele. Other risks include severe weather events impacting maintenance and the lack of future cemetery land in north Calgary.

### Benchmarking



The City of Calgary's burial plot and cremation niche fees remain on average or below the competitive market, with interment fees remaining at consistent, competitive levels. To bring fees to a more competitive market level, gradual increases will continue to be implemented to specific products (as presented in the Cemeteries 2010-2020 Strategic Plan). The other city cemeteries included were Northern Lights (Edmonton), Mountain View (Vancouver) and Necropolis (Toronto).

Source: City Cemeteries market research

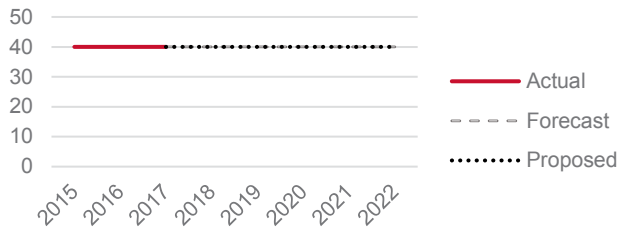
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Quality	City cemeteries provide a dignified service for the respectful interment and memorialisation of loved ones.
Availability	Access to a range of affordable cemetery space alternatives is a public expectation and public health need.
Sustainability	Cemetery operations are well-managed for long-term feasibility.
Legislative Compliance	The City of Calgary provides cemetery services in compliance with the provincial Cemeteries Act.



# How is the Service performing? Where we are headed and where do we want to go?

Cemetery Sustainability (% of cemetery revenues used for perpetual municipal cemetery maintenance and operations)

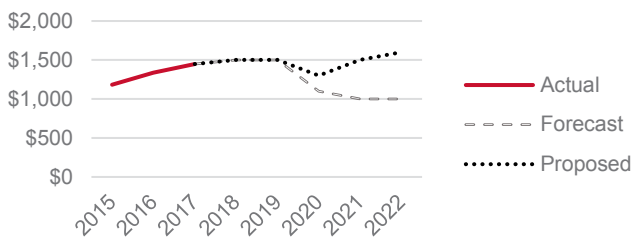


## Story behind the curve

### Cemetery Sustainability

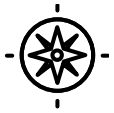
City Cemeteries aims to transfer 40 per cent of revenue (based on an industry best practice) to a Perpetual Care Fund each year. This fund pays for cemetery maintenance. Ongoing growth of this fund will lessen the need for future mill rate support. City Cemeteries currently receives \$1.3 million in mill rate to offset maintenance of The City of Calgary's four non-revenue-generating historic cemeteries.

Cemetery Interment Sales (Burial plot, cremation and mausoleum interments sales \$(000))



### Cemetery Interments

Our main challenge is transitioning to new cemetery lands in both the north and south (ideally in the next five years). The available casket space in Queen's Park Cemetery is near capacity. Cemetery expansion and land opportunities in the north continue to be pursued, with capital funding required to purchase new land and develop it. Establishing our business in a new customer catchment area in 2019-22 will likely impact short-term revenues and this is reflected in our forecast. We anticipate turning the curve through additional capacity as new cemeteries open.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide burial services and memorialization options that meet client and community expectations.
The internal maintenance agreement with Calgary Parks for the four heritage cemeteries.
Support public events in City cemeteries (e.g. monument cleaning, Remembrance Day).
Enhance our grounds with ecological treatments for cemeteries (compost tea program).
Effectively repair graves and maintain Queen's Park Cemetery.
Continually review operational practices and become more efficient, innovative and effective.
Reduce water usage by becoming more effective and efficient in our watering practices.

#### Why?

Our service delivery is guided by the Cemeteries Strategic Plan (CPS 2010-04), Cultural Landscapes Strategic Plan (CPS 2012-22) and the province's Cemeteries Act. Our primary focus is providing dignified services for the respectful interment and memorialisation of loved ones. As a municipality, we are legislated to deliver this service. Our business model is based on long-term sustainability and offering quality service to current and future generations of citizens.

### What we propose to do less of

STRATEGY
Sod use for plot excavations to reduce costs.

#### Why?

In 2018, City Cemeteries received \$1.3 million in operating funding to help cover maintenance costs, including our four non-revenue generating historic cemeteries (St. Mary's, Union, Chinese and Burnsland). To absorb inflation and operating costs for new capital, we will continue to look for cost savings and efficiencies in our daily operations.

### What we propose to do more of or include as a new offering

STRATEGY
Work to shift casket burial operations to the new south cemetery (capital funding dependent).
Pursue opportunities for new cemetery space in north Calgary to address future community needs.
Increase seeding practices (versus sod use) for plot excavations to reduce costs and enhance turf sustainability.
Promote the new Cemetery Grave Finding App to help the public find family graves.
Investigate new burial trend opportunities (e.g. green burials).

#### Why?

The long-term capital needs for our service include serving current and future generations in north Calgary. Our planning efforts will focus on finding new cemetery space in the north as well as shifting casket burial operations in the next few years to the new southeast cemetery (dependent on capital funding).





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Cemetery Sustainability (% of cemetery revenues used for perpetual municipal cemetery maintenance and operations)	40	↔
Cemetery Interment Sales (Burial plot, cremation and mausoleum interments sales \$(000))	1,500	↔

### Breakdown of net operating budget (000s)

	2019	2020	2021	2022
Previous Year's Budget	1,297	1,298	1,299	1,300
Less Previous Year one Time	-	-	-	-
Base	1,297	1,298	1,299	1,300
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	55	63	59	62
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(54)	(62)	(58)	(61)
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	1,298	1,299	1,300	1,301

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	8,531	8,532	-	8,532	8,533	-	8,533	8,534	-	8,534	8,535	-	8,535
<b>Recoveries</b>	(16)	(16)	-	(16)	(16)	-	(16)	(16)	-	(16)	(16)	-	(16)
<b>Revenue</b>	(7,218)	(7,218)	-	(7,218)	(7,218)	-	(7,218)	(7,218)	-	(7,218)	(7,218)	-	(7,218)
<b>Net</b>	1,297	1,298	-	1,298	1,299	-	1,299	1,300	-	1,300	1,301	-	1,301



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		6,958	2,483	2,884	1,800	-	14,125
419810	Cemetery Development	6,958	2,483	2,884	1,800	-	14,125
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		6,958	2,483	2,884	1,800	-	14,125
Previously Approved Budget Remaining		3,050	-	-	-	-	3,050
<b>Total Capital Investment</b>		10,008	2,483	2,884	1,800	-	17,175

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 419810: Cemetery Development

New Budget Request of \$14,125 thousand for land acquisition and to complete phase 1 development of South and North Cemeteries including buildings, additional road access, a cistern, wastewater storage.  
Funding from Capital Reserves (\$1,800 thousand) and Pay-As-You-Go (\$12,325 thousand)  
Operating Impact of Capital: None





# City Planning & Policy

Led by: Calgary Growth Strategies & Community Planning

## Description:

The City Planning & Policy service provides specialized planning expertise to guide and enable growth and change in Calgary. The goal of the growth and change is to build a city of attractive communities that meet the various lifestyle choices of our diverse citizens and employment areas that support continued economic prosperity in Calgary. We engage with communities and the development industry to develop the long-range vision for the city and the detailed growth plans that reflect the goals of individual neighbourhoods. While looking forward, we also preserve and protect Calgary's unique heritage buildings and the sustainability of our environment.

## Customers:

Our customers are the citizens who bring life to our community and provide the vision for Calgary's future. Our customers are also the landowners, developers and builders who build our city and the business owners who create employment for Calgarians.

## What is delivered to customers:

City Planning & Policy delivers tools that enable and encourage desired growth and change in our communities. They are used by builders to implement the vision for our city. The tools include strategies, plans, policies and bylaws that effectively guide changes for the entire city as well as for individual streets.

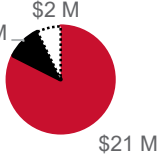

## Partners:

City Planning & Policy works with community and industry partners who are involved in the development of the city. On the community side, it works with the Federation of Calgary Communities, community associations, citizens, and groups like the Calgary Heritage Authority. On the industry side, its partners are industry organizations, such as BILD and NAIOP, as well as individual members of industry.

## Service need (value proposition):

Developers and builders need reliable and effective tools that provide certainty when planning and building communities for Calgarians. Citizens must be able to participate in the planning and vision for their communities. This foundation for community growth and business activity in Calgary is provided by the City Planning & Policy service. Its plans turn Council's and citizen's priorities into tools that enable the development industry to build communities that provide homes and jobs to Calgarians. It collaborates with communities and industry to create balanced outcomes and enable growth while considering the vision of the community. The plans guide investments in main street improvements, parks, transit service and recreation facilities. The service also supports the preservation of irreplaceable heritage buildings, improved urban design and sustainability in Calgary.

## Current state service value

<p><b>71</b> Neighbourhoods enabled since MDP in 2009</p> <p><b>12</b> Heritage buildings protected in 2017</p>	<p><b>9,105</b> Citizens engaged in PD projects in 2018</p> <p><b>38</b> Centre City planning projects in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$20</b> Annual operating cost per resident</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>We provide Calgarians and businesses with planning tools to build an inspiring and prosperous city. Our five sub-services are: The Municipal Development Plan Implementation and Sustainment (\$7,326) and Growth Strategy (\$5,211) work to ensure the city grows as desired. Community Planning and Policy Development (\$6,978) and Urban Strategy (\$4,868) guide community growth and main streets planning and design. Heritage Planning and Sustainability Consulting (\$1,229) protect Calgary's past and future.</p>
		<p><b>Key Capital Investments</b></p> <p>Investments include digital improvements to strengthen community and citizen engagement in the planning process. Initiatives strengthen transparency and improve monitoring of the goals outlined in planning policies.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Calgarians want to participate in the planning of their communities and to know the plans consider our population's increasing diversity. Many community plans need to be replaced with effective tools that implement desired growth. Calgarians and developers tell us they value reliability, fairness, reduced risk, convenience and reduced effort. Communities need new amenities when accommodating higher density. Council desires main streets implementation to continue in capital projects, an integrated roll-out of multi-community plans to achieve improvements, and a holistic one-city planning approach.

### What Council has directed

Through plans and policies, this service contributes to Council's priority of creating a City of Safe and Inspiring Neighbourhoods (N1, N3, N4 and N5). This service provides plans and policies that promote the economic growth and enable local business activity. It delivers new community and established areas growth strategies, and plans and designs main streets. It works towards implementing the Cultural Plan, and Climate Adaptation and Resiliency Plan to create balance between community growth and respect for the established culture and context of neighbourhoods (H3). Working with other service lines, it provides Calgarians with housing, mobility, recreation and employment choices to meet their diverse lifestyles. This service implements the long-term growth plans for Calgary as directed by Council in the Municipal Development Plan and Calgary Transportation Plan.

### What are we watching?

This service plays a key role in enabling the wide range of activities our citizens are engaged in every day. It must be aware of demographic, technical and economic changes that influence the city's development. External influences and trends we are watching include: new legislative authorities, economic challenges and their impacts on the City's revenue and funding of planning and policy services, new requirements regarding climate change and resilience, and changing lifestyle choices. Strong focus has been placed in recent years on increased economic diversification and providing more choice to Calgarians. The increasing diversification of Calgary's population and culture has also inspired new approaches to how the service engages with and plans for Calgarians. We continue to watch the costs of our service and that we are effectively delivering desired outcomes.

### Benchmarking



Appropriate benchmarking for City Planning & Policy is not currently available. Benchmarking between Canadian municipalities is challenging for this service as municipalities apply unique policies and bylaws specific to the local context. This service will continue to work with the Municipal Benchmarking Network Canada on benchmarks relating to city growth and monitor Calgary's growth through performance metrics. This will support understanding how municipalities grow and change, and the effect of prioritizing different planning policies compared to Calgary.

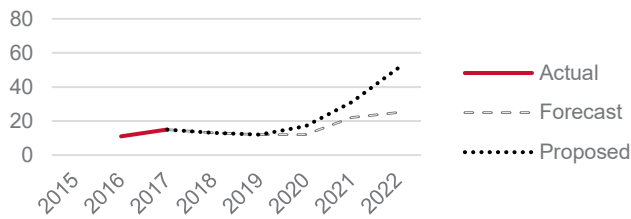
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reliability	Citizens and investors want to know that requirements in plans will be upheld and not abandoned arbitrarily.
Convenience	Applicants want plans and rules to be easy to find and understand.
Fairness	All stakeholders want to be fairly represented in plans through participation in engagement events and policy creation.
Reduces effort	Communities want meaningful engagement, developers want simple processes, council wants effortless experiences for all.
Reduces risk	Council wants plans and policies that reduce Calgary's financial risk and the risk of impeding our economic growth.

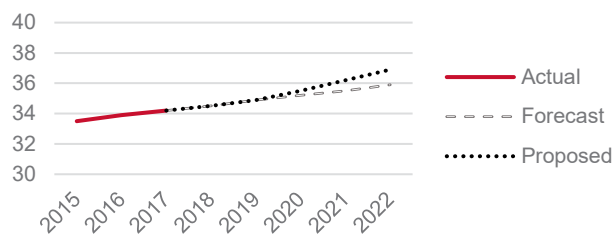


## How is the Service performing? Where we are headed and where do we want to go?

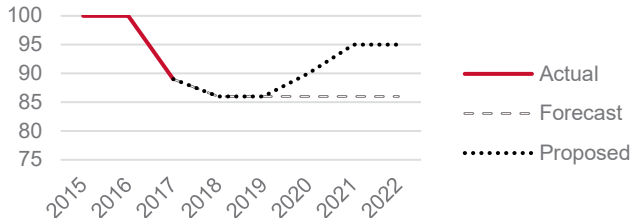
Per cent of Calgary's land area addressed in local area plans completed in last four years (%)



Per cent of MDP intensity targets reached in strategic growth areas (%)



Per cent of Local Area Plans that did not need amendments within four years of approval (%)



Per cent of Calgarians that had opportunity to participate in community planning (%)

<b>BASELINE TBD</b>
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### Story behind the curve

Maintaining Calgary's system of local area plans has become more challenging as the city has grown. Some Area Redevelopment Plans were approved long before the introduction of the Municipal Development Plan (MDP) / Calgary Transportation Plan (CTP) in 2009. Increasing redevelopment in established communities has led to more frequent questioning of the older community plans. Many communities and landowners are asking for their plans to be updated to provide modern guidance that considers the newer MDP/CTP. Some communities also do not have a local area plan, their growth is guided only by the Municipal Development Plan. Providing modern and effective plans is essential to enable desired growth.

The MDP encourages future housing and job growth in specific areas of the city. These areas include Main Streets, Activity Centres and Transit Station Planning Areas with transit, businesses, and more diverse forms of housing and amenities. The aim is to maintain or create Main Streets and city areas that attract the population needed to support shops, services, schools and valued amenities. As Calgary continues to grow, balanced growth throughout all communities is required to meet Calgarians' lifestyle choices.

Community plans are developed with the involvement of many stakeholders. This ensures the plan reflects the community's and The City's goals and that it is supported. Planning intends to enhance its engagement activities to involve a more diverse citizen group in the local planning process. We also are moving to larger, multi-community plans to increase the diversity of stakeholders for each plan. Through this we intend to provide plans that do not require major amendments within four years of their approval. This is important to citizens as it shows that the considerable resources and time put into community plans are delivering high quality and that we are implementing those plans to provide increased predictability for the community and reliability for investors. This measure is designed to monitor the success of this new planning approach.

The participation of citizens in planning helps decision-makers better understand the perspectives and concerns of people potentially affected by the plans. Ensuring that Calgarians can contribute to these decisions is an important part of creating successful policies. This measure will monitor citizens' ability to participate. Data is not yet available and will be collected over the 2019-2022 cycle.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Coordinating the new community and established areas growth and change strategies through the Industry/City work plan.
Work with stakeholders to improve the Developed Areas Guidebook and implement desired growth.
Improve our heritage preservation tools, continue to legally protect heritage assets and directly support landowners.
CalgaryEats and Urban Agriculture work and provide developers and builders with urban design guidelines.
Main Streets initiative, renew the Land Use Bylaw and completion of the Transit Oriented Development Implementation Strategy.
Improve our service in terms of engagement, cross-service culture, and enhance partnership and involvement of our stakeholders.

### Why?

Council's direction has been consistent for years: engage stakeholders in planning, provide them with tools for their needs and implement the MDP/CTP. We will move forward with multi-community plans as a key action. We help fulfill further Council direction such as the Cultural Plan and will continue to provide services in support of these. We will continue to plan and design Main Streets and will work with other services towards implementation.

## What we propose to do less of

STRATEGY
Long, difficult to understand plans and policies that contain redundant policies, and take years to complete and update.
Area redevelopment plans for individual communities.
Plans that do not provide certainty or are not implementable.

### Why?

This service must be effective to enable the desired growth and change. The planning tools provided must be reliable for communities and landowners. This service intends to prioritize the work that advances the Municipal Development Plan and Council's priorities. Lower priority will be given to work in communities where there is little market demand or community readiness.

## What we propose to do more of or include as a new offering

STRATEGY
Provide an integrated growth & change strategy for new communities, established areas, TOD and industrial areas.
Accelerate the delivery of multi-community local area plans so that most communities have new plans within 5 years.
Engage Calgarians differently so that we go to them and can hear from them and improve their ability to participate in planning.
Support community character by increasing The City's heritage grant program and developing additional tools to support heritage preservation.
Change our plans, policies and rules so they are implementable and effective towards enabling desired growth and change.

### Why?

We will effectively enable community and economic growth in Calgary in alignment with the Municipal Development Plan. We will provide effective, implementable plans and policies. We propose doing more multi-community plans and to provide better opportunities for Calgarians to participate in community planning. Culture, identity and heritage are key aspects of inspiring neighbourhoods. We propose increasing the City's financial grant support for heritage buildings.





# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of Calgary's land area addressed in local area plans completed in last four years (%)	13	↑
Per cent of MDP intensity targets reached in strategic growth areas (%)	34.5	↑
Per cent of Local Area Plans that did not need amendments within four years of approval (%)	86	↑
Per cent of Calgarians that had opportunity to participate in community planning (%)	N/A	↑

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	21,114	21,093	25,257	24,621
Less Previous Year one Time	(752)	(320)	(3,690)	(3,035)
Base	20,362	20,773	21,567	21,586
Revenue Changes	187	21	15	26
Internal Recovery Changes	(18)	-	-	-
Inflation	101	109	106	108
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(125)	-	-	-
Service Reductions	(154)	(90)	(87)	(89)
Service Increases	440	775	-	-
One Time	320	3,690	3,035	2,932
Realignments	(20)	(21)	(15)	(26)
Total	21,093	25,257	24,621	24,537

## Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Calgary Heritage Authority	50	200	350	350	350

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	25,613	24,791	470	25,261	25,860	3,860	29,720	25,879	3,120	28,999	25,898	3,014	28,912
Recoveries	(1,848)	(1,776)	-	(1,776)	(1,776)	-	(1,776)	(1,776)	-	(1,776)	(1,776)	-	(1,776)
Revenue	(2,651)	(2,242)	(150)	(2,392)	(2,517)	(170)	(2,687)	(2,517)	(85)	(2,602)	(2,517)	(82)	(2,599)
Net	21,114	20,773	320	21,093	21,567	3,690	25,257	21,586	3,035	24,621	21,605	2,932	24,537



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		500	500	500	500	-	2,000
481250	CPP Service Improvements	500	500	500	500	-	2,000
Project(s)		-	-	-	-	-	-
Program(s)		400	600	400	600	-	2,000
463910	Downtown Improvements	400	600	400	600	-	2,000
<b>Sub-Total (New Budget Requests)</b>		<b>900</b>	<b>1,100</b>	<b>900</b>	<b>1,100</b>	<b>-</b>	<b>4,000</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>900</b>	<b>1,100</b>	<b>900</b>	<b>1,100</b>	<b>-</b>	<b>4,000</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 481250: CPP Service Improvements

New Budget Request of \$2,000 thousand for ongoing investment in citizen, community and customer focused enhancements and the continuous improvement of business processes and information management.

Funding from Capital Reserves

Operating Impact of Capital: None

### Program(s)

#### Activity 463910: Downtown Improvements

New Budget Request of \$2,000 thousand to fund, in conjunction with other programs, projects that improve safety and vibrancy in the Centre City in a timely manner to support businesses, citizens & visitors.

Funding from Capital Reserves

Operating Impact of Capital: None





# Development Approvals

Led by: Calgary Approvals Coordination

## Description:

The Development Approvals service reviews and approves all land development proposals to enable development and redevelopment within the City. This service works towards maintaining Calgary as a great place to invest in land development and redevelopment while ensuring those investments contribute to building a vibrant City. The positive contributions a development has to the urban fabric, context of the surrounding community along with proposed timelines and objectives of the customer are all taken into consideration when an application is reviewed to maximize benefits while meeting regulatory requirements.

## Customers:

The customers that submit land development proposals for review include: homeowners, business owners, land developers, supporting professionals, builders and contractors. This work is in service to the citizens of Calgary and their communities.

## What is delivered to customers:

Services delivered through Development Approvals enable customers to realize their development proposals and include: land use amendment and outline plan recommendations, subdivision endorsement, development permit approvals, executed development agreements, and infrastructure construction permissions.

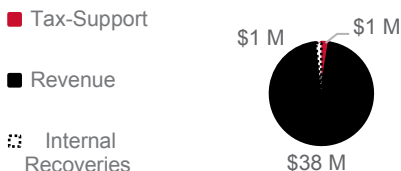

## Partners:

Partners provide valuable feedback to ensure The City is delivering great service. They include: citizen & community groups, utility companies, other levels of government, the Federation of Calgary Communities, industry groups, and affordable housing groups.

## Service need (value proposition):

The Corporate Approvals Team is committed to working with citizens, communities and customers to plan and enable building a great city for all Calgarians. Development Approvals key result area is to realize development in Calgary while implementing council policies and addressing citizen needs. Development Approvals supports direct customers' needs by guiding them through all regulatory requirements for land development projects while balancing customer, citizen, and community needs. Approvals for all new land developments and redevelopment in Calgary ensure that communities continue to be prosperous and vibrant, providing Calgarians with new homes, businesses, institutions and amenities that make Calgary a great place to make a living and a great place to make a life. Governing service: City Planning and Policy. Dependent service: Building Safety.

## Current state service value

<p><b>80%</b> satisfaction with Development Approvals</p> <p><b>880,000</b> sq. m. industrial/commercial approved</p>	<p><b>6,926</b> development application decisions</p> <p><b>10,500</b> new homes approved</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$8.50</b> Annual operating cost per \$1,000 increase in assessed market value</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Development Application Review (\$34,149): Reviews applications for developments including outline plans, land use amendments and development permits to ensure compliance with planning policy and legislation.</p> <p>Subdivision &amp; Public Infrastructure (\$5,680): Reviews applications for subdivisions of land and the construction of new communities and ensures all contractual obligations are met, including levy payments, infrastructure standards and security requirements.</p> <p><b>Key Capital Investments</b></p> <p>Investments enhance the customer experience, maintain capacity to deliver on Council and community expectations and keep up with industry and the new ways of working including new collaboration technologies, digital solutions and work spaces.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Citizens and communities expect a consistent review of development applications that is fair and transparent, and to be meaningfully engaged on development proposals. This service will work on enhancing new digital tools to strengthen collaboration with communities and support the implementation of recommendations from the Community Representation Framework. Customers who apply for development applications value having a predictable application process. This service will work on finding efficiencies to meet timeline commitments, facilitating the realization of developments in Calgary.

## What Council has directed

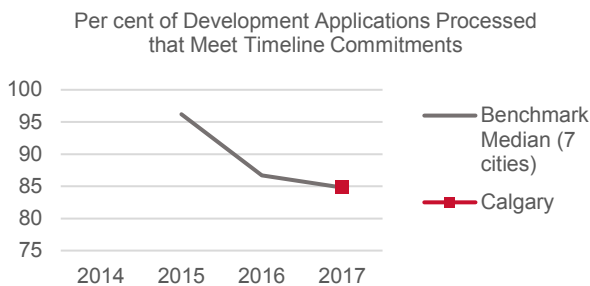
Development Approvals facilitates a city of safe and inspiring neighbourhoods through the review of land development proposals (N1). This review ensures developments meet quality expectations, legislative requirements and Council policies, plans and strategies like the Municipal Development Plan, Calgary Transportation Plan, local area plans, the Climate Resilience Strategy and many others.

This service engages with communities on development applications to balance development opportunities and community priorities (N2 and N4). Through the timely review of applications, this service strives to make Calgary a great place to invest in land development and redevelopment, enabling the development of new homes, businesses, institutions and amenities that make Calgary vibrant and sustainable. Finally, this service prioritizes the review of affordable housing applications supporting access to housing in Calgary (P5).

## What are we watching?

This service will likely see a rise in the volume of development applications as the economy steadily picks up and developers, builders, and businesses are looking to meet market demands. Managing the resources and costs associated with this service is critical as volume fluctuates. Forecasts indicate residential growth will continue in both Developed and Developing communities. There is now a heightened focus on the quality of land developments in Calgary. Through collaboration and partnership this service will ensure all new and redeveloping communities are vibrant and sustainable. This service is also looking at the growing opportunity to make use of technology to improve service delivery, enhancing and expanding service delivery and engagement options to meet changing customer and community needs.

## Benchmarking



Source: Municipal Benchmarking Network Canada

Responsiveness and the timely review of development applications is important for customers and for the realization of development in Calgary. This benchmark demonstrates that Calgary compares similarly to other municipalities across Canada on meeting timeline commitments. This service will review timeline targets to strengthen certainty in meeting timelines and ensure that Calgary has a predictable application process. This service will continue to work with partners in the Municipal Benchmarking Network Canada to refine this benchmark and support increased municipal participation.

## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Legislative Compliance	Various governing legislation, bylaws and policy are adhered to.
Responsiveness	Commitments made to customers around timelines are met.
Quality	Decisions are based on a competent analysis of all contributing factors and developments result in a positive community impact.
Convenience	Customers and stakeholders have convenient options to access information, understand the process and make an application.
Fairness	Decisions are made without bias or preconception.

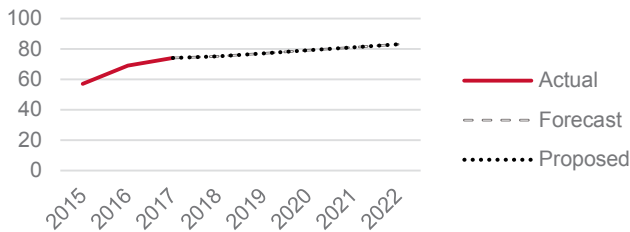


# How is the Service performing? Where we are headed and where do we want to go?

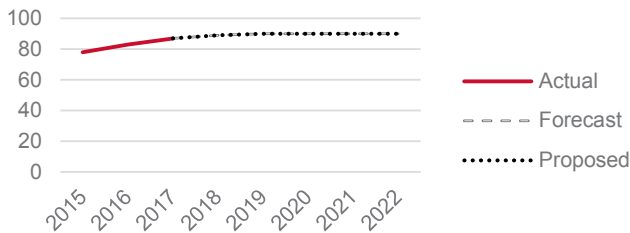
Per cent of significant development proposals that achieve a good or excellent urban design rating at the time of a recommended decision. (%)



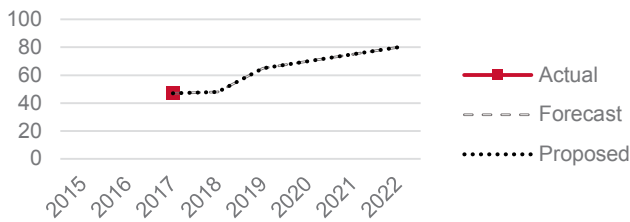
Per cent of multidisciplinary development applications where decision timeline commitments were met. (%)



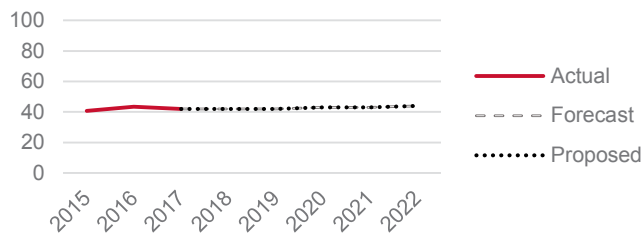
Per cent of technical development applications where decision timeline commitments were met. (%)



Per cent of development agreements that have been in place for six years or less. (%)



Per cent of public facing female staff involved in decision making on development applications. (%)



## Story behind the curve

Employing an Urban Design Quality rating at key application milestones will help to determine where and when additional effort, clarification, and consistency may be required. This service is developing evaluation criteria to rate the quality of development applications and the resulting built outcomes against the urban design principles included in the MDP Thirteen Elements of Urban Design.

The timeline measures provide an aggregate of how often this service meets timeline commitments. The measures are broken into two categories based on complexity of the permits and the customers served. More complex applications are reviewed by a multidisciplinary team. These applications are for all outline plans, land use amendments, complex development permit applications and subdivisions. Customers who apply for these applications are mostly developers, builders and supporting professionals. Technical applications are all other applications reviewed by a City planner but do not go through a multidisciplinary review, including smaller-scale development permits and subdivisions. Customers mostly include homeowners, business owners and builders. Both measures are anticipated to increase through the implementation of the proposed strategies.

Development Agreements for public infrastructure lay out the contractual obligations that a developer enters with The City that specify levy payments, infrastructure standards, performance expectations and security requirements. We will be working with partners to close out agreements that have been in place beyond their term of the agreement to manage the risk of incomplete communities and developer default.

As community planning becomes more complex, higher diversity in the workplace can help to ensure that the varying needs of Calgarians can be met, through the range of perspectives, ideas and talents that diversity provides. This service is currently developing a strategy in support of women in planning, prioritizing gender balance in support of inclusive decision making on development applications. For many, planning, and more specifically Corporate Planning Applications Group (CPAG) has offered vital experience that has accelerated careers at The City, based off of the range of opportunities CPAG provides. By providing equal opportunities for both men and women, the hope is to see more balanced representation in leadership and in decision making roles in the planning system and across The Corporation.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Enhance digital and online service offerings and leverage technology to improve service delivery and strengthen collaboration.
Work with industry to understand their business imperatives, reduce barriers and enhance responsiveness through continuous process improvements.
Strengthen culture across the Corporate Approvals Team to foster the successful realization of development.
Continually review fees to ensure appropriate level to meet service requirements and customer expectations.
Develop and utilize data in support of decision-making.
Enhance consistency in review of applications to ensure greater certainty and predictability throughout the application process.
Reduce barriers in closing out development agreements.

#### Why?

The City is improving service delivery for citizens, communities and customers by making the approvals process more efficient, getting to a decision faster, in support of realizing development. Enhancing collaboration and online service offerings will help to meet citizen and customer needs and expectations. Collecting and utilizing meaningful data will help make better decisions in managing the service and identifying issues before they escalate.

### What we propose to do less of

STRATEGY

#### Why?

### What we propose to do more of or include as a new offering

STRATEGY
Collaborate with industry partners on fostering innovation in development projects.
Strengthen the urban design review of applications.
Identify and develop potential leaders within the Corporate Planning Approvals Group by providing staff with critical development experiences and work environment that supports their professional growth.
Develop a strategy in support of fair and equitable opportunities in Development Approvals for both men and women.
Build digital tools to enhance collaboration between the corporate approvals team, customers, citizens, communities, and partners.

#### Why?

Going forward this service will foster innovation in development projects to address changing market needs. There is an identified need to strengthen urban design providing the vibrant neighbourhoods that Calgarians expect. Leading by example, this service is working towards strengthening experiences for staff, providing a pool of high-potential leaders at The City, and prioritizing gender balance in support of inclusive decision making on how Calgary grows.





# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of significant development proposals that achieve a good or excellent urban design rating at the time of a recommended decision.(%)	TBD	↔
Per cent of multidisciplinary development applications where decision timeline commitments were met. (%)	75	↑
Per cent of technical development applications where decision timeline commitments were met. (%)	89	↔
Per cent of development agreements that have been in place for six years or less. (%)	48	↑
Per cent of public facing female staff involved in decision making on development applications. (%)	42	↑

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	1,041	-	-	-
Less Previous Year one Time	-	-	-	-
Base	1,041	-	-	-
Revenue Changes	(3,559)	(992)	(1,014)	(932)
Internal Recovery Changes	1,935	-	-	-
Inflation	928	1,071	1,088	1,013
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(277)	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	(68)	(79)	(74)	(81)
Total	-	-	-	-

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	39,829	40,571	-	40,571	41,643	-	41,643	42,731	-	42,731	43,744	-	43,744
Recoveries	(682)	(161)	-	(161)	(161)	-	(161)	(161)	-	(161)	(161)	-	(161)
Revenue	(38,106)	(40,410)	-	(40,410)	(41,481)	-	(41,481)	(42,569)	-	(42,569)	(43,583)	-	(43,583)
Net	1,041	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		3,080	1,500	790	630	-	6,000
481251	DA Service Improvements	3,080	1,500	790	630	-	6,000
Project(s)		-	-	-	-	-	-
Program(s)		500	2,500	2,000	2,000	-	7,000
470040	Working Space Initiative	500	2,500	2,000	2,000	-	7,000
<b>Sub-Total (New Budget Requests)</b>		<b>3,580</b>	<b>4,000</b>	<b>2,790</b>	<b>2,630</b>	<b>-</b>	<b>13,000</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>3,580</b>	<b>4,000</b>	<b>2,790</b>	<b>2,630</b>	<b>-</b>	<b>13,000</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 481251: DA Service Improvements

New Budget Request of \$6,000 thousand for ongoing investment in citizen, community and customer focused enhancements and the continuous improvement of business processes and information management.

Funding from Capital Reserves

Operating Impact of Capital: None

### Program(s)

#### Activity 470040: Working Space Initiative

New Budget Request of \$7,000 thousand to provide a working space environment that facilitates employees ability to meet citizens, communities and customers needs.

Funding from Capital Reserves

Operating Impact of Capital: None





# Emergency Management & Business Continuity

Led by: Calgary Emergency Management Agency

## Description:

Beyond emergency response activities, our service is also legislated to ensure preparedness for and recovery from emergencies, disasters and business disruptions. Coordinating the efforts of The City, businesses, non-profit groups, government agencies and citizens, we help the city withstand emergencies. Collectively, we evaluate and educate on disaster risk, create preparedness networks, coordinate emergency planning and help represent public safety. We oversee business continuity planning in The City to support the delivery of essential services during and after an emergency. We support regional and national disaster response with Canada Task Force 2, Alberta's disaster response team.

## Customers:

Our customers include: over 60 Agency members and their partners that serve the citizens of Calgary; Calgary businesses that are the cornerstone of a healthy and vibrant economy; citizens of, and visitors to, Calgary; other jurisdictions in Alberta and Canada that may require support for an emergency.

## What is delivered to customers:

We continuously deliver education, best practices, information, and communication to our partners and customers. We ensure our customers have timely, coordinated information needed in an emergency. We also collaboratively set priorities for response and recovery with our partners through collective decision making, as seen in the 2013 floods.

## Partners:

Our service relies on partnerships with over 60 organizations that collectively form the Calgary Emergency Management Agency. We lead and partner with all City business units, government agencies, and organizations within the utility, education, transportation, non-profit and private sectors. Our partnerships allow us to meet the needs of those who may be or have been affected by disaster.

## Service need (value proposition):

The value of our service is that our customers feel safe, secure, and resilient to emergencies, disasters and business disruptions. These types of events impact not only life safety, but also critical infrastructure, the environment and economy. When they occur, we meet the basic needs of those impacted by providing emergency housing and other supports. Following an event, customers can return to their routines more quickly as a result of our collective response and recovery efforts, including maintaining essential services vital to the wellbeing of our customers. Collectively, we contribute to The City's resilience by understanding, informing and reducing disaster risk, while empowering our customers to engage in emergency preparedness activities at home, work, and in their community.

## Current state service value

<p><b>\$6</b> Recovery cost saved by \$1 in prevention</p> <p><b>25</b> Partners inform Disaster Risk Assessment</p>	<p><b>100%</b> City service backup plans analyzed</p> <p><b>1%</b> CEMA budget as % of annual disaster loss</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <ul style="list-style-type: none"> <li>■ Tax-Support</li> <li>■ Revenue</li> <li>⋮ Internal Recoveries</li> </ul> <p><b>\$0 M</b></p> <p><b>\$5 M</b></p> <p><b>\$4.10</b> Annual operating cost per resident</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City</li> <li>A Healthy and Green City</li> <li>A City that Moves</li> <li>A City of Safe and...</li> <li>A Prosperous City</li> </ul>		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Emergency preparedness means having the necessary materials and technology in place to allow us to remain effective in our response and recovery. These help us prepare for the risks that may impact the city and contribute to The City's resiliency.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

60 per cent of emergency preparedness workshop participants feel capable of delivering workshops in their communities to expand our emergency preparedness network.

42 per cent of businesses have a plan to guide operations after emergencies, indicating an opportunity to provide more guidance and education to strengthen economic resilience.

City Administration has asked us to apply our collaborative processes to other operational and public safety issues and smaller scale, localized events impacting communities.

95 per cent of citizens surveyed in the 2018 Spring Pulse survey said that our service was important and they were satisfied with our service.

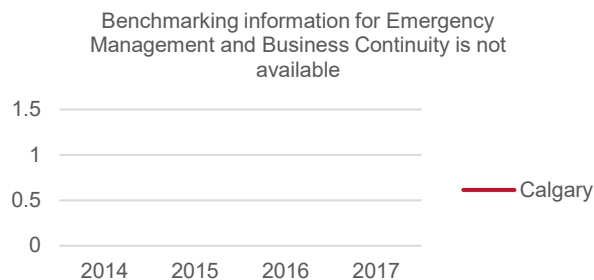
### What Council has directed

Our service works in partnership with 100 Resilient Cities and the Climate Resilience Strategy to address the events that may impact our city. We support Council Directives within A City of Safe and Inspiring Neighbourhoods, A Well-Run City, and A Prosperous City and contribute to safe neighbourhoods and public spaces (N1). Contributions to land use and infrastructure planning and decisions help build complete communities resilient to the impacts of disasters (N4, M1, W4). Community emergency preparedness networks foster connections among neighbours (N2) to support community resiliency. Our work around business continuity and resilience contributes to making Calgary an attractive place to start a business while supporting existing business needs (P3). Our business continuity planning advances organizational resilience, including shared approaches to critical resource planning (W2).

### What are we watching?

Disasters have been on an upwards trend for 40 years. Disaster impact data informs mitigation strategies and funding in Calgary. Alberta has experienced seven of the ten costliest disasters in Canada; five of those ten impacted Calgary. From 2010 to 2016, total public and private loss from Calgary disasters was greater than \$3.3 billion. This trend is expected to continue, making investment in preparedness and mitigation critical. We monitor Calgary's population to understand those who may be disproportionately impacted by disasters and develop special supports for these populations. Our reliance on technology has generated a new risk, as an increasing number of people, devices, and critical services are connected to virtual networks. City staff may be assigned duties outside their normal work in a disaster with limited training, which may exacerbate the disaster consequences.

### Benchmarking



There are currently no meaningful benchmarks used by other Canadian municipalities to assess emergency management performance or effectiveness. Over the next few years, The City will be working with the Conference Board of Canada and other Canadian emergency management organizations to identify a potential set of benchmarks to compare outcomes associated with prevention, mitigation, preparedness, response, and recovery.

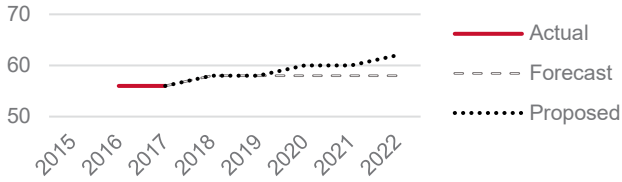
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Prevention	Everyone is prepared to respond to and recover from major emergencies.
Reduces risk	The City takes action to prevent or reduce hazards and risks.
Resilient	Calgary quickly bounces back from the effect of major emergencies.
Connectivity	The right people with the right skills and resources help respond to and recover from major emergencies.
Legislative Compliance	The City meets the requirements to have an emergency management agency as set out by the Province of Alberta's Emergency Management Act.

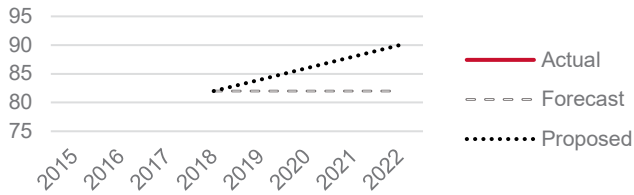


# How is the Service performing? Where we are headed and where do we want to go?

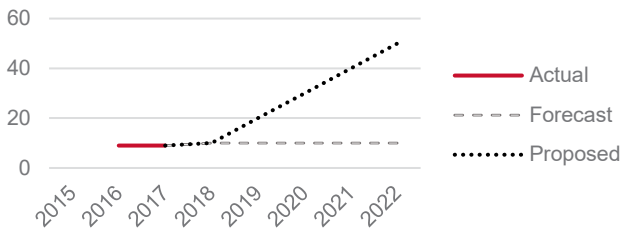
Resources with effective work arounds to allow City services to continue providing essential services after a disruption (Percentage)



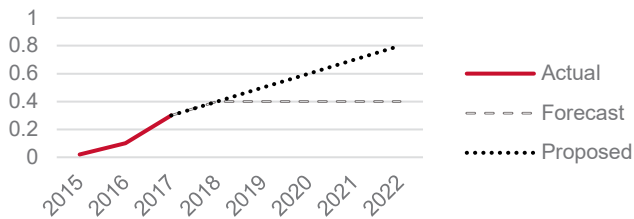
Citizens completing individual and family preparedness course through Ready Calgary who feel more prepared for emergencies (Percentage)



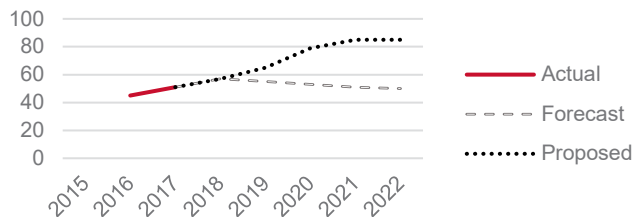
Ready Calgary-trained communities who have taken action to prepare for emergencies (Percentage)



Population The City can provide basic needs for immediately following an emergency (Percentage)



Agency members who have three members trained in emergency operations (Percentage)



## Story behind the curve

Through continued identification of shared resources used to deliver essential services across multiple business units, common workarounds can be identified that would benefit and improve service resilience across the Corporation. This integrated approach makes The City more efficient and results in cost savings as well as reduced down time of essential services for businesses and municipal government. Individual and household preparedness is essential to ensuring Calgarians can be self-sufficient in the days immediately following a disaster. Individuals and families can take actions to improve preparedness, and help make our community more resilient. Our strategy to educate citizens on citywide and community-based risks and associated preparedness activities will help "turn the curve" on this measure and foster preparedness in the face of increasing disaster trends.

Ready Calgary is a cornerstone program that supports the growth of community emergency preparedness networks. It is based on the premise of neighbours helping neighbours, which reduces the load on strained City resources during an emergency and provides more efficient assistance to those residents and areas identified as needing the most help. Our plans to develop an engagement strategy to focus on high-risk/vulnerable communities will contribute to "turning the curve" on this measure given that we forecast increasing vulnerability to impacts, as a result of factors such as growing income inequality.

Our collective ability to provide basic supports through Emergency Social Services to Calgarians in the immediate aftermath of an emergency is dependent in part on capital budget approvals. Capital budget for this service allows us to provide resources required in reception centres such as temporary cots, blankets and pillows, to citizens displaced from their homes following an emergency.

Minimum levels of trained staff are essential to ensuring our ability to effectively manage an emergency. Agency members require continual training and exercise to maintain minimum trained staff levels, particularly in times of economic downturn and staff turnover. A regular training program will prevent the erosion of these skills.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Evolve Ready Calgary to focus on high-risk/vulnerable communities and educate Calgarians on risks and related preparedness activities.
Collaborate with partners and customers to reduce the impacts of disaster through risk prevention and mitigation.
Deliver business continuity services to increase operational resilience of City services, critical infrastructure and Calgary businesses.
Coordinate response and recovery efforts for large-scale emergencies, disasters and business disruptions with partners and customers.
Ensure sustainable, long-term funding for Canada Task Force 2 to support continued training, exercises and equipment.
Continue to ensure our partners have the training, experience and support required to operate in a coordinate way during emergencies.

### Why?

Our strategies build a more resilient city by collectively initiating preparedness actions for Calgarians to address the increasing number and impact of disasters and growing citizen vulnerability. Response and capacity strategies ensure we have capable partners who can support and manage The City's emergency response and recovery. Continuity strategies enable workarounds for essential services ensuring needed resources are available.

## What we propose to do less of

STRATEGY
Risk prevention and mitigation activities as responsibility for these activities will stay with the owner of the risk.
Print materials for community education programs in favor of online material.
Compiling and providing of 72-hour kits, and instead encourage citizens to build their own kits.
Direct involvement in inventory management of disaster pandemic supplies by engaging cross departmental teams and City Supply.
In-person citizen preparedness sessions in cases where content can be delivered through other mechanisms, such as online methods.

### Why?

Our strategies ensure we remain focused on areas of our service which will provide the most benefit to our customers. Our strategies will avoid duplication of effort and will provide cost savings to The City. Additionally, the movement of our resources online will support easier access to our materials and information.

## What we propose to do more of or include as a new offering

STRATEGY
Apply the structure, process and coordination used during disasters to events not traditionally considered emergencies.
Support partners before and during smaller events that may impact their operations or reputations, or that have the potential to escalate.
Proactively open the Emergency Operations Centre to monitor emerging events and increase our coordination prior to a potential emergency.

### Why?

These strategies leverage our existing structure and processes to provide an enhanced approach to different types of emergencies that impact The City and citizens. A more unified approach to managing crises speeds resolution, improves efficiency, and yields better results for citizens. Proactive efforts to minimize the impact of smaller emergencies on communities results in lower response costs, less damage and better quality of life.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Resources with effective work arounds to allow City services to continue providing essential services after a disruption (Percentage)	58	↑
Citizens completing individual and family preparedness course through Ready Calgary who feel more prepared for emergencies (Percentage)	82	↔
Ready Calgary-trained communities who have taken action to prepare for emergencies (Percentage)	10	↑
Population The City can provide basic needs for immediately following an emergency (Percentage)	0.4	↑
Agency members who have three members trained in emergency operations (Percentage)	57	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	5,176	5,177	5,178	5,179
Less Previous Year one Time	-	-	-	-
Base	5,176	5,177	5,178	5,179
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	31	31	31	31
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(30)	(30)	(30)	(30)
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	5,177	5,178	5,179	5,180

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	5,176	5,177	-	5,177	5,178	-	5,178	5,179	-	5,179	5,180	-	5,180
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	5,176	5,177	-	5,177	5,178	-	5,178	5,179	-	5,179	5,180	-	5,180



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		179	499	636	490	-	1,804
480450	EOC IT Lifecycle	179	499	636	490	-	1,804
Project(s)		985	1,364	585	585	-	3,519
480451	Common Op Picture Maint	400	350	-	-	-	750
480453	CanaTaskForce2 Muni Contri	585	585	585	585	-	2,340
480454	EOC Backup	-	429	-	-	-	429
Program(s)		540	540	540	540	-	2,160
480452	Disaster Preparedness	540	540	540	540	-	2,160
<b>Sub-Total (New Budget Requests)</b>		<b>1,704</b>	<b>2,403</b>	<b>1,761</b>	<b>1,615</b>	<b>-</b>	<b>7,483</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>1,704</b>	<b>2,403</b>	<b>1,761</b>	<b>1,615</b>	<b>-</b>	<b>7,483</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480450: EOC IT Lifecycle

New Budget Request of \$1,804 thousand is to manage the replacement of aging technology and equipment to reduce incidents/risk of failure and maintain the ability to respond to large scale emergencies.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Project(s)

#### Activity 480451: Common Op Picture Maint

New Budget Request of \$750 thousand will fund maintenance of our common operating picture that is critical to emergency operations for information gathering, situational awareness and communication.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 480453: CanaTaskForce2 Muni Contri

New Budget Request of \$2,340 thousand for Canada Task Force 2 will leverage 75% federal funding. This will allow the team to maintain operational readiness and capability to respond to disasters.

Funding from Pay-As-You-Go (\$540 thousand) and Federal Grant (\$1,800 thousand)

Operating Impact of Capital: None

### Activity 480454: EOC Backup

New Budget Request of \$429 thousand will be used to increase our level of preparedness, ensure redundancy and allow for the continuity of operations should the primary EOC be compromised.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Program(s)

#### Activity 480452: Disaster Preparedness

New Budget Request of \$2,160 thousand is to purchase the appropriate equipment to ensure we can effectively respond and recover from the emergencies and disasters that are most likely to occur in Calgary.

Funding from Pay-As-You-Go

Operating Impact of Capital: None







# Fire & Emergency Response

Led by: Calgary Fire Department

## Description:

Serviced by 41 fire stations and 1,298 firefighters, this service provides life-saving emergency assistance to 1.26 million Calgarians and visitors across 848 square kilometres. Service encompasses responding to fire and fire-related incidents, critical medical interventions, motor vehicle collisions, hazardous conditions, specialized technical rescues including water rescues, calls for public service assistance, and need for community risk reduction through fire prevention activities.

## Customers:

Individuals facing an imminent threat to their life or injury, confronting major property damage or loss, or are in need of emergency or related non-emergency public services.

## What is delivered to customers:

We provide life-saving and protection services to victims of emergency incidents. This includes: basic life support, fire suppression, and specialized rescues including rope/high-angle, aquatic, heavy/structural, hazardous materials, and technical. We also deliver large-scale emergency response and non-emergency public service.

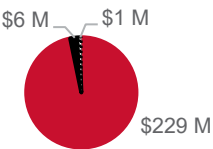

## Partners:

Fire & Emergency Response works closely with other City services including: Fire Inspections & Enforcement and Fire Safety Education, Police, Emergency Management & Business Continuity, 9-1-1, Water Treatment & Supply, and external partners including Alberta Health Services, Alberta Emergency Management Agency, other municipalities when needed on large-scale emergencies, and public utilities.

## Service need (value proposition):

Fire & Emergency Response is provided to citizens, businesses and institutions, and delivers on expectations including: response to public safety and addressing medical risks; protecting and reducing damage to property and the environment through responsive emergency services; providing a foundation for a safe community paramount to a resilient, prosperous city and safe neighbourhoods; adapting to changing community needs and risks; and being positively evaluated for insurance purposes, as insurance rates are determined by the level of municipal fire protection and water supply.

## Current state service value

<p><b>62,764</b> Emergency responses in 2017</p> <p><b>77%</b> 12 Firefighters on scene in 11 minutes</p>	<p><b>82%</b> First vehicle on fire scene within 7 min</p> <p><b>\$743,000,000</b> Estimated value saved from fire in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$180</b> Emergency Response Annual Operating Cost Per Resident</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>Key capital investment provides for new and existing CFD facilities, equipment, apparatus, and technology to ensure our firefighters can respond to emergencies effectively and safely.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Fire & Emergency Response engages citizens annually. Calgarians want safe public spaces and neighbourhoods, and support maintaining or increasing current investment levels in Fire & Emergency Response. When an emergency does occur, they stated that 7.6 minutes is a reasonable time to respond. Most Calgarians consider Calgary Fire to be important (98 per cent) and feel that they receive good value for their tax dollars (86 per cent) for this service. Most citizens who had contact with Calgary Fire report that we are courteous, professional, trustworthy and knowledgeable. Most importantly, 94 per cent of citizens reported that contact with Calgary Fire made them feel safe.

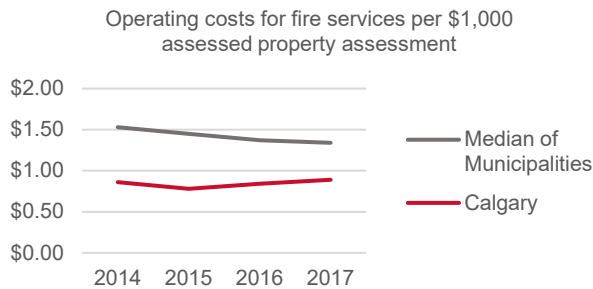
### What Council has directed

Fire and Emergency Response supports Council's priorities of A City of Safe & Inspiring Neighbourhoods, A Well-Run City and A Prosperous City. Specific directives related to this service: reduce risk to improve the safety of Calgarians (including seniors and the disabled), improve the protection and enhancement of heritage assets, work with partners to address social issues impacting older Calgarians, ensure all communities are complete, shift our understanding and focus from how services are delivered to why services are delivered, and provide equitable access to services for all Calgarians. Emergency response time targets for Calgary Fire were approved by Council and reaffirmed in 2018 under The Calgary Fire Department's Service Level Response time Target plan, CPS2008-03. Calgary Fire's long-term priorities were approved by Council under its 2011-2021 Sustainability Plan.

### What are we watching?

Fires today spread faster, burn hotter, cause more damage to property, and consequently pose a higher risk to firefighters and public due in part to changes in building design and construction. We watch several trends, including our response performance, technology opportunities, risk levels, growth (vertical and greenfield) areas, population increases, demographics, weather, and construction types. Call volume is increasing for fires, medical calls, motor vehicle collisions and public assistance. In the core and East Corridor, incidents have increased 10–35 per cent (20 per cent of all fires occur in these areas). While we are close to meeting our targets for the first emergency unit to arrive, we are not meeting our target of 11 minutes (by almost 3 minutes) when multiple resources are required for fire suppression incidents, as we must draw resources from other stations.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The latest MBNCanada survey results indicate Calgary is performing at the same level or better than comparative municipalities at outcome measures such as rate of residential fire injuries and residential fires with losses. At the same time, our fire service operating costs per assessed value of property was \$0.89 per \$1,000, significantly lower than the comparative municipalities' median of \$1.34. As a value assessment measure, this demonstrates the kind of insurance value Calgary Fire offers as compared to other municipalities.

### What matters to Calgarians

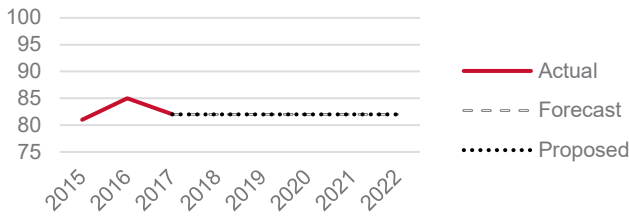
VALUE DIMENSION	DESCRIPTION
Responsiveness	We will respond to your call for service promptly.
Availability	We will be ready with the right equipment, staffed by competent, polite and caring people.
Reliability	Effective incident response program, plans and incident command system are in place to manage all-hazard incidents.
Provides Hope	We will stay with you until we have done everything we can to help with your emergency.
Safety	We will do everything we can to keep you and your family safe, and feel safe, both inside and beyond your home.



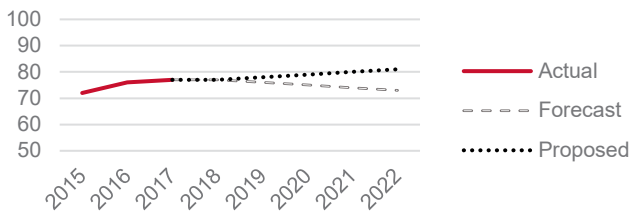


# How is the Service performing? Where we are headed and where do we want to go?

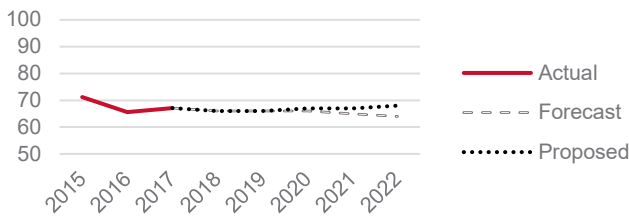
First-in unit emergency response within seven minutes to fire incidents (Per cent time achieved)



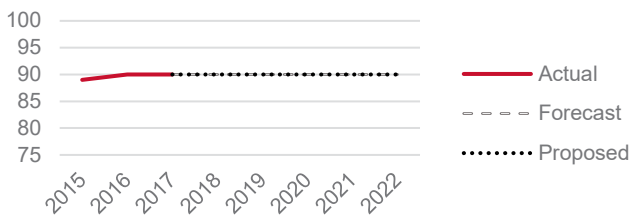
Arrival of 12 firefighters and necessary equipment within 11 minutes at serious and escalating fires (Per cent time achieved)



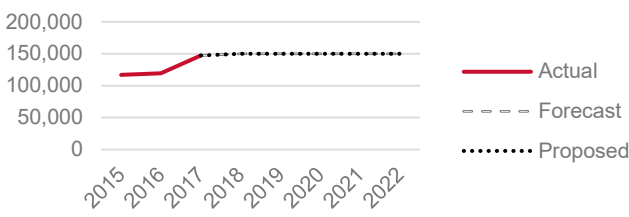
Flame spread limited to within the room or object of origin (Per cent time achieved)



First-in unit emergency response within seven minutes at critical medical incidents (Per cent time achieved)



Fire prevention engagements by firefighters (Number of face to face citizen engagements)



## Story behind the curve

As Calgary grows and demographics evolve, the number, size and severity of incidents is increasing, resulting in more emergency calls, escalating busyness and limiting the availability of fire apparatus. We are able to meet our minimum response targets for the first apparatus on scene in seven minutes for both fire and medical response.

For serious and escalating fires that require additional firefighters, equipment and apparatus from across the city, we met the target of 11 minutes, 77 per cent of the time, which equates to over 2:30 slower than the target. Our target is to achieve it 90 per cent of the time.

A commonly used measure for the effectiveness of fire-related response times is containing the fire spread to room or object of origin. As shown, overall fire spread is increasing. Over the course of the next four years, we will strive to reduce the response time gaps at high risk emergencies through changes to our deployment strategies.

We recognize that the best strategy is to reduce fires from occurring in the first place. We will continue to enhance our fire prevention efforts over the next four years through face to face engagements by our firefighters, at the community level.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Be increasingly innovative, flexible and proactive in the way we plan for and respond to community risk and emergencies.
Provide a consistent level of response coverage and performance that adequately meets the needs of communities.
Ensure citizens receive quality service by maintaining high standards of firefighter safety, training and wellness.
Reflect and represent the diversity of the communities we serve.
Improve response time performance and efficacy through the effective placement of personnel.
Reprioritize resources to maximize efficiencies, manage emerging needs while improving customer outcomes.

### Why?

Citizens expect professional, equitable and responsive service. Providing our staff with appropriate safety practices, training, and health (mental and physical) programs, increases the safety of our firefighters and enables them to provide quality service to Calgarians. Reflecting the communities we serve helps connect us with citizens, while building a stronger, more innovative team. Data driven decision-making maximizes efficiencies and helps manage emerging needs.

## What we propose to do less of

STRATEGY
Frontline ancillary resources (to lower operating costs for 2019).
Hiring personnel (postpone addition of 20 new firefighters until 2020).

### Why?

To meet the budget in 2019, we are adjusting service delivery by removing one ancillary apparatus from existing fleet and deferring the hiring of 20 additional firefighters for new growth stations to 2020. The CFD is using the least harm approach, and will dynamically deploy our fire resources to best reduce risk in the interim.

## What we propose to do more of or include as a new offering

STRATEGY
Support Council approved growth in new communities with the addition of necessary fire stations, personnel, vehicles and equipment.
Provide resources needed to reduce the gap on response time targets at high-risk fire suppression incidents.

### Why?

As communities continue to develop, we will ensure adequate emergency response coverage is available to meet citizen needs supported in our Council approved targets and The City's growth management plan. Reducing the gap on our response time targets will mean faster and more effective fire suppression at large-scale fire incidents, reducing loss to life, property and the environment.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
First-in unit emergency response within seven minutes to fire incidents (Per cent time achieved)	82	↔
Arrival of 12 firefighters and necessary equipment within 11 minutes at serious and escalating fires (Per cent time achieved)	77	↔
Flame spread limited to within the room or object of origin (Per cent time achieved)	66	↔
First-in unit emergency response within seven minutes at critical medical incidents (Per cent time achieved)	90	↔
Fire prevention engagements by firefighters (Number of face-to-face citizen engagements)	150,000	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	228,796	219,393	226,420	236,729
Less Previous Year one Time	-	(386)	(472)	(540)
Base	228,796	219,007	225,948	236,189
Revenue Changes	2,689	-	-	-
Internal Recovery Changes	630	-	-	-
Inflation	466	466	466	466
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	3,400	10,200	-
Efficiencies	-	-	-	-
Service Reductions	(7,244)	(425)	(425)	(425)
Service Increases	-	3,500	-	-
One Time	386	472	540	714
Realignments	(6,330)	-	-	-
Total	219,393	226,420	236,729	236,944

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	236,433	223,326	386	223,712	230,267	472	230,739	240,508	540	241,048	240,549	714	241,263
<b>Recoveries</b>	(1,410)	(780)	-	(780)	(780)	-	(780)	(780)	-	(780)	(780)	-	(780)
<b>Revenue</b>	(6,227)	(3,538)	-	(3,538)	(3,538)	-	(3,538)	(3,538)	-	(3,538)	(3,538)	-	(3,538)
<b>Net</b>	228,796	219,007	386	219,393	225,948	472	226,420	236,189	540	236,729	236,230	714	236,944



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		10,056	8,179	12,015	10,280	-	40,529
413020	Replace Emergency Units	3,080	3,080	3,080	3,080	-	12,319
413040	Fire Equipment Lifecycle	5,515	2,369	6,000	6,000	-	19,884
480500	CFD Technology Lifecycle	684	2,730	2,935	1,200	-	7,549
480503	Motorola Upgrade	777	-	-	-	-	777
Project(s)		8,550	7,650	7,750	22,253	-	46,203
411588	West Macleod Emerg Resp Stn	-	-	1,000	1,000	-	2,000
480501	ICFP Dwtm Core FireStn Repl	1,000	2,000	6,000	18,503	-	27,503
480502	Facilities Privacy Renos	750	750	750	750	-	3,000
480504	CFD Fleet 2019-2022	4,800	2,900	-	-	-	7,700
480505	Livingston Emerg Resp Stn	1,000	-	-	1,000	-	2,000
480506	Belvedere Emerg Resp Stn	1,000	-	-	1,000	-	2,000
480507	SouthShepard Emerg Resp Stn	-	2,000	-	-	-	2,000
Program(s)		-	-	-	-	-	-
Sub-Total (New Budget Requests)		18,606	15,829	19,765	32,532	-	86,732
Previously Approved Budget Remaining		17,148	43,450	-	-	-	60,598
<b>Total Capital Investment</b>		<b>35,754</b>	<b>59,279</b>	<b>19,765</b>	<b>32,532</b>	<b>-</b>	<b>147,330</b>



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 413020: Replace Emergency Units

New Budget Request of \$12,319 thousand for the lifecycle of Calgary Fire's fleet to lifecycle vehicles before the maintenance costs rise above acceptable levels or service levels are affected.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$386 thousand one-time funding of operating costs in 2019, \$472 thousand one-time funding of operating costs in 2020, \$540 thousand one-time funding of operating costs in 2021 and \$714 thousand one-time funding of operating costs in 2022.

#### Activity 413040: Fire Equipment Lifecycle

New Budget Request of \$19,884 thousand for life cycling of personal protective equipment, fire and training equipment such as medical, extrication and other specialized equipment.

Funding from Capital Reserves (\$12,000 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$7,884 thousand)

Operating Impact of Capital: None

#### Activity 480500: CFD Technology Lifecycle

New Budget Request of \$7,549 thousand for the life cycling of Calgary Fire's information technology assets including fire station alerting systems, mobile computer aided design systems, radio communications and post-event records management.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

#### Activity 480503: Motorola Upgrade

New Budget Request of \$777 thousand for a multi-business unit Motorola upgrade. This is the maintenance cost to maintain the operational integrity of the Motorola Calgary Municipal Radio Network.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Project(s)

#### Activity 411588: West Macleod Emerg Resp Stn

New Budget Request of \$2,000 thousand for the temporary West Macleod Station is required to provide fire and emergency response services in the area.

Funding from Developer & Other Contributions

Operating Impact of Capital: This request requires \$3,400 thousand base funding of operating costs starting in 2021.

#### Activity 480501: ICFP Dwtm Core FireStn Repl

New Budget Request of \$27,503 thousand to replace downtown station 1 due to aging infrastructure and significant maintenance required to maintain acceptable service levels.

Phase 1 of the project is the construction of two 2-bay stations.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

#### Activity 480502: Facilities Privacy Renos

New Budget Request of \$3,000 thousand to upgrade facilities to provide service, as well as address health, safety, code compliance, operational need, physical integrity and general efficiency issues.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

#### Activity 480504: CFD Fleet 2019-2022

New Budget Request of \$7,700 thousand for apparatus for new stations. As part of our ongoing commitment to Calgarians this request is based on growth stations and ERF (Emergency Response Force.)

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 480505: Livingston Emerg Resp Stn

New Budget Request of \$2,000 thousand for a temporary Livingston Station is required to provide fire and emergency response services area.

Funding from Developer & Other Contributions

Operating Impact of Capital: This request requires \$3,400 thousand base funding of operating costs starting in 2020.

### Activity 480506: Belvedere Emerg Resp Stn

New Budget Request of \$2,000 thousand for the temporary Belvedere Station is required to provide fire and emergency response services in the area.

Funding from Developer & Other Contributions

Operating Impact of Capital: This request requires \$3,400 thousand base funding of operating costs starting in 2021.

### Activity 480507: SouthShepard Emerg Resp Stn

New Budget Request of \$2,000 thousand for a temporary South Shepard Station is required to provide fire and emergency response services in the area.

Funding from Developer & Other Contributions

Operating Impact of Capital: This request requires \$3,400 thousand base funding of operating costs starting in 2021.

### Notes

New Budget Requests that incorporate Actively Developing and New Communities:

Activity 411588: West Macleod Emerg Resp Stn

Activity 480505: Livingston Emerg Resp Stn

Activity 480506: Belvedere Emerg Resp Stn

Activity 480507: SouthShepard Emerg Resp Stn







# Fire Inspection & Enforcement

Led by: Calgary Fire Department

## Description:

This service provides fire inspections of commercial, industrial and assembly structures, fire code consultation and related technical services to enhance public safety, compliance with legislation, minimize fire-related risks, and protect lives, property and the environment. All fires are investigated in accordance with the Safety Codes Act to identify trends, code changes and product recalls for community risk reduction efforts.

## Customers:

Our customers are commercial and industrial building owners and/or their managers, building occupants, citizens logging fire-related safety concerns, and the public.

## What is delivered to customers:

Fire Inspections & Enforcement reviews and inspects buildings to ensure they meet the codes, standards and regulations in Alberta's Safety Codes Act for the Fire discipline. The service also addresses citizen concerns in existing buildings, investigates fire-related incidents and provides related technical services.

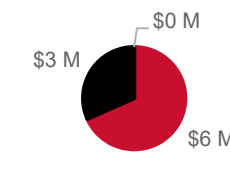
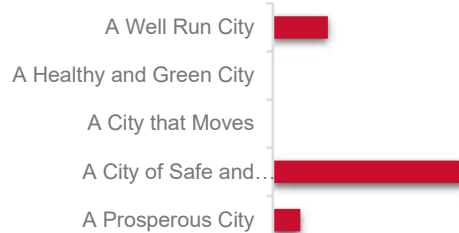
## Partners:

Fire Inspections & Enforcement partners with other City services including: Building Services, Planning and Business Licensing, Calgary Police, 311, Fire & Emergency Response and Fire Safety Education. We also work with external partners including: Alberta Safety Codes Council, Office of the Fire Commissioner and related service providers on fire prevention and risk reduction initiatives.

## Service need (value proposition):

Fire permit approvals, occupancy levels and compliance inspections ensure the Alberta Fire Code requirements are met and adhered to for the safety of people and protection of property. Property owners are required to adhere to fire safety legislation and regular fire inspections help owners ensure that buildings stay compliant. This applies to public venues including bars, nightclubs and special events through the Public Safety Task Force, as well as rental housing units through the Safe Housing Inspection Program. Identifying potential fire-related issues in newly constructed buildings ensures they are corrected and people can learn how to manage responsibly. Fire inspections also help in gathering building data for risk-reduction plans as well as aiding preplanning in the case of an emergency.

## Current state service value

<p><b>17,380</b> 2017 Customer service requests completed</p> <p><b>93%</b> Requests completed within target</p>	<p><b>2.5</b> Average inspections before compliance</p> <p><b>21,500</b> High risk structures</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$510</b> Operating cost per initial 311 inspection request</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Capital requirements include software, IT equipment, and fleet.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Calgarians want safe buildings and public spaces, and said risk-reduction and compliance to legislation are important. Citizen concerns about building fire safety are increasing. Understanding and applying the fire safety codes is challenging for many business owners or building operators. When asked about fire and life safety design challenges, six in 10 respondents in a 2016 study indicated they were challenged by subjective interpretation of regulations by different code authorities, designing for interoperability and integration of systems, codes and standards, and finding plain language information.

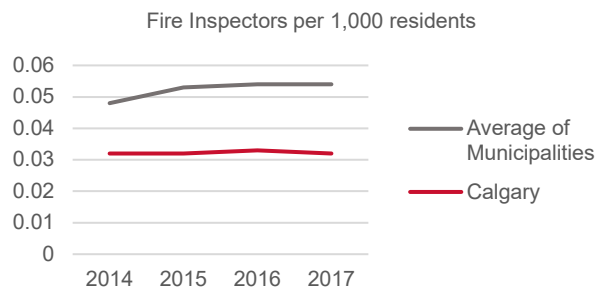
## What Council has directed

Fire Inspections & Enforcement supports Council's priority of A City of Safe & Inspiring Neighbourhoods, A Prosperous City and A Well-Run City. Specific directives related to this service: reduce risk to improve the safety of Calgarians; build safe, accessible and inclusive neighbourhoods and public spaces; make it easier to build developments that meet our MDP and CTP; minimize the cost of growth while maximizing housing choice and affordability, and improve the protection and enhancement of heritage assets. We support Council's priority of a Well-Run City by shifting our understanding and focus from how services are delivered to why services are delivered. We contribute to A Prosperous City by striving to maintain the fire safety of the existing affordable (multi-family) housing stock. The service aligns to The City's Quality Management Plan and Fire's long-term Sustainability Plan.

## What are we watching?

Fire Inspections & Enforcement is watching several trends and risks across Calgary. These include fire in buildings, code compliance and community risk levels. Risk is increasing due to several factors including reduced maintenance on building life safety systems following the economic downturn, the increased vacancy rate, aging infrastructure, fire-prone business activities (such as paint booths), and careless behaviours that increase the risk of fires (i.e. careless cooking and smoking). Of the 500,000 buildings in Calgary, about 20,000 are considered high risk. With changing legislation for cannabis and short-term rentals, we anticipate inspections required will increase proportionately.

## Benchmarking



Source: Municipal Benchmarking Network Canada

The number of City fire safety code inspectors per 1,000 population is lower in comparison to other Canadian municipalities. However, inspection models differ by municipality. Under our current inspection model, outlined in The City's Quality Management Plan, Calgary fire inspectors provide new business inspections, ensure code compliance through permitting and address public complaints and requests through 311. The need for risk-based inspections is increasing as Calgary's buildings age and their life safety systems begin to fail, among other issues.

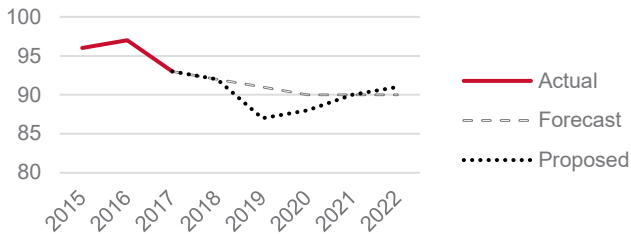
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Prevention	We will help you reduce the chance of fires and other life safety incidents from happening both inside and beyond your home and your property.
Reduces risk	We will do everything we can to keep you and your family safe, and feel safe, both inside and beyond your home.
Informs	We will provide you with the information you need so that you are aware of fire and life safety risks that may affect you, your family and your property.
Legislative Compliance	We will help ensure that your occupancy complies with Fire Safety Codes and Standards.

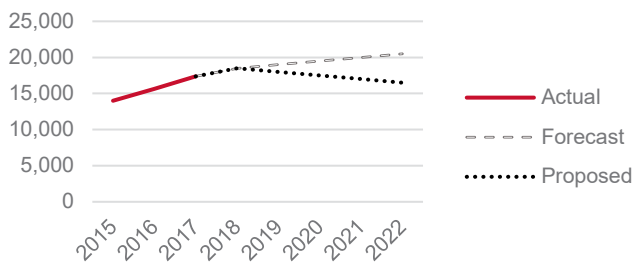


# How is the Service performing? Where we are headed and where do we want to go?

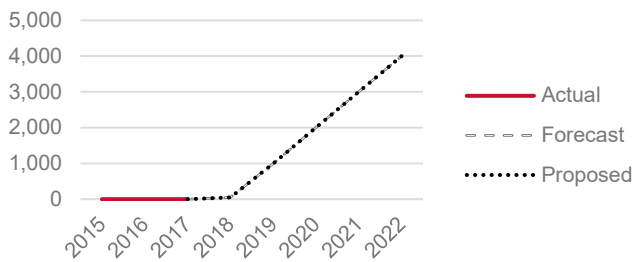
311 Customer service requests completed on time (Per cent)



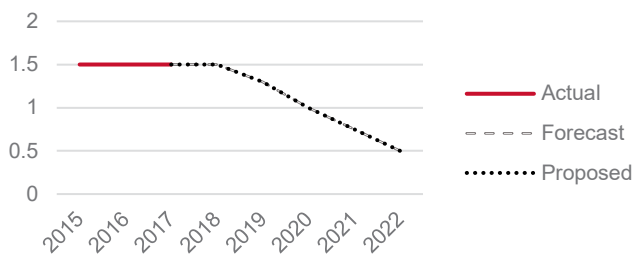
Inspection activities (reactive) (Number)



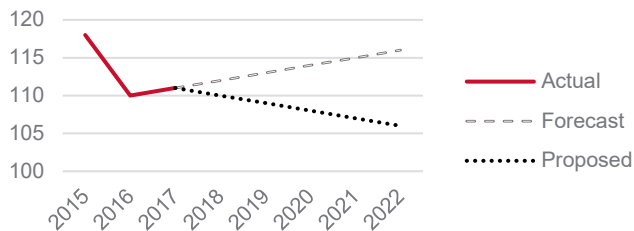
High risk buildings inspections required (Structures)



Re-inspection ratio (Per cent)



Number of Structure Fires in Commercial/Industrial/ Multi-family Occupancies (Number)



## Story behind the curve

Fire Inspectors completed 17,380 customer service requests in 2017, not including re-inspections. These are for a range of services including inspections, investigations, plan reviews and permits. Generally each inspection requires one to two re-inspections before compliance is obtained. Once new buildings pass their fire inspection, most are not re-inspected for many years, relying on self-regulation to ensure the fire safety of buildings.

The two main reasons for non-compliance with fire safety code requirements are the building's responsible person is unaware of the violations, and the building's responsible person is aware of the violations, but unconcerned about correcting the situation. To change this we will adjust the re-inspection fee to encourage timely compliance without costly re-inspections. Where compliance is difficult or neglected, we plan to adhere to the administrative enforcement process within the Safety Codes Act.

In 2018, ninety-three per cent of our 311 service requests were completed within customer service standards. We anticipate this number will drop slightly over the years as demand for inspections increase due to changes in legislation. Effective 2019, we are implementing our new model with one new inspector added per year to conduct proactive risk-based inspections. As shown in the table, starting in 2019 the number of proactive risk-based inspections will increase exponentially as more employees focus in this area.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide inspections, permits and compliance monitoring services to meet legislated obligations in The City's Quality Management Plan.
Motivate employees to provide outstanding service resulting in safer communities.
Reflect and represent the diversity of the communities we serve.

### Why?

The City has a legislated responsibility to provide the services outlined in the Provincial Quality Management Plan. As demand for services increase, we recognize new approaches are needed to address growing risk levels in the communities. Our strategies hinge on reflecting and representing the communities we serve. Training and motivating employees and supporting their health, safety and wellness is fundamental to our continued success.

## What we propose to do less of

STRATEGY
The number of re-inspections on non-compliant occupancies.
The number of incoming 311 customer service cases.

### Why?

Re-inspections of non-compliant occupancies are an inefficient use of time and cost us more money to deliver our service. Levying financial penalties to reduce non-compliant behaviours will decrease the number of re-inspections required, giving us more time to complete maximum and high-risk building inspections. As more high-risk buildings are inspected, fire-related code issues will decrease and we should see a decrease in citizen' complaints and requests.

## What we propose to do more of or include as a new offering

STRATEGY
Be more innovative, flexible and proactive in the way we plan for and respond to community risk and emergencies.
Introduce a risk-based, data-driven framework for redesigning fire safety inspections.
Add four safety codes officers offset by revenue to conduct inspections on high-risk commercial and industrial properties.
Develop and distribute plain language code compliance information for customers and citizens.
Training for fire crews and inspectors to ensure delivery of consistent and accurate information to citizens and customers.

### Why?

An effective risk-based inspection program, and appropriate prevention strategies, can have a significant impact on reducing the rate of fire loss and, increasing customer satisfaction and public safety.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
311 Customer service requests completed on time (Per cent)	93	↓
Inspection activities (Requests) (Number)	17,380	↔
Risk-based inspections (Proactive) (Number)	50	↑
Re-inspection ratio (Per cent )	1.5	↓
Number of Structure Fires in Commercial/Industrial/ Multi-family Occupancies (Number)	112	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	6,058	6,359	6,060	6,061
Less Previous Year one Time	-	(300)	-	-
Base	6,058	6,059	6,060	6,061
Revenue Changes	(160)	(160)	(160)	(160)
Internal Recovery Changes	-	-	-	-
Inflation	1	1	1	1
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	160	160	160	160
One Time	300	-	-	-
Realignments	-	-	-	-
Total	6,359	6,060	6,061	6,062

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	8,924	9,085	300	9,385	9,246	-	9,246	9,407	-	9,407	9,568	-	9,568
<b>Recoveries</b>	(63)	(63)	-	(63)	(63)	-	(63)	(63)	-	(63)	(63)	-	(63)
<b>Revenue</b>	(2,803)	(2,963)	-	(2,963)	(3,123)	-	(3,123)	(3,283)	-	(3,283)	(3,443)	-	(3,443)
<b>Net</b>	6,058	6,059	300	6,359	6,060	-	6,060	6,061	-	6,061	6,062	-	6,062



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.







# Fire Safety Education

Led by: Calgary Fire Department

## Description:

This service provides fire and life safety education to prevent fires and reduce risk to citizens, property and the environment.

## Customers:

There are three main customers of fire safety education: citizens, businesses and institutions.

## What is delivered to customers:

Fire Safety Education delivers customized education to at-risk segments in the community; and general education for firefighters to provide at the community level. This reduces risk and improves the lives of Calgarians through increased safety and knowledge. Deliverables of the service include increased awareness, training and intervention services.

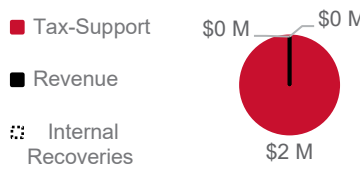

## Partners:

Fire Safety Education partners with internal City services including Police, 9-1-1, Bylaw Education & Compliance, Recreation Opportunities and Neighbourhood Supports, as well as external partners including social service agencies, seniors' institutions, community groups and organizations, schools, businesses and the Office of the Fire Commissioner.

## Service need (value proposition):

The number of residential fires and fire-related injuries within Calgary is trending upwards. The occupant's reaction to the fire is a strong factor in survivability. Our most vulnerable are children, seniors, new immigrants and people with mobility challenges. Public fire safety education and training are the key to reducing the fire problem and reducing fire injuries and deaths.

## Current state service value

<p><b>140,000</b> Citizens non-emergency contacts</p> <p><b>65%</b> Improved knowledge of fire prevention</p>	<p><b>97%</b> Rated fire safety education as important</p> <p><b>622</b> Fire-related incidents in homes in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$17</b> Operating cost per non-emergency contact</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Capital requirements include computer equipment and fleet.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Citizens rated fire safety education as high in importance and satisfaction, and support maintaining the service. Although 71 per cent of Calgarians say they know what to do in the event of a fire in their home, the majority don't think they are at risk. Most fires and fire deaths in Canadian homes are caused by careless cooking or smoking. In the 2018 Calgary Fire Perceptions and Expectations Survey, citizens told us they expect their fire department to respond to emergencies first, and expect their fire department to provide prevention and education efforts. After education, most citizens said they were able to address hazards in their homes.

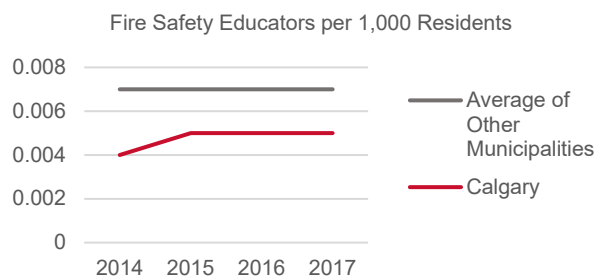
### What Council has directed

Fire Safety Education primarily supports the citizen priority A City of Safe & Inspiring Neighbourhoods while also supporting A Prosperous City and A Well-Run City. Specifically, this service addresses: risk reduction to improve the safety of Calgarians (especially seniors and the disabled) and their communities; shifting our understanding and focus from how services are delivered to why services are delivered; simplifying and streamlining processes and procedures, cutting red tape, eliminating service silos; and enhancing our partnerships with non-profits and businesses.

### What are we watching?

Fire Safety Education is watching several trends, and the needs of communities are evolving as evidenced by the increase in overall emergency incidents. Demographic shifts show the need to provide education to an aging population and their support network. We will continue to provide our life safety education programs for older adults, low income families, children and new Canadians. While residential fires are trending downward in many municipalities, the reverse is happening in Calgary. Fire safety preparedness is more important now than ever before as fires in new construction homes burn faster, hotter and produce more toxic smoke due to design factors, construction materials and contents. This has serious safety implications for citizens and firefighters.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The number of City community safety officers per 1,000 population has been consistently lower in comparison to other Canadian municipalities. As a result, under the existing model, less high-risk Calgarians receive the vital fire prevention and life safety information they need to keep their family and home safe from fire.

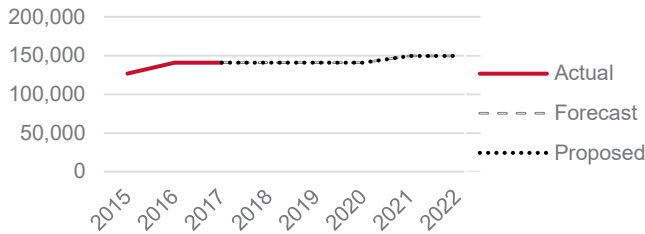
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Prevention	We will help you reduce the chance of fires and other life safety incidents from happening both inside and beyond your home and your property.
Reduces risk	We will do everything we can to keep you and your family safe, and feel safe, both inside and beyond your home.
Informs	We will provide you with the information you need so that you are aware of fire and life safety risks that may affect you, your family and your property.
Legislative Compliance	We will help ensure that your occupancy complies with Fire Safety Codes and Standards.

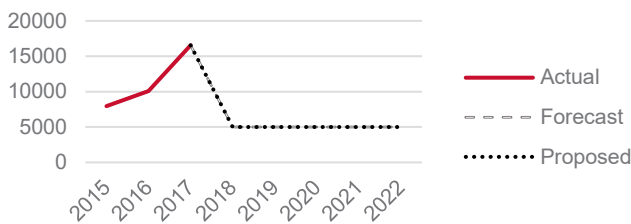


# How is the Service performing? Where we are headed and where do we want to go?

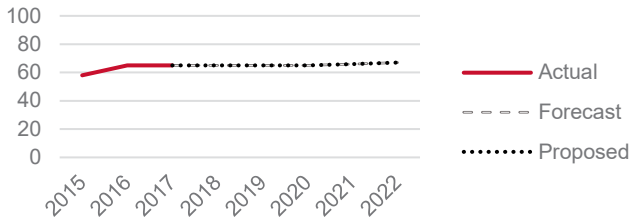
Calgarians contacted annually about safety through non-emergency initiatives (Number)



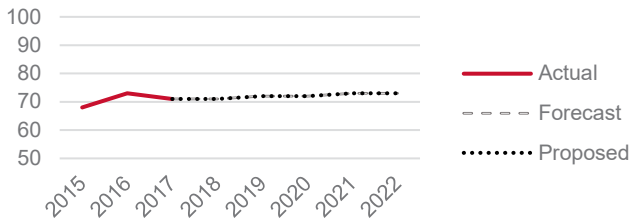
Number of higher risk Calgarians receiving fire safety lessons (e.g. seniors, new Canadians, children, etc.)



Per cent of contacts who improved their knowledge of how to spot hazards and prevent fires

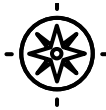


Per cent who said my family has discussed what to do in the event of a fire



## Story behind the curve

Calgary Fire strives to reach one in nine Calgarians annually with safety information through non-emergency initiatives such as public service announcements, news stories, social media, face-to-face engagement and The City website. Over the next four years, we plan to increase messaging through corporate communications. Through speciality programs aimed at Calgarians deemed to be at higher risk, our Community Safety Officers provide more experiential education to increase fire prevention and preparedness. As the number of Community Safety Officers delivering these programs decreased in 2017, forecasted target numbers have been adjusted downwards for 2019-2022. Over the next four years, Calgary Fire plans to increase efforts by frontline firefighters and our internal and external partners to influence more Calgarians to adopt safer and more responsible behaviors. Over time, we expect to see increased awareness about general fire safety preparedness. We know fire safety education works. Of citizens who received information from The Calgary Fire Department, about 65 per cent report improving their knowledge of how to spot hazards and prevent fires, and about 71 per cent said my family has discussed what to do in the event of a fire.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Reflect and represent the diversity of the communities we serve.
Be innovative, flexible and proactive in the way we plan for and respond to community risk.
Coordinate the delivery of community fire safety education programs, resources and intervention services.
Maximize service to citizens with firefighters providing fire safety education in their communities.

#### Why?

Protecting citizens through fire prevention education requires a diverse, community-wide approach to reach a wide range of citizens through a variety of mediums especially as Calgary's demographics change. Over the next four years we will continue the work we've started, focusing on reaching all Calgarians with timely fire safety messages and reaching vulnerable Calgarians with specific information to reduce their fire risk.

### What we propose to do less of

STRATEGY
Time spent by Community Safety Officers on general education (change the fire safety education model to focus on high-risk Calgarians).

#### Why?

Our frontline firefighters are in a better position to understand and educate about the specific fire and life safety risks in the community they serve. This will free up time for our Community Safety Officers to focus on program/resource development for the firefighters and to collaborate with internal and external partners to increase fire safety education for high-risk Calgarians.

### What we propose to do more of or include as a new offering

STRATEGY
Support firefighters by developing the tools, training, programs and resources needed to successfully deliver public education.
Partner with community, cultural and faith-based groups and internal services to maximize reach to Calgarians.
Focus Community Safety Officers on delivering experiential education for high-risk Calgarians.
Public safety messaging through online tools, self-serve resources and corporate communications.

#### Why?

Residential fires are increasing in Calgary. More education is needed to protect Calgarians. New and updated tools and self-serve resources will help Calgarians looking for more information. Partnerships with stakeholders and targeted education strategies will allow us to be more effective in reducing risk.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Calgarians contacted annually about safety through non-emergency initiatives (Number)	140,800	↑
Number of higher risk Calgarians receiving fire safety lessons (e.g. seniors, new Canadians, children, etc.)	5,000	↓
Per cent of contacts who improved their knowledge of how to spot hazards and prevent fires	65	↑
Per cent who said my family has discussed what to do in the event of a fire	71	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	2,325	2,325	2,325	2,325
Less Previous Year one Time	-	-	-	-
Base	2,325	2,325	2,325	2,325
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	-	-	-	-
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	2,325	2,325	2,325	2,325

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	2,333	2,333	-	2,333	2,333	-	2,333	2,333	-	2,333	2,333	-	2,333
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(8)	(8)	-	(8)	(8)	-	(8)	(8)	-	(8)	(8)	-	(8)
Net	2,325	2,325	-	2,325	2,325	-	2,325	2,325	-	2,325	2,325	-	2,325



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.







# Neighbourhood Support

Led by: Calgary Neighbourhoods & Calgary Recreation

## Description:

We build the capacity of Calgarians in neighbourhoods by working with residents and other community stakeholders to foster social inclusion, economic participation and an increased sense of belonging. We support community groups operating on City-owned land, including contributing funding for capital maintenance of community facilities and amenities to ensure that all residents have a variety of public spaces in which to create and develop social connections with their neighbours. By supporting residents and stakeholders in navigating and aligning City resources, we work to address community needs. We apply an equity lens to guide our work so that no resident or neighbourhood is left behind.

## Customers:

Neighbourhood Support provides services to Calgarians with a focus on vulnerable residents in priority neighbourhoods, Community Associations (CAs) and Social Recreation Groups (SRGs) along with other community groups.

## What is delivered to customers:

We work with stakeholders to deliver support, resources and opportunities for residents to increase social inclusion and economic participation. To community groups, we provide support and resources for building organizational health, community programming and representation. We deliver grant funding including the Capital Conservation Grant (CCG).



## Partners:

We partner with service lines across the Corporation to deliver on Citizen Priorities. External partners include residents, CAs/SRGs, the Federation of Calgary Communities, the United Way of Calgary and Area, other non-profit organizations, the Calgary business community, school boards and faith groups, among others.

## Service need (value proposition):

Safe, inclusive and inspiring neighbourhoods where residents enjoy a high quality of life are essential to a great city. Citizens, especially those who are vulnerable, need opportunities to participate in their neighbourhood which in turn builds their capacity to contribute to civic life. When residents are actively involved they are likely to feel safer and more connected. Community groups may also need access to City resources to support their efforts to be more accessible and reflective of residents. CAs and SRGs may need support to effectively manage assets on City-owned land, maximize organizational capacity, and increase their sustainability, effectiveness and reach.

## Current state service value

<p><b>23</b> Priority neighbourhoods</p> <p><b>20,100</b> Calgarians engaged by Community Hubs</p>	<p><b>171</b> CAs and SRGs</p> <p><b>147</b> Times CCG was accessed by groups</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$8.60</b> Annual operating cost per resident to deliver Neighbourhood Support</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Community Social Work Program \$4,985 Neighbourhood Partnership Coordination Program \$5,860</p>
		<p><b>Key Capital Investments</b></p> <p>Capital Conservation Grant (CCG) funding available to 190 eligible groups for capital maintenance projects. Approximately \$5,000,000 is reinvested annually in community infrastructure. Total value of assets is estimated at \$950,000,000.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Engagement with Calgarians has shown 91 per cent believe that Neighbourhood Support is important and that The City should invest the same or more in the service, and 90 per cent feel a sense of belonging in their neighbourhood. Ninety-seven per cent of community partners agree that Community Social Workers (CSWs) understand and 89 per cent agree CSWs effectively address the unique social issues of neighbourhoods. Eighty-nine per cent of CAs/SRGs are satisfied with the support and services received by their Neighbourhood Partnership Coordinators (NPCs), and 90 per cent are satisfied with the working relationship.

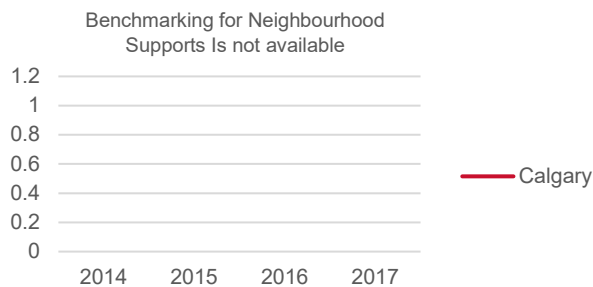
### What Council has directed

We contribute to A City of Safe & Inspiring Neighbourhoods by helping to foster neighbourhoods that are safe, accessible and inclusive for all (N1). NPCs assist 171 CAs and SRGs with organizational capacity and governance. We also support CAs/SRGs to effectively manage City-owned assets and to offer programs and services for Calgarians that encourage local connections and active participation in civic life (N2). For lasting impact, CSWs work alongside vulnerable residents in priority neighbourhoods to increase their social inclusion and economic participation as our contribution to poverty reduction (P4). Our service aligns with and supports the Social Wellbeing Principles, Enough for All Strategy, Seniors Age Friendly Strategy, Corporate Accessibility Strategy, White Goose Flying Report, Cultural Plan for Calgary, Capital Conservation Grant Policy, among other strategies and policies.

### What are we watching?

Calgary's diversity is expected to increase with immigration accounting for two-thirds of population growth. To foster inclusion and social cohesion in neighbourhoods, community groups must remove barriers to participation through culturally sensitive and accessible services. As our elderly population grows, isolation among seniors is a trend that will inform our work with partners on programming and accessibility. Reporting the highest rate of income disparity in Canada, with one in 10 Calgarians living on low income, food and employment insecurity will remain a challenge for Calgary. The Community Hub Initiative works to increase social inclusion, economic participation and access to supports for residents. With 58 per cent of community infrastructure in Calgary now over 25 years old, the need for lifecycle maintenance will increase, placing further pressure on community groups and The City.

### Benchmarking



Benchmarking for Neighbourhood Support currently does not exist. Our programs and services are specific to Calgary, making it difficult to benchmark with other municipalities. We do however compare neighbourhood data to inform our decisions on equitable service delivery. We also regularly employ environmental scans to align our work to best practices. Where possible, we will explore approaches to benchmarking through our community partners and municipal networks such as the Community Data Program and Municipal Benchmarking Network Canada.

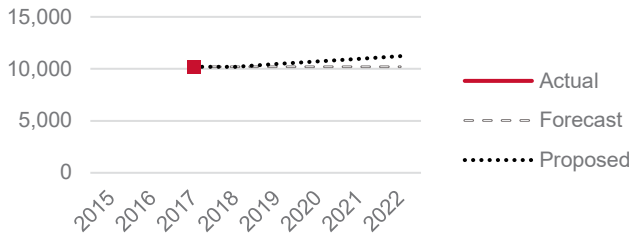
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Connectivity	Work with residents and community stakeholders to address social issues and connect them to City resources.
Accessibility	Remove barriers to participation for residents and assist community groups in being more accessible.
Equity	Distribute programs and services to priority neighbourhoods to better support vulnerable populations.
Sustainability	Bring resources to CAs and SRGs that improve the sustainability of their contribution to their neighbourhoods.
Wellbeing	Support initiatives that strengthen the capacity of individuals and community groups to withstand stresses and shocks.

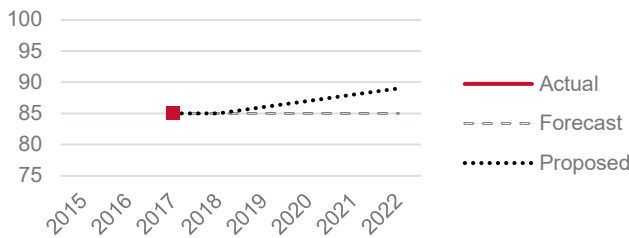


# How is the Service performing? Where we are headed and where do we want to go?

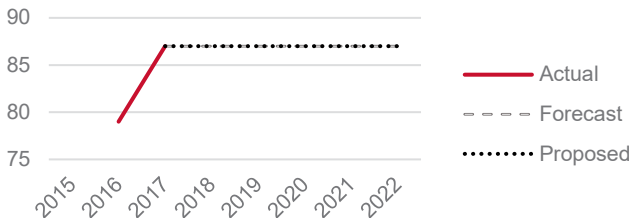
Number of Hours Volunteered by Residents in Neighbourhoods (Number)



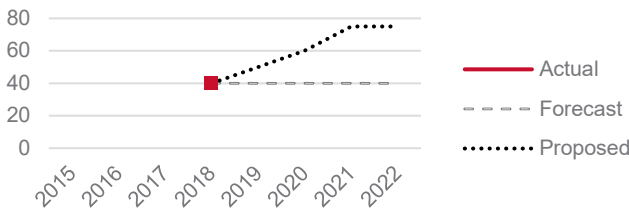
Percent of Resident Volunteers Who Feel They Can Make a Difference in Their Neighbourhood (Percent)



Percent of CAs/SRGs Who Feel Their NPC Positively Impacts Their Overall Level of Functioning (Percent)



Percent of Groups Where Board Members, Staff, and/or Volunteers Successfully Completed Training in Facility Management or Maintenance (Percent)



## Story behind the curve

Neighbourhood Support increases capacity in neighbourhoods by creating conditions for residents to contribute through leadership and volunteer opportunities, building their individual skills, confidence and experience and connecting them with one another.

In 2017, over 10,000 volunteer hours were contributed to neighbourhood work by residents. Providing residents with more support, training and funding to organize, empowers them to make improvements in their neighbourhoods. As we continue our community development approach, advance the community hub model in additional neighbourhoods and build greater capacity among residents, we expect that residents' contributions will increase and be more sustainable and their confidence and belief that they can make a difference will also increase.

Neighbourhood Support builds capacity among community groups with 87 per cent of Community Associations (CAs) and Social Recreation Groups (SRGs) stating that their Neighbourhood Partnership Coordinator (NPC) positively impacts their overall level of functioning. This level of performance is a product of significant investment by NPCs in assisting CAs and SRGs in developing business plans in recent years. Now that a greater proportion of CAs and SRGs have a low-risk financial rating according to the Audit Report to Council (AC2017-1149), Neighbourhood Support will help these CAs and SRGs to refocus their efforts to increase access to public spaces, connect groups to residents and in turn, residents to their neighbourhoods. However, a significant challenge for CAs and SRGs is maintaining assets on City-owned land for which they have a Lease/License of Occupation.

One way in which we can build the capacity of these groups while furthering the preservation of active and inclusive public spaces is by providing board members, staff and volunteers opportunities to complete professional facility management and maintenance training programs/courses, through grant funding. This low-cost service offering will assist us in turning the curve on the condition of community infrastructure, by giving residents the tools they need to perform day-to-day preventive maintenance and oversight, resulting in life extension of assets and cost savings on repairs down the road.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Work with residents to help them increase their community connections and participation in civic life.
Remove barriers to help vulnerable residents create and participate in economic initiatives, providing opportunity for all.
Provide residents and community groups a gateway to the resources they need to contribute meaningfully to their neighbourhoods.
Coordinate and adapt the This Is My Neighbourhood model to embed its implementation across service lines when working in neighbourhoods.
Support community groups in building their organizational health, towards achieving greater sustainability.
Provide funding for capital lifecycle of community facilities operating on City-owned land to ensure the preservation of public spaces.
Validate and refine support to community groups towards safe and inclusive spaces that respond to resident needs.

#### Why?

These strategies represent the core services of Neighbourhood Support which delivers on the values that matter to Calgarians. Operating in neighbourhoods, we seek to create communities that are safe and inspiring, where all residents are healthy and have opportunities to thrive.

### What we propose to do less of

STRATEGY
Approvals for projects through the Capital Conservation Grant.

#### Why?

A reduction in grant dollars available through the Capital Conservation Grant.

### What we propose to do more of or include as a new offering

STRATEGY
Develop additional resident-informed community hubs by leveraging City facilities and existing partnerships.
Increase capacity of community stakeholders to understand Indigenous culture and history to further Indigenous residents' social inclusion.
Provide support to CAs in being more accessible and reflective of residents of all ages, cultures and stages of life.
Deliver a new grant to support community representation and resident-driven initiatives to create engaged neighbourhoods.
Prioritization of life-cycle and preventive maintenance when approving funding through the Capital Conservation Grant.

#### Why?

With community hubs we'll increase inclusive gathering spaces and access to services and support, contributing to poverty reduction in Calgary. We'll promote Indigenous culture and history, improve representation and increase participation of under-represented populations. Beginning in 2021, this work will be enhanced with a grant program. In light of the funding gap between industry standards and the CCG, we'll proactively support preventive maintenance to reduce the risk of building failure.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of Hours Volunteered by Residents in Neighbourhoods (Number)	10,200	↔
Per cent of Resident Volunteers Who Feel They Can Make a Difference in Their Neighbourhood (Per cent)	85	↔
Per cent of CAs/SRGs Who Feel Their NPC Positively Impacts Their Overall Level of Functioning (Per cent)	87	↔
Per cent of Groups Where Board Members, Staff and/or Volunteers Successfully Completed Training in Facility Management or Maintenance (Per cent)	40	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	7,346	7,377	7,377	9,077
Less Previous Year one Time	(114)	-	-	-
Base	7,232	7,377	7,377	9,077
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	14	16	16	17
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(14)	(16)	(16)	(17)
Service Reductions	-	-	-	-
Service Increases	145	-	1,700	-
Realignments	-	-	-	-
One Time	-	-	-	-
Net Changes	7,377	7,377	9,077	9,077

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	10,845	10,875	-	10,875	10,875	-	10,875	12,575	-	12,575	12,575	-	12,575
<b>Recoveries</b>	(3,498)	(3,498)	-	(3,498)	(3,498)	-	(3,498)	(3,498)	-	(3,498)	(3,498)	-	(3,498)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	7,346	7,377	-	7,377	7,377	-	7,377	9,077	-	9,077	9,077	-	9,077



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		3,267	7,534	7,534	7,534	-	25,867
411292	Capital Conservation Grant	3,267	7,534	7,534	7,534	-	25,867
<b>Sub-Total (New Budget Requests)</b>		3,267	7,534	7,534	7,534	-	25,867
Previously Approved Budget Remaining		3,000	-	-	-	-	3,000
<b>Total Capital Investment</b>		6,267	7,534	7,534	7,534	-	28,867

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 411292: Capital Conservation Grant

New Budget Request of \$25,867 thousand to provide support for life cycle projects, studies and upgrades to eligible community associations and social recreation groups who sit on City-owned land, through the Capital Conservation Grant.

Funding from Pay-As-You-Go (\$15,867 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$10,000 thousand)

Operating Impact of Capital: None







# Pet Ownership & Licensing

Led by: Calgary Community Standards

## Description:

Pet Ownership & Licensing provides citizen education on responsible pet ownership and regulates owners under the Responsible Pet Ownership Bylaw (RPO). Licensing and shelter services are directed to dogs and cats to ensure recovered animals are cared for and reunited with owners, or adopted into new homes. No-fee spay/neuter services are offered to qualified low-income pet owners as part of the Fair Entry program and support compliance of the RPO by reducing unwanted litters of animals. Peace officers create resolutions for citizens and safety by responding to animals complaints/concerns.

## Customers:

- Citizens seeking pet licenses
- Citizens seeking pet adoptions
- Citizens looking for their lost animals
- Fair Entry program participants seeking no-cost spay and neuter services
- Citizens reporting animal concerns
- Fire and police seeking assistance with animal response

## What is delivered to customers:

- Response to citizens' concerns involving animal incidents or containment of animals in emergency situations.
- Free spay and neuter surgeries for Fair Entry program participants.
- Return of lost pets to owners; drive-home program.
- Adoption, shelter and veterinarian services for stray animals.
- Education through volunteer programs in the community.



## Partners:

- Other lines of service (Parks & Open Spaces, Police Services, Bylaw Education & Compliance)
- Other animal welfare organizations (Calgary Humane Society, Alberta Animal Rescue Crew Society, MEOW Foundation)
- University of Calgary Veterinary Medical Program

## Service need (value proposition):

This service creates clear expectations for pet owners through the Responsible Pet Ownership Bylaw. Licensing for cats and dogs ensures that peace officers, shelter staff and volunteers reunite lost pets with owners. Recovered animals that are not claimed undergo socialization and spaying or neutering to create positive outcomes through pet adoption.

## Current state service value

<p><b>86%</b> Dogs returned to owner</p> <p><b>137,065</b> Pet licences issued</p>	<p><b>92%</b> Citizens satisfied with animal services</p> <p><b>2,500 hours</b> Contributed by volunteers</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$8.20</b> Annual operating cost per resident to ensure pet compliance</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Life cycling of shelter equipment that supports key functions for shelter and veterinary clinic. OneCity Records Management System will enhance animal peace officer safety based on communication systems, aligning with provincial recommendations.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Citizens enjoy a high level of satisfaction with the service and identify safety and prevention as key values. Based on the 2017 Quality of Life and Citizen Satisfaction Survey:

- 91 per cent of Calgarians are satisfied with animal control services for stray animals and pet licensing services.
- 89 per cent of Calgarians think The City should invest more, or the same amount, on the animal control services and pet licensing services.
- 82 per cent of Calgarians feel animal control services for stray animals and pet licensing services are important.

## What Council has directed

N1: Coordinated response created through the OneCity Records Management System will improve peace officer response and coordination, improving resolutions for citizens' concerns and complaints.

P4: The delivery of no-cost spay/neuter services is a part of the Enough for All Poverty Reduction Strategy, which enables Fair Entry Program citizens to enjoy pet ownership.

W1: Revising the Responsible Pet Ownership Bylaw will bring insightful change based on pet owners and neighbour engagement, reflecting current trends and improving satisfaction. A Notice of Motion including Emotional Support Animals in the Responsible Pet Ownership Bylaw will form a new approach to connecting citizens and animals.

W2: The Shelter Services Review will seek to identify efficiencies to improve service delivery.

## What are we watching?

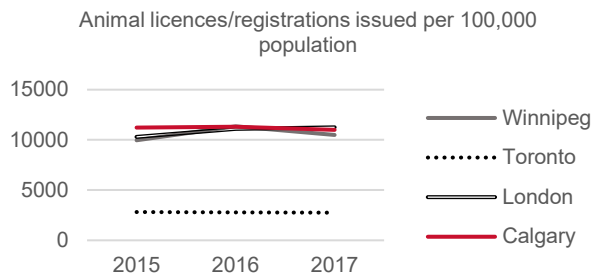
Citizen & Pet Change: Citizens expect to get faster services and easy access to information through improved use of technology (online pet licensing system).

Citizens have expectations for regulation (i.e. The Responsible Pet Ownership Bylaw) to keep pace and be adaptive to changing trends in society (e.g. need for emotional support animals, dog walking businesses and governance for animal rescue organizations).

Legislative Change: The province is transferring the responsibility for wildlife calls to the municipality, which will have resource and financial impacts.

Recommendations from the Solicitor General's office is changing the Peace Officer Program due to the findings of a fatality report that will have serious impacts on the structure of the workforce, with significant financial impacts.

## Benchmarking



Pet Ownership & Licensing has established itself as a recognized national leader in pet licensing. In 2017, Pet Ownership & Licensing reported 10,997 licensed pets per 100,000 population which is significantly greater than the MBNCanada group average of 6,488. The number of licensed pets is a reflection of compliance, online licensing and engagement. Overall safety of citizens and communities is improved as licensed pets ensure responsive solutions are available for owners with lost animals and citizens reporting animal activity in their community.

Source: Municipal Benchmarking Network Canada

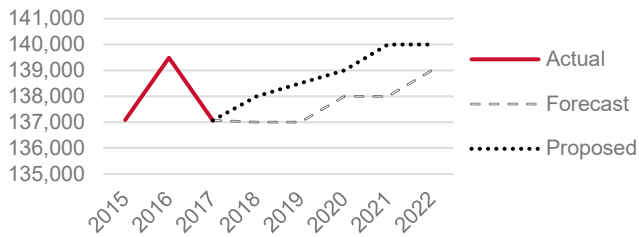
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Citizens feel that cats, dogs, owners and neighbours live together in safety and harmony.
Responsiveness	Citizen complaints and responsible pet ownership issues are responded to and resolved in a timely manner.
Fairness	Bylaw enforcement service is transparent, fair and consistent, and delivered by competent animal control officers.
Quality	Customers receive licensing service that satisfy their needs.
Prevention	Citizens understand Responsible Pet Ownership Bylaw standards and the importance of being a responsible pet owner.

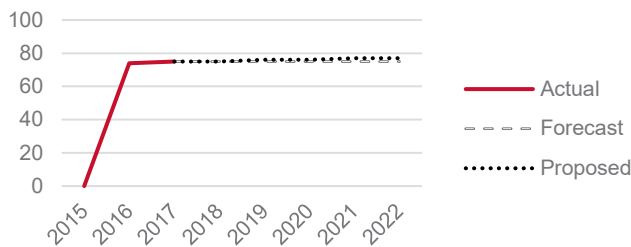


## How is the Service performing? Where we are headed and where do we want to go?

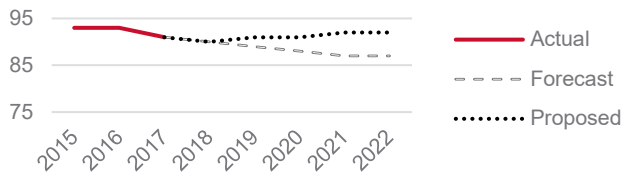
Number of pet licences issued (Number of licences)



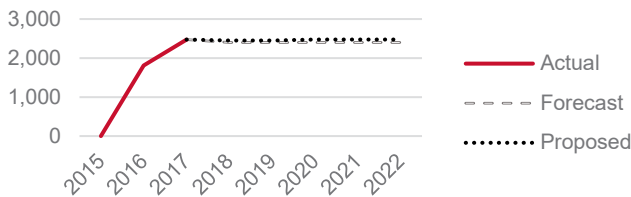
Per cent of dogs licensed in Calgary (Percentage)



Per cent of citizens satisfied with the job the City is doing in providing animal control services for stray animals and pet licensing (Percentage)



Number of volunteer hours contributing to public awareness programs (e.g. PAWS PAL, Off-Leash Ambassador Program) (Number of hours)



### Story behind the curve

Implementation of online licensing created efficiencies by promoting an accessible platform. By re-engaging the public over 18 months, the review of the Responsible Pet Ownership Bylaw will seek to develop an approach that focuses on citizens' needs and increases overall compliance, while capitalizing on existing technology.

Per cent of dogs licensed demonstrates compliance created through education and engagement, which leads to positive outcomes for pet owners and contributes to citizen safety. Forecasted trends demonstrate increased compliance rates as review of the Responsible Pet Ownership Bylaw provides new opportunities for engagement and delivers awareness to citizens.

Citizen satisfaction is achieved through the activity of volunteers, shelter staff and community peace officers. Historical satisfaction rates demonstrate the value placed on control services and licensing. Forecasted trends for citizen satisfaction are negatively impacted as pet ownership and licensing is expected to grow and services become restricted. Provisioning for future service demands ensures quality of service expected by citizens is not eroded and that risks to animal welfare and community safety do not increase.

Volunteers are key in creating community engagement and education in Calgary's 151 off-leash spaces. Through volunteerism, animals and citizens benefit from improved awareness and education, as volunteers become long-term resources and stewards to the community.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Promote responsible pet ownership practices through community advocacy and engagement.
Review animal shelter operations and streamline service delivery for the recovery, socialization and adoption of pets.

#### Why?

The provincial government is increasing responsibilities for The City which requires continued engagement to ensure governance and safety are maintained. Additional responsibilities focused on the control of nuisance wildlife will expand citizen expectations for response and service.

### What we propose to do less of

STRATEGY
Repeat visits by improving service responsiveness to incidents using the Hybrid Officer Program.

#### Why?

Exploring operational efficiencies and partnerships with non-profit pet rescue/adoption agencies (e.g. CHS, AARCS, MEOW Foundation) will ensure citizen satisfaction is maintained while eliminating processes that detract from cost effectiveness and are better served by community partners. The Hybrid Officer Program will deliver improved bylaw and pet services by adapting officer schedules and training to deliver the right resources at the right time.

### What we propose to do more of or include as a new offering

STRATEGY
The Responsible Pet Ownership Bylaw has gone 12 years without significant revision, a review is planned to meet citizens' evolving needs.
Implement Livestock as Emotional Support Animals program within the Responsible Pet Ownership Bylaw.

#### Why?

Citizens' needs have changed since the Responsible Pet Ownership Bylaw was updated 12 years ago. Emotional support animals and professional dog walking businesses are examples of shifting citizen expectations. An update to the Responsible Pet Ownership Bylaw ensures that The City is reaching as many pet owners as possible and is creating effective compliance and education by recognizing new trends that will impact citizens and businesses.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of pet licences issued (Number of licences)	137,000	↑
Per cent of dogs licensed in Calgary (Percentage)	75	↑
Per cent of citizens satisfied with the job the City is doing in providing animal control services for stray animals and pet licensing (Percentage)	90	↑
Number of volunteer hours contributing to public awareness programs (e.g. PAWS PAL, Off-Leash Ambassador Program) (Number of hours)	2400	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	5,005	4,971	4,991	4,991
Less Previous Year one Time	-	(300)	-	-
Base	5,005	4,671	4,991	4,991
Revenue Changes	-	(100)	(17)	(17)
Internal Recovery Changes	-	-	-	-
Inflation	13	20	17	17
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	20	80	-	-
Efficiencies	(33)	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	320	-	-
One Time	300	-	-	-
Realignments	(334)	-	-	-
Total	4,971	4,991	4,991	4,991

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	10,433	10,099	300	10,399	10,519	-	10,519	10,536	-	10,536	10,553	-	10,553
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(5,428)	(5,428)	-	(5,428)	(5,528)	-	(5,528)	(5,545)	-	(5,545)	(5,562)	-	(5,562)
Net	5,005	4,671	300	4,971	4,991	-	4,991	4,991	-	4,991	4,991	-	4,991



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		191	191	191	191	-	765
462200	Equipment Lifecycle	191	191	191	191	-	765
Project(s)		-	-	-	-	-	-
Program(s)		-	200	-	-	-	200
480402	OneCity Coord RMS - PetL	-	200	-	-	-	200
<b>Sub-Total (New Budget Requests)</b>		191	391	191	191	-	965
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		191	391	191	191	-	965

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 462200: Equipment Lifecycle

New Budget Request of \$765 thousand to address the life cycling and strategic maintenance and mitigation strategy of Animal Bylaw Services technology assets.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$20 thousand base funding of operating costs starting in 2019.

### Program(s)

#### Activity 480402: OneCity Coord RMS - PetL

New Budget Request of \$200 thousand to create an integrated information management system, for coordinated information sharing to support effective service delivery, investigations and enforcement.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$80 thousand base funding of operating costs starting in 2020.







# Police Services

Led by: Calgary Police Service

## Description:

The Calgary Police Service (CPS) strives to create a community that is safe, diverse, inclusive and inspired. Working in partnership with our communities, we provide police services such as crime prevention and education initiatives, early intervention programs, law enforcement and criminal investigations.

## Customers:

Residents and visitors who are in need of police services as well as those who benefit from crime prevention and education initiatives.

## What is delivered to customers:

Our services include:

- Community presence and engagement
- Response to calls for service
- Crime prevention, education and early intervention
- Criminal investigations and intelligence-led policing
- Traffic safety and education
- Major events management

## Partners:

We partner with community organizations, social services agencies, Alberta Health Services, school boards, advocacy groups, Calgary Airport Authority, governmental agencies, and other City business units.

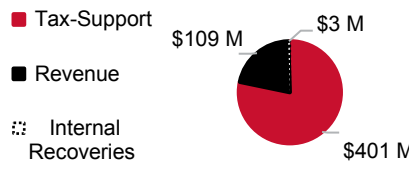

Our stakeholders include regulatory agencies (Calgary Police Commission, federal and provincial governments) and the justice system (courts, Crown, corrections, law enforcement agencies).

## Service need (value proposition):

We provide a range of services to the community that directly address the safety concerns of citizens and those visiting the city. We offer programs to prevent and reduce crime and victimization, provide quality criminal investigations, ensure public safety for all, and deliver professional service. The overarching purpose of these activities is to create a community that is safe, diverse, inclusive and inspired. Our citizens can expect the following values dimensions from our services:

- Safety: Citizens feel safe in their communities and on the roads.
- Prevention: Assist the community to identify and address the root causes of crime and disorder.
- Reliability: Calls for service are responded to in a timely matter.
- Quality: Be professional in all our citizen interactions and in the execution of our duties to maintain a high level of public trust and confidence.

## Current state service value

<p><b>327,143</b> Calls for service attended by police</p> <p><b>98,869</b> # of traffic stops</p>	<p><b>91%</b> Level of customer satisfaction</p> <p><b>8.3 min</b> Average response time to emergency calls</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$404</b> Annual operating cost per resident</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>Key capital investments include Spyhill Services Centre (Arrest Processing Section), helicopter replacement, and new district office.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Policing is one of the three most important services at The City and residents would like to see increased investment (The City's Citizen Survey). Perceptions of safety, overall satisfaction, and confidence in the police remain high (Calgary Police Commission's annual survey). Perceptions of safety are affected by a perceived increase in crime, the economic environment, changing demographics, and media coverage. Police visibility is also important to citizens, along with community partnerships, which enable a more holistic approach to addressing crime and disorder. Our ability to demonstrate transparency is essential to maintaining public trust.

### What Council has directed

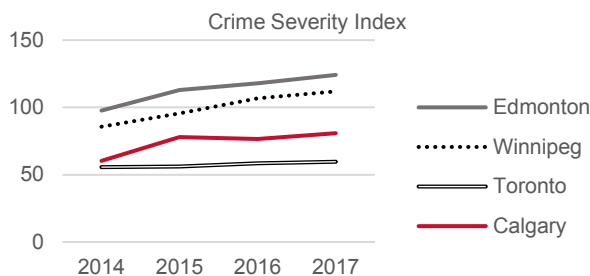
CPS strategies and objectives align with the 2019-2022 Citizen Priorities, which are set to realize the 100-year vision of "Calgary: A great place to make a living, a great place to make a life." The Calgary Police Service provides a wide variety of services to the community, all of which contribute to a safe and inspiring city. The overall purpose of our activities is to create neighbourhoods and roads that are safe. Policing services will address the following directives: A City of Safe and Inspiring Neighbourhoods: Calgarians want neighbourhoods and public spaces that are safe. A City That Moves: All modes of transportation must be safe. A Well-Run City: Engage with residents to fully understand and respond to their service needs. Develop a positive, strong and enduring relationship with Treaty 7 First Nations, Métis Nation of Alberta Region 3, and all urban Indigenous Calgarians.

### What are we watching?

Policing is increasingly complex due to a variety of factors:

- Public trust and confidence are central to enable CPS to work collaboratively with the community.
- Mental health issues and drug addictions are significant contributors to crime and disorder and will require community partnerships.
- Changes to legislation and significant court decisions will impact policy, business processes and operational tactics.
- Advancements in technology will require CPS to consider the crime-fighting value, privacy and security, as well as the cost of acquisition and maintenance of any new technology.
- Employers have a greater responsibility to ensure the well-being of employees and to increase workforce diversity and inclusion.
- Reductions in public sector spending present CPS with both an opportunity to demonstrate good stewardship, as well as a challenge to meet increasing service demands.

### Benchmarking



Source: Statistics Canada

The Crime Severity Index (CSI) is a Statistics Canada measure of crime that illustrates the volume and severity of crime in the city. Calgary's CSI increased dramatically in 2015, the largest increase of any urban centre that year. In 2017, the index remained high at 80.85, driven by break-and-enters, robbery and assaults. Prairie municipalities tend to have one of the highest CSI in the country. Compared to other prairie cities, Calgary remains one of the safest.

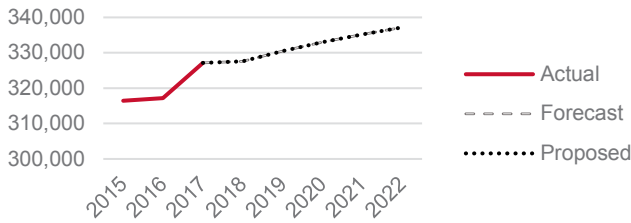
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Citizens feel safe in their communities and on the roads.
Prevention	Assist the community to identify and address the root causes of crime and disorder.
Reliability	Calls for service are responded to in a timely matter.
Quality	Be professional in all our citizen interactions and in the execution of our duties.

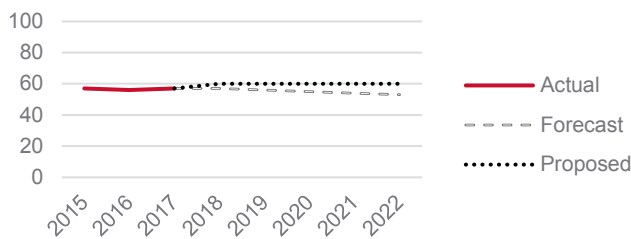


# How is the Service performing? Where we are headed and where do we want to go?

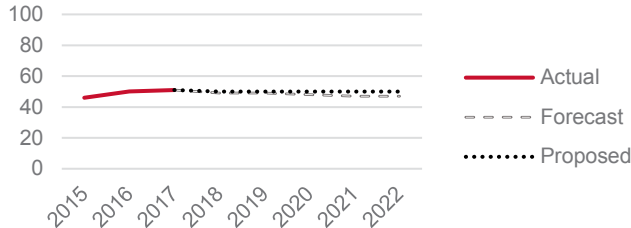
Number of calls for service attended by police (Number of calls)



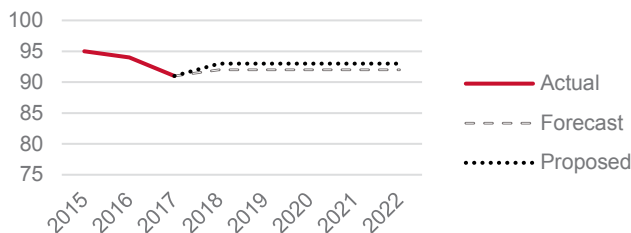
Proportion of calls for service attended by police (Per cent of calls for service)



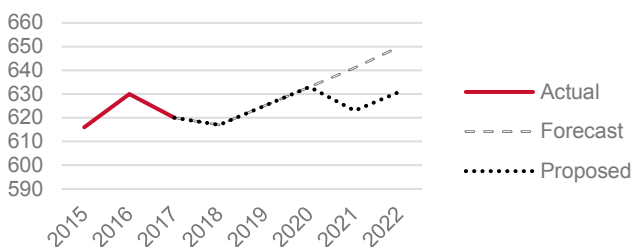
Proportion of emergency calls (priority 1) responded within 7 minutes (Per cent of calls for service)



Proportion of citizens who are satisfied by the CPS (Somewhat + Very) (Per cent of citizens)



Citizens to Officer Ratio (Ratio)



## Story behind the curve

Calgarians rely on the police to respond to their safety concerns, ranging from violent crimes and property crimes to unwanted guests and suspicious persons. Most calls for service are generated by the public (3 out of 4) and others are initiated by officers patrolling the city. The trend in calls for service is expected to increase in the next five years, driven by social disorder events, collisions and domestic disputes. The CPS is committed to maintaining its current level of service, response time, and level of citizen satisfaction.

Maintain police attendance rate at 60 per cent.

In 2017, police received over 570,000 calls for service, of which about 60 per cent were attended by police officers. The attendance rate is influenced by the total number of calls received and the police resources available to respond. Many factors can influence this measure, including population growth, economic changes, social issues, and officer deployment. It is worth noting that not all calls for service require police attendance: walk-in inquiries are handled by front-counter staff, online submissions are reviewed by office staff, and some requests are addressed by the Calgary 9-1-1 call-taker after assessment of the call.

Attend Priority 1 emergency calls within 7 minutes.

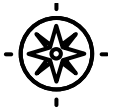
Priority 1 calls are the most urgent types of calls and include situations where there is imminent danger to life, an offence in progress, or a suspect at the scene. The target for responding to a Priority 1 call is seven minutes. The response time target has been met 50 per cent of the time in 2017, and is forecasted to remain below 50 per cent. The average response time was 8.3 minutes. The police response time is affected by deployment and resourcing structure, geographic characteristics of neighbourhoods, and location of district offices, among other factors.

Maintain a high level of citizens satisfied with police.

Ninety-one per cent of Calgarians are satisfied with the Calgary Police Service. While this rate is high, it has been trending downwards three years in a row. This measure is captured annually by The City's Citizen Satisfaction Survey.

Maintain a citizen-to-officer ratio of 630.

The citizen-to-officer ratio had been rising in the last three years, mainly driven by a higher rate of population growth, together with little growth in the number of police officers. This ratio is an indication of the capacity of the police service to provide the same level of service as the population increases.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Deliver police services to keep our communities and roads safe.
Strengthen partnerships to prevent and reduce crime, disorder and victimization.
Apply innovative approaches to maintain investigative excellence.

### Why?

Calgarians rated as most important the value dimensions of "Safety" and "Prevention." Calgarians safety priorities include: violent crime, drugs, gang crime, crime prevention, and property crime.

## What we propose to do less of

STRATEGY
Attend fewer non-emergency calls for service by prioritizing workload of frontline officers.

### Why?

Many Calgarians and community partners placed a high importance on police visibility in the city. While we will strive to maintain the same level of service to the public, a reduction strategy will force the CPS to evaluate how it responds to calls for service.

## What we propose to do more of or include as a new offering

STRATEGY
Leverage partnerships to respond to the needs of our vulnerable population and deliver crime prevention, education and intervention programs.
Perform a resource review of the organization by 2020.
Use technology to improve effectiveness and efficiency for police operations.
Communicate more effectively with citizens to further increase transparency.
Strive to be fully staffed to authorized strength and hire ahead of attrition.

### Why?

The public expects us to demonstrate accountability and good stewardship. By investing in partnerships, technology and enhanced efficiencies, we will provide better value to residents.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of calls for service attended by police (Number of calls)	327,594	↑
Proportion of calls for service attended by police (Per cent of calls for service)	57	↔
Proportion of emergency calls (priority 1) responded within 7 minutes (Per cent of calls for service)	49	↔
Proportion of citizens who are satisfied by the CPS (Somewhat + Very) (Per cent of citizens)	92	↔
Citizens to Officer Ratio (Ratio)	617	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	401,070	401,253	401,436	411,219
Less Previous Year one Time	-	-	-	-
Base	401,070	401,253	401,436	411,219
Revenue Changes	(2,800)	(2,000)	-	-
Internal Recovery Changes	-	-	-	-
Inflation	2,983	2,183	183	183
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	-	9,600	9,600
One Time	-	-	-	-
Realignments	-	-	-	-
Total	401,253	401,436	411,219	421,002

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	512,488	515,471	-	515,471	517,654	-	517,654	527,437	-	527,437	537,220	-	537,220
Recoveries	(2,600)	(2,600)	-	(2,600)	(2,600)	-	(2,600)	(2,600)	-	(2,600)	(2,600)	-	(2,600)
Revenue	(108,818)	(111,618)	-	(111,618)	(113,618)	-	(113,618)	(113,618)	-	(113,618)	(113,618)	-	(113,618)
Net	401,070	401,253	-	401,253	401,436	-	401,436	411,219	-	411,219	421,002	-	421,002



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		26,956	14,579	53,308	14,817	-	109,660
427300	Police Equipment - Replacement	6,150	650	6,150	650	-	13,600
427400	Red Light Enforcement Project	1,640	1,640	1,640	1,640	-	6,560
427603	Telecom Equip. - Replacement	3,742	1,600	1,600	1,600	-	8,542
428000	Vehicles - Replacement	12,000	8,000	8,000	8,000	-	36,000
428304	Infrastructure Upgrade - Int./Ext.	1,250	1,250	33,750	1,250	-	37,500
429406	Computer Equipment - Upgrades	2,174	1,439	2,168	1,677	-	7,458
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		26,956	14,579	53,308	14,817	-	109,660
Previously Approved Budget Remaining		8,000	-	-	-	-	8,000
<b>Total Capital Investment</b>		34,956	14,579	53,308	14,817	-	117,660



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### **Activity 427300: Police Equipment - Replacement**

New Budget Request of \$13,600 thousand for Police equipment, \$11,000 thousand to replace helicopters, HAWC2 and HAWC1, after 15 years of service, and \$2,600 thousand to replace various types of Police equipment due to asset life cycling requirements.

Funding from Capital Reserves (\$11,000 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$2,600 thousand)

Operating Impact of Capital: None

#### **Activity 427400: Red Light Enforcement Project**

New budget request of \$6,560 thousand for the Red Light Enforcement traffic program. Cameras are deployed at signalized intersections throughout the city with high collision rates, and a history of serious injury or fatal collisions.

Funding from Capital Reserves

Operating Impact of Capital: None

#### **Activity 427603: Telecom Equip. - Replacement**

New Budget Request of \$8,542 thousand for Telecom Equipment. Request includes \$6,400 thousand for equipment life cycling and \$2,142 thousand for the Calgary Mobile Radio Network to maintain operational integrity.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

#### **Activity 428000: Vehicles - Replacement**

New Budget Request of \$36,000 thousand for Police vehicles, \$32,000 thousand for the ongoing Fleet replacement of Police vehicles and \$4,000 thousand for the In Car Digital Video (ICDV) system that is installed in 406 of CPS vehicles.

Funding from Capital Reserves

Operating Impact of Capital: None

#### **Activity 428304: Infrastructure Upgrade - Int./Ext.**

New Budget Request of \$37,500 thousand. \$32,500 thousand for a new District Office and \$5,000 thousand for Facilities to manage replacements for building elements and equipment at the end of their useful life.

Funding from Developer & Other Contributions (\$32,500 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$5,000 thousand)

Operating Impact of Capital: None

#### **Activity 429406: Computer Equipment - Upgrades**

New Budget Request of \$7,458 thousand for computer equipment. \$2,368 thousand to support the regular lifecycle of CPS's core computing and storage infrastructure and \$5,090 thousand to support cycling of desktops, laptops, printers and scanners.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None













# Parking

Led by: Calgary Parking Authority, Roads & Transportation Planning

## Description:

Manages municipal parking resources and facilitates movement and access to businesses, services and homes for the benefit of Calgarians. This is achieved by providing paid on-street and off-street parking, the enforcement of the City's parking policies and bylaws, administration of permitted parking, and space management for special events.

## Customers:

The provision of parking resources serves vehicle and bicycle operators, and supports businesses and services across Calgary. Residents are served by the administration of permitted parking where required. Enforcement activity serves vehicle operators, residents, and businesses by providing safe movement and access to parking.

## What is delivered to customers:

Manages parking to meet Calgary's needs by delivering appropriate parking resources throughout the city, such as paid, permitted and accessible parking. Develops and maintains City parking strategies, policies and associated bylaws. Ensures compliance with The City's parking bylaws and policies. Administers the parking revenue reinvestment program.

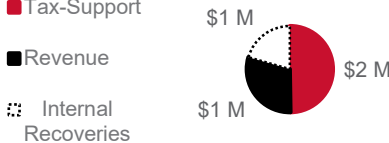

## Partners:

Internally: Partners with Calgary Transit to support the enforcement of reserved parking stalls at CTrain stations. Externally: Partners with community associations and neighbourhoods, and Business Revitalization Zones. Also partners with third parties such as Calgary Zoo and Heritage Park as well as private sector businesses to manage parking services.

## Service need (value proposition):

Recognizing that parking is a finite resource, this service ensures that parking is made available where most beneficial, facilitating movement across the City and access to homes, businesses and services. This includes the provision of special use zones such as commercial loading and accessible parking zones, and supporting parking for special events. Through enforcement activity, ensures that movement across the City is safe and parking is accessible, while also supporting emergency services through actions such as safeguarding access to fire hydrants. Also supports activities such as street cleaning and snow removal by ensuring roadways are clear of vehicles when required. By supporting City parking policies, assists in maintaining desirable traffic flow and the pursuit of The City's transportation goals.

## Current state service value

<p><b>18,786</b> Number of Paid Parking Stalls</p> <p><b>87%</b> Positive Customer Perception 2017</p>	<p><b>137,728</b> Customer Calls 2017</p> <p><b>225</b> Number of Bicycle Stalls</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$1.90</b> Cost per parking event</p>  <p>*Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget. In this box, the pie chart excludes the Calgary Parking Authority (CPA) while the Service Ratio includes CPA.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p>
		<p><b>Key Capital Investments</b></p> <p>Capital is used to develop innovative parking solutions, build and maintain information technology infrastructure to support these solutions, fund lifecycle replacement of existing facilities and the development of new off-street parking facilities.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Key themes identified regarding values for Parking include:

- Providing more available and accessible parking throughout the city, in particular downtown, around LRT stations, and in close proximity to schools.
- Reducing parking fees and providing more affordable parking.
- Ensuring compliance and enforcement.

In ranking the values related to Parking as a service, citizens identify convenience and accessibility as most important, closely followed by safety and responsiveness in enforcement.

### What Council has directed

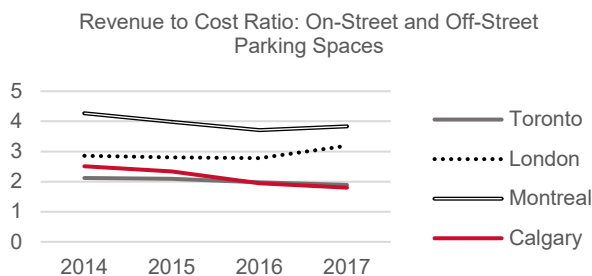
Council has directed Parking to be safe and provide attractive choices for Calgarians (M1 and M2). Parking contributes to this by facilitating the movement of people and goods throughout the city, enhancing Calgarian's safety on roads and reducing peak-hour traffic congestion. Council has provided the further direction to form partnerships that will enhance our transportation network (M3), which Parking supports through work such as car-sharing policies and programs. Council has also directed that these goals be met using innovative and technological solutions (M4), which Parking serves through forward thinking parking policies and bylaws, along with the continuous development and improvement of the technology we use. Parking aligns with the CPA 4-Year Strategic Plan, the Parking Policy Framework, the Calgary Transportation Plan and the Municipal Development Plan.

### What are we watching?

The economic downturn continues to be an important trend to monitor, as the associated loss of jobs in the downtown core resulted in both a decrease in parking demand and an increase in parking supply.

Attention is also being paid to multiple technological advances and the impact they could have on this service. Some, such as electric vehicles, will have to be accommodated within the existing service. Others, such as automated vehicles, may require a significant overhaul to how the service operates and what it offers. This is a consideration when making long-term investments, such as ensuring new parking structures can potentially be converted for other uses or to serve a different composition of customer vehicle fleets.

### Benchmarking



Source: Municipal Benchmarking Network Canada

Calculated by dividing total revenue by total operating costs, this benchmark represents the efficiency with which parking stall revenue is generated. The 2017 results show a continuation of the decline seen each year since 2014, with Calgary falling slightly below the national median of 1.89. This reflects the impact of the economic downturn and the related loss of jobs/commuters to the downtown core.

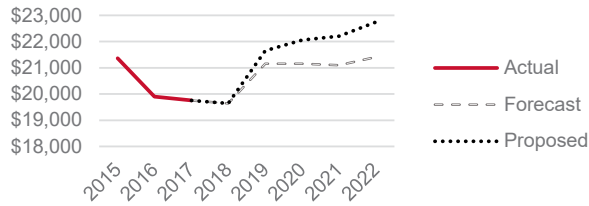
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Parking restrictions and enforcement support safety on roadways.
Convenience	Systems and signage make it easy to find and pay for parking when and where it is needed.
Accessibility	A sufficient amount of reasonably priced parking is provided for users with a variety of needs.
Responsiveness	Parking bylaws are enforced in a timely manner to support compliance.



## How is the Service performing? Where we are headed and where do we want to go?

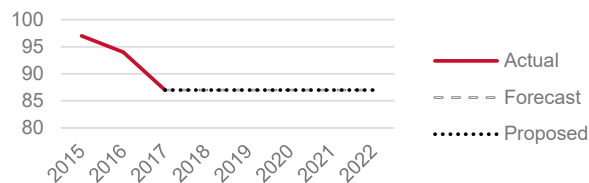
Financial Return to the City of Calgary (\$ return to the City of Calgary ('000s))



### Story behind the curve

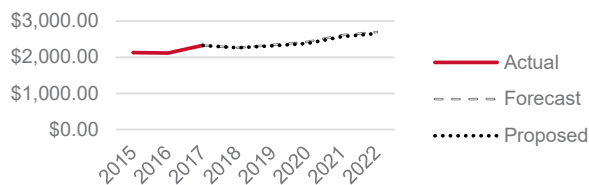
Parking revenues have been in decline since 2015, primarily due to job losses in the downtown core, resulting in a decreased demand for parking. This has been somewhat offset by increased enforcement revenue, driven by improvements to the systems and processes used. The baseline forecast predicts a stabilisation of revenues, with the potential for modest growth. The "turn the curve" forecast reflects proposed efficiencies and improvements designed to encourage more significant growth over the next four years.

Positive Customer Perception (% of Customers surveyed who are overall satisfied with their experience)



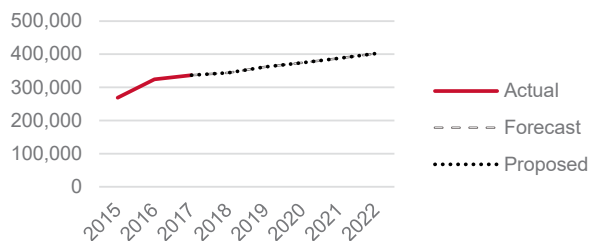
Although customer perceptions and satisfaction typically fluctuate over time, the overall percentage of customers who are satisfied with their experience with the Parking service is consistently very high. This is notable since Parking includes parking enforcement and some dissatisfaction may be expected from those who receive tags for parking violations. However, even those who are involuntary customers (i.e. their vehicles have been tagged) often provide positive feedback about their experience. Given that customer satisfaction is so high, the aim is to maintain this high level of positive customer perception over the next four years.

Total Cost per Paid Parking Space Managed (Total cost, per space, for on-street, off-street surface and off-street structure parking.)



Total cost per parking space managed is a useful measure of service cost and value. Calgary does have a higher cost per stall than other benchmarked municipalities, largely due to Calgary having a higher ratio of parkades than those municipalities. The total cost per parking space managed has increased modestly in recent years, and is expected to continue this trend through to 2022, with a larger increase in 2021 due to the anticipated opening of the new 9th Avenue Parkade in East Village. The "turn the curve" projections recognize that every effort must be taken to find efficiencies to keep costs low and value high for Calgarians. Such efficiencies were identified during this phase, and work will continue to identify more going forward.

Enforcement tags issued per year (Number)



The number of valid enforcement tags issued has increased over the past five years by an average of 3.6 per cent, per year. This is due to improvements in the systems and processes used, including the introduction of electronic ticketing and improvements to license plate recognition, along with the overall growth of Calgary as a city. The forecast predicts a continued increase of 3.6 per cent, per year over a five-year period, based on the expectation that systems and processes will continue to improve, and that Calgary will continue to grow, both at a rate consistent with the previous five years.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Operational Efficiencies.
Workforce Efficiencies.
Implement innovative methods to stabilize revenue from parking services.

#### Why?

The Parking service is mandated by City of Calgary bylaws and policies. Because of this, the proposed strategies focus on finding efficiencies within the service and maximizing the financial benefit to Calgarians.

### What we propose to do less of

STRATEGY
Reactive software implementation and facility maintenance that do not result in long-term benefits.
Enforcement by foot patrol.

#### Why?

We want to ensure all development of software and facility maintenance activities are aligned with our long-term strategy. We can provide more effective and consistent service using vehicle patrols where possible rather than foot patrols.

### What we propose to do more of or include as a new offering

STRATEGY
Development and implementation of proactive technology, asset management strategies, and new partnerships.
Enforcement by License Plate Recognition (photo enforcement vehicle patrols rather than foot patrols).
Use of technology to improve the customer experience and management of the administration and enforcement of residential parking zones.

#### Why?

We want to maximize convenience for our customers, including with our technology and by limiting the disruption of required construction and maintenance activities in our parkades and surface lots. We also need to leverage technology to maximize the efficiency of our operations and strive to continually improve our standards of service.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Financial Return to the City of Calgary (\$ return to the City of Calgary ('000s))	19,641	↑
Positive Customer Perception (% of Customers surveyed who are overall satisfied with their experience)	87	↔
Total Cost per Paid Parking Space Managed (Total cost, per space, for on-street, off-street surface and off-street structure parking.)	2,264	↑
Enforcement tags issued per year (Number)	344,097	↑

### Breakdown of net operating budget - Parking Service Excluding Calgary Parking Authority (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	1,575	1,601	1,627	1,653
Less Previous Year one Time	-	-	-	-
Base	1,575	1,601	1,627	1,653
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	2	2	2	2
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	24	24	24	24
One Time	-	-	-	-
Realignments	-	-	-	-
Total	1,601	1,627	1,653	1,679

### Total Operating Budget (\$000s) for Approval - Parking Service Excluding Calgary Parking Authority

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	3,165	3,191	-	3,191	3,217	-	3,217	3,243	-	3,243	3,269	-	3,269
<b>Recoveries</b>	(650)	(1,400)	-	(1,400)	(1,400)	-	(1,400)	(1,400)	-	(1,400)	(1,400)	-	(1,400)
<b>Revenue</b>	(940)	(190)	-	(190)	(190)	-	(190)	(190)	-	(190)	(190)	-	(190)
<b>Net</b>	1,575	1,601	-	1,601	1,627	-	1,627	1,653	-	1,653	1,679	-	1,679



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

### Calgary Parking Authority Total Operating Budget (\$000s) for Approval

	2018 Budget At March 31	2019			2020			2021			2022		
		Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditures</b>	59,204	55,779	1,295	57,074	57,268	-	57,268	58,133	-	58,133	58,920	-	58,920
<b>Recoveries</b>	(319)	(26)	-	(26)	(26)	-	(26)	(26)	-	(26)	(26)	-	(26)
<b>Revenue</b>	(87,140)	(87,066)	-	(87,066)	(87,604)	-	(87,604)	(88,857)	-	(88,857)	(90,166)	-	(90,166)
<b>Net</b>	(28,255)	(31,313)	1,295	(30,018)	(30,362)	-	(30,362)	(30,750)	-	(30,750)	(31,272)	-	(31,272)

Calgary Parking Committee recommends the above budget to Council for approval.



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		470	350	350	350	-	1,520
426955	Vehicles, Equipment and Other	470	350	350	350		1,520
Project(s)		1,725	2,132	1,700	1,700	-	7,257
426957	ParkPlus and Technology Improvements	1,725	2,132	1,700	1,700		7,257
Program(s)		7,900	12,000	11,900	7,750	-	39,550
426956	Facilities and Structural Improvements	7,900	12,000	11,900	7,750		39,550
<b>Sub-Total (New Budget Requests)</b>		10,095	14,482	13,950	9,800	-	48,327
Previously Approved Budget Remaining		19,642	-	-	-	-	19,642
<b>Total Capital Investment</b>		29,737	14,482	13,950	9,800	-	67,969

Calgary Parking Committee recommends the above budget to Council for approval.

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 426955: Vehicles, Equipment and Other

New Budget Request of \$1,520 thousand for the annual lifecycle replacement of vehicles and equipment.

Funding from Capital Reserves

Operating Impact of Capital: None

### Project(s)

#### Activity 426957: ParkPlus and Technology Improvements

New Budget Request of \$7,257 thousand for advancing functionality and improving user experience with parking technologies including app and software development.

Funding from Capital Reserves

Operating Impact of Capital: None

### Program(s)

#### Activity 426956: Facilities and Structural Improvements

New Budget Request of \$39,550 thousand for the structural improvement on parking facilities including parkades, surface lots and the impound lot.

Funding from Capital Reserves

Operating Impact of Capital: None







# Public Transit

Led by: Calgary Transit, Transportation Infrastructure & Transportation Planning

## Description:

The Public Transit service line provides a network of train and bus transportation for citizens and visitors to Calgary to get from place to place safely, reliably and affordably. The service includes rapid transit service by bus and CTrain, local bus routes and a support system that keeps customers safe, comfortable and informed.

## Customers:

Public Transit customers include citizens and visitors of all ages; Youth, Adults, and Seniors; who ride buses and trains to commute to school or work, and to visit the services, amenities and places they care about. Public Transit connects people across the city and links to other transportation services like Streets and Sidewalks & Pathways.

## What is delivered to customers:

Public Transit customers purchase trips that connect anywhere across the city. Public Transit trips include supporting services like customer information systems and security services. Service is priced according to usage and ability to pay.

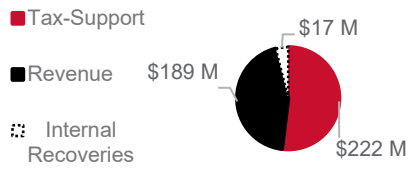

## Partners:

We partner with a number of City services including Community Strategies, Neighbourhood Supports, Development Approvals, Emergency Services, Streets, Sidewalks & Pathways, and Social Programs. We also support safety initiatives and infrastructure with industry partners, railroads and other levels of government.

## Service need (value proposition):

Public Transit makes it easier for citizens to get around Calgary safely and affordably. Calgarians care about a public transit system that is safe and secure, accessible for all ages and abilities, reliable and comfortable to use. Public Transit connects customers with people and places that they care about by providing a transportation choice that is accessible to a variety of ages and abilities, and affordable to access. Customer service and information by phone, online, text and app, help keep riders informed, and a robust security service keeps them safe.

## Current state service value

<p><b>104,000,000</b> Ridership projected for 2018</p> <p><b>87%</b> Customers satisfied with trips</p>	<p><b>87%</b> On Time Arrival Reliability</p> <p><b>7.8</b> Customer Safety Rating Index</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$4.10</b> Operating cost per trip</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Essential capital investments are required to maintain safe and reliable vehicles, tracks, LRT stations, buildings, and transit technologies. A shortage of available capital will impact the service line's ability to provide reliable service to riders.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Public Transit service has an established process for customer research and engagement through the annual citizen satisfaction and internal customer satisfaction surveys. Customers have good overall satisfaction (87 per cent) but they rate reliability and safety of service as their top two values. Late or unsafe services directly affect customer experience and overall satisfaction. We will focus on investing in these top two dimensions to minimize the impact of a capital funding shortfall over the next 4-year period, as these reductions will likely impact the reliability of service.

### What Council has directed

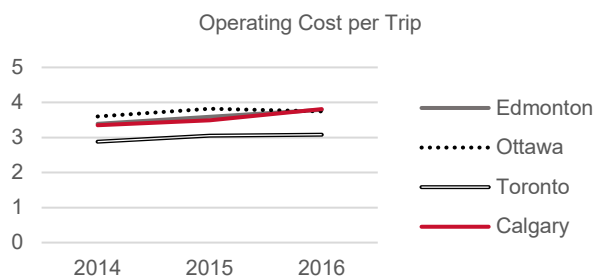
Council's primary concern is for all transportation options to be safe and attractive choices for Calgarians (M1 and M2). Investments included in this budget cycle maintain a focus on the safety of transit service, protecting both customers and employees. By providing public transit service to customers in existing, new and developing communities, and by expanding rapid transit routes with the MAX network, we are making public transit a better option for more Calgarians. Council has supported opening Stoney Garage which will enable us to better use our technology (M3) and reduce greenhouse gas emissions (H1).

Over the next four years, we will ensure transit technology is available to help with schedule reliability and customer safety. We will also add service to actively developing communities (N4) ensuring that growth in those areas is supported by public transit service.

### What are we watching?

We are monitoring closely for efficient service delivery through varying economic conditions, operating and capital funding variability and changing customer expectations. Technological advancements and the emergence of transportation network companies, and other innovative service delivery is changing the transit industry. Given the limited availability of capital funds, first priority will be given to ensure the system is safe while other priorities like infrastructure improvements may be delayed leading to less reliable service. There will be impacts to customer experience with less investment in fleet, stations and buildings. Over the next few years, 40-year-old U2 trains may continue to retire but without replacements, service may gradually be reduced to 3-car service. We keenly prepare for the construction and delivery of the new Green Line LRT which will influence the entire system.

### Benchmarking



Measuring the cost of providing transit trips and benchmarking it against other municipalities helps gauge the efficiency to service. This performance measure calculates the increasing costs relative to the increase in service and includes numerous factors like ridership, city density and efficient delivery of service. Information from the Canadian Urban Transit Association (CUTA) shows Calgary similar to cities of the same size, but more expensive than larger, denser cities like Toronto.

Source: Canadian Urban Transit Association (CUTA) Fact Book

### What matters to Calgarians

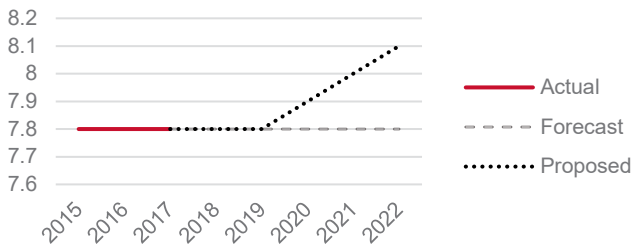
VALUE DIMENSION	DESCRIPTION
Safety	Provide a safe environment for our customers and employees.
Reliability	Provide a predictable and consistent transit service that customers can rely on.
Affordability	Provide affordable transit service to customers including required support to vulnerable Calgarians.
Quality	Provide clear and consistent communication to customers.
Attractiveness	Provide convenient, accessible transit service that is easy to use for customers. Provide clean travel environment to our customers and employees.



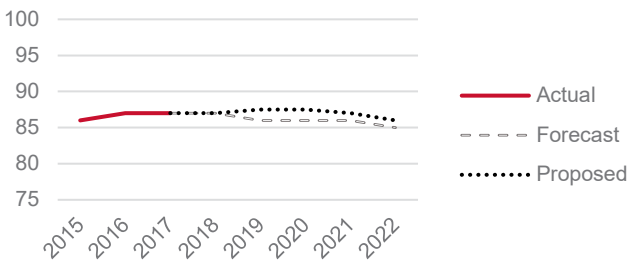


# How is the Service performing? Where we are headed and where do we want to go?

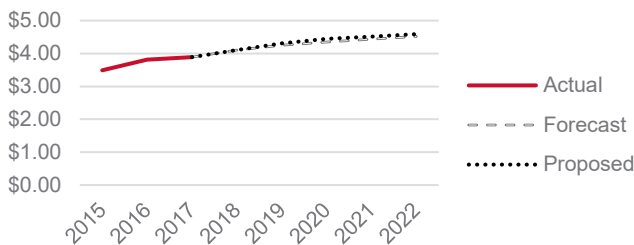
Safety – Customer Commitment index (Rating Score)



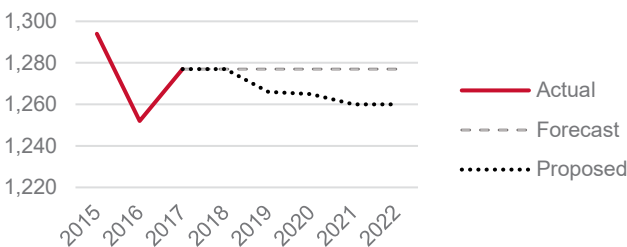
Reliability - On time performance (Percentage)



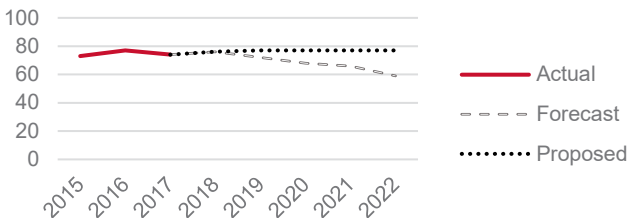
Operating Cost per Trip (\$ )



Bus GHG Emissions (Kg CO2 per 1000 km )



Percent population within walking distance of Base & PTN Transit Service (Percentage)



## Story behind the curve

Considering a slow but steady turnaround of the economy, this operating budget will help to serve an increasing demand for service, expected to increase by approximately 2 M customers in 2018 and expected to increase further over the 2019-22 cycle. This operating package will provide funds to improve customer satisfaction by implementing previously approved capital projects like Bus Rapid Transit (BRT) service, Stoney Garage, and the mobile payment application. Implementing these projects aligns with Council's long-term vision and The City's long-term plans such as the MDP, CTP and Route Ahead. All of these contribute to Council's priority of A City That Moves and to making service more attractive by use of newer technologies. Increased investments in developing and existing communities will help Public Transit meet the growing demand of service.

With the reduced capital funding, fewer CNG buses will be purchased over the 4-year cycle. Buses will be used past their optimum life of 16 years and will incur additional maintenance cost. The reduced capability to purchase CNG buses will slow down the pace of reduction in GHG emissions. The oldest fleet of U2 train cars will be used for as long as they are safe but will be taken offline once they're no longer fit for service. This will gradually bring the service down from 4-car service to 3-car service. There is a likelihood of CTrain overloads during peak times and some customers will need to wait for the next CTrain due to increasing ridership. Limited funding under capital investments will impact service levels of service reliability, as investments required to sustain the existing fleet, infrastructure, buildings and technologies will not be fully available.

For this operating budget, after identifying key activities to continue providing service, efficiencies of approximately \$3 million can be made from service scheduling, using alternate fuel vehicles (calculating the reduction in the capital spending), and other continuous improvement initiatives. Along with this, a net revenue increase of approximately \$9 million, starting 2020 onwards (subject to an average yearly increase of 3 per cent for transit fares), was also identified to help offset the inflation impact. This helps to keep operating cost increases manageable.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Optimize routes and schedules to consistently improve service.
Focus the business around meeting the Calgary Transit Customer Commitment.
Improve efficiency in business processes.
Optimize use of existing technologies.
Invest to expand BRT service, Primary Transit Network and service to actively developing communities.
Invest to support Sliding Scale program.
Developing the Green Line including design and construction.

#### Why?

Public Transit will continue to optimize routes and schedules, assess its business practices and process to achieve efficiencies in the system. Service will be implemented in eligible actively developing communities and existing communities. Anticipated ridership and service demand increase over the 2019-22 cycle will be addressed. Previously approved capital projects (i.e. BRT Service, Stoney Garage and Mobile Payment Applications) will be operationalized successfully. Continued capital investments are required for design and construction of Green Line.

### What we propose to do less of

STRATEGY
Reliability of service.
Asset management improvement.
4-car CTrain service.
Buildings and major facility maintenance.

#### Why?

Reduced capital budget will have the following impacts: Reduced purchase of buses and LRVs for replacement of end-of-life vehicles and growth in service. Reduced regular maintenance of buildings, stations, LRT systems and customer technologies. Reduced number of CNG buses will impact the emissions targets. Service reduced from 4-car to 3-car service with likelihood of CTrain peak-time overloads. Inability to support extended service during special events.

### What we propose to do more of or include as a new offering

STRATEGY
Invest in Public Safety Enhancements.
Invest in strategies to improve customer commitment.
Improve schedule adherence practices.
Evaluate new technologies and environmentally friendly initiatives.

#### Why?

Public Transit service will be investing into additional Peace Officers for high visibility patrols to support vulnerable users, improved snow and ice control, deploying additional resources to manage detours to improve reliability, and improve customer satisfaction by improving training, coaching and support for the frontline operators. These investments will help with resources for evaluating innovative service delivery methods, alternate fuel and related technologies.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Safety – Customer Commitment index (Rating Score)	7.80	↑
Reliability – On-time performance (Percentage)	87	↓
Operating Cost per Trip (\$ )	4.11	↑
Bus GHG Emissions (kg CO2 per 1000 km )	1277	↓
Percent population within walking distance of Base & PTN Transit Service (Percentage)	76	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	221,919	243,648	251,105	259,062
Less Previous Year one Time	(1,008)	(6,500)	(500)	(500)
Base	220,911	237,148	250,605	258,562
Revenue Changes	-	(3,000)	(3,000)	(3,000)
Internal Recovery Changes	-	-	-	-
Inflation	5,867	5,805	4,735	4,615
Operating Impact of Previously Approved Capital	10,000	2,000	-	-
Operating Impact of New Capital (Incremental)	-	2,970	500	500
Efficiencies	(1,130)	(985)	(445)	(445)
Service Reductions	-	-	-	-
Service Increases	1,500	6,667	6,167	6,917
One Time	6,500	500	500	500
Realignments	-	-	-	-
Total	243,648	251,105	259,062	267,649

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	427,114	444,834	500	445,334	462,251	500	462,751	474,108	500	474,608	486,764	500	487,264
<b>Recoveries</b>	(16,659)	(13,063)	-	(13,063)	(13,133)	-	(13,133)	(13,133)	-	(13,133)	(13,133)	-	(13,133)
<b>Revenue</b>	(188,536)	(194,623)	6,000	(188,623)	(198,513)	-	(198,513)	(202,413)	-	(202,413)	(206,482)	-	(206,482)
<b>Net</b>	221,919	237,148	6,500	243,648	250,605	500	251,105	258,562	500	259,062	267,149	500	267,649



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		19,360	22,227	18,530	21,022	-	81,140
431435	LRV Refurbishment	6,800	6,800	6,800	6,800	-	27,200
481300	Rail System Life & Asset Mgmt	5,534	5,228	4,510	4,224	-	19,496
481301	LRT Lifecycle & Asset Mgmt	4,811	4,811	4,811	4,811	-	19,245
481302	Bldngs Lifecycle Asset Mgmt	1,897	5,070	2,091	4,870	-	13,928
481303	Fleet Equip & Tools Proc	318	318	318	318	-	1,271
Project(s)		-	-	-	-	-	-
Program(s)		72,129	71,949	24,825	23,006	-	191,906
430001	Primary Transit Network Optimization	338	338	338	338	-	1,350
430007	Transit Customer Service Tech. (Lifecycle)	1,800	1,800	1,193	1,193	-	5,985
431603	LRV Purchases	46,516	46,516	-	-	-	93,032
431825	Fare Collection Equipment & System	405	225	225	405	-	1,260
481304	Bus & Shuttle Procurement	23,070	23,070	23,069	21,070	-	90,279
<b>Sub-Total (New Budget Requests)</b>		<b>91,489</b>	<b>94,176</b>	<b>43,355</b>	<b>44,028</b>	<b>-</b>	<b>273,046</b>
Previously Approved Budget Remaining		207,575	48,685	52,000	52,000	104,000	464,260
<b>Total Capital Investment</b>		<b>299,064</b>	<b>142,861</b>	<b>95,355</b>	<b>96,028</b>	<b>104,000</b>	<b>737,306</b>



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 431435: LRV Refurbishment

New Budget Request of \$27,200 thousand approved as partial essential capital for investment in the mid-life refurbishment of CT's LRV fleet to ensure vehicle life is met and manage customer experience.  
Funding from Municipal Sustainability Initiative (\$24,480 thousand) and Pay-As-You-Go (\$2,720 thousand)  
Operating Impact of Capital: None

#### Activity 481300: Rail System Life & Asset Mgmt

New Budget Request of \$19,496 thousand approved as partial essential capital for lifecycle, asset management and corrective maintenance for all rail system infrastructure related assets, critical to service.  
Funding from Municipal Sustainability Initiative (\$17,546 thousand) and Pay-As-You-Go (\$1,950 thousand)  
Operating Impact of Capital: This request requires \$500 thousand base funding of operating costs starting in 2020 and \$100 thousand base funding of operating costs starting in 2021 and 2022.

#### Activity 481301: LRT Lifecycle & Asset Mgmt

New Budget Request of \$19,245 thousand approved as partial essential capital for lifecycle and asset management of bridges, tunnels, other major structures, track, rail and Right of Way (ROW) infrastructure.  
Funding from Municipal Sustainability Initiative (\$17,320 thousand) and Pay-As-You-Go (\$1,925 thousand)  
Operating Impact of Capital: This request requires \$500 thousand base funding of operating costs starting in 2020 and \$100 thousand base funding of operating costs starting in 2021 and 2022.

#### Activity 481302: Bldngs Lifecycle Asset Mgmt

New Budget Request of \$13,928 thousand approved as partial essential capital for lifecycle and asset management of buildings including repairs, refurbishments, upgrades and replacements for safe and reliable service.  
Funding from Municipal Sustainability Initiative (\$12,535 thousand) and Pay-As-You-Go (\$1,393 thousand)  
Operating Impact of Capital: This request requires \$1,000 thousand base funding of operating costs starting in 2020 and \$300 thousand base funding of operating costs starting in 2021 and 2022.

#### Activity 481303: Fleet Equip & Tools Proc

New Budget Request of \$1,271 thousand approved as partial essential capital for investment in lifecycle replacement and/or expansion of equipment and tools for Fleet that support Calgary Transit operations.  
Funding from Federal Gas Tax Fund (\$1,144 thousand) and Pay-As-You-Go (\$127 thousand)  
Operating Impact of Capital: None

### Program(s)

#### Activity 430001: Primary Transit Network Optimization

New Budget Request of \$1,350 thousand approved as partial essential capital for investment in repairs and upgrades required for bus zones and their sidewalk connections to address access related issues.  
Funding from Municipal Sustainability Initiative (\$1,215 thousand) and Pay-As-You-Go (\$135 thousand)  
Operating Impact of Capital: None

#### Activity 430007: Transit Customer Service Tech. (Lifecycle)

New Budget Request of \$5,985 thousand approved as partial essential capital investment in required maintenance, upgrades and/or replacements of customer information systems and internal management systems.  
Funding from Municipal Sustainability Initiative (\$5,386 thousand) and Pay-As-You-Go (\$599 thousand)  
Operating Impact of Capital: None

#### Activity 431603: LRV Purchases

New Budget Request of \$93,032 thousand approved as partial essential capital for investment in light rail vehicles (LRV) to address lifecycle replacement requirements to ensure efficient and reliable public transit service.  
Funding from Municipal Sustainability Initiative (\$67,979 thousand), Pay-As-You-Go (\$7,553 thousand), Lifecycle Maintenance & Upgrade Reserve (\$1,104 thousand) and Reserve for Future Capital (\$16,396 thousand)  
Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 431825: Fare Collection Equipment & System

New Budget Request of \$1,260 thousand approved as partial essential capital for investment in required maintenance and upgrades of fare collection systems essential for revenue collection at CT.

Funding from Municipal Sustainability Initiative (\$1,134 thousand) and Pay-As-You-Go (\$126 thousand)

Operating Impact of Capital: None

### Activity 481304: Bus & Shuttle Procurement

New Budget Request of \$90,279 thousand approved as partial essential capital for life cycle replacement of buses and shuttles needed to allow CT to provide reliable and operationally effective service.

Funding from Municipal Sustainability Initiative (\$67,751 thousand), Pay-As-You-Go (\$7,528 thousand) and Developer & Other Contributions (\$15,000 thousand)

Operating Impact of Capital: This request requires \$970 thousand base funding of operating costs starting in 2020.







# Sidewalks & Pathways

Led by: Roads, Calgary Parks, Transportation Infrastructure & Transportation Planning

## Description:

We plan, design, build and maintain the active transportation network that people use to get around Calgary every day. Sidewalks, pathways and protected on-street bikeways connect our communities providing Calgarians with safe and accessible year-round opportunities to walk, cycle, run, ride and use mobility devices throughout the city. These networks support travel for any reason, including to work, school, social or recreational, or commercial activities. Safety and accessibility are key elements for making walking and biking more attractive options for moving around Calgary. We are constantly working to make sidewalks and pathways more inclusive, safer and easier to use.

## Customers:

Sidewalk and pathway users include commuters, recreational users, and business users of all age groups and abilities. This network allows people to travel anywhere in the city and connect to other transportation services like parking and public transit. Businesses, utilities and festivals also use the space for infrastructure and special events.

## What is delivered to customers:

Sidewalks & Pathways, along with Streets, includes infrastructure worth over \$20 billion. This includes sidewalks, pathways and protected bikeways, and also includes great spaces like Stephen Avenue and the River pathway system. There are many supporting elements like bridges, pedestrian corridors, rapid flashing beacons (RRFB's), crosswalks and lighting.



## Partners:

We partner and consult with agencies across the public and private sectors to deliver the services that Calgarians need. Infrastructure including design, is delivered with developers and the construction industry. Safety initiatives for pedestrians and cyclists are delivered in concert with Community/Business Associations, school boards, police, Alberta Motor Association, and Alberta Health Services.

## Service need (value proposition):

Calgarians make over one million trips per day by walking or cycling. The Sidewalks & Pathways service is part of almost every journey and is the integral connection tying all transportation service lines together. Calgarians want great spaces for walking and cycling so that they can realize the physical and mental health benefits of these activities. People want walkable communities, with convenient and attractive connections to neighbours, shopping, services and natural spaces. People need sidewalks and pathways to be safe, smooth and clear year-round. People need convenient, accessible and safe routes around construction detours. Street crossings need to be especially safe, well-lit, marked and signed. Inclusive elements are needed to make the network safe and accessible for everyone. Permits for special uses of the space needs to be easy to access, with clear rules and restrictions.

## Current State Service Value

<p><b>1.1 million</b> Customers each day</p> <p><b>94%</b> Satisfaction with the pathway system</p>	<p><b>46.1</b> Ped/cyclist injury/death collision rate</p> <p><b>8,219</b> Painted crosswalks</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$0.10</b> Operating cost per trip</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p>
		<p><b>Key Capital Investments</b></p> <p>Key initiatives are developed and implemented through City policies and plans, including Step Forward, the Safer Mobility Plan, and the Pathway and Bikeway Plan. This focuses spending on safety-related improvements, missing links and community traffic.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Annual surveys are conducted to gauge citizen satisfaction for sidewalks and pathways. While both have maintained strong satisfaction with ratings near 90%, citizens have shared a strong desire for improvements in snow clearing (53% satisfaction) and detours around construction (62%). Satisfaction for biking in Calgary has been increasing from 70% in 2011 to 78% in 2018. Citizens are very satisfied with biking on cycle tracks (90%). Overall though, 59% of Calgarians want to bike more and more often, but 51% do not feel safe riding in their community today. Key focuses moving forward will be improving safety and making sure routes are clear.

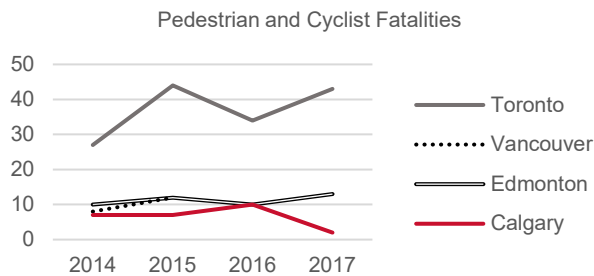
### What Council has directed

Council's primary concern is for all transportation options to be safe and attractive choices for Calgarians (M1 and M2). We have supported this direction with plans and policies such as the Calgary Transportation Plan, The Safer Mobility Plan, Step Forward (pedestrian strategy), and the Cycling Strategy. Council recently increased funding to expand The City's capacity to provide snow and ice control on sidewalks and pathways to make winter walking and cycling easier for Calgarians. Council wants all travel modes to be desirable, and for the needs of people who walk and cycle to be balanced against the needs of people who drive. Sidewalks and pathways are safe, accessible, and inclusive public spaces that are critical to providing Calgarians with safe and inspiring neighbourhoods (N1). They support healthy lifestyles and interaction among residents and reduce social isolation.

### What are we watching?

We are monitoring and adjusting to many trends that impact the delivery of sidewalks and pathways, including: increasing focus on pedestrian and cyclist safety, increasing share of trips being made by cycling and walking, and an increasing emphasis on year-round accessibility and wayfinding. Citizen expectations are changing as demographics and behaviours evolve. Changes in behaviour such as the increase in distracted drivers, cyclists and pedestrians, and emerging transportation technologies (like ebikes and pedelecs) and business models (like undocked bikesharing) are changing how we move. Growth is also driving a need to expand the network to connect communities, and to balance the needs of different users where streets intersect with sidewalks and pathways. There is also a growing number of commercial activities and events that use the network like festivals and mobile vendors.

### Benchmarking



Source: Cities of Calgary, Edmonton, Toronto and Vancouver

Council's first priority for A City that Moves is safety. Across Canada major cities are moving towards a Vision Zero policy that recognizes that no life should be lost in a safe transportation system, and aim to reduce traffic fatalities for every mode of transportation to zero. Pedestrians and cyclists are especially vulnerable in traffic collisions. Calgary compares well to other major Canadian cities in terms of total fatalities, but injury rates have remained steady and citizens expect a higher standard. We still need to make improvements through engineering, education, and enforcement.

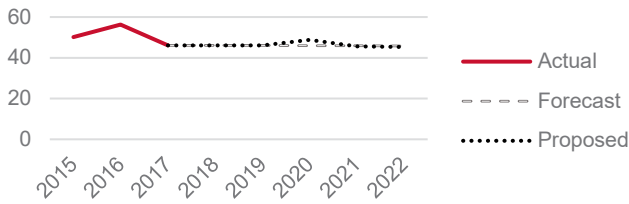
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	The customer is or perceives themselves to be protected from danger, risk or injury.
Accessibility	Streets, sidewalks and pathways are designed for use by everyone.
Connectivity	People are able to reach their destination using streets, sidewalks, and pathways.
Responsiveness	Projects respond to the needs of the community. The City responds to service requests in a timely manner.
Reliability	Infrastructure is in good repair, and meets the changing needs and expectations of users.

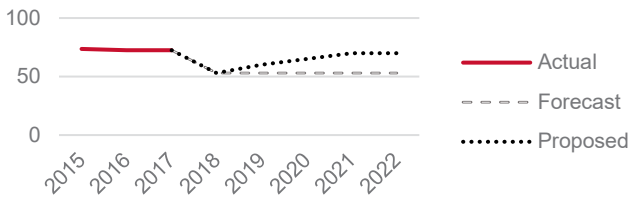


# How is the Service performing? Where we are headed and where do we want to go?

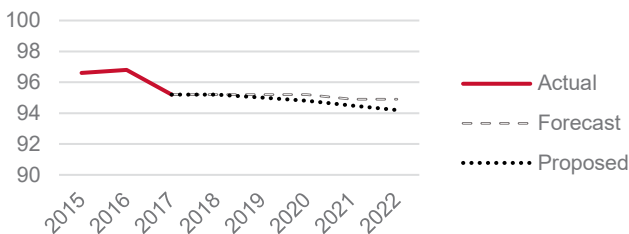
Pedestrian/Cyclist Injury Collision Rate (Number of Injury collisions involving walking or biking per 100K residents )



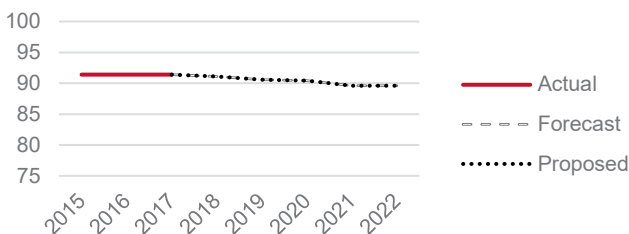
Citizen Satisfaction with Snow and Ice Control on Sidewalks (% Satisfied with walking, jogging and running pathways & sidewalks )



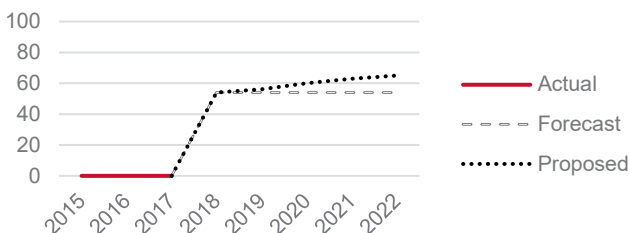
Sidewalk and Pathway Condition (% Sidewalks and pathways in good or very good condition)



Sidewalk and Pathway Satisfaction (% of citizens satisfied with sidewalks and pathways)



Bike Route Connectivity (% of population within 400m of all ages/abilities bike route)



## Story behind the curve

**Pedestrian/cyclist injury collision rate:** Safety is Council's top concern with respect to all modes of transportation. While everyone has a role to play in safety, we target improvements through engineering, education and enforcement. The pedestrian and cyclist collision injury rate dropped by 8% from 2015 to 2017, and is expected to continue to trend downward through 2022. We recently published, and continue to develop, guidelines to create safer roads in Calgary. This includes the development of a Pedestrian Strategy, the Complete Streets Guide, an update to the Calgary Temporary Traffic Control Manual, and a guideline for traffic safety processes in Calgary, including Road Safety Audits and In-Service Road Safety Reviews. Network screening processes are also employed and being refined to identify where there are high concentrations of collisions where we focus In-Service Road Safety Reviews and implementation of new safety measures.

**Citizen satisfaction with snow and ice control:** The winter of 2017-2018 was particularly severe and resulted in a substantial drop in citizen satisfaction with snow and ice control on sidewalks and pathways. Starting in 2019, we will be providing a higher level of snow and ice control, and now have the option to fine residents who do not clear snow and ice in front of their home. As winter accessibility improves we expect significant increases in citizen satisfaction.

**Sidewalk and pathway condition and satisfaction:** The charts depict a blended view of the sidewalk and pathway data based on linear km of the network. The trends for condition and satisfaction show a gradual decline as capital budgets are not expected to keep pace with lifecycle needs. A 1% drop in condition equates to approximately 65 km of additional sidewalk and pathway in less than good condition.

**Bike route connectivity:** Increasing the availability and connectivity of all ages and all abilities bike routes, like cycle tracks and pathways, is a key element to increasing the safety and attractiveness of cycling. Across all travel modes, citizens feel least safe when riding a bicycle on roads. Separated cycle tracks, greenways and pathways are safer for more people. Bike route connectivity is expected to increase as new routes are added, although this will be balanced against continued population growth on the city's outskirts if new communities come online without including all ages and all abilities bike routes.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Plan sidewalks, pathways and bikeway network.
Seek innovative solutions to improve efficiency and effectiveness.
Make pathways and sidewalks more accessible by removing barriers and adding ramps.
Improve safety and support community growth with new pedestrian crossings, pedestrian corridors and RRFBs.
Inspect the sidewalk and pathway network, and repair priority locations.
Work with communities to identify small scale community mobility improvements.
Public realm enhancements that align with Complete Streets and Main Streets.

#### Why?

Maintaining a network for walking and cycling is essential for every neighbourhood. We will continue to build, maintain and modify sidewalks and pathways to make walking and cycling more attractive options and ensure that Calgarians can reach their destinations.

### What we propose to do less of

STRATEGY
Lifecycle maintenance including sidewalks, pedestrian bridges, and Plus-15's.
Invest in missing links in the sidewalk and pathway network.

#### Why?

While sidewalks and pathways have a widespread impact on Calgarians, constrained capital funding for the 2019-2022 budget cycle will result in reduced planning, lifecycle work and fewer major upgrade projects. This budget proposes to operate and maintain the existing network, although the reduced capital funding will increase pressure on operating costs associated with maintenance.

### What we propose to do more of or include as a new offering

STRATEGY
Implement Step Forward to improve the attractiveness and accessibility of the pedestrian realm.
Expand snow and ice control on City sidewalks and pathways.
Safety projects through the Safer Mobility Plan.
Investigate temporary options as a transition towards permanent public realm enhancements such as Main Streets.
Implement improvements that address community traffic, walking and biking concerns.

#### Why?

Calgarians and Council have identified improvements to safety and accessibility as key outcomes for walking and cycling. We will increase resources to implement the actions identified in the Safer Mobility Plan, Step Forward, and the Pathway and Bikeway Plan to improve the level of service for citizens. Examples include temporary traffic calming curbs, curb ramp retrofits with tactile pads, audible pedestrian signals, improved pathway and bike route connections.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Pedestrian/Cyclist Injury Collision Rate (Number of Injury collisions involving walking or biking per 100K residents)	46.10	↔
Citizen Satisfaction with Snow and Ice Control on Sidewalks (% Satisfied with walking, jogging and running pathways & sidewalks)	53	↑
Sidewalk and Pathway Condition (% Sidewalks and pathways in good or very good condition)	95.2	↓
Sidewalk and Pathway Satisfaction (% of citizens satisfied with sidewalks and pathways)	91.1	↓
Bike Route Connectivity (% of population within 400m of all ages/abilities bike route)	54	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	35,597	37,511	55,943	48,836
Less Previous Year one Time	(488)	-	(12,000)	(3,000)
Base	35,109	37,511	43,943	45,836
Revenue Changes	(350)	(64)	(71)	(49)
Internal Recovery Changes	-	-	-	-
Inflation	529	748	654	653
Operating Impact of Previously Approved Capital	148	27	131	-
Operating Impact of New Capital (Incremental)	115	1,080	860	290
Efficiencies	(36)	(245)	(192)	(236)
Service Reductions	(180)	-	-	-
Service Increases	2,176	4,886	511	511
One Time	-	12,000	3,000	3,115
Realignments	-	-	-	-
Total	37,511	55,943	48,836	50,120

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	44,714	47,047	-	47,047	53,543	12,000	65,543	55,507	3,000	58,507	56,725	3,115	59,840
<b>Recoveries</b>	(5,215)	(6,034)	-	(6,034)	(6,034)	-	(6,034)	(6,034)	-	(6,034)	(6,034)	-	(6,034)
<b>Revenue</b>	(3,902)	(3,502)	-	(3,502)	(3,566)	-	(3,566)	(3,637)	-	(3,637)	(3,686)	-	(3,686)
<b>Net</b>	35,597	37,511	-	37,511	43,943	12,000	55,943	45,836	3,000	48,836	47,005	3,115	50,120



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		6,875	6,875	6,875	6,875	-	27,500
423080	Pathways & Trails Lifecycle	1,375	1,375	1,375	1,375	-	5,500
481354	Concrete Rehabilitation	4,000	4,000	4,000	4,000	-	16,000
481350	Plus 15 Rehabilitation	1,500	1,500	1,500	1,500	-	6,000
Project(s)		-	-	-	-	-	-
Program(s)		4,250	20,200	15,200	6,225	-	45,875
481400	Comm Mobility Imp-Sidewalks	4,250	11,200	6,200	6,225	-	27,875
481500	Main St Stscape Swalk	-	9,000	9,000	-	-	18,000
<b>Sub-Total (New Budget Requests)</b>		11,125	27,075	22,075	13,100	0	73,375
Previously Approved Budget Remaining		54,825	9,105	-	-	-	63,930
<b>Total Capital Investment</b>		65,950	36,180	22,075	13,100	0	137,305

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 423080: Pathways & Trails Lifecycle

New Budget Request of \$5,500 thousand for the replacement and refurbishment of existing pathways and trails that are in poor condition.

Funding from Municipal Sustainability Initiative (\$4,653 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$847 thousand)

Operating Impact of Capital: This request requires \$170 thousand base funding of operating costs starting in 2021 and a decrease of \$50 thousand base funding of operating cost starting in 2022.

#### Activity 481354: Concrete Rehabilitation

New Budget Request of \$16,000 thousand to maintain and complete lifecycle replacement of concrete assets.

Funding from Federal Gas Tax Fund (\$13,868 thousand), Municipal Sustainability Initiative (\$532 thousand) and Pay-As-You-Go (\$1,600 thousand)

Operating Impact of Capital: This request requires \$960 thousand base funding of operating costs starting in 2020, \$590 thousand base funding of operating costs starting in 2021 and \$240 thousand base funding of operating costs starting in 2022.



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 481350: Plus 15 Rehabilitation

New Budget Request of \$6,000 thousand to fund lifecycle rehabilitation and critical upgrades of the City's network of Plus 15 bridges.

Funding from Municipal Sustainability Initiative (\$5,400 thousand) and Pay-As-You-Go (\$600 thousand)

Operating Impact of Capital: This request requires \$55 thousand base funding of operating costs starting in 2019, \$85 thousand base funding of operating costs starting in 2020, \$65 thousand base funding of operating costs starting in 2021 and 2022. This request also requires \$3,000 thousand one-time funding of operating costs from 2020 to 2022.

### Program(s)

#### Activity 481400: Comm Mobility Imp-Sidewalks

New Budget Request of \$27,875 thousand for planned community mobility and active transportation infrastructure, equipment, materials and testing.

Funding from Federal Gas Tax Fund (\$20,137.5 thousand), Pay-As-You-Go (\$2,237.5 thousand) and Reserve for Future Capital (\$5,500 thousand)

Operating Impact of Capital: This request requires \$60.5 thousand base funding of operating costs starting in 2019, \$35 thousand base funding of operating costs starting in 2020, 2021 and 2022.

#### Activity 481500: Main St Stscape Swalk

New Budget Request of \$18,000 thousand for the Streetscape Masterplan Design and Construction for Main Streets. Funding supports the Council approved land use framework for the Main Streets Program.

Funding from Lifecycle Maintenance & Upgrade Reserve (\$10,000 thousand) and Reserve for Future Capital (\$8,000 thousand)

Operating Impact of Capital: This request also requires \$115 thousand one-time funding of operating costs for 2022.









# Specialized Transit

Led by: Calgary Transit

## Description:

Specialized Transit provides transportation through specialized buses, vans and taxis for Calgarians with disabilities to move from place to place safely, reliably and affordably.

## Customers:

Specialized Transit customers include Calgarians who have disabilities that prevent them from taking regular bus and train service. Specialized Transit connects people across the city and links to other transportation services like Streets, and Sidewalks & Pathways.

## What is delivered to customers:

Specialized Transit customers purchase trips that connect anywhere across the city. Specialized Transit trips include supporting services like customer information systems and security services. Specialized Transit includes assessment of eligibility trip booking and door to door service.

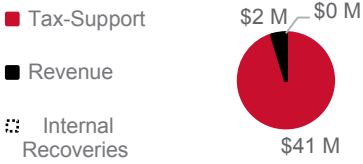

## Partners:

We partner with a number of City services including Streets, Sidewalks & Pathways, Social Programs, and have external partners who provide trips as service providers.

## Service need (value proposition):

Specialized Transit makes it easier for citizens to get around Calgary safely and affordably. Specialized Transit connects customers with people and places they care about by providing safe, accessible, reliable and courteous public transportation services. Customers of this service line may have fewer transportation options making this service a vital connection to the people, services and amenities Calgary has to offer.

## Current state service value

<p><b>1,173,000</b> Number of trips</p>	<p><b>91</b> On Time Reliability</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$37</b> Operating cost per Trip</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Minimum levels of capital investments are included to maintain existing assets like vehicles and technologies required to serve customers. Reduced capital investments will impact maintaining the fleet and technologies required to provide the service.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Specialized Transit service has an established process for customer research and engagement through the annual citizen satisfaction and internal customer satisfaction surveys. Customers value reliability and safety as top priorities for specialized transit service. Overall satisfaction is good (87 per cent) but demand for the service is increasing. Customers like to see attractive, informative and quality service. We will focus on investing in top two dimensions to minimize the impact of the capital funding shortfall over the next four-year period, as the reductions in capital funding may impact the reliability of service.

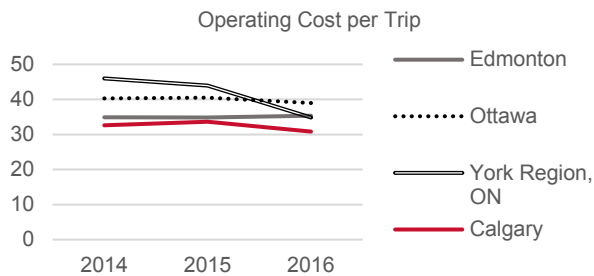
### What Council has directed

Council's primary concern is for all transportation options to be safe and attractive choices for Calgarians (M1 and M2). Investments included in this budget cycle maintain a focus on the safety of Specialized Transit service, protecting both customers and employees. These investments align with making transit an attractive choice, by providing Specialized Transit service to customers in existing, new and developing communities (N1). Calgarians want neighbourhoods and public spaces that are safe, accessible and inclusive, including seniors and the disabled. Increased investments under this budget will help with increasing service in the areas that are growing.

### What are we watching?

We are watching economic conditions, operating and capital funding variability, changing demographics and changing customer expectations which affect efficient and effective service delivery. Technological advancements, the emergence of transportation network companies and innovative service delivery methods are changing how Specialized Transit can be delivered, while emission regulations and accessibility regulations will change how we provide service. Given the limited availability of capital funds, first priority will be given to ensure the accessible transit system is safe.

### Benchmarking



Measuring the cost per unit of service (Specialized Transit trip) and benchmarking it against other municipalities helps gauge the efficiency. This performance measure calculates the increasing costs relative to the increase in service. Information from the Canadian Urban Transit Association (CUTA) shows that Calgary has a relatively low cost with respect to similar sized cities.

Source: Canadian Urban Transit Association

### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Provide a safe environment for our customers and employees.
Reliability	Provide a predictable and consistent transit service that customers can rely on.
Responsiveness	Greet the customers with a smile, pleasant tone of voice and right attitude to help them.
Informs	Provide clear and consistent communication to customers using various channels.
Accessibility	Provide convenient, accessible transit service that is easy to use for customers. Provide clean travel environment to our customers and employees.



# How is the Service performing? Where we are headed and where do we want to go?

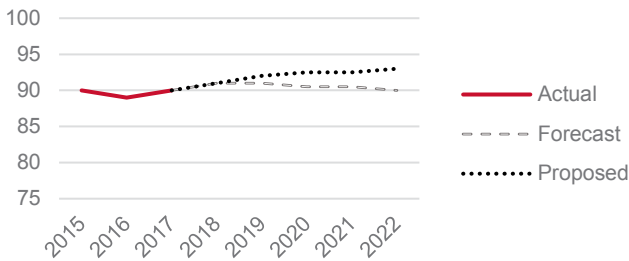
Safety - (To be monitored in the future under customer commitment initiative) (Rating Score)



## Story behind the curve

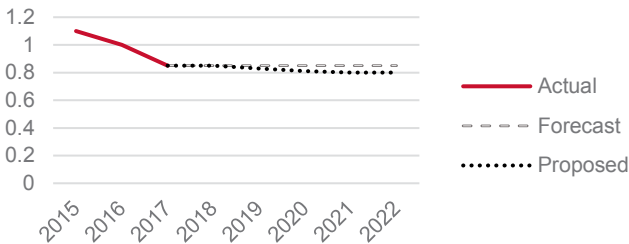
Considering a slow but steady turnaround of the economy, this operating budget for Specialized Transit service will help with ability to serve with increasing demand of Specialized Transit service. This budget will help keep pace with growing demand and also expand service into growing communities. Specialized Transit has noted an increase in service demand of up to three per cent last year, which is expected to grow further as we go into next business cycle. Tracking the number of trips and the cost to provide them helps ensure efficient service.

Reliability - On Time Performance (Percent)

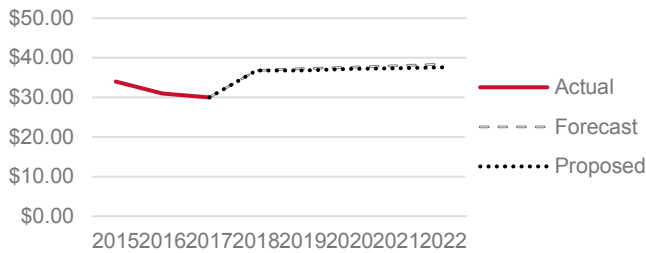


Investments in Specialized Transit service will ensure that seniors and persons with disabilities in Calgary are getting the required transportation service. At Fault Customer Complaints measure errors in providing service. A gradual reduction has been observed over the past few years with a target to remain near the current level. Safety is a primary concern for Specialized Transit and we are beginning to monitor it from customer's perspective specifically for this service line beginning this business cycle.

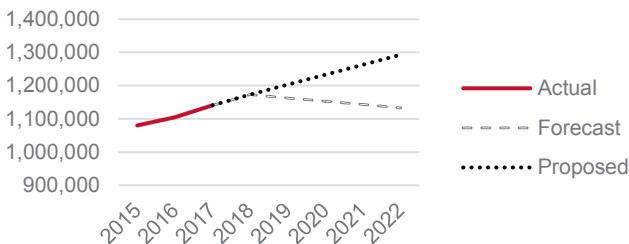
At Fault CSRs per 1000 trips (Count)



Operating Cost per Trip (\$)



Number of Trips (Count)





## What do we propose to do?

### What we propose to continue doing

STRATEGY
Optimize system of services to consistently maintain directness and on-time performance.
Focus the business around meeting the Calgary Transit Customer Commitment.
Improve efficiency in business processes.
Optimize use of existing technologies.

#### Why?

With this budget, service demand increases over the business cycle will be addressed. Specialized Transit will continue to optimize runs to improve schedule adherence and efficiencies as we continue to assess its business practices and processes. Striking the optimal balance of in-house service provision with private providers will maximize the value to customers and taxpayers. Service will be implemented in new areas as existing service levels increase.

### What we propose to do less of

STRATEGY
Asset management improvement.

#### Why?

Due to reduced capital budget for the service, there will be impacts on purchases of new or lifecycle replacement buses required to deliver Specialized Transit. Investments are also reduced for customer technologies. Limited funding under Capital investments will impact service levels and service reliability, as investments required to maintain and replace the existing fleet will not be fully available.

### What we propose to do more of or include as a new offering

STRATEGY
Invest in strategies to improve customer commitment.
Invest in service increase.
Evaluate technologies to analyze public and specialized transit trip integration.

#### Why?

This package offers direct operating investments into increasing service and serving more customers. This will ensure those Calgarians needing Specialized Transit will receive service in alignment with the Calgary Transit Customer Commitment. Optimization work will be conducted to explore efficiencies through integration of public and specialized transit trips.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Safety – (To be monitored in the future under customer commitment initiative) (Rating Score)	0	↔
Reliability – On-Time Performance (Percent)	91	↑
At Fault CSRs per 1000 trips (Count)	0.85	↓
Operating Cost per Trip (\$)	36.8	↑
Number of Trips (Count)	1,173,000	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	41,226	42,271	44,010	45,402
Less Previous Year one Time	-	-	-	-
Base	41,226	42,271	44,010	45,402
Revenue Changes	(200)	-	(200)	(200)
Internal Recovery Changes	-	-	-	-
Inflation	476	1,024	849	863
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(205)	(259)	(231)	(237)
Service Reductions	-	-	-	-
Service Increases	974	974	974	974
One Time	-	-	-	-
Realignments	-	-	-	-
Total	42,271	44,010	45,402	46,802

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	43,269	44,590	-	44,590	46,405	-	46,405	48,073	-	48,073	49,749	-	49,749
<b>Recoveries</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Revenue</b>	(2,043)	(2,319)	-	(2,319)	(2,395)	-	(2,395)	(2,671)	-	(2,671)	(2,947)	-	(2,947)
<b>Net</b>	41,226	42,271	-	42,271	44,010	-	44,010	45,402	-	45,402	46,802	-	46,802



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		383	113	90	90	-	675
430006	Access Calgary Technology	383	113	90	90	-	675
<b>Sub-Total (New Budget Requests)</b>		<b>383</b>	<b>113</b>	<b>90</b>	<b>90</b>	<b>-</b>	<b>675</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>383</b>	<b>113</b>	<b>90</b>	<b>90</b>	<b>-</b>	<b>675</b>

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 430006: Access Calgary Technology

New Budget Request of \$675 thousand approved as partial essential capital investment in the lifecycle and replacement of systems and hardware that ensure customers receive reliable and high-quality service.

Funding from Municipal Sustainability Initiative (\$607.5 thousand) and Pay-As-You-Go (\$67.5 thousand)

Operating Impact of Capital: None







# Streets

Led by: Roads, Transportation Planning & Transportation Infrastructure

## Description:

Streets connect places and allow for the movement of people, goods and services throughout Calgary. People and businesses drive, cycle and ride throughout Calgary every day to commute to and from work or school, for social or recreational activities, and to move goods and services. Streets provide critical access for emergency services and the right-of-way for all underground and overhead utilities, and space for on-street parking supports businesses and residential users. Streets support nearly every City service provided to citizens. Streets provide important links for cycling and pedestrians, and support transportation agencies like Calgary Transit, taxis and other private operators.

## Customers:

Street space is used by the traveling public and business users including freight, emergency services, City services like Public Transit, and vehicles for hire. Utilities run overhead or underground infrastructure in the street right-of-way. Street space is also used by businesses as a work space, and to host festivals and special events.

## What is delivered to customers:

Streets, combined with Sidewalks & Pathways, has infrastructure with a replacement value over \$20 billion. It includes streets and alleys, bridges that provide key connections across varying topographies, traffic signals and other controls provide for safe and efficient travel. Street lights allow for safe activity 24 hours a day.

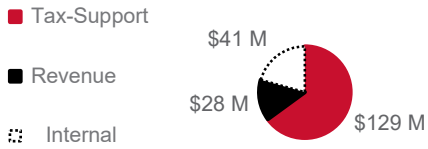

## Partners:

We partner and consult with a large variety of stakeholders to deliver the services that Calgarians need. These include the traveling public, Alberta Transportation, developers, the construction industry, and the goods movement industry. Initiatives are delivered in consultation with Community and Business Associations, Calgary Police Service, Alberta Motor Association, and Alberta Health Services.

## Service need (value proposition):

Calgarians make 3.2 million trips per day by driving or riding in a vehicle. People and businesses need a safe, well planned and maintained street network that adapts to change and allows for predictable travel throughout and beyond Calgary. People want pavement that is smooth, clear in winter and clean in summer, clearly marked, and well-lit at night. Traffic signals and other controls need to provide safe and effective traffic management through intersections, and allow for reasonably smooth traffic flows. Streets need well-signed speed zones and road rules, and convenient wayfinding. On-street parking needs to be available for people to conveniently access their destination. Noise walls ensure that traffic noise does not negatively impact communities. Information about closures, detours and delays needs to be readily available. Permits for special road uses need to be easy to access.

## Current state service value

<p><b>3.2 million</b> Trips per day as a driver or passenger</p> <p><b>16,636</b> Paved lane kms of roadway</p>	<p><b>214.3</b> Injury/death collisions per 100,000 pop</p> <p><b>193</b> Vehicular bridges and tunnels</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$0.20</b> Operating cost per trip</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Capital investments are developed and implemented through City policies and plans, including the Calgary Transportation Plan. Projects include minor retrofit projects, asset lifecycle to maintain condition, and major improvements to accommodate growth.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

The Citizen Satisfaction Survey consistently shows infrastructure, traffic and roads at the top of citizens' issue agenda. Citizens rated several activities with high importance, low satisfaction and a high willingness to invest: traffic flow management, road maintenance including pothole repairs, transportation planning, and snow removal. The Roads Annual Survey shows high satisfaction for safety due to road conditions (93 per cent) and travel times due to road conditions (83 per cent). Satisfaction is low for snow and ice control (66 per cent on main roads, 39 per cent on neighbourhood roads), pothole repair (45 per cent), and traffic signal coordination (63 per cent).

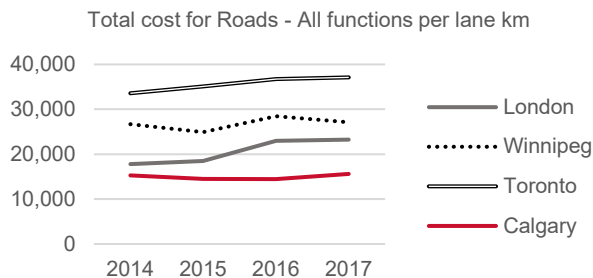
### What Council has directed

Council's primary concern is for all transportation options to be safe and attractive choices for Calgarians (M1 and M2). We have supported this direction with plans and policies such as the Calgary Transportation Plan, the Safer Mobility Plan and the Goods Movement Strategy. Council wants all travel modes to be desirable and for the needs of people who drive to be balanced with the needs of people who walk, cycle, and take transit. As technology and business models change, we should partner with third parties to facilitate and deliver improvements to transportation options (M3). There is also a desire to identify and adopt innovative solutions that will improve safety and improve peak-hour traffic flows (M4).

### What are we watching

We are monitoring and adjusting to many trends that impact the delivery of streets, including: increasing focus on safety, the impact and frequency of severe weather events, and legislative issues such as the impact of the City Charter on policies and processes. Citizen expectations are changing as demographics and behaviours evolve. Changes such as the increase in distracted drivers, emerging technologies such as electric and autonomous vehicles, and changing business models such as Transportation Network Company (TNC) services are changing the way we move. Businesses are also looking for new and creative ways to use street space. We are collecting increasing amounts of transportation data to support decision making, and assessing asset investment risks resulting from unfunded network growth and lifecycle management.

### Benchmarking



Source: Municipal Benchmarking Network Canada

Cost per lane km provides a consistent unit of measure against other municipalities. While different cities deliver different service levels and respond to different conditions, we have maintained a low cost per lane km for roadway functions relative to other Canadian cities that participate in the Municipal Benchmarking Network Canada (MBNC). This is partly due to the lower cost of winter roadway maintenance in Calgary, where we spend far less per lane km (\$2,544 in 2016) than cities like Winnipeg (\$6,147) and Toronto (\$5,872). This can impact service levels when winter conditions outpace capacity.

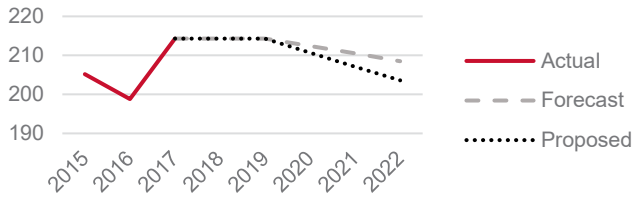
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	The customer is and perceives themselves to be protected from danger, risk or injury.
Accessibility	Streets, sidewalks and pathways are designed for use by everyone.
Connectivity	People are able to reach their destination using streets, sidewalks and pathways.
Responsiveness	Projects respond to the needs of the community. The City responds to service requests in a timely manner.
Reliability	Infrastructure is in good repair, and meets the changing needs and expectations of users.

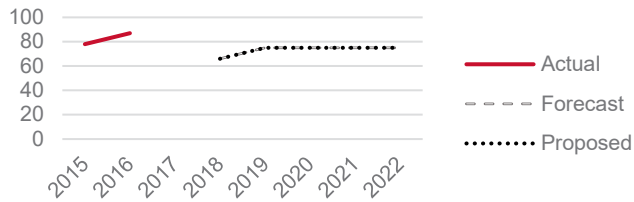


# How is the Service performing? Where we are headed and where do we want to go?

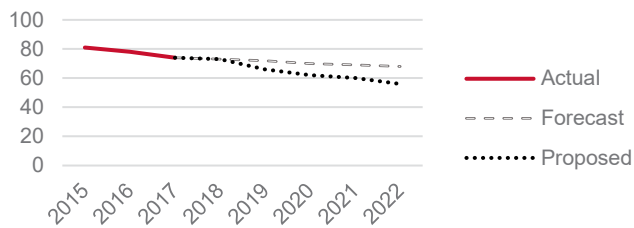
Casualty Collision Rate (Number of collisions resulting in injuries and deaths for all travel modes per 100,000 residents)



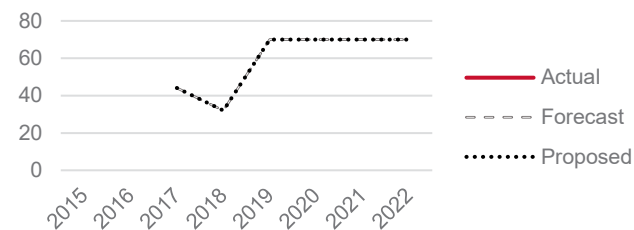
Citizen Satisfaction with Snow & Ice Control on Streets (Percent citizens satisfied with level of snow and ice control)



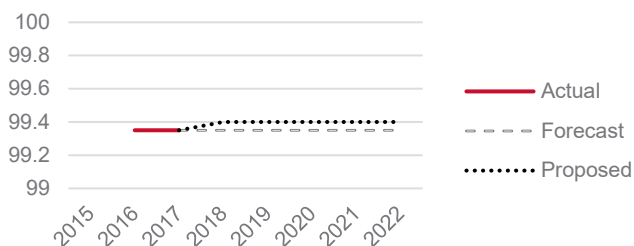
Pavement Condition (Percent pavement in good or very good condition)



Signal Timing Optimization (Number of signals optimized per year)



Street Light Uptime (Percent of streetlights on)



## Story behind the curve

**Casualty Collision Rate:** Safety is Council's top concern for all modes of transportation. While everyone has a role to play in safety, we target improvements through engineering, education and enforcement. The term of the Safer Mobility Plan (SMP) saw a reduction of 3.6 per cent in casualty collision rate/100,000 population. We will increase our investment in safety-focused projects to address high priority intersections during the One Calgary business cycle.

**Citizen Satisfaction with Snow and Ice Control:** Council's Snow and Ice Control policy sets out the standards for keeping Calgary's roads clear during the winter. Citizen satisfaction with snow and ice control on main roads is related to the frequency and severity of snow falls that occur in a given winter season. We will continue to deliver snow and ice control per Council's policy.

**Pavement Condition:** Pavement represents a replacement value of over \$9.8 billion. Lifecycle funding from 2015-2018 was not sufficient to maintain overall pavement condition, and during this period citizen satisfaction with road condition also dropped from 79 per cent in 2016 to 68 per cent in 2018 for main roads; and from 89 per cent to 81 per cent for neighbourhood roads. Lifecycle funding through 2019-2022 will result in accelerated deterioration and a heavier burden on maintenance activities.

**Signal Timing Optimization:** Citizens have rated traffic flow management as a high priority for more investment. 70 per cent of Calgary's traffic signals are on major roads and have a significant impact on citizens, especially during peak hour periods. Signal timing optimization of major corridors benefits travel time reliability, however benefits can be short-lived as traffic volumes and travel patterns change. Our goal is to increase the rate of corridor retiming to optimize 10 per cent of major intersections per year, with enhanced service starting in 2020.

**Street Light Uptime:** Street lights are a critical safety feature along major roads and in communities. There are 95,000 street lights in Calgary and 500-1000 lights are out at any given time, resulting in 0.5-1 per cent downtime for street light assets. The LED retrofit program has reduced the electricity costs and the number of outages. Our goal is to improve our responsiveness to outages to achieve and sustain an uptime of 99.4 per cent, which will be supported by increased investments to increase responsiveness to bulb failures, and through capital investments to repair underground wire faults.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Forecast future needs and plan long-term improvements to the street network.
Provide snow and ice control in accordance with Council's policy.
Seek innovative solutions to improve efficiency and effectiveness.
Monitor traffic conditions and coordinate incident response.
Support new development as the city grows.
Provide permits for projects and events that use street space.

### Why?

Streets are critical to the functioning of any city. We will continue to plan improvements that accommodate Calgary's growing and changing needs. Continued operations and maintenance will ensure that Calgarians can reach their destinations. Continual improvements will be pursued to ensure that we continue to deliver cost-effective service.

## What we propose to do less of

STRATEGY
Lifecycle work on streets and bridges.
Invest in major transportation upgrades such as interchanges, corridor expansions, and major road reconstructions.
Engineering studies and land acquisitions that advance current and future work and allow for shovel-ready projects.

### Why?

Constrained capital funding for the 2019-2022 budget cycle will result in reduced capital planning, lifecycle work and major upgrade projects. No major projects will be pursued in Calgary's established areas, which will result in lower service levels as the city grows, placing an increased burden on maintenance such as pothole repair, and higher long-term costs as more expensive lifecycle treatments become required.

## What we propose to do more of or include as a new offering

STRATEGY
Targeted safety improvements aligning with the Safety Mobility Plan.
Traffic signal optimization on major corridors.
Responsiveness to street light outages.
Enhanced maintenance along existing Main Streets projects.

### Why?

Calgarians and Council have identified improving safety as a key outcome for walking, biking, driving and taking transit. We will make additional investments to increase the number of safety improvement projects and improve our responsiveness to street light outages. Increased traffic signal optimization will improve traffic flows on major road corridors.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Casualty Collision Rate (Number of collisions resulting in injuries and deaths for all travel modes per 100,000 residents)	214.30	↓
Citizen Satisfaction with Snow & Ice Control on Streets (Percent citizens satisfied with level of snow and ice control)	66	↔
Pavement Condition (Percent pavement in good or very good condition)	73	↓
Signal Timing Optimization (Number of signals optimized per year)	32	↑
Street Light Uptime (Percent of streetlights on)	99.35	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	128,607	129,817	139,562	145,298
Less Previous Year one Time	(1,709)	-	(2,000)	(2,000)
Base	126,898	129,817	137,562	143,298
Revenue Changes	(1,749)	(580)	(597)	(515)
Internal Recovery Changes	(944)	-	-	-
Inflation	2,481	3,330	2,927	2,927
Operating Impact of Previously Approved Capital	101	135	150	-
Operating Impact of New Capital (Incremental)	139	2,379	1,803	1,349
Efficiencies	(397)	(863)	(691)	(300)
Service Reductions	(200)	-	-	-
Service Increases	3,488	3,344	2,144	2,144
One Time	-	2,000	2,000	2,077
Realignments	-	-	-	-
Total	129,817	139,562	145,298	150,980

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	197,939	202,081	-	202,081	210,406	2,000	212,406	216,739	2,000	218,739	222,859	2,077	224,936
<b>Recoveries</b>	(40,910)	(42,843)	-	(42,843)	(42,843)	-	(42,843)	(42,843)	-	(42,843)	(42,843)	-	(42,843)
<b>Revenue</b>	(28,422)	(29,421)	-	(29,421)	(30,001)	-	(30,001)	(30,598)	-	(30,598)	(31,113)	-	(31,113)
<b>Net</b>	128,607	129,817	-	129,817	137,562	2,000	139,562	143,298	2,000	145,298	148,903	2,077	150,980



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		44,612	48,750	52,550	54,600	-	200,512
432200	Streetlight - Upgrade & Maintenance	5,000	5,000	5,000	5,000	-	20,000
432240	New Traffic Signals and Pedestrian Corridors	3,000	3,000	3,000	3,000	-	12,000
432260	Traffic Signals/Ped Corridors Lifecycle	3,600	3,600	3,600	3,600	-	14,400
432271	Pavement Rehabilitation	12,500	13,500	13,500	14,000	-	53,500
432290	Roads Equipments & Systems	400	400	400	400	-	1,600
432300	Plants Capital	750	800	1,000	1,000	-	3,550
481356	Signal Communications	1,500	1,500	1,500	1,500	-	6,000
433095	Various Street Improvements	500	500	500	500	-	2,000
481357	Roads Facilities and Depots	880	3,950	7,550	9,100	-	21,480
433150	Bridge Rehabilitation and Protection	12,000	12,000	12,000	12,000	-	48,000
464170	Major Road Reconstruction	4,000	4,000	4,000	4,000	-	16,000
481351	Sound Wall Lifecycle	482	500	500	500	-	1,982
Project(s)		19,479	68,414	57,500	23,500	-	168,893
481402	Crowchild Tr Wide 24-32AVNW	2,779	114	-	-	-	2,893
481403	Richmond-Sarcee Improvement	1,000	6,000	-	-	-	7,000
481405	194 AV S-MacLeod TR Improvs	-	-	4,000	-	-	4,000
481406	Stoney Trail Improvements	10,000	38,500	34,500	23,500	-	106,500
481407	144 AV NW at W Nose Creek	1,000	5,000	19,000	-	-	25,000
481408	88 Street SE Extension	4,700	18,800	-	-	-	23,500





# Recommended Capital Investment to Support Service Delivery

For Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Program(s)		22,525	29,160	30,250	14,500	-	96,435
432390	Slope Stabilization	400	400	400	400	-	1,600
432514	Safety Improvements	4,750	4,750	4,750	4,750	-	19,000
433160	Subdivision Construction	725	725	725	725	-	2,900
481355	Operational Improvements	250	250	250	250	-	1,000
481401	Optimization	500	500	500	500	-	2,000
481404	Comm Mobility Imp - Streets	1,250	2,125	2,125	2,125	-	7,625
481352	Dev Infrastructure - AD	14,350	12,050	7,750	3,750	-	37,900
481353	Dev Infrastructure - NC	300	2,360	7,750	2,000	-	12,410
481501	Main St Stscape Street	-	6,000	6,000	-	-	12,000
<b>Sub-Total (New Budget Requests)</b>		<b>86,616</b>	<b>146,324</b>	<b>140,300</b>	<b>92,600</b>	<b>-</b>	<b>465,840</b>
Previously Approved Budget Remaining		212,117	22,896	-	-	-	235,013
<b>Total Capital Investment</b>		<b>298,733</b>	<b>169,220</b>	<b>140,300</b>	<b>92,600</b>	<b>-</b>	<b>700,853</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 432200: Streetlight - Upgrade & Maintenance

New Budget Request of \$20,000 thousand to fund replacement of critical street light infrastructure such as poles, bases, relays, luminaires, cabinets and overhead wires.

Funding from Federal Gas Tax Fund (\$18,000 thousand) and Pay-As-You-Go (\$2,000 thousand)

Operating Impact of Capital: This request requires \$500 thousand base funding of operating costs starting in 2021.

#### Activity 432240: New Traffic Signals and Pedestrian Corridors

New Budget Request of \$12,000 thousand to fund the construction of new traffic signals, traffic cameras, pedestrian corridors and RRFBs relative to established warrants for signalization.

Funding from Federal Gas Tax Fund (\$10,800 thousand) and Pay-As-You-Go (\$1,200 thousand)

Operating Impact of Capital: This request requires \$32.5 thousand base funding of operating costs starting in 2019.

#### Activity 432260: Traffic Signals/Ped Corridors Lifecycle

New Budget Request of \$14,400 thousand to fund infrastructure improvements to existing signalized intersections to improve safety, accessibility and efficiency for users of the network. Includes critical signal infrastructure such as poles, bases, and ducts.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 432271: Pavement Rehabilitation

New budget request of \$53,500 thousand to fund lifecycle investments and maintenance of the City's roadway network to provide a safe transportation network for all users.

Funding from Federal Gas Tax Fund (\$48,150 thousand) and Pay-As-You-Go (\$5,350 thousand)

Operating Impact of Capital: This request requires \$70 thousand base funding of operating costs starting in 2019, \$2,119 thousand base funding of operating costs starting in 2020, \$1,283 thousand base funding of operating costs starting in 2021 and \$1,339 thousand base funding of operating costs starting in 2022.



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Activity 432290: Roads Equipments & Systems

New Budget Request of \$1,600 thousand to fund small equipment and software utilized by Roads.  
Funding from Federal Gas Tax Fund (\$1,440 thousand) and Pay-As-You-Go (\$160 thousand)  
Operating Impact of Capital: None

## Activity 432300: Plants Capital

New Budget Request of \$3,550 thousand to fund maintenance and upgrade of equipment at the City's asphalt and aggregate crushing plants.  
Funding from Capital Reserves  
Operating Impact of Capital: None

## Activity 481356: Signal Communications

New Budget Request of \$6,000 thousand to invest in critical upgrades to the technology and systems utilized by the Traffic Management Center and signals infrastructure such as cabinets and controllers.  
Funding from Federal Gas Tax Fund (\$5,400 thousand) and Pay-As-You-Go (\$600 thousand)  
Operating Impact of Capital: None

## Activity 433095: Various Street Improvements

New Budget Request of \$2,000 thousand for construction of various street and active mode improvements in all areas of the City.  
Funding from Federal Gas Tax Fund (\$1,800 thousand) and Pay-As-You-Go (\$200 thousand)  
Operating Impact of Capital: This request requires \$6.5 thousand base funding of operating costs starting in 2019 and \$10 thousand base funding of operating costs starting in 2020, 2021 and 2022.

## Activity 481357: Roads Facilities and Depots

New budget request of \$21,480 thousand to fund required lifecycle maintenance and to meet environmental regulations for maintenance depots, salt storage and other facilities.  
Funding from Federal Gas Tax Fund (\$19,332 thousand) and Pay-As-You-Go (\$2,148 thousand)  
Operating Impact of Capital: This request requires \$250 thousand base funding of operating costs starting in 2020.

## Activity 433150: Bridge Rehabilitation and Protection

New Budget Request of \$48,000 thousand to maintain and rehabilitate the City's network of vehicle and pedestrian bridges.  
Funding from Federal Gas Tax Fund (\$43,200 thousand) and Pay-As-You-Go (\$4,800 thousand)  
Operating Impact of Capital: This request requires \$2,000 thousand one-time funding of operating costs from 2020 to 2022.

## Activity 464170: Major Road Reconstruction

New Budget Request of \$16,000 thousand to reconstruct major roads that require lifecycle renewal.  
Funding from Federal Gas Tax Fund (\$14,400 thousand) and Pay-As-You-Go (\$1,600 thousand)  
Operating Impact of Capital: None

## Activity 481351: Sound Wall Lifecycle

New Budget Request of \$1,982 thousand to fund lifecycle replacement and critical repairs of sound attenuation walls city-wide.  
Funding from Lifecycle Maintenance & Upgrade Reserve  
Operating Impact of Capital: None

## Project(s)

### Activity 481402: Crowchild Tr Wide 24-32AVNW

New Budget Request of \$2,893 thousand for widening an additional lane on Crowchild Trail from south of 24 Ave to 32 Ave, and a signalized dual right turn from westbound 24 Ave NW to northbound Crowchild Tr.  
Funding from Pay-As-You-Go  
Operating Impact of Capital: This request requires \$10 thousand base funding of operating costs starting in 2021.



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 481403: Richmond-Sarcee Improvement

New Budget Request of \$7,000 thousand for at-grade improvements to the intersection of Sarcee Trail at Richmond Road SW.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Activity 481405: 194 AV S-MacLeod TR Improvs

New Budget Request of \$4,000 thousand for improvements to the intersection of MacLeod Trail and 194 Avenue South.

Funding from Pay-As-You-Go (\$1,588 thousand) and Developer & Other Contributions (\$2,412 thousand)

Operating Impact of Capital: None

### Activity 481406: Stoney Trail Improvements

New Budget Request of \$106,500 thousand for improvements to multiple points of access along Stoney Trail.

Funding from Pay-As-You-Go (\$41,713.5 thousand) and Developer & Other Contributions (\$64,786.5 thousand)

Operating Impact of Capital: None

### Activity 481407: 144 AV NW at W Nose Creek

A New Budget Request of \$25,000 thousand for a 144 Avenue NW crossing over West Nose Creek and the construction of 144 Avenue from Symons Valley Road to west of Panorama Road.

Funding from Pay-As-You-Go (\$9,925 thousand) and Developer & Other Contributions (\$15,075 thousand)

Operating Impact of Capital: None

### Activity 481408: 88 Street SE Extension

New budget ask for \$23,500 thousand for the extension of 88 Street SE south from the interchange at Stoney Trail and Highway 22X.

Funding from Pay-As-You-Go (\$9,329.5 thousand) and Developer & Other Contributions (\$14,170.5 thousand)

Operating Impact of Capital: None

## Program(s)

### Activity 432390: Slope Stabilization

New Budget Request of \$1,600 thousand to fund investigation, design and implementation of slope failure mitigation measures at city-wide locations.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Activity 432514: Safety Improvements

New Budget Request of \$19,000 thousand to fund actions to address traffic collisions and safety related initiatives identified in the Calgary Safer Mobility Plan.

Funding from Federal Gas Tax Fund (\$17,100 thousand) and Pay-As-You-Go (\$1,900 thousand)

Operating Impact of Capital: None

### Activity 433160: Subdivision Construction

New Budget Request of \$2,900 thousand to fund the City's share of development charges for all areas of the City which include boundary payments, road right-of-way and other non-recoverable payments.

Funding from Municipal Sustainability Initiative (\$611.5 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$2,288.5 thousand)

Operating Impact of Capital: None

### Activity 481355: Operational Improvements

New Budget Request of \$1,000 thousand to fund projects to deliver low-cost, high benefit improvements that will enhance operations and safety for all modes of transportation.

Funding from Pay-As-You-Go

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 481401: Optimization

New Budget Request of \$2,000 thousand to develop, plan, design, and implement high-benefit, medium-cost projects to benefit the transportation network.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Activity 481404: Comm Mobility Imp - Streets

New Budget Request of \$7,625 thousand for planned community mobility and active transportation infrastructure, equipment, materials and testing.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$30.5 thousand base funding of operating costs starting in 2019.

### Activity 481352: Dev Infrastructure - AD

New Budget Request of \$37,900 thousand for construction and funding of future infrastructure related to development in 27 'Actively Developing' communities.

Funding from Pay-As-You-Go (\$28,855 thousand) and Developer & Other Contributions (\$9,045 thousand)

Operating Impact of Capital: None

### Activity 481353: Dev Infrastructure - NC

New Budget Request for \$12,410 thousand for construction and funding of future infrastructure related to development in 14 'New Communities'.

Funding from Pay-As-You-Go (\$9,410 thousand) and Developer & Other Contributions (\$3,000 thousand)

Operating Impact of Capital: None

### Activity 481501: Main St Streetscape Street

New Budget Request of \$12,000 thousand for the Streetscape Masterplan Design and Construction for Main Streets. Funding supports the Council approved land use framework for the Main Streets Program.

Funding from Lifecycle Maintenance & Upgrade Reserve (\$9,000 thousand) and Reserve for Future Capital (\$3,000 thousand)

Operating Impact of Capital: This request also requires \$76.8 thousand one-time funding of operating costs for 2022.

### Notes

New Budget Requests that incorporate Actively Developing and New Communities:

Activity 481352: Dev Infrastructure - AD

Activity 481353: Dev Infrastructure - NC

Activity 481405: 194 AV S-MacLeod TR Improvs

Activity 481406: Stoney Trail Improvements

Activity 481407: 144 AV NW at W Nose Creek

Activity 481408: 88 Street SE Extension





# Taxi, Limousine & Vehicles-for-Hire

Led by: Calgary Community Standards

## Description:

Taxi, Limousine & Vehicles-for-Hire regulates drivers, vehicles and companies in the livery industry according to the requirements of the Livery Transport Bylaw.

The service ensures drivers have the right qualifications and proper mechanically inspected vehicles, so passengers can have a safe ride.

Livery peace officers ensure compliance and provide education to drivers by assessing complaints and focusing on resolutions that create fair and safe environments for drivers and passengers.

## Customers:

- Livery service providers seeking fair and transparent regulations.
- Passengers requiring a safe ride to their destination.
- Citizens reporting a concern

## What is delivered to customers:

- Taxi, Limousine & Vehicles-for-Hire ensures public safety, consumer protection and service quality.
- Livery service providers can expect timely issuance of licences and consistent, accessible information so that passengers can have a safe ride.
- Citizens can expect a prompt resolution to their inquiries by competent livery peace officers.

## Partners:

- Other lines of service (Public Transit, Police Service)
- Other orders of government (Government of Alberta, Department of Transportation, Carrier Services and Service Alberta)

## Service need (value proposition):

This service fulfills the need for citizens to have timely access to safe, quality and economical livery services. The Livery Transport Bylaw ensures citizen experiences are consistent across all providers by setting the conditions and responsibilities for the livery industry and its associates.

## Current state service value

<p><b>89%</b> Customers satisfied with Taxi services</p> <p><b>10 000</b> Private-for-hire vehicles added by 2021</p>	<p><b>8.9 M</b> Rides completed in 2017</p> <p><b>#1</b> In MBNCanada for driver licenses issued</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$0.50</b> Cost per ride so passengers can arrive to their destination safely</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> OneCity Records Management System will enhance livery peace officer safety based on enhanced communication systems and collection of business intelligence on emerging community trends (rideshare), aligning with provincial recommendations.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Overall, this service continues to meet Calgarians' service expectations. The 2018 Customer Satisfaction Survey indicated:

- 97 per cent overall satisfaction with Transportation Network Company (TNC) services
- 89 per cent overall satisfaction with Taxi/Accessible Vehicle services in the 2018 customer Satisfaction survey. Citizen satisfaction was driven by: safety, communication with driver, professional appearance of driver, courtesy and driving manner of driver.

### What Council has directed

- M1 : Enforcement of conditions and responsibilities outlined in the Livery Transport Bylaw ensures the safety of passengers using Taxis, Limousines and Vehicles-for-Hire.
- M3 : The Calgary Transportation Plan outlines a need to offer accessible transportation options. By assessing developing trends and engaging stakeholders our line of service will ensure fairness and transparency while continuously improving mobility and complementing other transportation options.
- W1 : Taxi, Limousines and Vehicles-for-Hire gets recommendations to improve service by engaging with citizens through the Citizen Satisfaction Survey.
- W2 : Transparency and alignment of fees between Vehicles-for-Hire and Taxis will be ensured through an Administration recommended fee structure review.

### What are we watching?

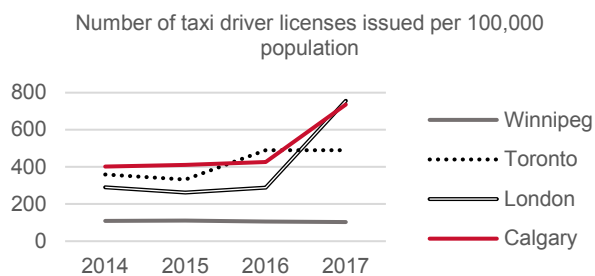
**Demographic Change:** With the increasing age of citizens, passengers with disabilities and cultural diversity, the expectations on the livery industry will continue to change.

**Economic Change:** Recessions have implications for how Taxi, Limousine & Vehicles-for-Hire determine licensing fees as these need to be sustainable for industry stakeholders and the regulator.

**Technology Change:** The livery industry will evolve as new vehicle types become available and the fleets change (e.g. electric and autonomous vehicles).

**Industry Change:** As many as 8,000 to 10,000 added vehicles for hire on the streets of Calgary over the next 3 years will impact parking, traffic congestion, safety, accessibility and customer service.

### Benchmarking



Source: Municipal Benchmarking Network Canada

With the introduction of Transportation Network Companies into the market, Calgary saw a significant increase in Taxi, Limousine & Vehicles-for-Hire licenses issued in 2017 per 100,000 population. The economic outlook for Calgary is positive with a moderate rate of growth expected over the coming years. This trend will continue to put pressure on staff to meet service level expectations that staff in similar roles in other cities will not experience.

### What matters to Calgarians

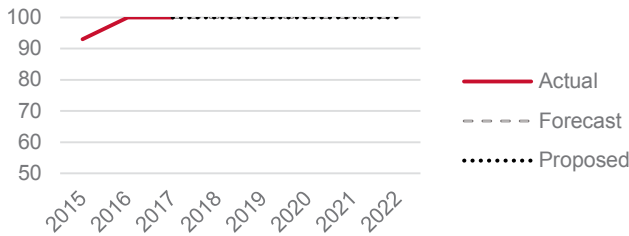
VALUE DIMENSION	DESCRIPTION
Responsiveness	Timeliness: Livery licences are issued within a reasonable timeframe.
Quality	Drivers and companies are satisfied with the licensing service. This includes clear and easily accessible information and consistent decisions on applications.
Fairness	Livery enforcement is transparent, fair and delivered by competent peace officers.
Legislative Compliance	Assurance: Investigations and inspections ensure driver and company compliance with the Livery Transport Bylaw.



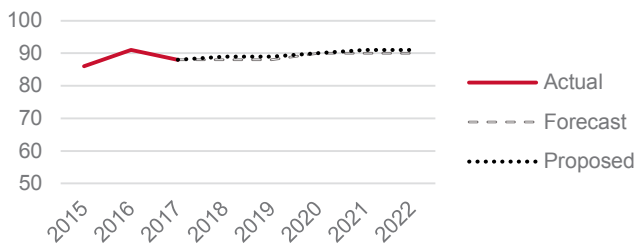


# How is the Service performing? Where we are headed and where do we want to go?

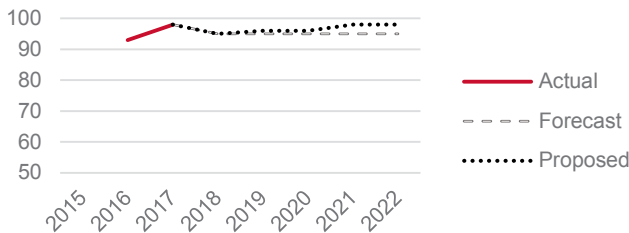
Per cent of livery related complaints resolved within 30 days (Percentage)



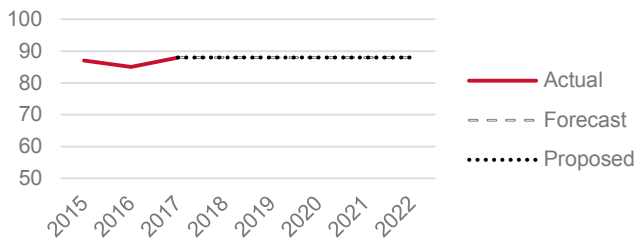
Per cent of customers served at Livery Transport Service counter within 15 minutes (Percentage)



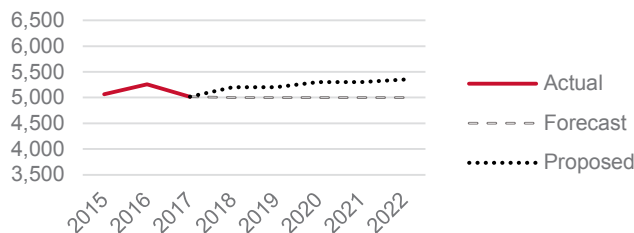
Per cent of customers satisfied with Transportation Network Companies services (Percentage)



Per cent of customers satisfied with Taxi/Accessible Taxi services (Percentage)



Number of taxi driver licences issued (Number of licences)



## Story behind the curve

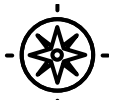
The Livery Transportation Bylaw has been an effective tool to resolve complaints. TNCs raised new challenges and resulted in additional demand. Projections outline an environment where stakeholders strive to find competitive balance, while navigating customer demand and governance changes. The service will need to be ready to address complaints and create compliance; ensuring citizens remain confident of their safety through consistent response standards.

Access to in-person resources ensures Taxi/TNC drivers receive education and assistance, promoting compliance. Due to the growth of industry within the past 18 months (3500 additional applicants) it was anticipated that service levels would slightly decrease as staffing levels remained static. With streamlining and automation, coupled with additional staff coming on board, service levels should improve and return to previous levels.

TNCs provide citizens with choice when considering livery services. Historical trends demonstrate customer satisfaction as TNCs become an integral part of the market. Regulation and education contributed to the integration of new drivers and ensured safety and satisfaction. Forecasted trends demonstrate consistent demand with the addition of service providers and drivers, requiring additional resources to create compliance.

Changes in customer satisfaction of Taxi services capture the challenges of TNCs experienced by Taxi stakeholders. The permanency of TNCs, acceptance by Taxi providers and engagement by The City has resulted in increased customer satisfaction. Forecasted trends demonstrate consistent satisfaction; increased engagement will enhance accessible Taxi availability to citizens and amending the Livery Transport Bylaw will ensure regulation supports all stakeholders.

Emergence of Transportation Network Companies (TNCs) increased demand. Historical trends convey that the rise in interest resulted in increased licences, but the forecasted trend demonstrates stabilized demand. Ensuring fairness, safety and choice will require additional support as education and compliance will guide industry stakeholders and customers.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Increase the capabilities of the livery industry to support accessibility for all Calgarians.
Level the playing field of all livery stakeholders by conducting a review of the Livery Transport Bylaw.
Ensure state of readiness for growth within sharing economies such as Transportation Network Companies (TNCs).

### Why?

Transportation Network Companies offer new opportunities and challenges as their impact continues to change the way services have been delivered. Awareness and accountability are key to ensuring The City delivers equality to citizens, TNC, Taxi and Limousine stakeholders. By revisiting existing bylaws and keeping dialogue focused on service and safety, the future of services will positively contribute to the overall mobility of the city and its citizens.

## What we propose to do less of

STRATEGY
In-person driver training program (through an e-Learning option to better meet the evolving needs of the industry).

### Why?

The e-Learning option creates an effective option for applicants to complete training from their home, providing flexibility and choice. The efficiency created will increase capacity of staff to focus on delivery of services.

## What we propose to do more of or include as a new offering

STRATEGY
Implement recommendations of the City Auditor’s Livery Transport Services audit.
Deliver the endorsed framework for an Accessible Taxi Incentive Program and monitor the effectiveness.
Pilot a centralized dispatch system for on-demand wheelchair accessible taxi service.

### Why?

Growth trends in the number of vehicles-for-hire continue to pose new opportunities for economic growth and transportation but add challenges as stakeholders in the industry contend with multiple changes in the consumer market and technology. The depth of change created by the Sharing Economy is an evolving trend which will require responsive action to meet citizen expectations.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of livery related complaints resolved within 30 days (Percentage)	100	↔
Per cent of customers served at Livery Transport Service counter within 15 minutes (Percentage)	88	↑
Per cent of customers satisfied with Transportation Network Companies services (Percentage)	95	↔
Per cent of customers satisfied with Taxi/Accessible Taxi services (Percentage)	88	↔
Number of taxi driver licences issued (Number of licences)	5,000	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	-	350	350	-
Less Previous Year one Time	-	(350)	(350)	-
Base	-	-	-	-
Revenue Changes	(364)	(110)	(92)	(85)
Internal Recovery Changes	-	-	-	-
Inflation	79	90	92	85
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	20	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	285	-	-	-
One Time	350	350	-	-
Realignments	-	-	-	-
Total	350	350	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	4,486	4,850	350	5,200	4,960	350	5,310	5,052	-	5,052	5,137	-	5,137
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(4,486)	(4,850)	-	(4,850)	(4,960)	-	(4,960)	(5,052)	-	(5,052)	(5,137)	-	(5,137)
Net	-	-	350	350	-	350	350	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		80	80	80	80	-	320
480403	CCS LTS Equip Lifecycle	80	80	80	80	-	320
Project(s)		100	100	150	150	-	500
462260	Livery Technology	100	100	150	150	-	500
Program(s)		-	200	100	-	-	300
480404	OneCity Coord RMS - LTS	-	200	100	-	-	300
<b>Sub-Total (New Budget Requests)</b>		180	380	330	230	-	1,120
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		180	380	330	230	-	1,120

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480403: CCS LTS Equip Lifecycle

New Budget Request of \$320 thousand to the LTS communication lifecycle program which addresses the upgrade or replacement of communication equipment essential to frontline personnel.

Funding from Capital Reserves

Operating Impact of Capital: None

### Project(s)

#### Activity 462260: Livery Technology

New Budget Request of \$500 thousand to implement an online-enabled application platform that allows Taxi and Limousine drivers to apply for municipal driver licenses through an online system.

Funding from Capital Reserves

Operating Impact of Capital: None

### Program(s)

#### Activity 480404: OneCity Coord RMS - LTS

New Budget Request of \$300 thousand to create an integrated information management system, for coordinated information sharing to support effective service delivery, investigations and enforcement.

Funding from Capital Reserves

Operating Impact of Capital: This request requires \$20 thousand base funding of operating costs starting in 2020.











# Environmental Management

Led by: Environmental & Safety Management

## Description:

Environmental Management provides corporate-wide leadership and support to City of Calgary services to manage environmental issues, risks, opportunities and trends associated with the delivery of public services. Climate resilience aims to address climate change risks including: impacts from severe weather on infrastructure, people and nature, greenhouse gas (GHG) reductions and energy management. We provide strategic leadership and programs to The City, citizens, and Industrial, Commercial, and Institutional (ICI) sectors. We also provide expertise to The City on identifying, assessing and managing contaminated lands to ensure the safety of citizens and workers.

## Customers:

Our service supports citizens and ICI organizations through climate resilience and environmental education. Within the organization, we support corporate management, other City services and employees. We collaborate with executive leadership to ensure we meet evolving legislative requirements.

## What is delivered to customers:

We provide customers expertise, strategic advice and products to manage risks through our environmental management system and associated policies and programs. We assess risks using science-based analysis and develop cost-effective solutions to manage energy, reduce climate risks and GHGs. We manage contamination risks of City-owned land.



## Partners:

We are strategic partners providing environmental protection and efficiency through: corporate governance, legal counsel, risk management and advocacy. As trusted advisors, we lead and partner with business units in policy, strategy, advice, support and programs to reduce environmental risks in services and operations, as well as in the community.

## Service need (value proposition):

Citizens rely on The City to ensure that Calgary is resilient to adverse environmental impacts, risks and vulnerabilities. We deliver on this expectation by assessing environmental risks in Calgary's infrastructure, people and the natural environment. We provide guidance to City service leaders on how to mitigate and adapt to these impacts. We also support The City in adhering to environmental legislation and in managing the risks associated with City-owned contaminated land. These efforts enable The City to continue to deliver services to citizens, while protecting environmental well-being. We support The City, citizens and the ICI sector with guidance and expertise to: reduce GHG emissions, manage energy more efficiently, and plan to mitigate and adapt to a changing climate. We provide programs and support services that facilitate continued environmental awareness.

## Current state service value

<p><b>94%</b> Citizens satisfied with the environment</p> <p><b>69%</b> Citizens support City climate leadership</p>	<p><b>91%</b> Citizens satisfied with City programs</p> <p><b>4,250</b> Participants in Mayor's Environment Expo</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$6.20</b> Annual operating cost per resident</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b> Climate Resilience Mitigation and Adaptation (\$1,552), Contaminated Land Risk Management (\$4,445), Corporate Environmental Programs (\$1,834)</p> <p><b>Key Capital Investments</b> We invest in energy, GHGs and adaptation pilot projects and technology to mitigate environmental risks, including: climate resilience, contaminated land and substance releases. We also invest in continuous improvement of corporate management systems.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Protecting public and environmental well-being consistently rates as one of the highest priorities for citizens. Citizen focus groups told us that climate change is impacting their city and that it may lead to future impacts. Leaders within The City expect environmental aspects to be addressed to an acceptable risk level (i.e. managing regulatory, civil, financial and reputational risks). Staff seek advice, tools and training to reduce environmental risk within our operations. Business sector working groups have asked us to lead and to convene for climate action.

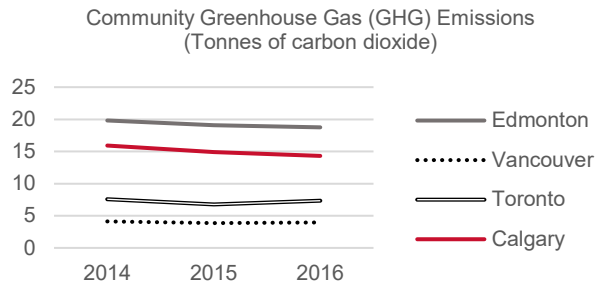
### What Council has directed

Council expects Calgary to be a leader regarding the health of the environment, promoting resilient neighbourhoods. We will manage environmental risks to ensure the health of the public and the natural environment. Council has directed us to address climate change in a co-ordinated way that resonates with citizen expectations. We will align ourselves to provincial and federal strategies and focus on the economic benefits. We will support the organization to embrace a low carbon economy and implement mitigation and adaption actions that address the risks associated with climate change. We will manage environmental risks to ensure the health of the public and the natural environment. We also align to: Corporate environmental policy, Climate Resilience Strategy, provincial legislation (e.g. City Charter, Environmental Protection and Enhancement Act), and federal strategies (e.g. Climate Lens).

### What are we watching

City Charter: The Government of Alberta requires us to develop climate mitigation and adaptation plans by 2020. Calgary may enact bylaws on environmental well-being, as well as prevention of third party contamination. Policy: At the federal level, we are watching evolving legislation and direction to manage GHG reductions and infrastructure investment. This includes an escalating carbon price. Alberta's Climate Leadership Plan contains a carbon levy, energy efficiency program, coal phase-out and renewable energy. Weather events: Climate models predict more severe flooding, drought and storms with increasing temperatures. We'll see impacts on water quality and quantity, infrastructure damage, health impacts and more frequent and severe events. Land Management: Construction projects may encounter third-party contamination resulting in cost increases, delays, liability and health impacts.

### Benchmarking



Source: The City of Calgary, Carbon Disclosure Project, Cities of Vancouver, Edmonton, Saskatoon, Toronto

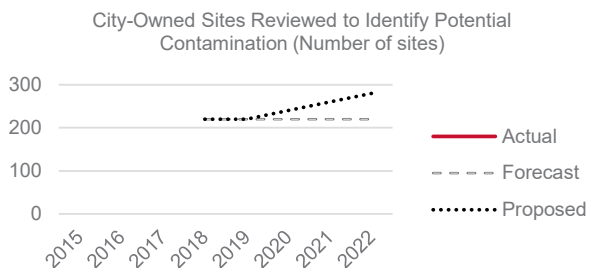
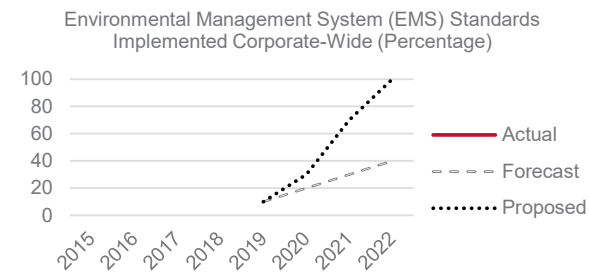
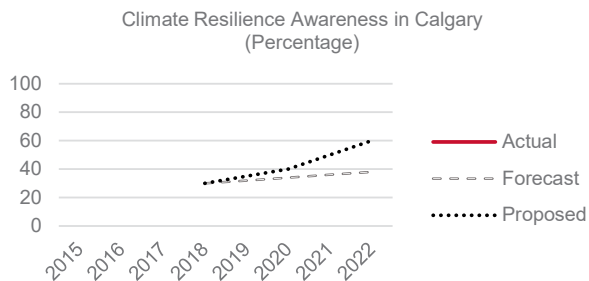
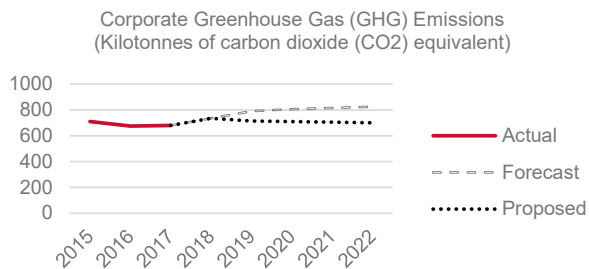
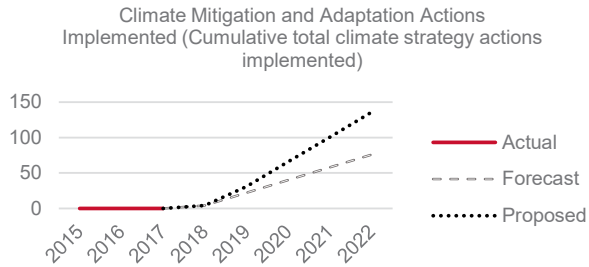
Calgary's GHG emissions per capita are comparable to other prairie cities and higher than cities where electricity comes from lower carbon source (e.g. hydro power in British Columbia and Ontario). Per capita emissions declined between 2011 and 2016, linked to cleaner electricity supply and the local economic downturn. Residential emissions have been dropping yearly, while commercial buildings started a downward trend in 2015. The forecast, however, is for higher emissions with an expanding growth pattern and increased transportation.

### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Environmental	We help to conserve, protect and enhance the environment.
Legislative Compliance	We help The City comply with municipal, provincial and federal environmental legislation.
Reduces risk	We work to reduce risks related to impacts on the environment, The City, citizens and ICI sector.
Resilient	We help The City and citizens to adapt and grow no matter what environmental chronic stresses and acute shocks occur.
Quality	We deliver consistent, high quality environmental management solutions in alignment with customer needs.



## How is the Service performing? Where we are headed and where do we want to go?



### Story behind the curve

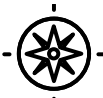
We work to reduce the environmental risks and liabilities in The City's operations and services provided to Calgarians. This helps us to protect the quality of life in Calgary and equip The City to address environmental challenges. We guide the Corporation to protect and strengthen infrastructure and the natural environment, and to protect staff and citizens from the impacts of severe weather events. Tracking the progress of the Climate Mitigation and Adaptation plan actions will indicate organizational effectiveness and serve as an indication of reduced risk.

The impacts from City operations such as road construction, vehicle operations, or waste generation on air, energy, land, water and natural systems should be reduced. We track Corporate GHGs to help us understand our overall impact of our operations on the environment (e.g. road construction, vehicle operations, waste generation, etc.).

The City asks Calgarians how they are taking climate change action, such as: extreme weather preparation, improved energy efficiency response and implementing climate resilience habits in their daily lives. The City supports citizen action by providing relevant information, by leading within our own operations, and by collaborating and enabling actions in the community. Turning the curve will involve more frequent and meaningful education and awareness, and delivering on the actions in the Climate Resilience Strategy and Action Plans during the next four years.

The City's environmental performance uses a corporate Environmental Management System comprised of a minimum set of standards, which were drafted in 2018 and will be implemented during this business cycle. We will measure the progress of implementation of these standards across the Corporation.

Environmental site assessments reduce unknown liabilities. Reviews identify contaminated sites and, where warranted, assessments are carried out to determine the extent and impact of the contamination. Management plans are developed and implemented for sites that pose an unacceptable risk to the environment and/or human health. Site reviews have been carried out for years, but a new method of tracking them will allow us to better highlight the positive progress being made in reducing unknown liability.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Service line oversight – ensure environmental legislative compliance, risk reduction, protection, assurances and standards.
Climate change – key focus on implementation of the Climate Strategy and Actions Plans.
Risk reduction – support the organization to reduce City and community environmental risks (e.g. climate change, contamination, etc.).
Environmental leadership – enable the protection and enhancement of the natural environment, corporately and community-wide.
Corporate leadership – provide Council and corporate leaders with relevant information to make informed environmental decisions.
Capacity building – support the organization to invest and provide uninterrupted services to citizens considering environmental impacts.
Citizens and business support – inform, educate and prepare communities to manage environmental risks and opportunities.

#### Why?

Citizens rely on us to understand the impacts of the changing environment – both scientifically and technologically. We enable understanding of these environmental and climate threats, such as contamination and severe weather events. We develop tools to assess and reduce these risks. These aim to reduce adverse environmental impacts within City operations and the community, while continuing to ensure high quality services for Calgarians.

### What we propose to do less of

STRATEGY
Brownfield development.

#### Why?

We will shift from driving to supporting brownfield development by other City services. We will continue our important role of providing expertise on environmental risk management for contaminated land.

### What we propose to do more of or include as a new offering

STRATEGY
Implement Climate Resilience Strategy and Action Plans.
Educate and develop partnerships with communities and business to enable climate and energy action.
Identify funding opportunities for climate risk reduction and energy and GHG management.
Establish and integrate community and operational environmental strategies into City services.
Engage Calgarians and City services through environmental awareness and subsequent reduction of environmental impact.

#### Why?

These strategies further the Council-directed climate resilience actions, as well as ensuring that a clear path is created for environmental stewardship and leadership in The City and community. These strategies will enable The City to strengthen its infrastructure, natural environment and the operations and services provided to Calgarians.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Climate Mitigation and Adaptation Actions Implemented (Cumulative total climate strategy actions implemented)	4	↑
Corporate Greenhouse Gas (GHG) Emissions (Kilotonnes of carbon dioxide (CO <sub>2</sub> ) equivalent)	735	↔
Climate Resilience Awareness in Calgary (Percentage)	30	↑
Environmental Management System (EMS) Standards Implemented Corporate-Wide (Percentage)	0	↑
City-Owned Sites Reviewed to Identify Potential Contamination (Number of sites)	220	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	5,336	5,636	6,091	6,196
Less Previous Year one Time	-	-	-	-
Base	5,336	5,636	6,091	6,196
Revenue Changes	-	-	-	-
Internal Recovery Changes	124	-	-	-
Inflation	91	100	96	99
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(91)	(100)	(96)	(99)
Service Reductions	(238)	-	-	-
Service Increases	414	455	105	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	5,636	6,091	6,196	6,196

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	7,831	8,008	-	8,008	8,463	-	8,463	8,568	-	8,568	8,568	-	8,568
Recoveries	(2,172)	(2,048)	-	(2,048)	(2,048)	-	(2,048)	(2,048)	-	(2,048)	(2,048)	-	(2,048)
Revenue	(324)	(324)	-	(324)	(324)	-	(324)	(324)	-	(324)	(324)	-	(324)
Net	5,335	5,636	-	5,636	6,091	-	6,091	6,196	-	6,196	6,196	-	6,196



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		545	540	335	245	-	1,665
410713	Environmental Programs	545	540	335	245	-	1,665
<b>Sub-Total (New Budget Requests)</b>		545	540	335	245	-	1,665
Previously Approved Budget Remaining		50	-	-	-	-	50
<b>Total Capital Investment</b>		595	540	335	245	-	1,715

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 410713: Environmental Programs

New Budget Request of \$1,665 thousand to support strategic climate change technology, federal and provincial pilot projects and maintenance of existing environmental technology solutions.

Funding from Pay-As-You-Go

Operating Impact of Capital: None







# Parks & Open Spaces

Led by: Calgary Parks

## Description:

Our service plans, builds, maintains and stewards an accessible parks system. We conserve and promote biodiverse ecosystems and cultural landscapes. We provide Calgarians with nature in the city and safe, inclusive, social and active opportunities. The park system includes regional and neighbourhood parks and the river valleys. Park amenities include playgrounds, picnic sites, spray parks, outdoor skating, toboggan hills, off-leash areas and year-round activities at Devonian Gardens. We support park volunteers and deliver environmental education programs. Neighbourhood sport opportunities include soccer, baseball, cricket, tennis, basketball and skateboarding.

## Customers:

Our customers include: children, teens, adults and seniors; sport, nature and recreational groups; festival/event attendees and organizers; tourists; and the natural environment (for future generations).

## What is delivered to customers:

Parks, nature and amenities for leisure activities.

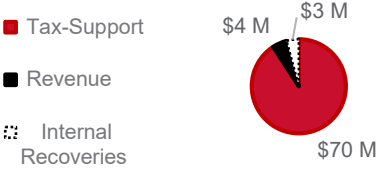

## Partners:

Our service partners with: Parks Foundation Calgary, sponsors/donors and developers who invest in new parks; City services, the Province and school boards on shared policy and interests; community, sport and nature groups and festival organizations; horticulture/education institutions on best practices; and lastly, onsite vendors including food services and equipment rentals.

## Service need (value proposition):

Citizen well-being in urban environments partly relies on having access to space where they can relax, recreate and experience nature and culture. Studies show proximity to parks and nature is beneficial to mental and physical health. Citizens receive free and low-cost access to nature, recreation, culture and environmental education opportunities. Environmental stewardship benefits current and future generations, and is key to our city's resiliency and quality of urban life. The parks system should be fun, safe, inclusive and sustainable, and within a walkable distance for citizens. A variety in park types and amenities is supplied to meet the needs of a wide range of citizen ages, abilities and interests.

## Current state service value

<p><b>99.5%</b> Residents within a 5-min. walk to a park</p> <p><b>70,000</b> Parks' program participants per year</p>	<p><b>94%</b> Citizens satisfied with Calgary's parks</p> <p><b>18%</b> Efficiencies realized since 2008 (\$)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$60</b> Annual operating cost per resident to operate city parks</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Our parks include \$2.5B worth of park infrastructure. Capital funding is required for lifecycle maintenance of aging parks and new infrastructure to meet evolving community needs. Capital funding is also required to restore and naturalize landscapes.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Ninety-four per cent of citizens are satisfied with this service according to the 2017 Citizen Satisfaction Survey. We have had stable satisfaction rates for a decade. Citizen feedback from the 2018 One Calgary engagement included desires to protect the natural environment, green spaces and urban wildlife. Other comments included the importance of parks to support physical/mental health and overall wellbeing.

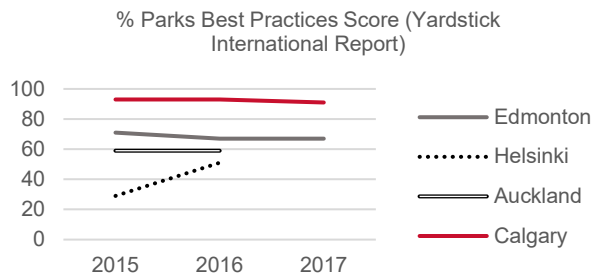
### What Council has directed

Key long-term plans guiding our service are the Municipal Development Plan and imagineParks. Parks and Open Spaces is leading Council Directive H6 to "make parks and green spaces a priority and proactively seek to increase green space in neighbourhoods." We also strongly support themes in H4 and H5 of providing public meeting spaces, healthy lifestyles and active living through a wide range of accessible and affordable recreation opportunities in every community. We will contribute to Calgary's climate change resilience strategies (H1) as well as watershed protection and water conservation initiatives (H3). Protection and enhancement of First Nations (W5) and heritage sites (N3) is delivered with the implementation of our cultural landscapes strategy. Finally, we ensure both new and established communities are complete communities through parks planning, operations and capital investment (N4).

### What are we watching?

Key trends include: Calgary's aging population and the need for more accessibility in public park features. There is growing research showing: the importance of proximity to parks to a person's level of physical activity and health; the link between access to nature, trees and parks to improved mental and physical health; research on the importance of creative and adventurous "play" in child development; the environmental significance of healthy biodiversity and wildlife corridors to the urban environment; technology applications for mapping and optimizing service delivery; and, green infrastructure. Risks impacting consistent service delivery include: severe weather events (flooding, windstorms, etc.); aging park infrastructure and stress on parks in high-density neighbourhoods; and, environmental resiliency (invasive weeds, human-wildlife conflicts and water conservation).

### Benchmarking



Yardstick is an international parks and recreation benchmarking organization operated as a partnership between private sector and industry groups. An overall best practice percentage is an aggregate score of a city's parks operations, asset management, planning, environmental sustainability and social benefits best practices. Note: No comparative data for 2014. Helsinki and Auckland did not participate in the audit in 2017.

Source: Yardstick International Report

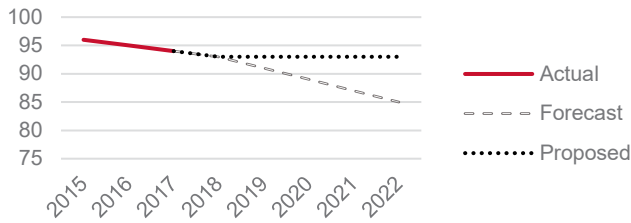
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Wellbeing	Year-round opportunities for social interaction, community vitality, nature appreciation and leisure activities.
Availability	Neighbourhood parks are readily accessible to all communities.
Safety	Parks and open spaces are safe.
Sustainability	Our natural environment is conserved through stewardship, planning and management contributing to urban resilience.
Environmental	We recognize that healthy ecosystems are essential to our personal, community, and economic well-being.

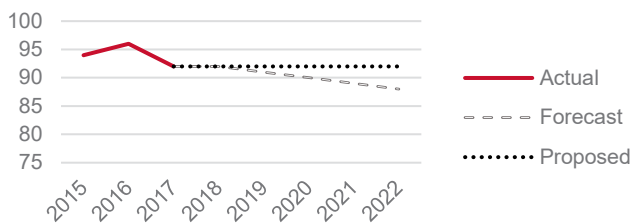


# How is the Service performing? Where we are headed and where do we want to go?

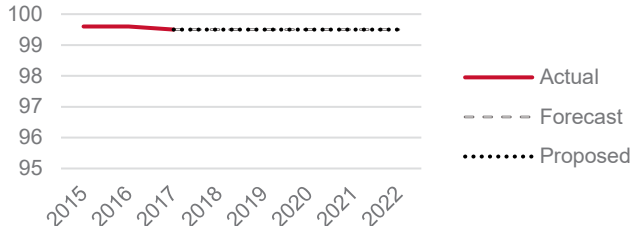
Citizen Satisfaction (% of citizens satisfied with parks, playgrounds and other open spaces)



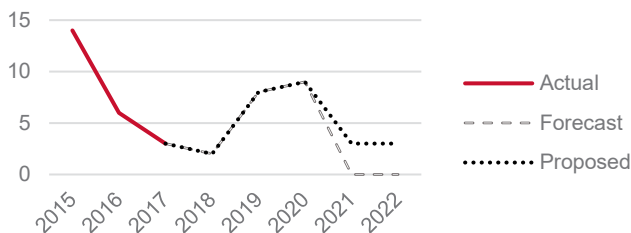
Parks Asset Condition Ratings (% of Calgary parks infrastructure in acceptable condition)



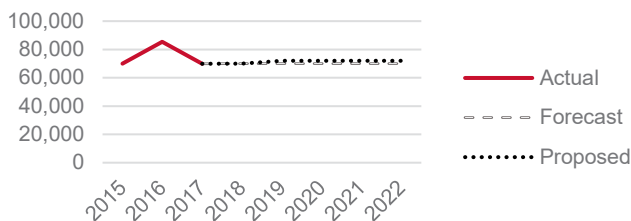
Proximity to Parks (% of citizens that have access to parks within a five-minute walk or 400 metres)



Naturalization (# of park hectares per year under naturalization)



Parks Program Participants (# of Parks education or volunteer program participants)



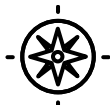
## Story behind the curve

**Citizen Satisfaction and Asset Condition Ratings:** In the first two graphs, we are forecasting a decline in citizen satisfaction due to a lack of capital funding for lifecycle maintenance. Within parks, the condition of features such as natural landscapes, spray parks, sports fields and picnic sites is monitored. Citizen satisfaction is forecasted to drop as park features age, fall into disrepair or don't meet evolving needs (such as providing shaded seating areas for aging citizens or a range of accessible play opportunities). Maintaining citizen satisfaction is largely linked with how well we maintain our parks. For example, the quality of a community sports field will decrease over time without adequate turf maintenance. Without acceptable turf conditions, satisfaction declines as the grass condition worsens over time. Turning the Curve strategies will include identifying further efficiencies and alternative revenue (sponsors, donors, etc.).

**Proximity to Parks:** Parks are gathering places that build strong communities and healthy citizens. Quick access to parks, trees and greenery is good for our physical and mental health. The Municipal Development Plan requires us to provide parks within a five-minute walk of residents. Insuring a balance between maintaining existing parks and developing new parks is important to citizens.

**Naturalization:** This work improves the health and resiliency of Calgary's landscapes, reducing long-term maintenance, sequestering carbon and improving biodiversity by controlling weeds and planting native plants. The measures show planned completion of previously funded capital projects. There is no new capital funding for this work in 2019-22. New projects in 2021-22 will be funded through internal efficiencies or partnership opportunities. By 2022, we will be at six per cent of our biodiversity goal to restore 832 hectares of open space by 2025.

**Environmental Education:** We want to inspire citizens to be active, knowledgeable park stewards. Parks currently offers a range of popular environmental education programs such as school and volunteer programs. One-time funding to provide public tree care education led to an increase in participation levels in 2015-16. Ongoing volunteer programs such as the annual Pathway and River Clean-Up continue to be well attended more than 50 years after its launch. The new Haskayne Park facility will provide another location and indoor space that will lead to education and program participant increases.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide citizens with safe, fun and accessible parks within both new and established communities.
Evaluate, protect and manage Calgary's ecological corridors to support biodiversity and environmental resilience.
Provide parks maintenance in developing communities without impacting current standards in established communities (\$5.1M).
Provide volunteer and public education programs to encourage citizens to be stewards of our parks.
Evaluate and maintain parks as well as engage park users on their satisfaction with park features.
Use a balanced approach to managing prohibited weeds, mosquitos and other threats to our environment and quality of life.
Implement the Cultural Landscapes Strategic Plan to manage and cherish our heritage and historic park sites.

#### Why?

Our service is guided by key long-term strategies such as the Municipal Development Plan and imagineParks. Our strategies support the mental and physical wellbeing of citizens and reflect our role as environmental stewards of municipal park land. A major challenge heading into the next decade will be maintaining our diverse parks system. As the city continues to grow, future capital lifecycle funding will be needed for maintaining (as well naturalizing or restoring) our parks.

### What we propose to do less of

STRATEGY
Fleet and garbage collection (to reduce operational costs through efficiencies and staff attrition).
Naturalization of existing manicured park land and restoration of natural areas.
Grass trimming in low-use areas of parks.
Community flowers and banners pilot project.

#### Why?

Parks identified \$2.4 million in operational efficiencies over the next four years with minimum impact to citizens. These reductions are in addition to the \$4.3 million in efficiencies realized through Parks ZBR and approximately \$12 million absorbed in growth over the last decade. There is currently no capital funding for new naturalization or restoration work. Flower and banner program dollars must be redirected to core operations.

### What we propose to do more of or include as a new offering

STRATEGY
Repurpose low-use sport fields to reflect community needs through the Community Park Initiative.
Enhance accessibility on existing playgrounds where feasible.
Leverage partnership and sponsorship opportunities.
Transition to self-watering flower pots.
Support climate change mitigation initiatives (\$100K) and implement a public river access strategy (\$170K).

#### Why?

Our strategies respond to key trends in inclusive play, water conservation and corporate giving. They focus on low-cost yet effective initiatives and address Council and community interests. None of the above initiatives require additional operational funding.



# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Citizen Satisfaction (% of citizens satisfied with parks, playgrounds and other open spaces)	93	↔
Parks Asset Condition Ratings (% of Calgary parks infrastructure in acceptable condition)	92	↔
Proximity to Parks (% of citizens that have access to parks within a five-minute walk or 400 metres)	99.5	↔
Naturalization (# of park hectares per year under naturalization)	2	↓
Parks Program Participants (# of Parks education or volunteer program participants)	70,000	↔

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	69,532	71,716	72,530	74,560
Less Previous Year one Time	-	(1,040)	(1,040)	(1,040)
Base	69,532	70,676	71,490	73,520
Revenue Changes	(29)	(35)	(36)	(33)
Internal Recovery Changes	-	-	-	-
Inflation	601	696	655	689
Operating Impact of Previously Approved Capital	460	285	310	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(520)	(540)	(355)	-
Service Reductions	(250)	(250)	(250)	(250)
Service Increases	2,532	658	1,706	709
One Time	1,040	1,040	1,040	1,040
Realignments	(1,650)	-	-	-
Total	71,716	72,530	74,560	75,675

## Operating Grants to Civic Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Parks Foundation, Calgary	-	200	200	200	200

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	76,562	77,594	1,040	78,634	78,443	1,040	79,483	80,509	1,040	81,549	81,657	1,040	82,697
<b>Recoveries</b>	(3,211)	(3,070)	-	(3,070)	(3,070)	-	(3,070)	(3,070)	-	(3,070)	(3,070)	-	(3,070)
<b>Revenue</b>	(3,819)	(3,848)	-	(3,848)	(3,883)	-	(3,883)	(3,919)	-	(3,919)	(3,952)	-	(3,952)
<b>Net</b>	69,532	70,676	1,040	71,716	71,490	1,040	72,530	73,520	1,040	74,560	74,635	1,040	75,675



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		3,574	4,000	6,500	4,000	-	18,074
423440	Park Lifecycle	3,574	4,000	6,500	4,000	-	18,074
Project(s)		-	-	-	-	-	-
Program(s)		2,546	5,961	5,999	5,328	-	19,834
420300	Park Upgrades	2,546	5,961	5,999	5,328	-	19,834
<b>Sub-Total (New Budget Requests)</b>		<b>6,120</b>	<b>9,961</b>	<b>12,499</b>	<b>9,328</b>	<b>-</b>	<b>37,908</b>
Previously Approved Budget Remaining		34,740	15,000	19,300	-	-	69,040
<b>Total Capital Investment</b>		<b>40,860</b>	<b>24,961</b>	<b>31,799</b>	<b>9,328</b>	<b>0</b>	<b>106,948</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 423440: Park Lifecycle

New Budget Request of \$18,074 thousand for the Infrastructure Lifecycle Program which annually addresses the removal and replacement of a variety of different assets in existing parks throughout Calgary. Also includes replacement of Parks Asset Management systems. Specifically Oracle Work & Asset Management (WAM) System and ParcMap lifecycle/replacement.

Funding from Pay-As-You-Go (\$2,000 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$16,074 thousand)

Operating Impact of Capital: None

### Program(s)

#### Activity 420300: Park Upgrades

New Budget Request of \$19,834 thousand for the redevelopment of Eau Claire Plaza & Promenade that is required due to the flood mitigation impacts to the park and promenade. Also includes projects under the Leveraged Partners Program.

Funding from Pay-As-You-Go (\$4,396 thousand), Lifecycle Maintenance & Upgrade Reserve (\$2,000 thousand) and Reserve for Future Capital (\$13,438 thousand)

Operating Impact of Capital: None







# Recreation Opportunities

Led by: Calgary Recreation

## Description:

We shape Calgary's recreation landscape, create vibrant communities, and inspire people to be active and healthy by leading and investing in Calgary's recreation sector. We provide opportunities for citizens to participate in a variety of recreation, sport and leisure activities through programs, drop-in activities, rentals and bookings at City and Partner-operated facilities.

## Customers:

Our customers include families, children, youth, seniors and adults; school and educational organizations; sport and grassroots organizations; and community stakeholders (e.g. mobile skateparks at community associations).

## What is delivered to customers:

The City, along with partners, provides recreation programs, services and access to 39 sheets of ice, 12 aquatic and fitness centres, 13 athletic parks, 8 golf courses, 1 sailing school, 1 soccer centre, 8 outdoor pools, 12 multi-use recreation facilities, and 1 velodrome.

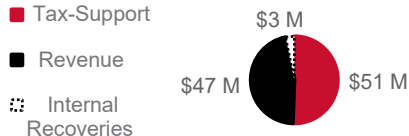

## Partners:

Our partners include City of Calgary business units (e.g. Calgary Neighbourhoods, Calgary Parks); Partners (e.g. Vivo, YMCA, Repsol, Sport Calgary); community partners (e.g. McMahon Stadium, Calgary Outdoor Swimming Pools Association); social recreation groups (e.g. Calgary Minor Soccer Association); and short-term project partners (e.g. Alberta Health Services, Sport for Life Society).

## Service need (value proposition):

Recreation responds to community needs: building individual confidence, promoting a positive lifestyle, and improving social, physical, and mental health outcomes. Recreation opportunities make communities more vital and cohesive. Recreation brings people together, promotes social cohesion and strengthens families. It fosters tourism, business development and influences citizen decisions on housing/neighbourhood selection. It also reduces health care costs and encourages activity-friendly communities.

## Current state service value

<p><b>4,289,360</b> visits to Recreation facilities</p> <p><b>79,750</b> Calgarians access Fee Assistance Program</p>	<p><b>80%</b> satisfaction with customer experience</p> <p><b>71%</b> facilities in poor/critical condition</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$19</b> Operating cost per visit to City-operated recreation amenity</p> <p><small>*Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget. In this box, the pie chart, the pie chart includes the one-time Olympic budget while the Service Ratio does not.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Aquatics and Fitness - \$47,985 Arenas and Athletic Parks - \$22,839 Golf - \$11,934 Investments in our partners to deliver recreation opportunities - \$8,042 (Repsol Sport Centre, McMahon Stadium, Calgary Sport Council, Calgary Rotary Challenger Park, Calgary Outdoor Swimming Pool Association, Vecova Centre for Disability Services and Research, and multiple smaller community investments). Note: Budget for Sub-services only includes base operating funding.</p> <p><b>Key Capital Investments</b></p> <p>With constrained funding, we are prioritizing investments as systems fail on aging City-operated facilities. Available funding will be spent to manage facility lifecycle maintenance as breakdowns arise. This may result in a loss of service.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Our customers see many benefits from recreation, including increased quality of life (93 per cent), better physical health (93 per cent), strong sense of community (86 per cent), and better mental health (84 per cent).

Recreation is important to Calgarians. Almost all citizens surveyed (98 per cent) say it is important for The City to provide recreation services, with 7 in 10 feeling it is very important. Most Calgarians (97 per cent) think The City should invest the same amount or more in recreation services over the next ten years. A majority of Calgarians (65 per cent) considers it very important that we offer affordable sports programs.

### What Council has directed

We contribute to four Citizen Priorities enhancing individual, family, and community well-being. Recreation contributes to A Healthy and Green City and A City of Safe and Inspiring Neighbourhoods by offering affordable and accessible recreation opportunities and by investing in sector partners, encouraging community interactions, social cohesion, and healthy lifestyles (H4, H5, N2). We support strategies to help Calgary attract and retain new talent and that enhance quality of life and place, which contribute to A Prosperous City (P3). To support A Well-Run City, we manage resources to assure products and services are accessible, effective, and efficient (W2). Policies/plans that influence service delivery include, Public Use Policy CSPA031, Fair Calgary Policy CSP019, Community Services Program Policy CSPA018, Sport for Life Policy CP2018-03, and the Recreation Master Plan CPS2010-40.

### What are we watching?

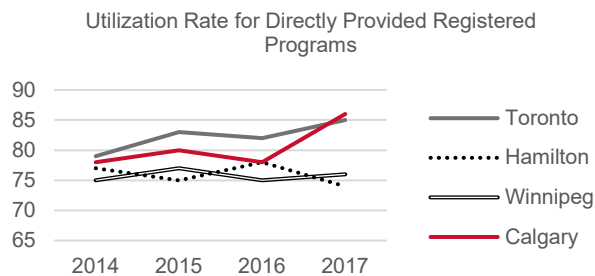
Infrastructure condition and capacity. Established communities are underserved due to aging infrastructure, and the geographic distribution of facilities that more closely meet current service requirements are in the newer areas. We are monitoring facility condition ratings as facilities are aging and not built to meet current service requirements.

Industry trends. We are watching changing industry standards: e.g. recent decreased lifeguard to participant ratios from 75:1 to 40:1 and associated cost implications to maintain current service.

Economic factors. We are watching participation rates as Calgary continues to recover from a recessive economy. More Calgarians are accessing Recreation's Fee Assistance Program or may not participate because of the economy.

Demographic factors. We are watching specific citizen demographics who tend to have fewer opportunities for recreational experiences.

### Benchmarking



Source: Municipal Benchmarking Network Canada

This measures the uptake of registered programs. Programs, such as swim lessons, sport programs and afterschool activities, help develop life skills in our children and youth participants and support our key customer value dimensions of affordability, accessibility, and wellbeing. We have a high utilization rate when compared to both the median (74%) of all participating MBN Canada cities and with municipalities with populations over 1M in spite of suboptimal facilities. Toronto has significant subsidies in place to support drop-in and registered program participation up to, free access for all residents in districts with low income levels, this may explain why their rate has been historically higher.

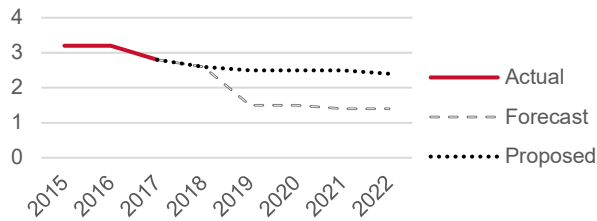
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Affordability	Recreation opportunities that are available to Calgarians of all income levels.
Quality	Recreation activities and services that are of a high standard and adapt over time.
Wellbeing	Recreation opportunities that inspire Calgarians to be socially connected, physically active and emotionally healthy.
Accessibility	Recreation opportunities that are easily accessible, inclusive, convenient, and welcoming to all Calgarians.
Resilient	Community and social strength built by creating opportunities for interpersonal relationships and connections.

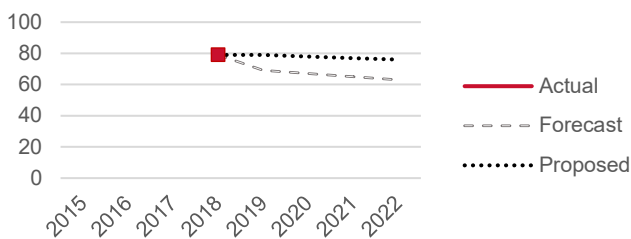


# How is the Service performing? Where we are headed and where do we want to go?

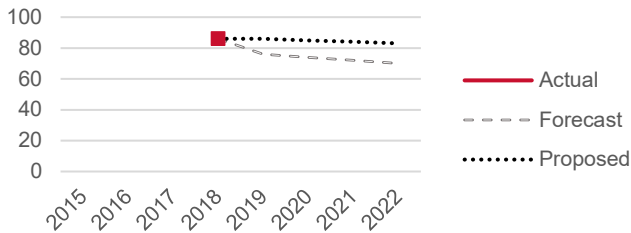
Visits for children and youth participants to City recreation programs, services and facilities. (Per capita, children and youth)



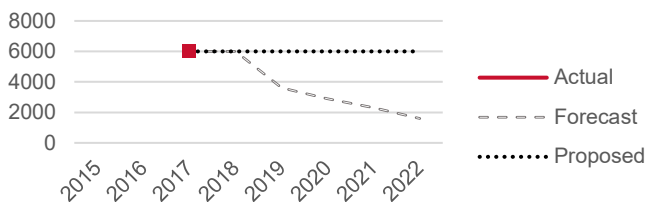
Customers that agree Recreation provides good value for money. (Percentage)



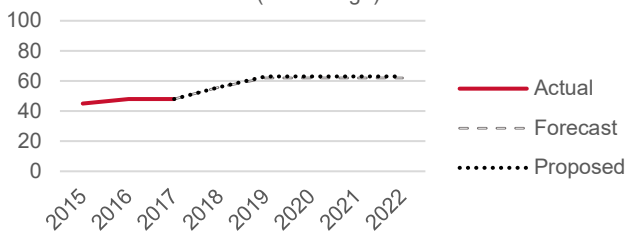
Customers that report recreation opportunities create a stronger sense of community in Calgary. (Percentage)



Calgary Recreation participants who pass Royal Lifesaving Society Swim to Survive standards (Number)



Calgarians that have equitable access to suitable, publicly funded aquatics and fitness amenities. (Percentage)



## Story behind the curve

These performance measures tell only part of the story. The data represents City-operated facilities only. We will develop methods to report on all City investments made in recreation opportunities including partner operated facilities and programs. Currently, proportional projections of outcomes across the city can only be made using City-operated facility data.

Without targeted capital investment in the aging City-operated facilities, and as population increases in new and existing communities, access to suitable publicly funded recreation opportunities will stagnate. City-operated facility performance will decline because aging facilities are not built to meet service requirements or needs, (specific measures impacted: overall customer experience, customers who report recreation opportunities create a stronger sense of community, value for money, and participation rates).

Investment will allow us to respond to new Lifeguard standards for safety and maintain the current level of aquatic service provision. Maintaining current service provision will uphold the current per capita children and youth visits and the number of children who pass Swim to Survive standards. Investment will also allow us to be a more responsive service capable of accommodating growth and change in the industry through City, partners, and/or other innovative service delivery ways.

Population growth and evolving industry standards and trends have outpaced investment; aging facilities are not built to meet service requirements; there are accessibility deficiencies; and there is inadequate space to support needed recreation and sport activities. The need for capital investment was confirmed through findings of the 2017 Infrastructure Status Report. Seventy-one per cent of Recreation's building portfolio is in poor or critical condition, does not meet service need and requires renewal. Without ongoing maintenance and lifecycle upgrades there is a high-risk that facilities will close due to breakdowns. The Zero Based Review (ZBR) revealed that years of incremental budget efficiencies within Calgary's service model have created gaps in service. Recreation has identified that no further efficiencies can be found without cuts to service at this time.

Ongoing City investment in recreation will demonstrate leadership and commitment to improve equitable access for citizens and communities, and turn the curve on individual and community benefits from participation in recreation activities.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide a range of accessible and affordable recreation programs and opportunities that encourage active daily living.
Support Fair Calgary initiatives to ensure the accessibility of recreation for low income Calgarians.
Monitor and meet national and provincial standards, such as the changed Lifeguarding ratio to maintain current aquatic service provision.
Provide, and support partners, to deliver structured and unstructured recreation opportunities (i.e. inclusive play), to foster active living.
Participate in and advocate for long-term capital and investment planning to meet the needs of Calgarians.

### Why?

These strategies support the key citizen value dimensions of affordability, quality, wellness, and accessibility. They support removing barriers to recreation to create inclusive communities through traditional structured opportunities and through unstructured opportunities such as mobile adventure playgrounds, skateparks and community sport hubs.

## What we propose to do less of

STRATEGY
Run programs at the same time at adjacent facilities when there is only sufficient market demand for one.
Keep facilities open and staffed when insufficient user demand exists (e.g. align facility operating hours with demand).
Lifecycle maintenance on our aging infrastructure (due to limited capital resources).

### Why?

Implementing service optimization will allow us to realize efficiencies identified in the Zero-Based Review and maintain citizen access to programs and facilities. Under current constrained capital funding, available lifecycle dollars will be spent to fix arising component failures, this may result in service disruptions.

## What we propose to do more of or include as a new offering

STRATEGY
Together with our partners, develop measures to demonstrate accountability and benefits across the publicly funded recreation sector.
Develop an evaluation tool that provides evidence to select optimized service delivery methods to provide sustainable service to residents.
Optimize current service delivery through a strategic approach to pricing and aligning product and service offerings to market demand.
Provide matching funds to enable Vivo's expansion in order to keep pace with catchment area demand for recreation, sport and social space.

### Why?

These strategies will allow us to bridge the gap between services being offered, what is accessible, and what citizens want and need. They will allow us to be responsible and accountable for how The City invests in the recreation sector; and will allow us to use various service delivery methods that may include delivery through partners, The City, and/or in other innovative ways.



# What Operating Budget do we need to achieve these results and strategies?

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SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Visits for children and youth participants to City recreation programs, services and facilities. (Per capita (children and youth))	2.6	↔
Customers that agree Recreation provides good value for money. (Percentage)	79	↔
Customers that report recreation opportunities create a stronger sense of community in Calgary. (Percentage)	86	↔
Calgary Recreation participants who pass Royal Lifesaving Society Swim to Survive standards (Number)	6,000	↔
Calgarians that have equitable access to suitable, publicly funded aquatics and fitness amenities. (Percentage)	56	↔

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	50,790	45,643	46,792	47,771
Less Previous Year one Time	(6,364)	(250)	(342)	(250)
Base	44,426	45,393	46,450	47,521
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	732	820	820	820
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(15)	(13)	-	-
Service Reductions	-	-	-	-
Service Increases	250	250	250	250
One Time	250	342	250	250
Realignments	-	-	-	-
Total	45,643	46,792	47,771	48,841

## Operating Grants to Partners (\$000s)

Civic Partner	2018 Budget at Mar 31	2019	2020	2021	2022
Lindsay Park Sports Society	1,399	1,399	1,435	1,472	1,508
Calgary Sport Council Society	462	462	474	486	498
McMahon Stadium Society	449	449	461	473	484
Calgary Rotary Challenger Park Society	273	273	280	287	294
Calgary Outdoor Swimming Pools Association (COSPA)	573	573	589	604	619
Vecova Centre for Disability Services and Research	210	210	216	221	227
Silver Springs Community Association	15	15	16	16	17
Total	3,381	3,381	3,470	3,558	3,647



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	100,612	95,216	250	95,466	96,273	342	96,615	97,343	250	97,593	98,414	250	98,664
<b>Recoveries</b>	(3,204)	(3,204)	-	(3,204)	(3,204)	-	(3,204)	(3,204)	-	(3,204)	(3,204)	-	(3,204)
<b>Revenue</b>	(46,619)	(46,619)	-	(46,619)	(46,619)	-	(46,619)	(46,619)	-	(46,619)	(46,619)	-	(46,619)
<b>Net</b>	50,789	45,393	250	45,643	46,450	342	46,792	47,521	250	47,771	48,591	250	48,841



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		16,894	35,315	20,773	14,680	-	87,662
447885	Facility Lifecycle	16,894	35,315	20,773	14,680	-	87,662
Project(s)		7,250	7,750	8,500	-	-	23,500
480353	Repsol Ctr Flood Res Prj	250	750	-	-	-	1,000
480654	Vivo Expansion	7,000	7,000	8,500	-	-	22,500
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		24,144	35,315	29,273	14,680	0	111,162
Previously Approved Budget Remaining		14,939	4,412	-	-	-	19,351
<b>Total Capital Investment</b>		39,083	39,727	29,273	14,680	0	130,513

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 447885: Facility Lifecycle

New Budget Request of \$87,662 thousand for maintenance and renewals at existing City recreation facilities. Funds are allocated based on criticality for maintaining a minimum credible level of service.

Funding from Community Investment Reserve (\$36,250 thousand), Pay-As-You-Go (\$27,712 thousand), Lifecycle Maintenance & Upgrade Reserve (\$20,000 thousand) and Reserve for Future Capital (\$3,700 thousand)

Operating Impact of Capital: This request requires \$92 thousand one-time funding of operating costs in 2020.

### Project(s)

#### Activity 480353: Repsol Ctr Flood Res Prj

New Budget Request of \$1,000 thousand to design and implement the infrastructure necessary for the facility to be resilient to a 1:100 year flood event.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480654: Vivo Expansion

New Budget Request of \$22,500 thousand to provide funds to enable Vivo's expansion in order to keep pace with catchment area demand for recreation, sport and social space. This funding will be matched with Provincial and partner funding.

Funding from Developer & Other Contributions

Operating Impact of Capital: None









# Stormwater Management

Led by: Water Services & Water Resources

## Description:

This service ensures that property is protected from flooding and ensures our watersheds are healthy by working with citizens and partners. The stormwater management service collects and manages water from rain or snow/ice melt by moving it into the nearest river or creek through storm drains, pipes and ponds. To ensure Calgarians are prepared for flooding, we work with the community and other orders of government. We monitor the river to determine water quality and quantity, assess river bank health, and we are involved in land use and development issues that can impact our water quality and flood risk.

## Customers:

All Calgarians benefit directly from this service, specifically homes, businesses and communities at higher risk of flooding. Reducing storm runoff and sediment in the river creates city-wide benefits, as does improving the health of river banks. Developers also receive direct guidance and oversight as they conduct stormwater design and planning.

## What is delivered to customers:

Stormwater, the water from rain and melting snow, is collected and diverted, reducing local and river flooding. Stormponds and green infrastructure treat the stormwater, sediment and other pollutants, and it is then discharged to rivers, creeks and other natural water bodies.



## Partners:

Non-governmental organizations, community groups and education partners  
 Other orders of government (e.g. Alberta Environment and Parks)  
 Upstream and downstream municipalities and river users  
 Individual land owners  
 Developers  
 Other City services (e.g. Fire, Emergency Management, Transportation, Parks, Planning)  
 Regional municipalities  
 Calgary Metropolitan Regional Board

## Service need (value proposition):

Reliable stormwater service provides the foundation to a healthy and green city. This service plays a critical role during rainfall events by collecting and diverting rain. It reduces risk to property, ensures public safety, and allows customers to maintain mobility and access services in the city. Through a multi-pronged approach to flood mitigation, improving the quality of river banks and public flood preparedness and readiness programs, this service improves our city's resilience. Our rivers and wetlands are a big part of what makes Calgary such a great place to live – 83 per cent of Calgarians say that river areas are important to them. This service limits the sediment going into the river, ensuring healthy rivers and river banks, which allows the quality of the rivers to be maintained for Calgarians and downstream users and to preserve healthy fish and wildlife populations.

## Current state service value

<p><b>83%</b> of Calgarians say rivers are important</p> <p><b>260</b> flood projects completed since 2013</p>	<p><b>30,000 tonnes</b> sediment kept out of river per year</p> <p><b>10:1</b> payback on flood investments</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p>■ Tax-Support ■ Revenue ⚙ Internal Recoveries</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>	<p><b>\$1,000</b> Cost to manage rainfall and snowmelt for one square block</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Investments address flooding resiliency and stormwater quality. These include stormwater management upgrades in older communities, projects to reduce the impact of flood events and ongoing maintenance of stormwater management infrastructure.</p>	



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Customers value river health, reducing risk, resilience, and service cost. We've heard from customers about the importance of flood prevention and protecting natural areas and rivers. There is also a shared responsibility with flood preparedness: The City's responsibility to protect flood-prone communities and property owners' acceptance of flood risk. Most 311 service requests are related to storm ponds (e.g. aesthetics, odours, and amenities) and catch basin clearing. Developers have expressed concern for consistency with developing stormwater infrastructure and they believe cost and effort are barriers to development.

### What Council has directed

H1/H3 Climate change will alter how and when we receive precipitation in the watershed. Improving water management practices, land use planning and design capacity of stormwater systems will strengthen resiliency.

N4/N5 Greenfield community development and redeveloped communities rely on stormwater management services.

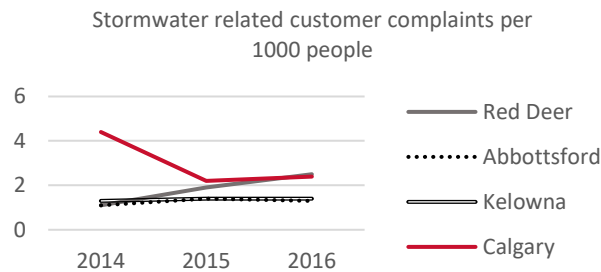
Stormwater management services supports development to meet goals of the Municipal Development Plan and Calgary Transportation Plan while minimizing the cost of growth.

This service aligns to the Stormwater Management Strategy, the Riparian Strategy, the Bow Basin Watershed Management Plan, the Policy on Regional Water, Wastewater and Stormwater Servicing(CP2018-01) the Wetland Conservation Plan and Policy(CSPS029), Complete Streets Policy(TP021) and the Residential Street Design Policy(TP018).

### What are we watching

Climate change will alter how and when we receive precipitation and could lead to increased localized and river flooding. Past natural disasters will influence government and insurance industry support and cost recovery. Improvements in land use policies may be required to protect property. The regulatory environment continues to evolve, resulting in the need to manage and design stormwater infrastructure to meet changing standards and regulatory requirements. This requires flexibility in operational planning and has implications for future operational needs. The complexity of this service also demands improved engagement with customers and stakeholders. With a better understanding of customer expectations, we can be more responsive to address complexity around stormwater infrastructure: from maintaining storm ponds, working with developers and working with customers on lot drainage needs.

### Benchmarking



Source: National Water & Wastewater

Customer complaints captured in this indicator provides a view into the resiliency of the system. When benchmarked against comparable cities, complaints are typically relative to the number and duration of storms experienced, the total precipitation, and the urban density of the impacted areas. Due to Calgary's urban density, we are currently on the high side of complaints when compared to similar cities. To improve resiliency, we will prioritize catch basin cleaning, continue to engage the community around storm infrastructure and improve communication during storm events.

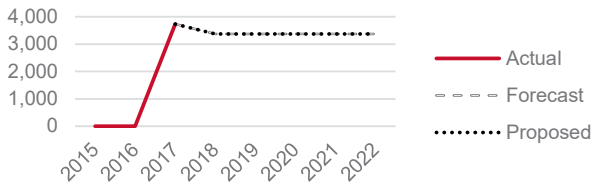
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reduces risk	The City works to reduce flooding from rain and snow melt that impacts homes, businesses and the community.
Resilient	Calgary is prepared for flooding and recovers quickly.
Environmental	The City works to keep our rivers and surrounding natural areas healthy by reducing the impact of urban activities and development.
Affordability	The City provides quality stormwater management services that are cost efficient.

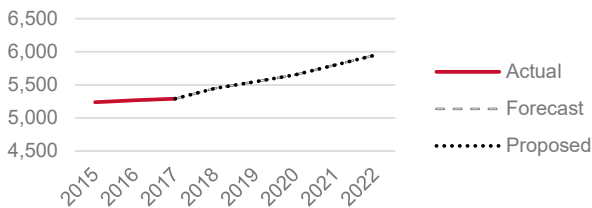


# How is the Service performing? Where we are headed and where do we want to go?

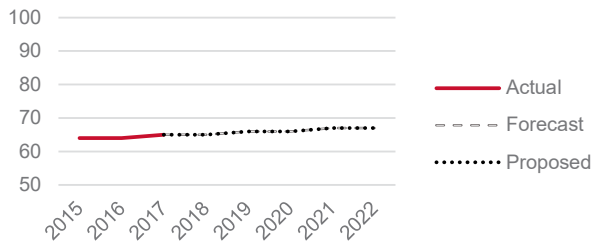
Number of flood prone properties (Properties at risk of localized flooding for 1 in 100 return period) (Number of properties)



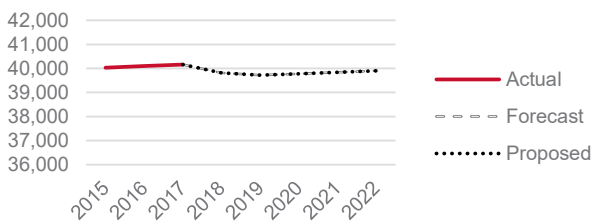
Properties at risk of river flooding for 1 in 100 return period (Number of properties)



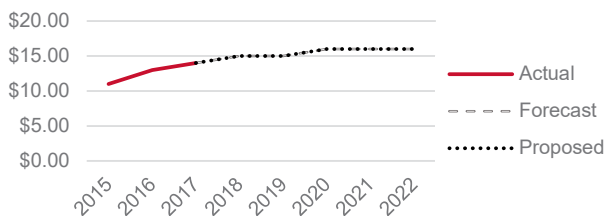
River bank areas that are healthy (Percentage)



Stormwater quality entering the Bow river (Kilograms of sediment)



Typical monthly stormwater bill for all customers (\$/month)



## Story behind the curve

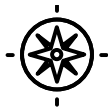
**Resiliency and reduces risk:** Number of properties at risk of localized flooding for 1 in 100 return period. The curve will not immediately reflect the improvements that have been made; however, as more analysis is conducted on projects at the design stage over time, data will be available to show any improvements to the curve. A key strategy in this area is implementing the Community Drainage Improvement (CDI) program which typically focuses on reducing local flooding during 1:50 year events. In some neighbourhoods, achieving the 1:100 standard is cost prohibitive; in others the investment is an intermediate step.

**Resiliency and reduces risk:** Properties at risk of river flooding for 1 in 100 return period. The curve is expected to worsen if strategies are not implemented to address risk of flooding. Key strategies include advocacy for land use policy that supports flood resiliency, continued engagement with the Province on the Flood Mitigation Plan and continued flood resiliency capital investments such as barriers and outfalls.

**Environmental:** River bank areas that are healthy. The Riparian Action Program 2026 target is to improve city wide river health (achieve 72 per cent, up from 65 per cent today.) Healthy river banks are integral to maintaining a healthy river system and can play a role in slowing flood waters. Key activities aligned to the Action Program are increased monitoring of river bank sites, rehabilitation of unhealthy sites and continued education for stakeholders and citizens on the value of these areas.

**Environmental:** Stormwater quality entering the Bow river. Efforts are required to ensure long-term mitigation of sediment loading to the river to address regulatory compliance. Key strategies include increasing knowledge to maintain and operate stormwater infrastructure, proactive risk based education to address erosion and sediment control and improved customer and stakeholder engagement to address barriers to stormwater infrastructure development.

**Cost:** Typical monthly stormwater bill. A typical stormwater bill is currently \$15 per month. To be cost efficient, the service has implemented a variety of strategies including engaging with customers to make informed choices on future investments for flood resiliency and working with other orders of government to fund flood resiliency work. Efficiencies in fleet and other areas will continue to be a focus to minimize rate increases and provide valuable stormwater services to customers.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Advocate for land use policy that supports flood resiliency.
Engage and advocate with the Government of Alberta to fund and implement the Flood Mitigation Plan.
Work with Calgarians to ensure they are prepared for future flooding, and are more resilient to floods.
Invest in flood resiliency capital projects such as barriers and storm outfalls and other infrastructure.
Look for efficiency opportunities in fleet and the delivery of the capital program.
Develop our knowledge and practices to maintain and operate green (natural) and grey (traditional) stormwater infrastructure.

#### Why?

Customers report that reducing risk of flooding is important so we will continue to invest in community drainage improvements and implement a multi-pronged flood resiliency approach. As stormwater practices and standards evolve and new issues emerge, we must continue to develop our understanding of how to effectively build, operate and maintain stormwater infrastructure to meet water quality guidelines while city densification and growth increases.

### What we propose to do less of

STRATEGY
Capital maintenance in 2019-2022 by investigating the appropriate levels of investment to address infrastructure risk.

#### Why?

The Utility has recognized opportunities to find savings through reducing the maintenance program for storm ponds in order to determine the appropriate level of investment in the future.

### What we propose to do more of or include as a new offering

STRATEGY
Improve localized flooding efforts, proactive maintenance and operational response, including time to resolve drainage issues.
Deliver the Riparian Action Program implementation activities.
Engage with customers and evaluate and implement strategies to effectively manage stormwater including tools to improve customer equity.
Provide proactive risk based erosion and sediment control education and inspection activities.
Work to adapt to the impacts of climate change by considering climate change parameters into capital design and operating activities.

#### Why?

The stormwater service will set new direction for the Water Utility's approach to stormwater management and how it works with customers and stakeholders to be successful in managing stormwater runoff and sediment loading to the river. More activities will take place to address river bank health and work will also be required to support the assessment of a variable rate funding model to support customer equity.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Number of flood prone properties (Properties at risk of localized flooding for 1 in 100 return period) (Number of properties)	3,371	↔
Properties at risk of river flooding for 1 in 100 return period (Number of properties)	5450	↑
River bank areas that are healthy (Percentage)	65	↑
Stormwater quality entering the Bow river (Kilograms of sediment)	39810	↔
Typical monthly stormwater bill for all customers (\$/month)	15	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	13	-	-	-
Less Previous Year one Time	-	-	-	-
Base	13	-	-	-
Revenue Changes	(1,252)	(3,391)	(2,992)	(2,252)
Internal Recovery Changes	-	-	-	-
Inflation	1,978	531	544	691
Operating Impact of Previously Approved Capital	(499)	1,778	2,070	86
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(1,550)	(124)	(104)	(68)
Service Reductions	-	-	-	-
Service Increases	1,323	1,206	482	1,543
One Time	-	-	-	-
Realignments	(13)	-	-	-
Total	-	-	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	73,898	75,137	-	75,137	78,528	-	78,528	81,520	-	81,520	83,772	-	83,772
Recoveries	(1,322)	(1,322)	-	(1,322)	(1,322)	-	(1,322)	(1,322)	-	(1,322)	(1,322)	-	(1,322)
Revenue	(72,563)	(73,815)	-	(73,815)	(77,206)	-	(77,206)	(80,198)	-	(80,198)	(82,450)	-	(82,450)
Net	13	-	-	-	-	-	-	-	-	-	-	-	-



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		209	77,612	75,087	58,585	-	211,493
453429	Drainage Facilities & Network	209	77,612	75,087	58,585	-	211,493
<b>Sub-Total (New Budget Requests)</b>		<b>209</b>	<b>77,612</b>	<b>75,087</b>	<b>58,585</b>	<b>-</b>	<b>211,493</b>
Previously Approved Budget Remaining		72,621	9,558	-	-	-	82,179
<b>Total Capital Investment</b>		<b>72,830</b>	<b>87,170</b>	<b>75,087</b>	<b>58,585</b>	<b>-</b>	<b>293,672</b>

### Explanation of Capital Budget Requests

#### Program(s)

#### Activity 453429: Drainage Facilities & Network

New Budget Request of \$211,493 thousand to maintain the delivery of Stormwater services in existing communities, extend services to new Calgary communities and improve service in flood prone areas.

Funding from Capital Reserves (\$104,349 thousand), Other Provincial Grants (\$56,590 thousand) and Self-supported Debt (\$50,554 thousand)

Operating Impact of Capital: None







# Urban Forestry

Led by: Calgary Parks

## Description:

Urban Forestry manages public trees to improve air quality, reduce stormwater runoff, provide shade and cooling, provide wildlife habitat, increase property values and create stress-reducing environments for citizens. We plant trees to replace those lost to construction and natural decline. We also plant trees to increase the urban canopy for future generations. We receive public trees from the development industry. We water newly planted trees to ensure healthy establishment and prune trees to increase their lifespans and to reduce tree/branch failures during storms. We protect trees by reviewing construction and development projects. We promote tree stewardship to citizens.

## Customers:

Our direct customers are citizens, park users, developers and home builders. Our indirect customers are tourists, business improvement areas and future generations of Calgarians. We create and sustain habitat for wildlife.

## What is delivered to customers:

Tree planting, pruning, protection and stewardship.

## Partners:

Urban Forestry partners with: the development industry to protect, inspect and receive new trees; other City service providers on trees for affordable housing sites, river banks, wetlands, etc.; and the landscape industry and educational institutions to define best practices and provide public education for tree care.

## Service need (value proposition):

Social benefits of Urban Forestry include reducing stress, promoting health and wellness and fostering aesthetically pleasing, walkable communities. Environmental benefits include improved air quality, cooling effects (shade), reduced storm water runoff, increased wildlife habitat and climate change moderation. Economic benefits include increased property value on treed streets and attractiveness of business districts. Proactive tree care is required to ensure resilience of the urban forest and reduce tree damage during severe weather events. A diverse mix of tree species is required to reduce the impact of pests and climate change. Good watering practices are required to establish new trees in the Calgary climate so they have long lifespans.

## Current state service value

<p><b>8.25%</b> Tree canopy coverage in Calgary</p> <p><b>100%</b> Communities with public trees</p>	<p><b>16%</b> Calgary's tree canopy target</p> <p><b>79%</b> Citizens who value trees in our city</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$10</b> Annual operating cost per resident to maintain a healthy and sustainable urban forest</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Each year, we need to plant 3,500 trees to maintain the urban forest and an additional 4,000 trees to grow the urban forest to meet the MDP urban canopy target.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

In the 2017 Citizen Expectations survey, 79 per cent of citizens stated the urban forest is important to their quality of life. In the 2018 One Calgary public engagement survey, citizens valued (in this order): trees for environmental, wellness, attractiveness and connectivity benefits. We actively educate citizens about the value and benefits of the urban forest. This happens at public events and through industry partnerships. We receive 13,000 service requests per year regarding tree inquiries, maintenance, planting and removals. Approximately 20 per cent of our service requests from citizens are unsolicited positive comments in response to the service.

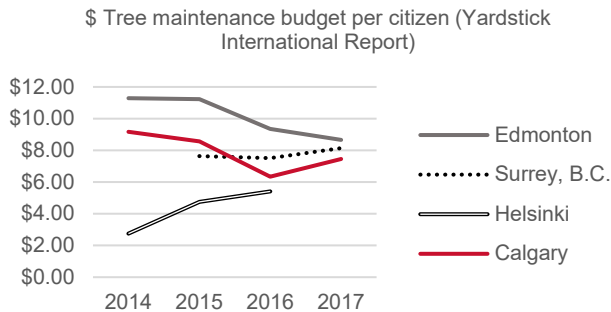
## What Council has directed

Urban Forestry supports Council Directives in A Healthy & Green City. Trees support Calgary's strategies for climate change resiliency (H1) by providing shade in public spaces and cooling homes and buildings. As well, trees contribute to watershed management by reducing stormwater runoff and erosion (H3). In addition to contributing to aesthetically pleasing and walkable communities (N4) and public open spaces (H6), proximity to trees and forests contributes to the positive mental wellbeing of people (H4) as well as environmental benefits such as wildlife habitat and improved species diversity.

## What are we watching?

Key trends impacting our service include increasing public interest in tree education and opportunities to involve agencies and sponsors that promote urban tree preservation. New technologies are used to more efficiently track our assets and optimize work. A genetically diverse urban forest is needed to mitigate the impacts of drought, insects, diseases and climate change. Risks to the service include severe weather events and tree pests. Calgary's urban forest was damaged by the June 2013 flood, the early snowfall in September 2014 and four severe windstorms in 2017. Dutch elm disease and Emerald ash borer can lead to high tree mortality rates if not effectively monitored and immediately addressed. Meeting the Municipal Development Plan's established long-term urban canopy coverage target of 16 per cent is at risk given our current level (8.25 per cent) and forecasted resource levels.

## Benchmarking



Source: Yardstick International Report

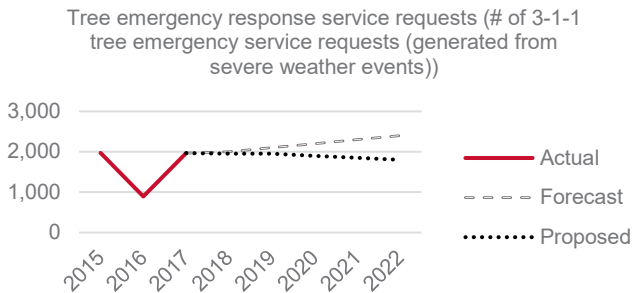
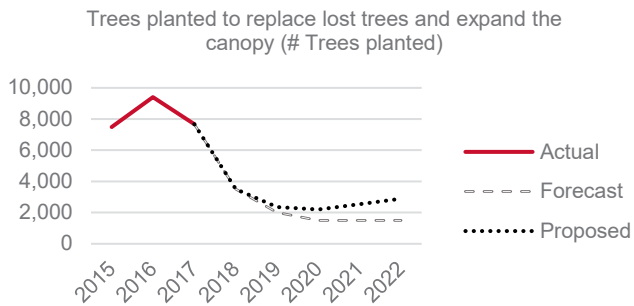
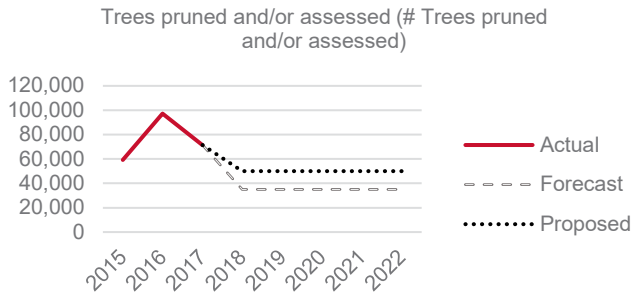
Yardstick is an international parks and recreation benchmarking organization operated as a partnership between private sector and industry groups. Note: Helsinki did not participate in the Yardstick audit in 2017 and Surrey did not participate in 2014.

## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Environmental	The urban forest contributes to Calgary's biodiversity and long-term environmental well being.
Wellness	Trees provide stress-reducing natural spaces, which have been shown to improve health and wellness.
Attractiveness	Well-treed communities demonstrate increased property values and aesthetics.
Connectivity	Trees enhance walkability through shade and by providing a multi-sensory user experience.



## How is the Service performing? Where we are headed and where do we want to go?



### Story behind the curve

To recover from the 2014 Calgary Tree Disaster, Council provided \$35M in one-time disaster recovery ReTree YYC program funding for 2015-17. This was used to plant new trees and replace those that were lost in the storm, inspect and prune more trees and provide enhanced public education to citizens in caring for the trees on their property. This one-time funding led to an increase in both tree planting and pruning from 2015-17. Activities returned to traditional service levels in 2018.

**Trees Pruned and/or assessed:** A key learning from the ReTree program is the need to focus on proactive pruning to sustain the resilience of the current inventory of public trees. This means the majority of operational spending will be directed to tree inspections and pruning with less funding available for planting new trees. There continues to be a modest shortfall in the pruning budget.

**Trees Planted to replace lost trees and expand the canopy:** In 2019-22, all planting, both replacement and growth, was shifted to capital funding business cases to focus the operational budget on proactive pruning. Tree loss compensation funds will continue to be used to replace trees lost to construction activities. In a typical year, this equates to 500 trees. In 2019, Urban Forestry will plant trees with the funding from this compensation. With limited capital funding for replacements in 2019-22, we will plant to offset some of the approximate 3,500 trees lost due to natural lifespan decline. With an additional \$350,000 per year service increase for critical lifecycle tree replacement in 2019-22, we will be able to turn the curve on our forecasted plantings. However, due capital funding constraints, we will not be able to plant the 7,500 trees per year required to grow the urban canopy and meet the long-term Municipal Development Plan target for tree canopy coverage.

**Tree emergency response service requests:** By implementing our strategy to increase proactive pruning, we anticipate that tree emergency service requests will slightly decrease despite an anticipated increase in severe weather events.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Risk-based public tree pruning to increase tree lifespans and resilience to severe weather.
Respond to both citizen and developer requests around tree health, protection and hazards.
Inspect and protect mature trees in established areas and new developments to help sustain our urban forest.
Operate a cost-effective nursery that will harden plant material for improved tree establishment and health.
Do critical tree replacements in high priority areas, such as Memorial Drive or Centre City (\$1.4M).
Remove dead trees for public safety and community aesthetics (\$3.9M).

#### Why?

The Municipal Development Plan and the Urban Forestry Strategic Plan guide our strategies' focus to sustain and protect our current inventory of public trees. This includes optimizing inspections and pruning to increase tree resiliency to weather and climate change challenges. We will also focus our time and resources to ensure the establishment of newly planted trees that will become integrated into a healthy, mature urban forest.

### What we propose to do less of

STRATEGY
Replacements of dead trees with new trees.
Additional tree planting for canopy growth.

#### Why?

Capital funding for planting new trees is limited. Recovery from the 2014 Calgary Tree Disaster included one-time funding for planting new trees to replace those lost to the storm. This one-time funding ended in 2017 and the existing operating budget will be re-directed to care for existing trees.

### What we propose to do more of or include as a new offering

STRATEGY
Annually increase the number of trees pruned to improve the overall resiliency in our urban forest.
Investigate alternative methods for watering young trees during droughts to build resilience to climate change and severe weather.
Identify future planting areas to expand tree canopy coverages within the city, such as along the Green Line transit route and Ring Road network.

#### Why?

The ReTree YYC program (2015-17) confirmed the importance of regular proactive pruning. We will increase our tree pruning initiatives to make our forest more resilient. This will be accomplished by redirecting planting operating funds to pruning, and requesting capital funds for planting. All initiatives for Urban Forestry will be driven by improving internal efficiencies and efforts to optimize our processes and outcomes.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Trees pruned and/or assessed (# Trees pruned and/or assessed)	35,000	↔
Trees planted to replace lost trees and expand the canopy (# Trees planted)	3,500	↓
Tree emergency response service requests (# of 3-1-1 service requests generated from severe weather events)	2,000	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	14,752	14,175	15,143	15,401
Less Previous Year one Time	(1,890)	(811)	(1,269)	(1,022)
Base	12,862	13,364	13,874	14,379
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	152	160	155	154
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	350	350	350	350
One Time	811	1,269	1,022	776
Realignments	-	-	-	-
Total	14,175	15,143	15,401	15,659

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	14,799	13,411	811	14,222	13,921	1,269	15,190	14,426	1,022	15,448	14,930	776	15,706
<b>Recoveries</b>	(47)	(47)	-	(47)	(47)	-	(47)	(47)	-	(47)	(47)	-	(47)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	14,752	13,364	811	14,175	13,874	1,269	15,143	14,379	1,022	15,401	14,883	776	15,659



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		1,500	3,000	3,000	3,000	-	10,500
422195	UF Lifecycle	1,500	3,000	3,000	3,000	-	10,500
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		1,500	3,000	3,000	3,000	-	10,500
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		1,500	3,000	3,000	3,000	-	10,500

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 422195: UF Lifecycle

New Budget Request of \$10,500 thousand for the Urban Forestry Lifecycle program. This lifecycle program will focus on tree replacement for trees lost due to attrition of the existing public tree inventory.

Funding from Lifecycle Maintenance & Upgrade Reserve (\$3,000 thousand) and Reserve for Future Capital (\$7,500 thousand)

Operating Impact of Capital: None







# Waste & Recycling

Led by: Waste & Recycling Services

## Description:

The Waste & Recycling service collects waste, manages landfills, operates waste diversion programs and facilities for waste generators and haulers in Calgary and the region. We enable Calgarians to reduce waste generated and remove waste safely from their homes, businesses and communities to protect public health and the environment. Through participation in waste reduction and diversion programs and education, customers are empowered to properly dispose of materials. We work collaboratively with customers and stakeholders to lead the community toward zero waste while achieving the Council approved target of 70 per cent diversion across all sectors by 2025.

## Customers:

Our customers are waste generators and haulers in Calgary and the surrounding region. This includes residents, businesses and organizations. We support our customers to reduce waste generated and safely dispose of garbage, recyclables, food and yard waste, and household hazardous waste to protect public health and the environment.

## What is delivered to customers:

We provide customers the opportunity to responsibly manage waste through garbage, recycling, and food and yard waste collection and processing. We also provide access to waste management facilities and participation in waste reduction, diversion and educational programs to protect public health and the environment.

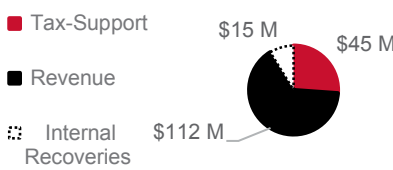

## Partners:

Customers (waste generators and haulers in Calgary and the region).  
 Government (federal, provincial, municipal).  
 Other City services.  
 Waste Organizations (Recycling Council of Alberta, Green Calgary, Compost Council of Canada, National Zero Waste Council, Alberta Recycling Management Authority).  
 Education and Community Organizations (universities, school boards, community associations).

## Service need (value proposition):

Calgarians and the region need waste safely removed from their homes, businesses and communities to protect public health and the environment. Customers can expect their waste will be collected on their collection day by a competent and committed team that's part of their community. Customers have access to information on how to reduce waste or properly dispose of garbage, recyclables, household hazardous waste and compostables. Once The City has received waste, it is managed in compliance with regulatory requirements to protect public health and the environment. The City is the primary service provider to over 325,000 single-family homes. Non-residential customers select The City as a service provider when their properties are difficult to service and they value customer service. We continually improve services and find efficiencies to keep costs affordable for customers.

## Current state service value

<p><b>40 Million</b> # of Customer Interactions Per Year</p> <p><b>91%</b> Satisfaction with Residential Garbage</p>	<p><b>93%</b> Satisfaction with Blue Cart Recycling</p> <p><b>1,055,389</b> Total Tonnes of Waste Managed</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$160</b> Total Cost of Managed Waste per Tonne</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b>                  Residential Cart Programs (\$114,833), Waste Management (\$35,993), Container Collection (\$11,997), Community-Wide Programs and Strategic Initiatives (\$8,570).</p> <p><b>Key Capital Investments</b>                  Capital investments in infrastructure to operate waste management facilities and programs, manage landfill gas, leachate, stormwater, post closure care, and information technology, to maintain compliance and protect public health and the environment.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Citizen satisfaction surveys rank Waste & Recycling as a strength for The City of Calgary. Despite changes in 2017 with the introduction of the Green Cart Program and changes to black cart collection frequency, satisfaction remains high. Engagement with waste management facility customers indicated a need to offer predictable service to residents and commercial customers resulting in schedule improvements in 2018. Customers want choice for services they receive and to be engaged on service changes. Through One Calgary engagement, citizens identified environment, affordability and accessibility as the top value characteristics for our service.

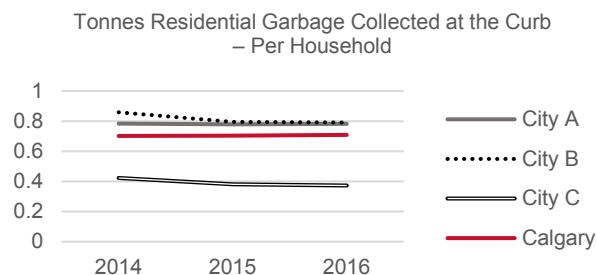
### What Council has directed

The Council approved waste diversion target of 70 per cent by 2025 is a key step in leading the community toward zero waste. Our service primarily contributes to the Healthy and Green City priority by extending the life of existing landfill assets, reducing greenhouse gas emissions, and recognizing waste as a resource to promote a healthy environment. Our service also contributes to Council's priority of A Well-Run City by focusing on financial sustainability through efficiency, value-for-money, continuous improvement, innovation and learning from Calgarians. Customer engagement is a priority for this business cycle to identify and respond to waste and recycling customer needs. Our service collaborates on the Prosperous City priority by providing waste management at city festivals and events.

### What are we watching

The primary trends and risks affecting Waste & Recycling relate to financial sustainability and customer relationships. Global changes to recycling markets, reduced waste tonnages to landfill, and service changes in response to customer needs affect the cost of service we deliver. We're aligning revenues with cost of service to create a cost structure for residential services that's more transparent and supports increased customer choice. Efforts to improve financial sustainability by moving toward a cost of service model also impacts our customer relationships. Engagement of customers after the significant service changes introduced in 2017-2018 will enable better customer service and increased participation in programs. These efforts support our shared responsibility to conserve and protect public health and the environment.

### Benchmarking



Source: National Solid Waste Benchmarking Initiative 2017 Report

This graph shows residential garbage collected per household. 2016 results do not include Calgary's introduction of a city-wide Green Cart Program or the change to every-other-week garbage collection. City A does not offer any curbside diversion programs, City B offers curbside recycling only, and City C offers curbside recycling and organics. Best practices indicate that reduced frequency of garbage collection and a variable pricing policy can lead to improved results. Calgary should trend towards City C as we realize the results of existing programs and further diversion efforts.

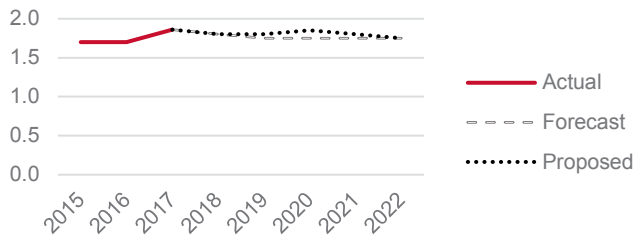
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Environmental	Calgarians act on waste reduction and diversion. We meet all regulations to protect health, safety and the environment.
Affordability	Rates and user fees are transparent and fair.
Accessibility	I can find the information I need to properly dispose of garbage, recyclables, food, yard and household hazardous waste.
Reliability	Schedules for services and access to facilities is reliable and my questions are answered in a timely manner.
Safety	All waste & recycling activities are performed safely. Everyone is safe at City work sites and facilities.

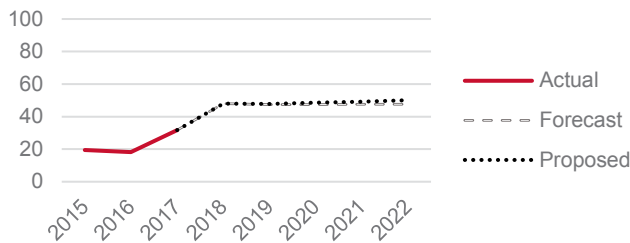


## How is the Service performing? Where we are headed and where do we want to go?

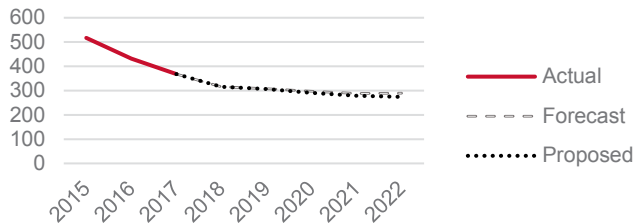
Average Response Time for a Waste & Recycling Service Request (Days)



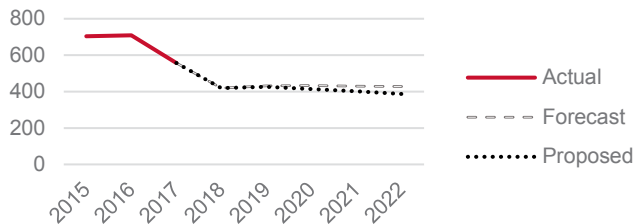
Per cent of Residential Waste Diverted from Landfill Through Blue and Green Cart Programs (Per cent)



Annual Waste Disposed at City of Calgary Landfills per Person (Kilograms per Person)



Annual Black Cart Waste Collected per Household (Kilograms per Household)



### Story behind the curve

Average Response Time for a Waste & Recycling Service Request is the average days a customer waits to receive an initial response after submitting a service request. This measure can be affected by factors such as extreme weather and changes to programs. In 2017, there was an increase in service requests which were related to the rollout of the Green Cart Program. If nothing new or different is done, it is anticipated that results will return closer to pre-2017 levels throughout 2019-2022. With the shift from tax support to user fees, and potential introduction of a pay-as-you-throw program for residential black cart collection in 2020, response time may increase.

Per cent of Residential Waste Diverted from Landfill through Blue and Green Cart Programs represents the per cent of residential waste that is diverted from landfill through the Blue Cart and Green Cart programs out of the total waste generated by single-family households. The Green Cart Program, implemented in 2017, increased residential waste diversion.

Annual Waste Disposed at City of Calgary Landfills per Person monitors the total amount of garbage disposed of at the waste management facilities managed by The City of Calgary, including waste from private haulers. This measure does not capture waste that is generated in Calgary and disposed of at facilities not managed by The City of Calgary. This measure is reported on a per person basis, as waste is generated across all sectors of the population. Calgary receives waste from other regional communities, and we are aware that the full population generating waste is not captured. This measure is affected by improvements in waste diversion, changes in customer behavior, the economy, and waste flow within the province.

Annual Black Cart Waste Collected per Household monitors the amount of garbage collected from single-family homes through the Black Cart Program. Waste collected decreased significantly in 2017, due to the implementation of the Green Cart Program. If nothing new or different is done, it is anticipated that results will improve in 2018 with a full year of the Green Cart Program in place, and stay consistent throughout 2019-2022.

Additional improvements are expected with our proposed strategies, which include optimizing existing diversion programs, a focus on waste reduction, education and enforcement, and potential introduction of a pay-as-you-throw program for residential black cart collection.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Focus on efficiency and effectiveness of the Waste & Recycling service to reduce costs and optimize customer service.
Invest in and operate waste management facilities to comply with regulatory requirements and protect public health and the environment.
Provide safe and reliable collection for residential cart based programs.
Provide safe and reliable container collection to multi-family, businesses and organizations.
Educate, communicate and engage with customers to optimize existing programs and design and implement new waste management programs.
Advance provincial and regional waste management solutions.
Provide community-wide waste management programs for the benefit of Calgarians.

### Why?

Customers need waste management to protect public health and the environment. We maintain compliance with regulatory requirements to operate waste management facilities. We engage with customers to maximize program participation. We continue to optimize capital investments, programs and facilities to reduce climate impacts and provide value for customers. These initiatives support customer expectations for services and achievement of our waste diversion target.

## What we propose to do less of

STRATEGY
Residential cart programs' dependency on tax support (to create a more transparent cost structure for customers).
Green Cart Program collection frequency (by adjusting to every-other-week in the winter months).
Community-wide waste management programs (by adjusting to reflect changing customer needs).

### Why?

Implementation of financial changes to reduce dependency on tax support are required to create transparency, sustainability, affordability and alignment in cost of services for customers. With appropriate funding for programs and services, customers can understand value for service. We'll also look for opportunities to optimize program delivery to reduce program costs, greenhouse gas emissions and increase collection system efficiency.

## What we propose to do more of or include as a new offering

STRATEGY
Engage the community and explore best practices for waste reduction.
Implement financial changes to improve transparency of service costs.
Engage customers to understand priorities for services and service levels.
Enhance education and enforcement to maintain high participation and low contamination for programs.
Consider options for energy production at waste management facilities, and energy efficiencies in fleet and facilities.

### Why?

We're responding to emerging trends and opportunities. We'll support climate resilience by exploring options for energy production, waste reduction and diversion. We'll engage customers to understand expectations and provide options for services where costs are transparent and residents are supported to reduce garbage and divert materials. We'll implement targeted education, communication and enforcement to support program success.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Average Response Time for a Waste & Recycling Service Request (Days)	1.80	↔
Per cent of Residential Waste Diverted from Landfill Through Blue and Green Cart Programs (Per cent)	48	↔
Annual Waste Disposed at City of Calgary Landfills per Person (Kilograms per Person)	315	↓
Annual Black Cart Waste Collected per Household (Kilograms per Household)	419	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	44,579	20,789	20,216	19,836
Less Previous Year one Time	(3,217)	-	-	-
Base	41,362	20,789	20,216	19,836
Revenue Changes	(24,215)	(1,536)	(1,491)	(2,480)
Internal Recovery Changes	150	(12)	(17)	(18)
Inflation	1,295	3,168	3,219	3,484
Operating Impact of Previously Approved Capital	(760)	(914)	(1)	(1)
Operating Impact of New Capital (Incremental)	541	305	5	820
Efficiencies	(592)	(252)	(216)	(243)
Service Reductions	(6,038)	(579)	(386)	(386)
Service Increases	9,046	(753)	(1,493)	(1,556)
One Time	-	-	-	-
Realignments	-	-	-	-
Total	20,789	20,216	19,836	19,456

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	171,393	172,484	-	172,484	173,459	-	173,459	174,587	-	174,587	176,705	-	176,705
<b>Recoveries</b>	(15,130)	(14,980)	-	(14,980)	(14,992)	-	(14,992)	(15,009)	-	(15,009)	(15,027)	-	(15,027)
<b>Revenue</b>	(111,684)	(136,715)	-	(136,715)	(138,251)	-	(138,251)	(139,742)	-	(139,742)	(142,222)	-	(142,222)
<b>Net</b>	44,579	20,789	-	20,789	20,216	-	20,216	19,836	-	19,836	19,456	-	19,456



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		21,663	29,347	29,937	29,656	-	110,603
451799	Landfill/Treatment Infrastructure	6,354	6,190	8,794	8,329	-	29,667
452299	Facilities & Equipment	15,309	23,157	21,143	21,327	-	80,936
<b>Sub-Total (New Budget Requests)</b>		21,663	29,347	29,937	29,656	-	110,603
Previously Approved Budget Remaining		7,579	-	-	-	-	7,579
<b>Total Capital Investment</b>		29,242	29,347	29,937	29,656	-	118,182

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 451799: Landfill/Treatment Infrastructure

New Budget Request of \$29,667 thousand for infrastructure required to manage waste in accordance with regulatory compliance to protect public health and the environment.

Funding from Federal Gas Tax Fund (\$25,314 thousand) and Capital Reserves (\$4,353 thousand)

Operating Impact of Capital: This request requires \$415 thousand base funding of operating costs starting in 2019, \$230 thousand base funding of operating starting in 2020, \$5 thousand base funding of operating costs starting in 2021 and \$20 thousand base funding of operating starting in 2022.

#### Activity 452299: Facilities & Equipment

New Budget Request of \$80,936 thousand for waste management facility maintenance; landfill gas and stormwater management; and infrastructure to support growth and diversion of waste materials.

Funding from Federal Gas Tax Fund (\$27,390 thousand) and Capital Reserves (\$53,546 thousand)

Operating Impact of Capital: This request requires \$126 thousand base funding of operating costs starting in 2019, \$75 thousand base funding of operating starting in 2020 and \$800 thousand base funding of operating costs starting in 2022. This request also requires \$360 thousand one-time funding of operating costs in 2020 and 2022.







# Wastewater Collection & Treatment

Led by: Water Services & Water Resources

## Description:

This service ensures that over one million customers in Calgary and the region can trust that their wastewater is taken care of and the health of the river is protected. The wastewater collection and treatment service collects water from toilets, sinks and drains, treats it, and returns it to the river. This service protects public health and our rivers by ensuring the necessary investments are made in treatment plants, pipes and people to keep pace with the needs of a growing population. For example, the Bonnybrook Wastewater Treatment Plant is undergoing upgrades to address wastewater demands and regulations that will serve future generations of Calgarians.

## Customers:

Our customers are wastewater generators and haulers in Calgary and the region, including residential customers, commercial customers (e.g. hotels and septage haulers), institutional customers (e.g. hospitals and schools) and industrial customers (e.g. food producers). Developers receive guidance and oversight on infrastructure design and construction.

## What is delivered to customers:

Wastewater from toilets, sinks and drains is collected from homes and businesses, treated and returned to the river. The service also ensures that biosolids from wastewater treatment are responsibly managed.

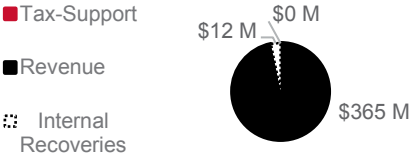

## Partners:

Education partners (Riverwatch, Advancing Canadian Wastewater Assets etc.)  
 Other levels of government (Fisheries and Oceans Canada, Alberta Environment and Parks)  
 Upstream and downstream municipalities  
 Other City services (Waste and Recycling, Planning)  
 Recipients of biosolids  
 Developers  
 Regional municipalities  
 Calgary Metropolitan Regional Board

## Service need (value proposition):

Reliable wastewater treatment provides the foundation to a healthy and green city; it ensures public health, reduced risk to property and is essential to the health of rivers and economy. Downstream communities depend on us to care for the quality of water returned to the river as it passes through the city and it is our responsibility and intent to do exactly that. A healthy river is equally important to fish and wildlife. Three wastewater treatment plants treat over 300 thousand litres of wastewater every minute and the treated water that goes back into the Bow River consistently meets or exceeds all environmental and regulatory requirements. As the city grows, pressure on treatment processes will increase and we must continually find efficiencies and process improvements within our plants to ensure we can serve future generations and continue to protect the health of our rivers.

## Current state service value

<p><b>300,000</b> litres of wastewater treated per minute</p> <p><b>24%</b> plant energy produced by sewage</p>	<p><b>100%</b> wastewater quality regulations met</p> <p><b>94%</b> customers satisfied with service</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>1.40 cents</b> Cost per flush</p>  <p>■ Tax-Support              ■ Revenue              ⚙ Internal Recoveries</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no subservices.</p> <p><b>Key capital investments</b></p> <p>Investments in wastewater treatment plants continue to be a significant focus to ensure regulatory requirements are met, support population growth and realize efficiencies in operations.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Customers value river health, reliability, responsiveness, public health, quality, and cost for the service. Overall satisfaction of service is high with 91 per cent satisfied with the reliability of the service and 60 per cent agree they pay a fair price for wastewater services. When it comes to customer inquiries we have heard there is a lack of clarity and concerns with fairness for wastewater billing. Residential customers call us most often related to sewer back-ups on property and commercial customers usually call us about accidental substance releases and the surcharge program.

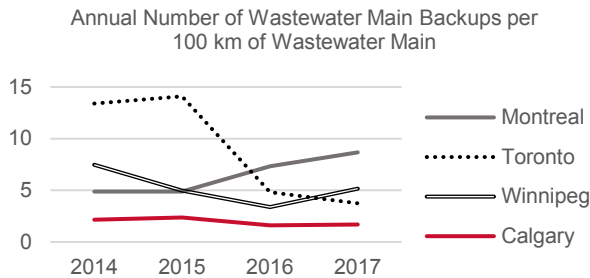
### What Council has directed

H1/H3 - Climate change will alter how and when we receive precipitation in Calgary's watershed, affecting river water quality and river flows. Integrated watershed management is essential to protect public health and the environment, while strengthening our resiliency to a changing climate. N4/N5 - Greenfield community development and redeveloped communities rely on reliability and availability of wastewater services. Wastewater services enables development that meets our Municipal Development Plan and the Calgary Transportation Plan while minimizing the cost of growth. This service aligns to the Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01) and the Biodiversity Policy (CSPS037).

### What are we watching

We're a big, growing city on a small river which requires ongoing investment and attention to meet regulatory requirements. Climate change will alter how and when we receive precipitation in Calgary's watershed and a change in river flow may impact the ability to dilute wastewater effluent and changes in river temperature may impact river water quality. Pressures and timing for growth and potential future requirements for regional servicing will impact wastewater collection and treatment capacity and aging wastewater infrastructure may lead to increased service impacts for customers. A growing infrastructure base requires additional operational and maintenance resources. Customers are asking for more information about wastewater charges on their utility bill.

### Benchmarking



Source: Municipal Benchmarking Network Canada

When looking at service reliability, Calgary benchmarks well compared to other similar cities. Wastewater main backups can be caused by blocked sewer mains in homes, businesses and the community. Calgary has fewer wastewater backups and this can be attributed, in part, to a focus on addressing structural failures. We have recently developed a tool to proactively assess critical pipes in the system to ensure they are inspected and maintained with regularity.

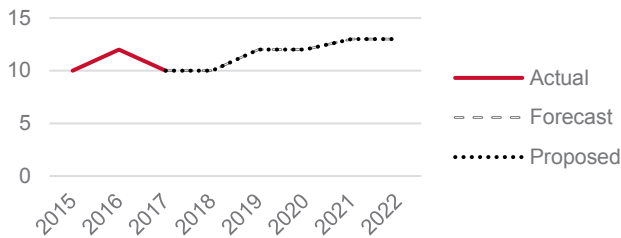
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reliability	The City works to reduce sanitary sewer backups in homes, businesses and the community.
Environmental	The City manages wastewater from toilets, sinks and drains in a way that protects the environment and public health.
Responsiveness	The City responds quickly to a sanitary sewer backup in homes, businesses and the community.
Quality	The City protects public health for Calgarians and other river users through wastewater treatment.
Affordability	The City provides quality wastewater services that are cost efficient.

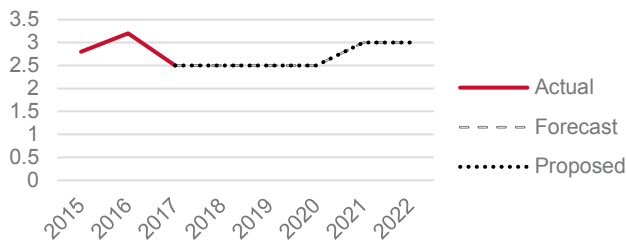


# How is the Service performing? Where we are headed and where do we want to go

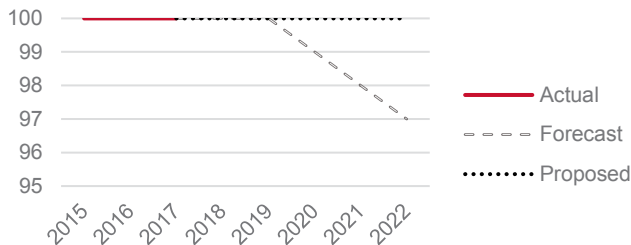
Properties impacted by interruption to wastewater service per 1000 (Number)



Time it takes to restore wastewater service (Hours)



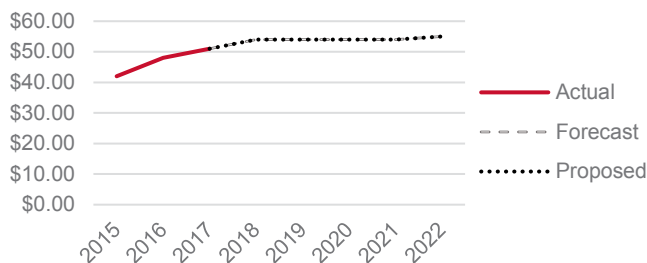
Regulations met for treated wastewater returned to the river (Percent of time)



Sewage releases from the collection system that reached a waterbody, which has resulted in regulatory enforcement actions (Number of releases)



Typical monthly single-family wastewater bill (\$/month)



## Story behind the curve

**Reliability:** Properties impacted by interruption to wastewater service per 1000

A wastewater back-up can be due to many factors such as clogs in sewer pipes, tree roots or collapsed drains. We expect this number will climb slightly due to growth in the number of properties serviced and aging infrastructure. Key strategies to address the curve are: continuing appropriate infrastructure upgrades to collect wastewater from a growing city and increasing capacity and efficiency in capital investment programs.

**Responsiveness:** Time it takes to restore wastewater service

It currently takes about 2.5 hours to restore an interruption to wastewater service. It is anticipated that this curve will climb slightly due to growth, aging infrastructure and an increase in properties who experience wastewater service interruption. Key strategies to address the curve are: investing in no-dig technology to minimize disruption to customers and improving operational response to meet customer needs. We will also better support citizens to prevent and respond to sewer backups through improved communication.

**Quality:** Regulations met for treated wastewater

Significant investments are required to comply with regulations, service a growing city and ensure a healthy river for all Calgarians and downstream river users. These include investments in growth at two of our wastewater treatment plants and working to continually strengthen relationships with regulators and our industrial customers.

**Environmental:** Sewage releases from the collection system that reached a waterbody, which has resulted in regulatory enforcement actions

There are important planned upgrades to sewer trunk pipes to reduce the risk of sewer releases from the collection system. In addition, we will continue to focus on monitoring infrastructure that runs close to water bodies, including rivers and streams. It is anticipated that this measure will remain at 0.

**Cost:** Typical monthly single family wastewater bill

A typical single family wastewater bill is currently \$54 per month. To ensure the wastewater service is cost efficient, this service has optimized personnel, is piloting no-dig technology and is using biogas to power the wastewater treatment plants, which has saved significant energy costs. Efficiencies in fleet, energy and other areas will continue to be the focus to minimize rate increases and provide valuable wastewater services to customers.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Ensure appropriate infrastructure upgrades are in place to collect and treat wastewater from our customers.
Invest in 'no dig' technology to maintain service levels in a more efficient way to minimize customer disruption.
Look at ways to improve operational response to meet customer needs.
Explore and develop a resource recovery strategy to reduce the environmental footprint and create new products.
Monitor the wastewater network to prevent sewer releases.
Work closely with customers and stakeholders to seek opportunities to improve effectiveness and efficiency of the service.
Look for efficiency opportunities in energy, fleet and the delivery of capital program.

#### Why?

The delivery of wastewater services is essential to protect the health of citizens and the environment. It is important that we continue to optimize operational plans and make investments in infrastructure to meet the needs of a growing city while working closely with regulators to protect property and the river for citizens and all river users. The Water Utility will continue to look for more effective ways to provide the service through new technology.

### What we propose to do less of

STRATEGY
Capital maintenance in 2019-2022 by investigating the appropriate levels of investment to address infrastructure risk.

#### Why?

The Utility has recognized opportunities to reduce capital maintenance programs to determine the appropriate level of investment for infrastructure lifecycle cost, risk and performance.

### What we propose to do more of or include as a new offering

STRATEGY
Work with regulators and make additional investment in wastewater treatment upgrades to meet regulatory compliance.
Work to adapt to the impacts of climate change by considering climate change parameters into capital design and operating activities.
Support citizens to prevent and respond to sewer backups in home through improved communications.

#### Why?

The most significant pressure for this service is continuing to maintain regulatory compliance while supporting a growing economy and population. It is anticipated the service will be out of compliance if efforts are not made to turn the curve. Key strategies include working with regulators, making investments in the wastewater treatment plants and investments in monitoring programs to optimize capital investments, all while considering the impacts of climate change.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Properties impacted by interruption to wastewater service per 1000(Number)	10	↑
Time it takes to restore wastewater service (Hours)	2.5	↑
Regulations met for treated wastewater returned to the river (Percent of time)	100	↔
Sewage releases from the collection system that reached a waterbody, which has resulted in regulatory enforcement actions (Number of releases)	0	↔
Typical monthly single family wastewater bill (\$/month)	54	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	(492)	-	-	-
Less Previous Year one Time	-	-	-	-
Base	(492)	-	-	-
Revenue Changes	(34,198)	(33,380)	(34,993)	(25,123)
Internal Recovery Changes	-	-	-	-
Inflation	3,910	5,562	5,912	6,174
Operating Impact of Previously Approved Capital	3,796	11,565	10,543	5,066
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(2,478)	(774)	(308)	(384)
Service Reductions	-	-	-	-
Service Increases	29,449	17,027	18,846	14,267
One Time	-	-	-	-
Realignments	13	-	-	-
Total	-	-	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	377,116	411,806	-	411,806	445,186	-	445,186	480,179	-	480,179	505,302	-	505,302
<b>Recoveries</b>	(12,129)	(12,129)	-	(12,129)	(12,129)	-	(12,129)	(12,129)	-	(12,129)	(12,129)	-	(12,129)
<b>Revenue</b>	(365,479)	(399,677)	-	(399,677)	(433,057)	-	(433,057)	(468,050)	-	(468,050)	(493,173)	-	(493,173)
<b>Net</b>	(492)	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		44,087	53,292	194,377	163,053	-	454,809
455739	Wastewater Treatment Plants	(176)	19,851	123,218	96,546	-	239,439
456129	Wastewater Collection Network	44,263	33,441	71,159	66,507	-	215,370
<b>Sub-Total (New Budget Requests)</b>		44,087	53,292	194,377	163,053	-	454,809
Previously Approved Budget Remaining		223,852	240,577	-	-	-	464,429
<b>Total Capital Investment</b>		267,939	293,869	194,377	163,053	-	919,238

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 455739: Wastewater Treatment Plants

New Budget Request of \$239,439 thousand for treatment capacity expansions to accommodate population growth, and investments to address capital maintenance needs and regulatory requirements.

Funding from Capital Reserves (\$167,724 thousand) and Self-supported Debt (\$71,715 thousand)

Operating Impact of Capital: None

#### Activity 456129: Wastewater Collection Network

New Budget Request of \$215,370 thousand to maintain the delivery of Wastewater services in existing communities, extend services to new Calgary communities, and address annual capital maintenance needs.

Funding from Capital Reserves (\$151,798 thousand) and Self-supported Debt (\$63,572 thousand)

Operating Impact of Capital: None







# Water Treatment & Supply

Led by: Water Services & Water Resources

## Description:

This service ensures access to drinking water now and for generations to come. This service treats and delivers water to customers, ensuring reliability and availability. It protects public health and ensures long-term sustainability of water resources. Water is our most valuable natural resource. Plants, pipes, pumps and people work 24/7, 365 days a year to protect public health by providing clean drinking water for over one million Calgarians and the region. Calgarians are able to turn on the tap and receive safe and clean drinking water thanks to a dedicated team of experts and forward-thinking investment in infrastructure.

## Customers:

Our customers are water users in Calgary and the region. This includes residential users, commercial customers (e.g. hotels and restaurants), institutional customers (e.g. hospitals and schools) and industrial customers (e.g. food producers). Developers also receive direct guidance and oversight on infrastructure design and construction.

## What is delivered to customers:

Customers receive high-quality, safe drinking water and a protected water supply for the future.

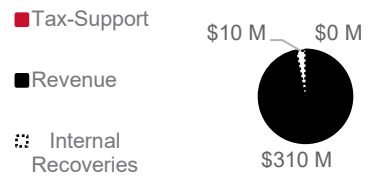

## Partners:

Non-governmental organizations, community groups and education partners  
 Other orders of government (e.g. Alberta Health, Alberta Environment and Parks)  
 Upstream and downstream municipalities and river users  
 Other City services (e.g. Fire, Emergency Management, Roads, Parks, Planning)  
 Developers  
 Regional municipalities  
 Calgary Metropolitan Regional Board

## Service need (value proposition):

Reliable water service provides the foundation to a healthy and green city. It ensures public health, allows for fire protection, and the health of the rivers and the economy. Calgary's roots are at the confluence of the Bow and Elbow rivers, and our city continues to grow around these two safe water supplies. Protecting and managing the health of our rivers today ensures high-quality drinking water is available for future generations. As Calgary's population continues to grow, so does the demand on our rivers. Since we have a finite supply of water, we need to use it wisely to ensure we have enough to meet our future water demands. Customers are committed to water efficiency and protecting Calgary's rivers, and we play a leadership role in supporting Calgarians and businesses to reduce their water consumption.

## Current state service value

<p><b>100%</b> water quality regulations met</p> <p><b>187 litres</b> of water used by average citizen daily</p>	<p><b>30%</b> expected reduction in water use by 2033</p> <p><b>96%</b> customers satisfied with drinking water</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>0.04 cents</b> Cost per glass</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>Significant investments will be made to improve resiliency to drought, support population growth, maintain aging infrastructure and reduce the energy footprint and costs of supplying water.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Customers value public health, availability, sustainability and cost. 94 per cent of citizens are satisfied with the quality of water and 60 per cent agree they pay a fair price. Customers believe that everyone should pay for the water they use. Commercial customers have expressed need for cost efficiency. Customers call with questions about water use, monthly service charges and how their water meter works. Further, when service is interrupted, customers want to know when service will be returned. Customers actively participate in water efficiency and 83 per cent of citizens care about The City's commitment to protect river areas.

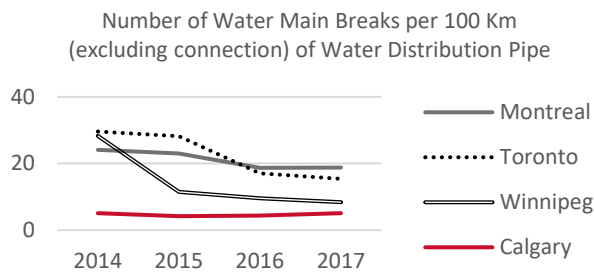
### What Council has directed

H1/H3 – Climate change will alter how and when we receive precipitation in Calgary's watershed, affecting both water quantity and quality. Improving water management practices, land use planning and storage capacity will strengthen resiliency to a changing climate. The Water Utility is focused on ensuring a sustainable water supply for the future. N4/N5 – Greenfield community development and redeveloped communities rely on reliability and availability of drinking water. A reliable water service enables development to meet goals of the Municipal Development Plan and Calgary Transportation Plan while minimizing the cost of growth. This service aligns to the Water Efficiency Plan, the Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01) and the Water Management Strategic Plan (CSPS026).

### What are we watching?

It is expected that peak day demand (demand on the highest water use day of the year) will go down as less water is used per capita and this impacts timing of infrastructure investments. Climate change will alter how and when we receive precipitation in Calgary's watershed. The City's water supply will be impacted by an increased likelihood of flood events and multi-year drought conditions. Water supply and demand will need to be managed effectively, and water storage capacity will become increasingly important. Warming temperatures will affect water quality, impacting the ability of water treatment facilities to meet Calgary's needs. In addition, there is uncertainty on the expectations for water supply service in the region. Changing regulatory expectations and associated processes and documentation requirements means flexibility in operational planning is required.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The number of water main breaks is one indicator of service performance and provides a view into the reliability and availability of drinking water. Most unplanned service interruptions can be attributed to water main breaks. Main breaks occur for a variety of reasons including: pipe age, pipe material, soil conditions, ground and water temperature, and pressure changes in the water supply system. Calgary continues to perform well compared to similar cities. Through leading edge pipe inspection tools and advanced data analysis, Calgary aims to replace the most critical pipes at the right time.

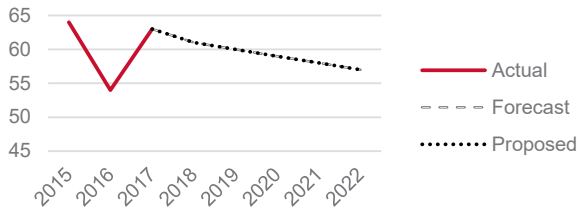
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Quality	Drinking water is high quality and safe to drink.
Sustainability	The City works to protect the water supply.
Reliability	Drinking water is available easily and with few disruptions.
Responsiveness	The City restores water service quickly.
Affordability	The City provides quality water services that are cost efficient.



# How is the Service performing? Where we are headed and where do we want to go?

Average time to restore water service during a main break (Hours)

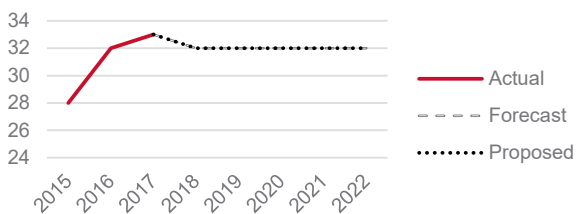


## Story behind the curve

**Responsiveness:** Average time to restore water service during a main break.

It is expected that time to restore service will improve in the next four years as operational improvements are realized. In addition, the water service will improve operational practices during water service interruption and improve communication to impacted customers.

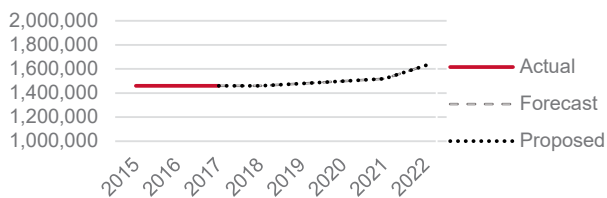
Properties impacted by interruptions to water service per 1000 (Number)



**Reliability:** Properties impacted by interruption to water service per 1000.

It is expected that this number will be maintained over the next few years. This is due to the benefit of past investments to reduce watermain breaks and a focus on pipe valve repair to ensure continuity of water service. As well, the water service will continue to implement risk-based operational maintenance plans to minimize customer disruption.

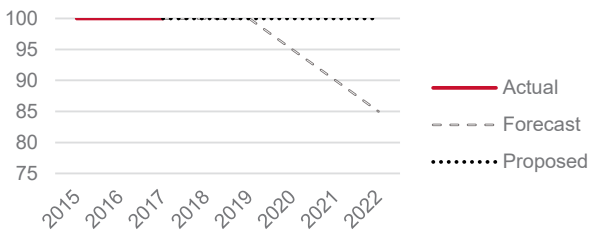
Total population Calgary can provide water to on peak day (Population)



**Sustainability:** Total population that can be accommodated on a peak day.

Calgarians have an expectation that The City's water supply is managed for the future. Over the long-term it is expected that maximum day demand will stay consistent as an increasing population is serviced and this impacts water treatment infrastructure planning. Key strategies include: increased peak day demand conservation programming, regional supply planning, monitoring growth and capacity of water treatment plants and increasing the ability to address water loss in the system.

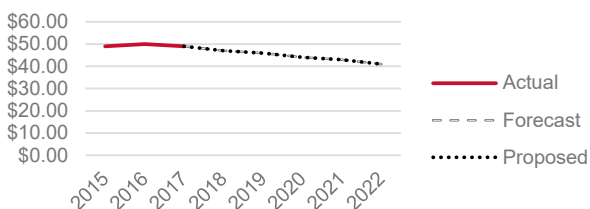
Regulations met for treated drinking water quality (Percent of time)



**Public health:** Regulations met for treated water.

Operational planning and increasing documentation is required to meet regulations and process requirements. Key strategies in this business cycle to maintain compliance include continual evaluation and mitigation of risks to water quality events occurring, implementation of source water protection activities, strengthening relationships with regulators and doing more to optimize water treatment assets and resources.

Typical monthly single family water bill (\$/month)



**Cost:** Typical monthly single family water bill.

A typical single family water bill is \$47 per month. The service continues to provide services that are cost efficient by implementing opportunities including optimizing fleet and energy saving opportunities at the water treatment plants. A long-term metering strategy will also be developed to meet the needs of a new servicing contract and to understand the costs and benefits of alternative metering opportunities.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Implement and complete risk-based operational maintenance plans to minimize customer disruption.
Work with stakeholders to reduce the risk to our source water to ensure the quality and quantity of the City’s drinking water.
Strengthen relationships with regulators to maintain regulatory compliance.
Partner with customers to conserve water and to reduce peak day water demand.
Monitor growth and optimize capacity of water treatment plants.
Optimize resources to ensure water is restored quickly.
Look for efficiency opportunities in energy, fleet and the delivery of the capital program.

#### Why?

The delivery of water service is essential to maintain public health and the Utility will continue to evaluate and address risks to water quality. Reliability of water service is vital to Calgarians. We will continue to ensure continuity of water service by improving pipe valve maintenance and replacement. When water service interruptions occur, we will restore water as quickly as possible.

### What we propose to do less of

STRATEGY
Capital maintenance in 2019-2022 by investigating the appropriate levels of investment to address infrastructure risk.

#### Why?

The Utility has recognized opportunities to reduce capital maintenance programs to determine the appropriate level of investment for infrastructure lifecycle cost, risk and performance.

### What we propose to do more of or include as a new offering

STRATEGY
Work to adapt to the impacts of climate change by considering climate change parameters into capital design and operating activities.
Improve operational practices during a water service interruption and improve communication to impacted customers.
Improve the ability to address water loss in the water system.
Develop a long-term meter strategy and the cost and benefits of alternative metering opportunities.

#### Why?

Secure, high-quality water supplies are essential for Calgary and the region. To facilitate future growth and long-term sustainability, including climate resiliency, the water service models and manages source water and treated water storage while optimizing water treatment plant production. New efforts are required to address water loss in the system, development of a metering strategy and understand the costs and benefits of future metering opportunities.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Average time to restore water service during a main break (Hours)	61	↓
Properties impacted by interruptions to water service per 1000 (Number)	32	↔
Total population Calgary can provide water to on peak day (Population)	1,460,000	↔
Regulations met for treated drinking water quality (Percent of time)	100	↔
Typical monthly single family water bill (\$/month)	47	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	-	-	-	-
Less Previous Year one Time	-	-	-	-
Base	-	-	-	-
Revenue Changes	(7,534)	(3,489)	(2,856)	(912)
Internal Recovery Changes	-	-	-	-
Inflation	4,537	3,029	2,895	3,491
Operating Impact of Previously Approved Capital	(1,244)	2,717	2,856	1,116
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(1,593)	(812)	(633)	(243)
Service Reductions	-	-	-	-
Service Increases	5,834	(1,445)	(2,262)	(3,452)
One Time	-	-	-	-
Realignments	-	-	-	-
Total	-	-	-	-

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	320,368	327,903	-	327,903	331,392	-	331,392	334,248	-	334,248	335,160	-	335,160
<b>Recoveries</b>	(10,396)	(10,396)	-	(10,396)	(10,396)	-	(10,396)	(10,396)	-	(10,396)	(10,396)	-	(10,396)
<b>Revenue</b>	(309,972)	(317,507)	-	(317,507)	(320,996)	-	(320,996)	(323,852)	-	(323,852)	(324,764)	-	(324,764)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		40,735	99,108	97,763	114,100	-	351,706
460989	Facilities, Equipment & Technology	8,353	11,860	11,449	10,710	-	42,372
459259	Water Treatment Plants	(4,011)	21,449	19,817	21,566	-	58,821
460940	Water Distribution Network	36,393	65,799	66,497	81,824	-	250,513
<b>Sub-Total (New Budget Requests)</b>		40,735	99,108	97,763	114,100	-	351,706
Previously Approved Budget Remaining		81,040	58,273	-	-	-	139,313
<b>Total Capital Investment</b>		121,775	157,381	97,763	114,100	-	491,019

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 460989: Facilities, Equipment & Technology

New Budget Request of \$42,372 for investments in two categories. Technology: the majority of the budget is dedicated to technology software and hardware. Facilities and Equipment: this category includes investments in small tools and equipment, lab equipment and building maintenance.

Funding from Capital Reserves  
Operating Impact of Capital: None

#### Activity 459259: Water Treatment Plants

New Budget Request of \$58,821 thousand for investments primarily focused on capital maintenance programs, upgrades to pump stations, energy efficiency, and plants capacity optimization.

Funding from Capital Reserves (\$44,327 thousand) and Self-supported Debt (\$14,494 thousand)  
Operating Impact of Capital: None

#### Activity 460940: Water Distribution Network

New Budget Request of \$250,513 thousand to maintain the delivery of Water services in existing communities, extend services to new Calgary communities, and address annual capital maintenance needs.

Funding from Capital Reserves (\$206,036 thousand) and Self-supported Debt (\$44,477 thousand)  
Operating Impact of Capital: None











# Appeals & Tribunals

Led by: City Clerk's Office

## Description:

This service provides an impartial process for citizens to challenge property and business assessments, decisions of the development and subdivision authorities, and certain other decisions made by The City of Calgary.

## Customers:

- Legal Representatives/Professional Agents
- Appellants and other participants
- Assessment business unit
- Finance business unit (Tax)
- Calgary Approvals Coordination business unit
- Assessment Review Board
- Subdivision and Development Appeal Board
- License and Community Standards Appeal Board

## Partners:

- Law
- Municipal Government Board
- External Legal Counsel


## Service need (value proposition):

The Appeals and Tribunals service provides an impartial process for citizens to challenge certain decisions made by The City of Calgary.

## What is delivered to customers:

This service delivers a published decision of one of the administrative tribunals.

## Current state service value

<p><b>4,353</b> 2017 Total Number of Filings</p> <p><b>58%</b> 2017 Timeliness Compliance Rate</p>	<p><b>3,008</b> 2017 Number of Decisions</p> <p><b>3</b> Decisions overturned by the court in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$1,800</b> Operating cost per published decision</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City</li> <li>A Healthy and Green City</li> <li>A City that Moves</li> <li>A City of Safe and Inspiring Neighbourhoods</li> <li>A Prosperous City</li> </ul>		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>• Assessment Review Board = \$4,075;</li> <li>• Subdivision and Development Appeal Board = \$1,205;</li> <li>• License and Community Standards Appeal Board = \$85.</li> </ul> <p><b>Key Capital Investments</b></p> <p>Capital investments were not recommended for this service.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

While feedback from Board members demonstrates a high degree of trust and confidence in the support received from staff, some parties to Board proceedings have expressed concern with the timeliness of decisions rendered, particularly at the SDAB. Council has, as recently as 2017, expressed an interest in ensuring the effectiveness of the assessment process and the ARB. Changes responsive to these preferences are being brought forward in 2018. External customers have provided feedback on the method of notification of proceedings; most prefer an electronic notification or direct mail as opposed to more traditional and costly methods such as newspaper advertising.

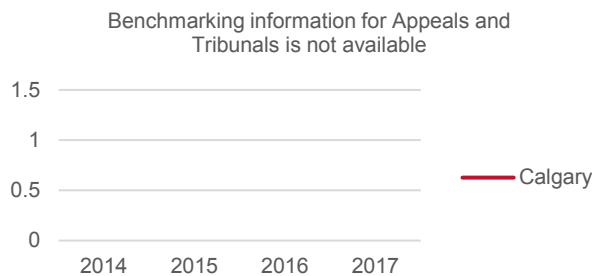
### What Council has directed

- W2 – Appeals and Tribunals (A&T) provides the legal means by which certain City decisions may be challenged.
- W3 – A&T allows citizens to participate in hearings that may affect their property assessment or development.
- W4 – A&T embraces appropriate levels of risk, innovation and experimentation so that the right of citizens to appeal certain City decisions is provided on a cost-effective basis and with adjudication that provides stakeholders with confidence in the fairness and finality of appeal decisions.
- The Appeals and Tribunals service does not align with any specific long-term plans.

### What are we watching?

Legislative change, including to the Municipal Government Act, and bylaw amendments related to secondary suites and cannabis legalization are driving increases to the volume and complexity of complaints and appeals before the Boards. There has also been an increase in court challenges of the Boards' decisions, particularly at the Assessment Review Board. Changing customer expectations with respect to use of technology increase the risk that Board operations will be unable to keep pace, and will require increasing investments in the future to both upgrade existing systems and adopt or implement new systems. Opportunities to improve the assessment review system, which are being identified through an independent review of The City's non-residential assessment and assessment review systems, are under review.

### Benchmarking



The operation of Appeal Boards and Tribunals varies according to governing legislation across the country, and is influenced by local Bylaws, practices, and to some extent, culture. In comparison to Edmonton, Calgary receives nearly double the assessment complaints, but a much lower volume of appeals to the Subdivision and Development Appeal Board (SDAB). Future benchmarking will focus on comparative timeliness, which would provide context as to both the responsiveness and rate of legislative compliance of the service.

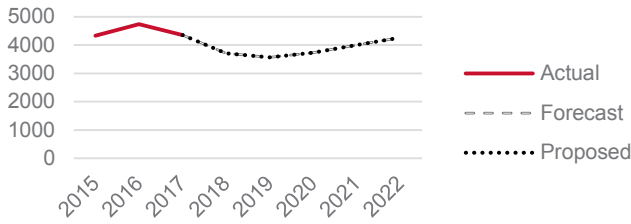
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Tribunals' decisions are rendered and published in timely fashion.
Convenience	Prospective complainants/appellants can file an appeal easily, when they want, and through the channel most convenient for them.
Legislative Compliance	Hearing processes comply with statutory requirements and the principles of natural justice and procedural fairness.
Informs	Information about tribunals' processes, procedures and decisions are readily available.



# How is the Service performing? Where we are headed and where do we want to go?

Filing volume (Number of cases filed across all tribunals (annual))

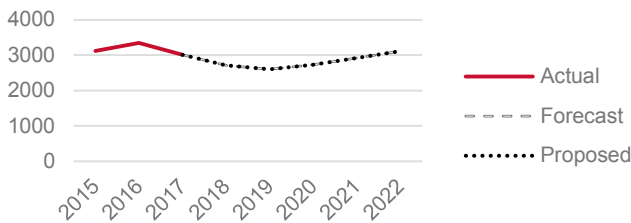


## Story behind the curve

Number of cases filed:

The number of cases filed across all tribunals is driven by factors such as real estate market and development trends, the introduction of new business types (such as retail cannabis sales), legislative reform (e.g. changes to the regulation of secondary suites) and other factors outside the control of the service. The numbers shown here demonstrate volume only.

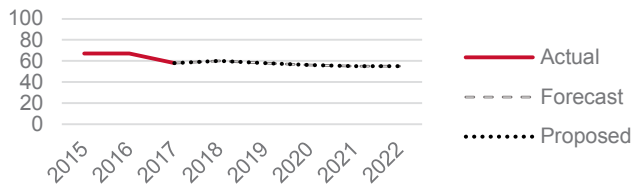
Decision volume (Number of cases filed across all tribunals (annual) upon which a decision was issued.)



Volume of decisions:

The volume of decisions is closely related to the volume of filings (see above). In addition to the factors that drive filing volumes, the volume of decisions is also influenced by the rate at which complaints or appeals are withdrawn by the filer in any given year.

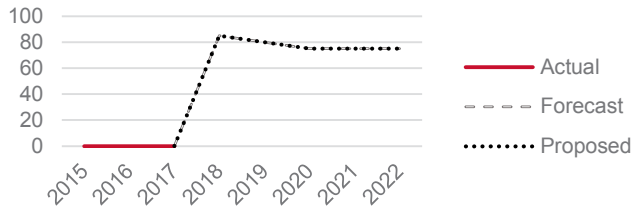
Timeliness Compliance rate (Percentage of cases for which the decisions issued by the tribunals in the last 12 months were published within the relevant legislated timeline.)



Timeliness Compliance rate:

Across all tribunals, significant efforts are made to ensure an effectively-administered hearing process, including distribution of notices, scheduling of hearings, and hearing of evidence. Board members are generally responsible for writing decisions, and are subject to internal procedures for quality assurance review. Complexity and volume of cases may result in delays. Continued investments in technology and analysis work to identify opportunities for improvements to the Boards' procedures is expected to result in greater on-time compliance.

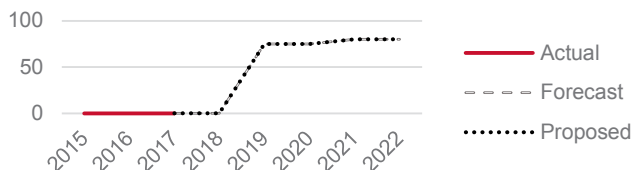
Board member satisfaction rate (Percentage of board members who indicated that they support the receive from the administrative staff was "very good" or better)



Board member satisfaction rate:

This is a new measure for which no data is currently available. As key customers for this service, member satisfaction is an important measure of performance.

Participants' information satisfaction rate (Percentage of hearing participants that reported they were adequately informed as to board process and expectations of them as a participant)



Participants' information satisfaction rate:

This is a new measure for which no data is currently available. As key customers for this service, participant satisfaction is an important measure of performance.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide impartial process for residents to challenge specific City decisions.
Implement the recommendations of the 2018 business process review.

### Why?

This service would continue to provide an impartial process for residents to challenge property and business assessments, decisions of the development and subdivision authorities, and certain other decisions made by The City of Calgary. Implementation of the outcomes of the 2018 Business Process Review will continue, ensuring that resources are aligned to priorities and well-designed processes are in place.

## What we propose to do less of

STRATEGY
Newspaper advertising and courier use (reduce).
Board Chair involvement in scheduling and external training for tribunal members (reduce).
Summer student positions (eliminate).

### Why?

Absorbing inflation costs will necessitate reductions to courier service and newspaper advertising. City staff will assist in scheduling hearings.

## What we propose to do more of or include as a new offering

STRATEGY
Allow members to write decisions from remote locations using secure access.
Increase board member hours and resulting remuneration.
Increase legal costs.

### Why?

This service would continue to provide an impartial process for residents to challenge property and business assessments, decisions of the development and subdivision authorities, and certain other decisions made by The City of Calgary. Implementation of the outcomes of the 2018 Business Process Review will continue, ensuring that resources are aligned to priorities and well-designed processes are in place.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Filing volume (Number of cases filed across all tribunals (annual))	3,713	↑
Decision volume (Number of cases filed across all tribunals (annual) upon which a decision was issued.)	2710	↑
Timeliness Compliance rate (Percentage of cases for which the decisions issued by the tribunals in the last 12 months were published within the relevant legislated timeline.)	60	↓
Board member satisfaction rate (Percentage of board members who indicated that the support they receive from the administrative staff was “very good” or better.)	TBD	↓
Participants’ information satisfaction rate (Percentage of hearing participants that reported they were adequately informed as to board process and expectations of them as a participant.)	TBD	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	4,608	4,476	4,476	4,476
Less Previous Year one Time	-	-	-	-
Base	4,608	4,476	4,476	4,476
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	311	61	61	61
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(483)	(61)	(61)	(61)
Service Increases	40	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	4,476	4,476	4,476	4,476

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	5,366	5,234	-	5,234	5,234	-	5,234	5,234	-	5,234	5,234	-	5,234
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(758)	(758)	-	(758)	(758)	-	(758)	(758)	-	(758)	(758)	-	(758)
Net	4,608	4,476	-	4,476	4,476	-	4,476	4,476	-	4,476	4,476	-	4,476



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		316	-	-	-	-	316
<b>Total Capital Investment</b>		316	-	-	-	-	316

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Citizen Engagement & Insights

Led by: Customer Service & Communications

## Description:

This service plans and executes safe, fair and accessible opportunities for citizens and stakeholders to provide input on City programs and services, and overall quality of life in Calgary. It collects new and existing data, and integrates multiple sources to provide insights on citizen and stakeholder values, assumptions, beliefs and expectations. This data is used to create meaningful and actionable insight to inform City decision-making, policy creation, mitigate risks, identify opportunities for continuous improvement, and drive accountability and transparency for Calgary's citizens.

## Customers:

Direct: Council, Administrative Leadership Team, decision-makers responsible for delivering City services and plans, City engagement and research participants.  
 Indirect: Citizens, community and cultural groups, political and cultural influencers.

## What is delivered to customers:

- Actionable insights: Provide accurate and relevant perspectives and feedback for context, and recommendations to inform City and operational decision-making.
- Input opportunities: Accessible and practical means for citizens to provide perspectives and input.
- Reports showing how citizen feedback and perspectives were used by decision-makers.


## Partners:

Administrative Leadership Team, City departments/owners of long-term plans, Council, community stakeholder groups, private industry (local developers and other organizations), and the provincial and federal governments.

## Service need (value proposition):

The City provides this service to engage Calgarians, so that the public has meaningful input in decisions that affect their quality of life. Through research and metrics, customer experience consulting and public engagement, we provide Administration, Council and the public with timely, objective and relevant data, analysis, and insights to reflect stakeholder input, mitigate risks, inform City decision-making, and drive continuous improvement. These activities increase trust that The City is inclusive, transparent and responsive in its decision-making and planning, and contributes to improved service delivery for citizens.

## Current state service value

<p><b>65%</b> Citizens believe input informs decisions</p> <p><b>400</b> Number of initiatives annually</p>	<p><b>79%</b> Citizens agree City is open government</p> <p><b>275,000</b> Number of input opportunities annually</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <ul style="list-style-type: none"> <li>■ Tax-Support</li> <li>■ Revenue</li> <li>⚙ Internal Recoveries</li> </ul> <p>\$0 M   \$0 M   \$6 M</p> <p><b>\$5</b> Annual operating cost per resident</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <p><b>Key Capital Investments</b> Current capital investment supports corporate insight activities and transparency (Research and Engagement Library, Citizen Dashboard, Citizen Segmentation). It also maintains key research and engagement resources.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

According to the 2017 Citizen Satisfaction Survey, 65 per cent of citizens agreed that "The City allows citizens to have meaningful input into decision-making." To increase civic participation and strengthen the relationship between The City and citizens, this service needs to better demonstrate how citizen input is used. Although this service currently provides The City with citizen data and insights to inform decisions, to address Council feedback about the need for a more complete and contextualized reflection of citizen perspectives, our approach must evolve to manage more complexity and ensure all voices are represented and considered.

## What Council has directed

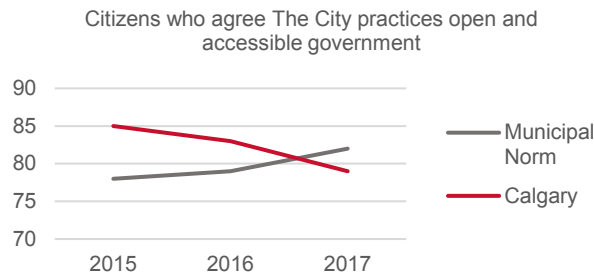
As reflected in the Engage Policy, this service has been directed by Council to engage citizens. Additional direction from Council related to this service includes the following contributions to Council Directives:

- We enable Council and Administration to learn from Calgarians through meaningful engagement to fully understand and respond to their service requirements and needs. By presenting citizen perceptions and feedback to Council and Administration, The City is better able to customize our approach and better demonstrate value (W1).
- We validate rules and processes that support community engagement and activism, while eliminating impediments to all citizens who seek to improve their communities by having their voice heard (W3).
- We provide citizen perceptions and values to better plan inclusive City programs and services, building communities and neighbourhoods (N4).

## What are we watching?

- Increased and changing expectations: Expectations of engagement and research vary for citizens, Council and Administration. There is increased complexity with diverse stakeholders and communities of interest presenting various interpretations of public sentiment on important issues. The approach needs to evolve to meet the changing cultural environment and focus on providing accessibility to all by interacting with citizens in more channels of choice.
- Data versus insights: Providing data from traditional sources such as surveys and engagement activities in response to discrete objectives is insufficient. Data must also be collected from non-traditional and disparate sources, then rolled into a comprehensive and meaningful narrative that provides context and insight.
- Funding constraints will limit our ability to respond to these evolving needs.

## Benchmarking



Source: Citizen Satisfaction Survey, IPSOS Municipal Norms

The City scored higher than the municipal norm in 2015 and 2016, but fell below the national average in 2017.

Perceptions of open and accessible government may have been impacted by Calgary's recent economic challenges and the desire for greater transparency. Through this service line, The City provides an opportunity for citizens to provide input, and reports back with information on how this input is used by decision-makers. Perceptions of openness and accessibility should increase as we introduce more effective engagement strategies and a stronger focus on reporting back to citizens.

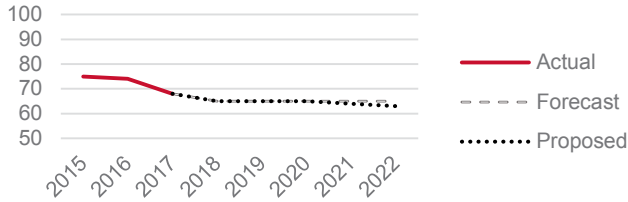
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Fairness	Provides an unbiased representation of the range of voices on a range of topics.
Accessibility	Engagement activities are thoughtfully planned to mitigate potential social, economic, geographic or other barriers.
Quality	Achieves a high degree of quality in the planning, execution, analysis, and reporting of engagement and research.
Informs	Provides reliable information about citizens' perspectives and aspirations so decisions are aligned to the public good.
Simplifies	Reduces complexity and simplifies data into a cohesive and aligned narrative that can be shared and understood.

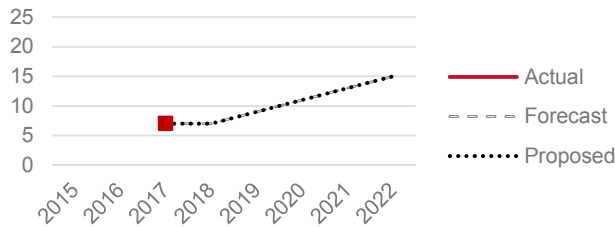


# How is the Service performing? Where we are headed and where do we want to go?

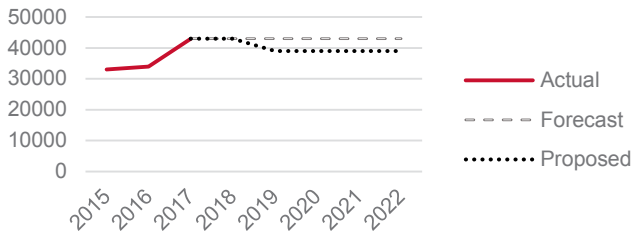
Opportunities for citizen input (Percentage of citizens who say that The City uses input from Calgarians in decision making about City projects and services)



Engagement projects that include What we Did reports (Percentage)



Research participants (Number of research randomized survey participants)



## Story behind the curve

**Opportunities for citizen input:** Citizens are increasingly demanding fair representation and accessible opportunities to provide input. The downward trend is associated with a reduction in operating budget and reflects a reduced capability to perform research and engagement. By implementing process efficiencies, standardized reporting capabilities and focusing on high-profile initiatives, a slower decline is projected. The "turn the curve" forecast projects holding the line on the current trend by implementing the improvements at full funding levels. Although the opportunities for input will be reduced, the quality of those inputs will be increased through a greater focus on high-impact, corporate activities and data analytics.

**Percentage of engagement projects that include a "What we Did" report:** Citizens and stakeholders expect to see how their input was considered in decisions. The City currently provides "What we Heard" reports, but needs to provide more "What we Did" reports (reports demonstrating how feedback was used) to increase citizen and stakeholder confidence that engagement was genuine and meaningful. This number presents an important opportunity for The City to not only demonstrate that the input of citizens was heard, but also used. Increasing this number requires greater collaboration and accountability across the organization to communicate back to stakeholders how citizen insights are being leveraged in decision-making and planning. By placing a renewed focus on reporting back to citizens, and tracking the number of reports generated, we expect to slow the downward trend of citizen perceptions around how their input is used despite budgetary restrictions.

**Research participants:** Since 2015, The City has increased the number of data points to validate and expand insight into citizen perceptions. To provide greater context for decision-makers, we are working towards ensuring the diverse population of Calgary is well represented. Providing additional data ensures both validity and breadth to the insights offered to the Corporation and service owners. However, the growing need for corporate-level insights will require a shift of focus from lower impact and project-focused activities to broader, citywide research and engagement. This shift, along with proposed investment levels, will result in fewer data points (engagement and research participants) during the 2019-2022 business cycle.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide safe, fair and accessible opportunities for citizens to provide input on City programs, services and quality of life.
Provide meaningful and actionable insight to inform City decision-making, mitigate risks and drive continuous improvement.
Collaborate with Administration to report back to citizens and stakeholders on how input was used.

### Why?

Citizens viewpoints matter. By continuing with the strategies above, we can fulfill our responsibility to listen to citizens, provide their perspectives to decision-makers, and report back to citizens on how their voices were heard and used to make life better for all of Calgary's citizens.

## What we propose to do less of

STRATEGY
Expansion and maintenance of the Research & Engagement Library and the Citizen Dashboard.
Vendor support for the Citizens' View Panel.
Support of operational research requests in order to prioritize corporate-level research.
Low complexity, low impact engagement in order to prioritize high complexity, high impact engagement.
Vendor support for research reporting.

### Why?

We are seeking efficiency measures wherever possible. Moving support for the Citizens' View Panel and research reporting in-house will reduce cost without reducing services. Being more selective about engagement and research activities and focusing on high-impact and high-risk initiatives will allow us to reduce costs while minimizing impact to services.

## What we propose to do more of or include as a new offering

STRATEGY
Provide research and engagement summaries by service, Council Priority and community.
Improve language access and translation.

### Why?

Council and ALT have directed this service to incorporate multiple data points into actionable insights for decision-makers. This will evolve discrete data reporting to a more complete representation, better presenting citizen values, expectations and beliefs. Enhanced understanding of citizens' values should drive improvements to City service delivery. In addition, resources will be directed to more effectively seek input from an increasingly diverse population.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Opportunities for citizen input (Percentage of citizens who say that The City uses input from Calgarians in decision-making about City projects and services).	65	↔
Engagement projects that include "What we Did" reports (Percentage)	7	↑
Research participants (Number of research randomized survey participants)	43000	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	6,180	5,553	5,500	5,177
Less Previous Year one Time	-	-	-	-
Base	6,180	5,553	5,500	5,177
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	34	38	36	37
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(121)	(91)	(89)	(88)
Service Reductions	-	-	(270)	-
Service Increases	220	-	-	-
One Time	-	-	-	-
Realignments	(760)	-	-	-
Total	5,553	5,500	5,177	5,126

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	6,486	5,859	-	5,859	5,806	-	5,806	5,483	-	5,483	5,432	-	5,432
Recoveries	(306)	(306)	-	(306)	(306)	-	(306)	(306)	-	(306)	(306)	-	(306)
Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	6,180	5,553	-	5,553	5,500	-	5,500	5,177	-	5,177	5,126	-	5,126



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		1,038	-	-	-	-	1,038
<b>Total Capital Investment</b>		1,038	-	-	-	-	1,038

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Citizen Information & Services

Led by: Customer Service & Communications

## Description:

Citizen Information & Services provides two-way information and services for Calgary citizens, businesses and visitors through The City's primary contact channels: 311 and the calgary.ca website. Through day-to-day information, interactions and transactions, this service gathers valuable customer and citizen feedback to help The City prioritize, develop and modify services to better meet the needs of citizens and customers. By providing easy-to-access information and services, 311 and calgary.ca help The City speak in a collective voice and build trust with citizens that their municipal government is efficient and well-run.

## Customers:

Direct: Calgarians who access City information and services (golfers, pet owners, families, youth etc.), homeowners and taxpayers, businesses, special needs and interest groups (disability, immigrants, seniors, low income Calgarians) and service owners. Indirect: Council, City Manager, Administrative Leadership Team, and visitors.

## What is delivered to customers:

- Access to City information and services (311 and calgary.ca)
- Management of two-way information and service transactions
- Service request intake and workflow for service owners
- Web development and maintenance
- Data/feedback loop from citizen interactions

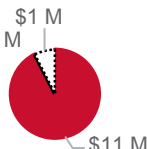

## Partners:

In addition to Information & Technology, all City service owners are partners in delivering this service (e.g. Pet Ownership & Licensing, Bylaw & Compliance, Streets, Waste & Recycling, Business Licensing, Social Programs, Taxation, Property Assessment, Organizational Health & Safety, Human Resources Support, Insurance & Claims).

## Service need (value proposition):

As a municipality, it is critical that our citizens have access to the information and services required to meaningfully participate in civic life, conduct business, and feel part of a safe and vibrant community. This service ensures Calgarians have access to timely, accurate, reliable information and services from The City. In fulfilling this need, this service also helps protect The City's reputation, encourages compliance with City bylaws and regulations, and reduces citizen confusion during emergencies. Additionally, this service enables service owners to improve service delivery, minimize duplication of effort, and avoid costs by providing data collected through 311 and calgary.ca interactions for decision-making.

## Current state service value

<p><b>1,200,000</b> 311 calls received in 2017</p> <p><b>59%</b> 2017 calls answered in 30 seconds or less</p>	<p><b>16,200,000</b> Visits to calgary.ca in 2017</p> <p><b>73%</b> Visitor task completion on calgary.ca</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$0.65</b> Cost per interaction (e.g. 311 calls, mobile apps and web)</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>311 - \$9,417 Web and Digital - \$1,959</p>
		<p><b>Key Capital Investments</b></p> <p>2018 capital investments include funding for upgrades to the 311 platform, 311 customer service tools, and technology. Capital also supports tools, technology and salaries for the sustainment and maintenance of calgary.ca.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

The 2017 Citizen Satisfaction Survey shows that citizen satisfaction with 311 is high at 93 per cent, and that 90 per cent of citizens view 311 as important. The 2018 Citizen Satisfaction Spring Pulse Survey shows that citizen satisfaction with calgary.ca is also high at 85 per cent, and that 82 per cent of citizens view calgary.ca as an important service. Contributing to these satisfaction scores were: citizens' overall experience interacting through these channels, accuracy of information received, and ability to resolve citizen requests and information needs. While research and feedback is positive, we note a trend with more people expecting to perform online transactions and find information online, 24/7.

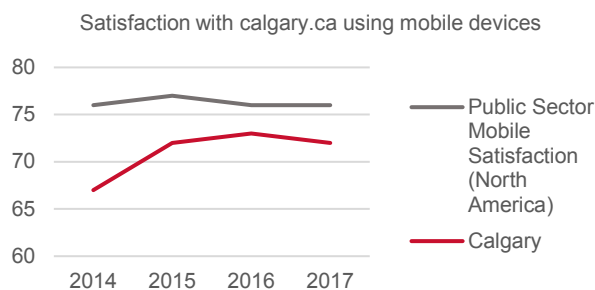
### What Council has directed

Through its support of information and services through 311, web and digital for all City service lines, this service contributes to all Council Directives. However, as the primary channels for citizens to access information and services, it is most closely related to the directives under "A Well Run City." It delivers on Council Directive W1 by responding to citizen inquiries and providing information to build citizen understanding of City services, program and policies. By supporting a culture of innovation and continuous improvement through promoting digital service delivery, and providing citizen data to inform service improvements, this service also relates to Council Directives W2 and W4. Additionally, this service contributes to delivering on Council direction from the Digital Strategy (UCS2014-0553) and the Transparency and Accountability Policy (CC039).

### What are we watching?

Service risks and trends include: (1) More citizens consuming information from calgary.ca through external channels (e.g. landfill hours available directly in Google search); (2) Growing popularity of voice search, resulting in the need to shift away from generic content pages on calgary.ca to answering questions; (3) Increased expectation of intuitive, easy access to information and services to meet demographic shifts and accessibility needs; (4) Citizen expectations of increased communication and interaction in online and social channels; (5) Availability of tools to measure sentiment and gather more detailed information to improve services; (6) Rapid evolution of technology (mobile, artificial intelligence, machine learning, chat bots, virtual and augmented reality, internet of things); (7) Conflicting information and misinformation from external sources about The City, and distrust of media and government.

### Benchmarking



Source: Foresee Customer Experience Suite

Citizens are increasingly looking for reliable City information and services on the go. Mobile interactions on calgary.ca continue to increase, with nearly two-thirds of calgary.ca visits occurring on mobile devices. Satisfaction with calgary.ca is contingent on making information and services mobile-friendly. In 2017, the desktop version of the site performed on par with the public sector benchmark, while mobile versions of calgary.ca performed below industry averages. Older applications, built primarily for desktops, should be made mobile-friendly for The City to improve our performance against this benchmark.

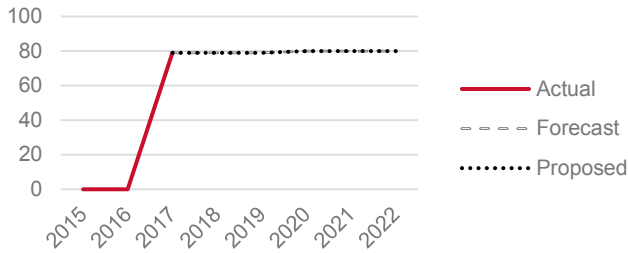
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Informs	Reliable and trustworthy information about The City.
Convenience	Easy access to City information and services in channels of choice/variety of channels.
Equity	Tailored information and service options based on specific needs.
Responsiveness	Timely responses to requests for information and/or issues that have been reported.

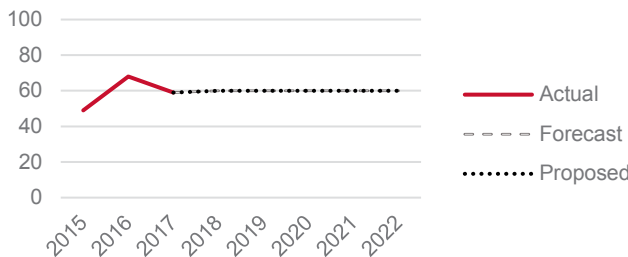


# How is the Service performing? Where we are headed and where do we want to go?

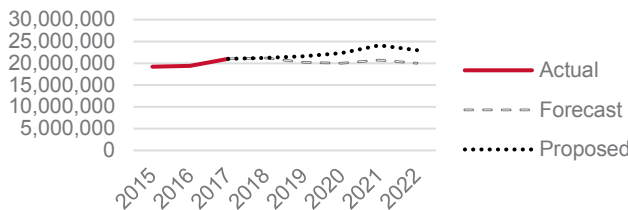
Easy to find information (Percentage of citizens)



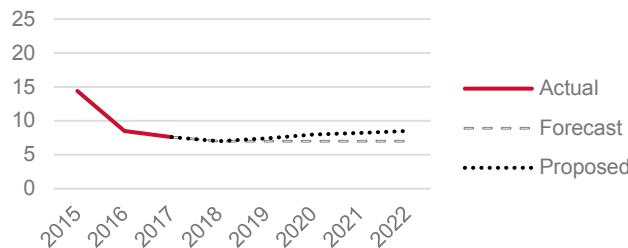
Telephone Service Factor (TSF) (Percentage of calls)



Visits to City websites (Total visits to City websites and applications)



311 calls abandoned (Percentage of calls abandoned)



## Story behind the curve

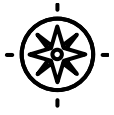
**Easy to find information** - With the proliferation of online channels and content, finding relevant and official information is becoming increasingly difficult. By employing strategies to make City information compatible with voice search, and more accessible and prominent in channels that citizens use (e.g. Google), we expect to maintain or slightly improve this measure.

**Telephone service factor (TSF)** - Target: Answer 80 per cent of all calls within 30 seconds or less. To improve service, 311 introduced an on-call staffing component in 2015 and equipped some agents to work from home. These strategies contributed to improved TSF results that have been tempered by new City programs that came with no additional resources to handle related increases in call volumes. With the introduction of more new programs over the next four years, such as Green Cart and the legalization of cannabis, and similar resource constraints, we expect to maintain or slightly improve current performance. This will be achieved by continuing with the staffing strategies that have proved effective in the past, and promoting the use of digital/online channels.

**Visits to City websites and applications** - The total volume and growth in visits to City websites (e.g. calgary.ca, Transit, Calgary Online store etc.) show continuing adoption and use of digital channels by citizens. In 2017, visits spiked due to the municipal election, Green Cart and long snow season. In 2018, visits are expected to hold due to the Olympic bid and Green Cart collection changes. After an election spike in 2021, we forecast web visits dropping back to normal levels. However, website visits only tell a partial story. Citizens increasingly consume City content through external browser platforms like Google and voice search devices, without coming to our websites. We will be exploring ways to track this in the future.

Please note: Forecasts depend on Council approval of capital budget to update and migrate calgary.ca, which was built almost 10 years ago.

**311 calls abandoned** - Target: Less than seven per cent of calls abandoned. Over the last five years there have been six record months of call volume in 311's history. The introduction of on-call staff in the last three years helped reduce call volumes and improved the measure to at/or near service target levels. With proposed investment levels for this service, there will no additional resources to handle a projected growth in call volume, resulting in a slight decrease in performance.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide 24/7 access to City information and services through 311 and Calgary.ca.
Migrate service requests to digital platforms.
Use scripts to manage call volumes at the 311 Call Centre.
Use technology to gather and provide customer and citizen data to help service owners improve service delivery.
Maintain and troubleshoot the calgary.ca and 311 platforms.
Provide access to information and services to citizens during crisis/disaster situations.
Perform required 311 system maintenance and upgrades including: security intrusion testing, web chat, and agent work from home.

### Why?

This service line is composed of front-line services that connect citizens, business owners and visitors to accurate and accessible information and services. By employing these strategies, we can ensure citizens can continue to access trustworthy information directly from The City. We will also continue to collect customer and citizen data that will help service owners to improve their service offerings.

## What we propose to do less of

STRATEGY
Phone bookings for services (will shift these services online).
Service or information updates (without funding source) in the 311 subservice.
Standalone, one-time and custom web development (will use templates and webparts instead).
Standalone mobile applications (will integrate with calgary.ca as web applications instead).

### Why?

By reducing the number of 311 phone bookings, we will reduce call volumes and wait times for citizens. Requiring funding for new service and information updates from service owners will ensure we can maintain current service levels and effectively manage growth. Reduction of custom web development and standalone mobile apps will allow us to simplify maintenance requirements and use our resources more effectively.

## What we propose to do more of or include as a new offering

STRATEGY
Promote more multi-channel solutions for services (phone, web and applications).
Set up calgary.ca to answer questions based on new voice search formats.
Enable calgary.ca users to perform tasks faster and easier by introducing task funnels.
Improve ability for search engines to consume content and present in their own platforms from calgary.ca.
Provide information and services in multiple languages.

### Why?

Strategies we propose to do more of will help ensure we are in the channels that are most convenient for citizens and will improve citizens' ability to quickly and easily perform tasks. These activities will also help us provide City information and services in ways that better address the needs of our diverse population in Calgary.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Easy to find information (Percentage of citizens)	79	↔
Telephone Service Factor (TSF) (Percentage of calls)	60	↔
Visits to City websites (Total visits to City websites and applications)	21,200,000	↑
311 calls abandoned (Percentage of calls abandoned)	7	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	10,519	13,571	13,452	13,453
Less Previous Year one Time	-	-	-	-
Base	10,519	13,571	13,452	13,453
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	26	29	27	28
Operating Impact of Previously Approved Capital	2,400	-	-	-
Operating Impact of New Capital (Incremental)	212	-	-	-
Efficiencies	(154)	(28)	(26)	(77)
Service Reductions	(120)	(120)	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	688	-	-	-
Total	13,571	13,452	13,453	13,404

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	11,376	14,428	-	14,428	14,309	-	14,309	14,310	-	14,310	14,261	-	14,261
<b>Recoveries</b>	(857)	(857)	-	(857)	(857)	-	(857)	(857)	-	(857)	(857)	-	(857)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	10,519	13,571	-	13,571	13,452	-	13,452	13,453	-	13,453	13,404	-	13,404



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		916	916	958	958	-	3,747
401662	311 Software & Upgrades	916	916	958	958	-	3,747
Project(s)		1,302	1,492	-	-	-	2,793
401696	Online (calgary.ca) Upgrades & Maintenance	1,302	1,492	-	-	-	2,793
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		2,218	2,408	958	958	-	6,540
Previously Approved Budget Remaining		2,472	-	-	-	-	2,472
<b>Total Capital Investment</b>		4,690	2,408	958	958	-	9,012

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 401662: 311 Software & Upgrades

New Budget Request of \$3,747 thousand to host the 311 system by vendor as well as complete major upgrades and new service offerings to remain up to date with technology and innovation.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$148 thousand base funding of operating costs starting in 2019.

### Project(s)

#### Activity 401696: Online (calgary.ca) Upgrades & Maintenance

New Budget Request of \$2,793 thousand to replace the calgary.ca web site CMS platform (SharePoint), which will not be supported beyond 2020, to meet security and performance standards.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$63.6 thousand base funding of operating costs starting in 2019.





# City Auditor's Office

Led by: City Auditor's Office

## Description:

The City Auditor's Office provides independent and objective assurance, advisory and investigative services to improve governance, risk management and control processes at The City of Calgary to enhance public trust. Council, through the establishment of the Audit Committee, mandated the roles and responsibilities of the City Auditor and the City Auditor's Office through Bylaw 48M2012-Schedule C, Bylaw 30M2004, the City Auditor's Office Charter AC2016-0247, and Whistle-blower Policy CC026. These Bylaws and Charter include requirements supporting professionalism, full administrative authority, unrestricted access to municipal records, appropriate level of audit coverage and annual plan approval.

## Customers:

Direct: The Corporation (Council, through Audit Committee, and business units).  
Indirect: Calgarians.

## What is delivered to customers:

The City Auditor provides assurance to Council and Calgarians on Administration's effective risk mitigation by publicly reporting results of assurance, advisory and investigative activities, including recommendations. The City Auditor plans activities to support an appropriate level of assurance coverage over City Administration's operations.

## Partners:

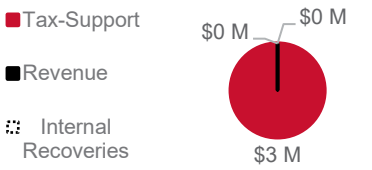
N/A

## Service need (value proposition):

Council Bylaw 30M2004 established a City Auditor, independent of City Administration. The City Auditor's mandate is to assist Council in its oversight of Administration, stewardship over public funds and achievement of value for money. The City Auditor's Office fulfills this responsibility by conducting independent and objective reviews of City operations and making recommendations to assist Administration to effectively manage resources, systems and processes, and mitigate risk.

Under Council's Whistle-blower Policy CC026, The City Auditor is responsible for the execution of an effective Whistle-blower Program to support accountability and transparency to Calgarians. The Whistle-blower Program provides an independent, objective and confidential channel to report suspected acts of waste and/or wrongdoing, resulting in recommendations to Administration where appropriate.

## Current state service value

<p><b>95%</b> Client Satisfaction Survey</p> <p><b>95%</b> Annual Audit Plan Completion</p>	<p><b>45%</b> Timely Action Plan Implementation</p> <p><b>35%</b> Investigations Open Past 180 Days</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>&lt;0.07%</b> Investment in City Auditor's Office Assurance (CAO Budget/City Budget)</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City <span style="display: inline-block; width: 100px; height: 10px; background-color: red; margin-left: 10px;"></span></li> <li>A Healthy and Green City</li> <li>A City that Moves</li> <li>A City of Safe and Inspiring Neighbourhoods</li> <li>A Prosperous City</li> </ul>		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>Capital investment in the office space is required to address resource growth, alignment to corporate standards, end of life technology and asset lifecycle maintenance, and support resiliency, and efficient and effective service delivery.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

The City Auditor's Office obtains internal stakeholder feedback at the conclusion of each audit performed. Survey questions focus on professionalism, effective delivery of the audit, and whether value-add was provided. Positive feedback has acknowledged the value of our collaborative approach and expertise. In addition, an independent quality assessment was performed by the Institute of Internal Auditors in early 2017, which included obtaining stakeholders' feedback from selected Administration and Audit Committee members. The survey reflected stakeholders' confidence in our role as a trusted advisor and the perception that we add value.

### What Council has directed

Council, through Audit Committee, directs delivery of City Auditor's Office essential service defined as reliable public reporting on audit results; responsiveness to emerging risks; risk-based audit and advisory support; professional, confidential and objective support to the Whistle-blower Program; and quarterly reporting of Administration's accountability to implement corrective actions. This essential service, which enhances the efficiency and effectiveness of the use of public resources and improves risk management and control systems, supports Council Directives under a Well-Run City through:

- Public reports – two-way information flow with citizens (W1).
- Ongoing timely follow-up on administration's action plans – continuous process improvement (W2).
- Our overall work – City culture that embraces innovation, an appropriate risk appetite and lessons learned (W4).

### What are we watching?

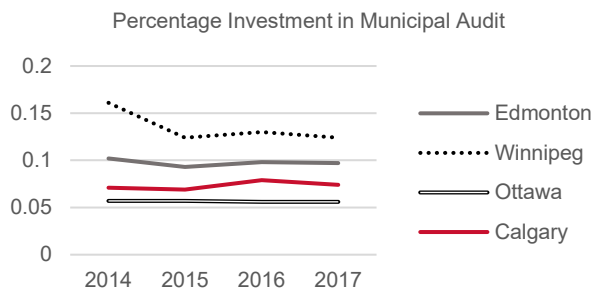
The 2018 North American Pulse of Internal Audit Report stated added value is provided when audit shops are agile in anticipating disruptive risks and opportunities, make full use of technology and innovation, and acquire and develop talent for tomorrow's risks. There are three significant risks that impact our ability to add value in the delivery of our mandate:

**Service Risk** – Our audit universe (all City services) is increasingly complex, which requires expert resources to efficiently and reliably assess risk mitigation and provide assurance.

**Talent Risk** – Attracting and retaining highly experienced and professional staff utilizing compensation that is less competitive in the current Calgary market is a concern.

**Reputational Risk** – Increased stakeholder demand for audit services and interest in the Whistle-blower Program heightens the requirement for oversight and diligence.

### Benchmarking



Council established the audit function, which includes general requirements of the City Auditor's Office, including specific responsibilities for the Whistle-blower Program. An appropriate budget is required to ensure sufficient resources to provide a minimum level of essential service. Provincial Municipal Government Acts are silent on the investment in the municipal auditor function, except for Quebec, which through Bill 155, establishes a formula for cities of at least 100K citizens to be no less than \$500K plus a variable of .11% or .13% of operating budget where the budget is \$345M or greater.

Source: City Operating Budgets and City Auditor's Office Budgets (City websites)

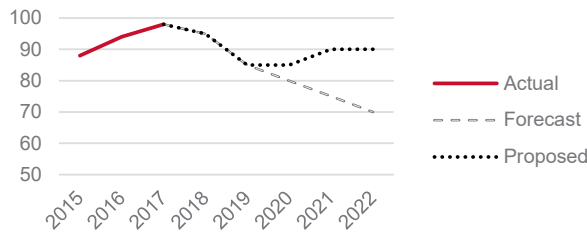
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reduces risk	Audit, advisory and Whistle-blower recommendations cost effectively address risk and are implemented in a timely manner.
Reliability	Audit, advisory and investigative activities add value and are completed by skilled, experienced staff within expected timelines and level of quality.
Responsiveness	Ability to address emerging risks, Council and Administration requests, and timely action on Whistle-blower reports.
Resilient	The effectiveness of the City Auditor's Office to establish a structure and protocols, which reinforce adaptability and agility, to ensure the continued delivery of essential service.

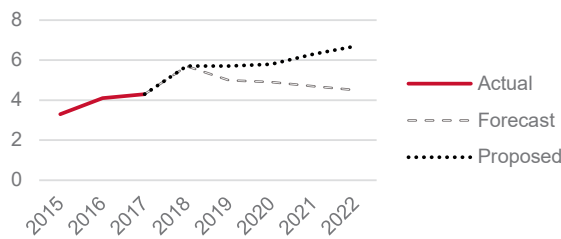


## How is the Service performing? Where we are headed and where do we want to go?

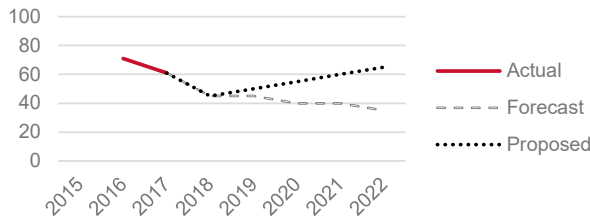
Client Satisfaction Survey (Percentage)



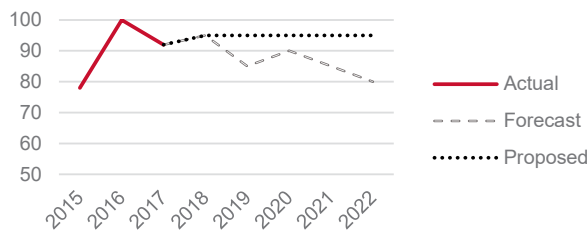
Average Years of Service (Average)



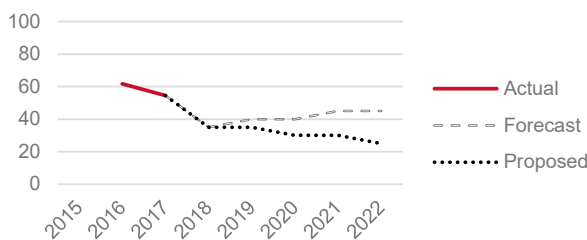
Recommendations Implemented by Action Plan Date (Percentage)



Annual Audit Plan Completed (Percentage)



Investigations Open Past 180 Days (Percentage)



### Story behind the curve

Bylaw 30M2004 requires the City Auditor to submit a budget through Audit Committee for Council approval as required by Council budget guidelines. The City Auditor submitted a 2019-2022 budget proposal reflecting enhanced services on July 25, 2018. Audit Committee supported the proposal of an increase to base operating budget and one-time capital.

At current budget, The City Auditor's Office will be challenged in meeting or exceeding performance measures over time and the minimum level of essential service. A budget to enhance services will enable the office to maintain current results, improve the responsiveness and reliability of our assurance, advisory and investigative services, and support The City Auditor's Office resiliency to respond to changing strategies, increased complexity and emerging risks.

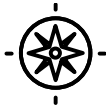
Client Satisfaction Survey – The City Auditor's Office requests internal stakeholder feedback at the conclusion of each audit project through a survey of 10 questions focused on how well the audit was carried out, the value added, and City Auditor's Office process improvements. In future years we plan to adjust the survey to capture feedback on advisory services and value provided.

Average Years of Service – The average years of service is specific to years of service in The City Auditor's Office. A measure of 5 years or higher reflects the need for staff to have in-depth knowledge of The City to consistently deliver according to internal standards and provide value-added advice.

Recommendations Implemented by Action Plan Date – The City Auditor's Office tracks whether Administration's action plans to address recommendations are implemented on a timely basis. This is a measure of the value provided by The City Auditor's Office to hold Administration accountable to mitigate risk and support a Well-Run City through continuous improvement.

Annual Audit Plan Completed – The City Auditor's Office provides a two-year Annual Audit Plan to Audit Committee for approval. The two-year plan supports coverage of high risk activities across Administration's Business Units over an appropriate coverage period. Completion below 95 per cent could jeopardize the assurance provided to Audit Committee.

Whistle-blower Investigations Open Past 180 Days – This is a measure of the responsiveness of the Whistle-blower Program, which is dependent on sufficient investigation resources. Achievement of 35 per cent or less recognizes each investigation has its own complexity.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Utilize a risk-based approach to develop an annual two-year audit plan, which maximizes use of available resources.
Execute the two-year plan ensuring conformance with professional and internal standards, utilizing a collaborative approach.
Support an independent and confidential Whistle-blower Program through timely response to reported concerns.
Report quarterly on results of ongoing timely follow-up on Administration action plans in response to audit recommendations.
Provide advisory support to emerging risks where possible, based on available resources.
Focus on continuous improvement of services through utilization of best practices, software tools and technology to support a lean operation.

#### Why?

The City Auditor's Office is committed to provide an appropriate level of essential service reflective of our values of risk reduction, reliability, responsiveness and resilience.

### What we propose to do less of

STRATEGY

#### Why?

Since Council mandated the requirements of the City Auditor's Office through Bylaw, Charter and Policy, there is an expectation to maintain a level of essential service within resources provided. As a result, we do not propose to do less.

### What we propose to do more of or include as a new offering

STRATEGY
Increase the minimum level of essential service by improving the City Auditor's Office assurance coverage, responsiveness and resilience.
Improve audit efficiency through increased resource investment in data analytics, continuous monitoring and desktop auditing.
Increase risk-based audit, advisory and investigative responsiveness through reallocation of non-audit functions to a new dedicated resource.

#### Why?

Council's expectation of minimum level of service provided by the City Auditor's Office is directly aligned with the expanding level of City Services. The City Auditor's Office must be resilient to meet Council's increased requirements. An operating base investment of \$350K and one-time capital investment of \$630K will increase resiliency, ensure delivery of approved mandate, and support good governance and the trust implicit within the Citizen Priority of a Well-Run City.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Client Satisfaction Survey (Percentage)	95	↔
Average Years of Service (Average)	5.7	↑
Recommendations Implemented by Action Plan Date (Percentage)	45	↑
Annual Audit Plan Completed (Percentage)	95	↔
Investigations Open Past 180 Days (Percentage)	35	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	2,914	3,065	3,266	3,267
Less Previous Year one Time	-	-	-	-
Base	2,914	3,065	3,266	3,267
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	1	1	1	1
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	150	200	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	3,065	3,266	3,267	3,268

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	2,914	3,065	-	3,065	3,266	-	3,266	3,267	-	3,267	3,268	-	3,268
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	2,914	3,065	-	3,065	3,266	-	3,266	3,267	-	3,267	3,268	-	3,268



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		140	-	-	-	-	140
481150	Upgrade Meeting Rooms	140	-	-	-	-	140
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		140	-	-	-	-	140
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		140	-	-	-	-	140

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 481150: Upgrade Meeting Rooms

New Budget Request of \$140 thousand to upgrade the existing City Auditor's Office meeting rooms to address end of life technology and create appropriate team meeting space aligned with City standards to deliver essential service.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None





# Corporate Governance

Led by: Deputy City Manager's Office

## Description:

Corporate Governance works to build a resilient city and organization by executing on the strategic direction established by Council and Executive Leadership. We are responsible for developing Corporate strategic plans and negotiated agreements with other orders of government and partners; we provide the administrative policies, frameworks, rules and standards to direct service delivery; we minimize exposure to legal, financial, reputational and health and safety risks, all of which support the achievement of organizational objectives.

## Customers:

Service owners expect to be provided with direction to ensure adherence to legislative standards and manage risk. Employees expect to receive guidance on how to do their job effectively while abiding by relevant policies and procedures. Citizens (indirect) expect that we will be transparent in decision-making and use resources efficiently.

## What is delivered to customers:

We provide direction to services for implementation of corporate strategies and opportunities identified through partner relationships. We establish guidance systems in the form of policies, procedures and frameworks for service owners and employees to ensure awareness and adherence to external legislation and standards, and to minimize risk.

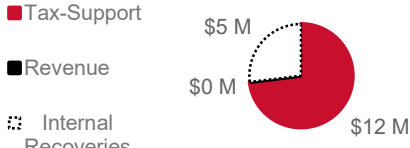

## Partners:

Other orders of Government  
External regulatory bodies  
Executive Leadership (ALT)

## Service need (value proposition):

We fulfill the need for coordinated strategic direction and service delivery guidelines for all services. We provide one voice for The City with partners and other orders of government, we check alignment between internal policies, and monitor legislative requirements to ensure appropriate policies and standards are in place. We communicate to staff how legislation and internal guidelines are in place to manage organizational risk, reduce impact of issues and minimize costs. These business units contribute to the service: City Clerks, Corporate Analytics and Innovation, Customer Service and Communications, Environmental and Safety Management, Facility Management, Fleet, Finance, Human Resources, Intergovernmental and Corporate Strategy, Information Technology, Law, Real Estate and Development Services, Resilience & Infrastructure, and Supply.

## Current state service value

<p><b>81%</b> Citizen satisfaction with administration</p> <p><b>67%</b> Staff with ethical issue know resources</p>	<p><b>76%</b> Citizen service delivery satisfaction</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$13.39</b> Annual operating cost per resident</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Corporate Strategy - Resilience &amp; Infrastructure - \$1,025 Calgary/Intergovernmental and Corporate Strategy - \$3,456 Administrative Governance - \$12,484</p> <p><b>Key Capital Investments</b></p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Although Corporate Governance is primarily an internal facing service, it directly impacts the achievement of outcomes that citizens expect from municipal government. The policies, frameworks and procedures put in place by Corporate Governance guide and support service delivery standards, citizen engagement, decision-making, financial capacity, and risk management. Citizen expectations for a resilient city, satisfaction with service delivery, and confidence and trust in the organization are direct outcomes of good governance.

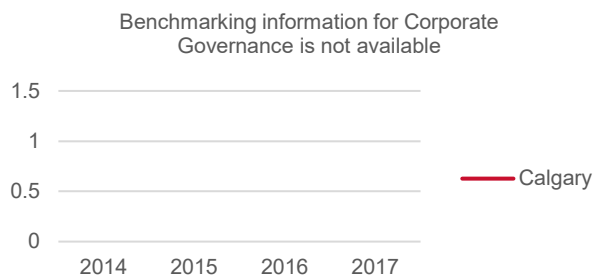
### What Council has directed

Through the development and implementation of the resilience strategy, Corporate Governance supports all Council Directives. The current discovery areas of a) building resilience in the economy, b) infrastructure, c) environment and d) inclusive leadership align well with the Citizen priorities of: a) Prosperous Economy, b) Healthy and Green, c) Safe and Inspiring Neighborhoods and d) A Well-Run City. Through communications governance we speak with one voice to citizens. We will continue to have one voice representing City interests at provincial collaboration tables and with other orders of government. Through an integrated approach, we will create efficiencies in our governance frameworks and look for opportunities to reduce red tape, embrace innovation, and ensure the organization accepts appropriate levels of risk – all supporting A Well-Run City.

### What are we watching?

Our primary focus is to ensure our governance framework addresses the many rapid changes and emerging issues such as increased legislative requirements, regional issues, scrutiny of self-regulated professions, changing economic conditions, climate change, aging infrastructure and technological changes, and new City Charter authorities. At the same time, we will be diligent in ensuring The City continues to adhere to corporate governance requirements while balancing the seemingly conflicting directions of a desire for more innovation, greater risk tolerance and removal of red tape, with the demand for greater transparency in decision-making, meaningful input from citizens through their channel of choice, increased complexity, and public and media scrutiny of decisions.

### Benchmarking



Corporate Governance is a new service for the City of Calgary and not a service that has been identified in the service portfolios of other municipalities in Canada. As such we have been unable to identify benchmarks for this service. Governance, risk and compliance as a topic of study and continuing improvement for organizations is increasing in both the private sector and public sector. We will research and collaborate, where possible, to develop a benchmarking or performance measure approach that will allow us to compare our performance in the governance area to similar organizations.

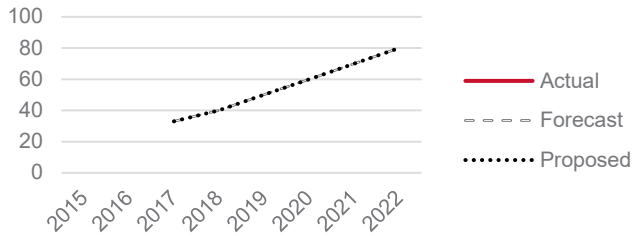
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Resilient	Having the ability to withstand and recover from ongoing and unforeseen shocks and stressors.
Integrates	Ensuring comprehensive and aligned strategies, positions and policies across the organization.
Legislative Compliance	Providing the necessary guidance to enable adherence to all relevant legislative and regulatory requirements.
Transparency	Making full information available required for collaboration, cooperation and collective decision-making.
Reduces risk	Guidance to ensure the organization is compliant and limits exposure to financial, health and safety, reputational or other risks.



# How is the Service performing? Where we are headed and where do we want to go?

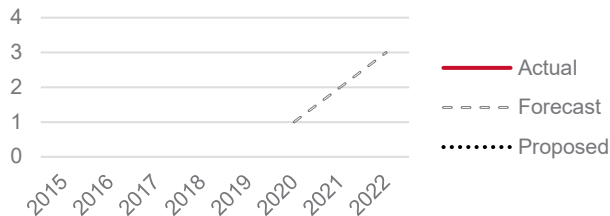
Percent of administrative policies reviewed and revised as per policy review due date (Percent)



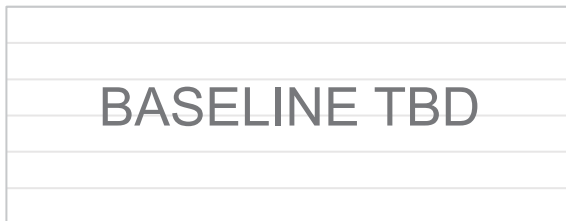
Percent of course participants who identified an increase in understanding of corporate governance related policy, procedure and process requirements as a result of training (Percent)



Number of corporate governance areas that have an increase in maturity (Count)



Number of engineering non-compliance occurrences (Count)



## Story behind the curve

Corporate Governance was established as a separate service to capture benefits of using a collaborative approach across the organization. Over the next four years we will focus on establishing performance baselines to promote effective decision-making, reduce risk and prevent issues, and support business and operational planning.

"Percentage of administrative policies reviewed and revised as per policy review due date" is an indicator that the organization is taking the required action to ensure that administrative policies are relevant, current and reflect the environment the organization is working within. Given ever-changing external regulatory requirements and increasing governance responsibilities, we must ensure our framework remains current to appropriately manage risk.

We will be using this business cycle, and specifically 2019, to establish baselines in the areas of employee awareness, understanding, compliance and service delivery maturity. There is a causal effect between awareness and compliance. We will use the change in employee understanding performance measure as an indicator of the effectiveness of training programs. We will also gather information on the maturity of governance practices including the initiation of an inventory of governance requirements to allow us to capture metrics around compliance and non-compliance. To meet our increasing responsibilities and be diligent in maintaining employee and public safety, we are proposing an increase in resources focused on engineering governance in this business cycle. By including a measure on engineering non-compliance occurrences we can monitor our efforts and ensure we have the appropriate governance practices in place.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Develop and embed the resilience strategy within The City and the Calgary community.
Advance The City's interests with the federal and provincial governments and the Calgary Metropolitan Regional Board.
Optimize the administrative policy library through timely reviews for adherence to external requirements, consistency and effectiveness.
Improve adherence to internal policies, frameworks and procedures through education and training.

### Why?

Our objective is to continue to focus on the resilience priority by identifying and supporting services and the community in implementing initiatives to improve their ability to withstand shocks and stressors. Continuing to represent our interests at regional and provincial collaboration tables and ensure our governance framework is effective, reflects risks and opportunities, and supports employee compliance are important to achieving organizational objectives.

## What we propose to do less of

STRATEGY

### Why?

## What we propose to do more of or include as a new offering

STRATEGY
Initiate more cross-corporate collaborative approaches to Corporate Governance.
Strengthen governance practices within the organization.

### Why?

To develop a more comprehensive, effective and efficient governance system we will be looking to work across service boundaries. Recent experiences using this approach has shown there are gains to be made in this area. We also want to focus on strengthening our governance practices especially in the area of engineering governance where we will be using the resources identified in this plan to address identified gaps in the current distributed engineering governance model.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of administrative policies reviewed and revised as per policy review due date (Per cent)	0	↑
Per cent of course participants who identified an increase in understanding of corporate governance related policy, procedure and process requirements as a result of training (Per cent)	0	↑
Number of corporate governance areas that have an increase in maturity (Count)	0	↑
Number of engineering non-compliance occurrences (Count)	0	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	12,237	12,583	12,585	12,587
Less Previous Year one Time	-	-	-	-
Base	12,237	12,583	12,585	12,587
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	2	2	2	2
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	230	-	-	-
One Time	-	-	-	-
Realignments	114	-	-	-
Total	12,583	12,585	12,587	12,589

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	16,965	17,311	-	17,311	17,313	-	17,313	17,315	-	17,315	17,317	-	17,317
<b>Recoveries</b>	(4,513)	(4,513)	-	(4,513)	(4,513)	-	(4,513)	(4,513)	-	(4,513)	(4,513)	-	(4,513)
<b>Revenue</b>	(215)	(215)	-	(215)	(215)	-	(215)	(215)	-	(215)	(215)	-	(215)
<b>Net</b>	12,237	12,583	-	12,583	12,585	-	12,585	12,587	-	12,587	12,589	-	12,589



## Recommended Capital Investment to Support Service Delivery

### Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		500	-	-	-	-	500
<b>Total Capital Investment</b>		500	-	-	-	-	500

### Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Council & Committee Support

Led by: City Clerk's Office

## Description:

Council & Committee Support (CCS) provides the structure by which the City of Calgary's legislative decision-making meetings and protocol functions are conducted.

## Customers:

- Public
- Council
- Councillors & Mayor
- Attendees at recognition and protocol events
- Report authors
- The Administrative Leadership Team
- Administration

## What is delivered to customers:

A legislative Council or Committee meeting, policies and agreements, or protocol activities including flag raisings, proclamations, or recognitions by Council.

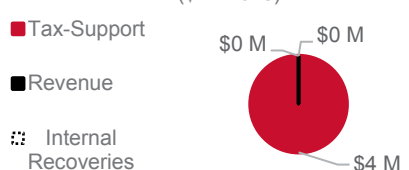
## Partners:

- Corporate Security
- Audiovisual Vendor(s)
- Information Technology
- Mayor's Office & Office of the Councillors
- Administration's Executive Offices
- Law
- Recreation
- Facility Management
- Boards, Commissions and Committees

## Service need (value proposition):

The Council and Committee Support service manages meetings and events of City Council and its Committees, providing both avenues for public participation in the legislative process and appropriate protocol support.

## Current state service value

<p><b>368</b> Protocol events and activities (2017)</p> <p><b>83.6%</b> On-time minutes publication (2017)</p>	<p><b>698</b> Hours of Legislative Meetings (2017)</p> <p><b>98.3%</b> On-time agenda publication (2017)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$3</b> Annual operating cost per resident</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City</li> <li>A Healthy and Green City</li> <li>A City that Moves</li> <li>A City of Safe and Inspiring Neighbourhoods</li> <li>A Prosperous City</li> </ul>		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>• Policy and Contract Support = \$399;</li> <li>• Legislative Coordination = \$2,345;</li> <li>• Boards, Commissions, and Committee management = \$303;</li> <li>• Protocol = \$717.</li> </ul> <p><b>Key Capital Investments</b></p> <p>Capital investments were not recommended for this service.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

There is recognition that the provision of citizen recognitions and protocol services, Council policy support, and support for legislative meetings is valuable and well delivered. Council Members have, on occasion, expressed a desire for enhanced services, such as ensuring greater diversity on Boards, Commissions and Committees, or by implementing technological solutions to support legislative meetings. External customers have expressed general satisfaction with the services provided, although recent engagement showed a desire to continually invest in both the facilities and technology that support meetings attended by the public.

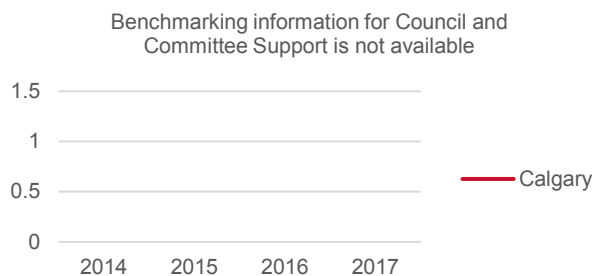
### What Council has directed

- W1 – Council and Committee Support provides venues and channels for Calgarians to learn about The City and provides opportunities for them to provide input.
- W2 – Council and Committee Support provides the venues for Council and its Committees to make service decisions and direct Administration.
- W4 – The service strives for innovation, particularly by leveraging technology within the bounds of legislation and policy.
- W5 – Protocol will continue to ensure that cultural understanding and sensitivity with respect to indigenous partners is incorporated into The City's protocol activities.
- The Council and Committee Support service does not align with any specific long-term plans.

### What are we watching?

The desire for greater transparency and accessibility of the legislative process continues to grow. This trend continues to drive appropriate investments in technology to ensure agendas, minutes and related material are available in a timely manner and in easily accessible formats. Improvements to responsiveness are also expected. For all sub-services in this service, there has been a trend towards increasing volume, complexity, and velocity of requests, particularly as they relate to governance and policy, protocol, and legislative meeting coordination. The City's efforts towards Reconciliation will involve the incorporation of protocol expertise. Failing to meet any of these expectations would impact public trust in the organization. The volume of transactions driven by new large corporate projects poses a risk to the ability to administer contracts and agreements.

### Benchmarking



No direct benchmarks have been identified for this service, as the service is largely driven by local influencing factors, including Council direction, governance models, and local frameworks.

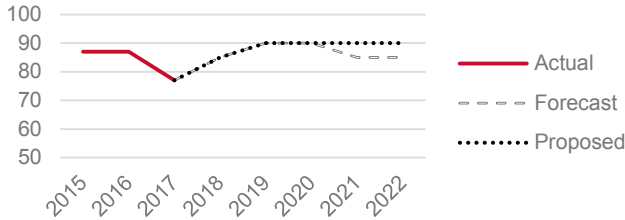
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Accessibility	Council and Committees conduct business in facilities that are physically accessible and open to public participation.
Legislative Compliance	Meetings and administrative processes are conducted in accordance with provincial legislation and municipal direction.
Quality	Council's decisions and records are published quickly and accurately and protocol events are of a high standard.
Responsiveness	Responses to requests for clarification, advice, and information are timely.
Informs	Provide accurate, clear, and reliable information about processes and events.



# How is the Service performing? Where we are headed and where do we want to go?

Accurate and on-time minutes publication rate (Percentage)

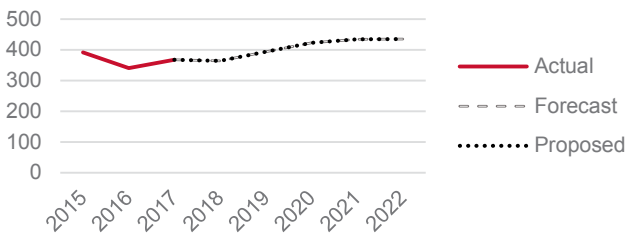


## Story behind the curve

Accurate and on time minutes publication rate

-Percentage of Council and Committee meeting minutes that are published three business days or fewer from the conclusion of the meeting and did not require correction after initial unconfirmed publication. The publication of minutes has been impacted by the increased volume and complexity of meetings. Multi-day meetings of Council often require additional time to complete the minutes accurately, and the number of hours of Committee meetings has increased. Sustained resources will ensure that this key service deliverable improves.

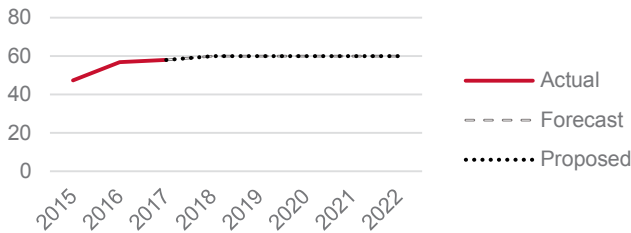
Protocol events and activities (Number)



Protocol events and activities

-Number of recognitions in Council Chamber, Calgary Award nominations, flag raising requests, sport recognitions, proclamations and letter of recognition requests, half-masts completed, events and protocol support, visits and consultations. The number of events and activities supported by Citizen Recognitions & Protocol are largely driven by external factors. However, the work unit is planning to raise the profile of its services both internally and externally, to ensure consistency of advice and execution across the corporation.

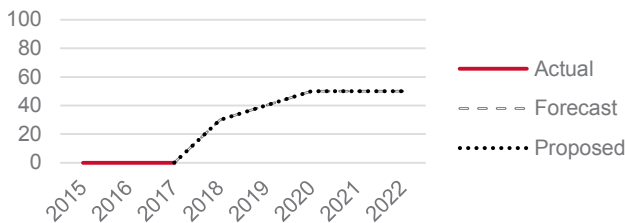
Hours of Council and Committee meetings (Hours per month)



Hours of Council and Committee meetings

-Duration in hours of Council and standing committee meetings staffed by City Clerk's employees per month. The influencing factors in the number and duration of meetings include public hearings for secondary suites and the degree of public and/or media interest in items on the agenda.

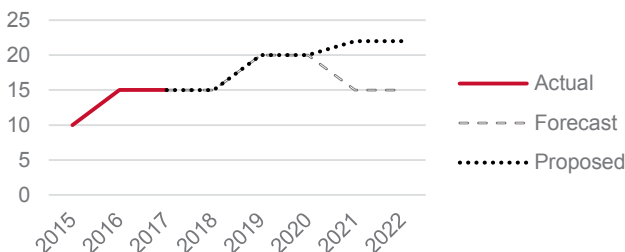
Diversity of Boards, Commissions and Committee applicants (Percentage)



Diversity of Boards, Commission and Committee applicants

-Percentage of Boards, Commissions, and Committees' (BBC) applicants completing the demographics survey and who self-identify as a member of a minority group. Historical information is unavailable. Future application intake processes will provide applicants the opportunity, on a voluntary basis, to provide demographic information. This information will be used to develop enhanced communication and recruitment strategies.

Volume of Outreach (Hours)



Volume of outreach

-Number of hours of in-person public education/outreach that were delivered by City Clerk's Office staff on the topic of public involvement in the legislative process. Limited resources have impacted the ability of staff to organize, prepare and deliver public education on the legislative process. Materials and curricula have been developed over recent years, and sustained resources will ensure that an increase in outreach is continued and enhanced.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Support the structure by which The City’s legislative decision-making meetings are conducted
Implement the outcomes of the 2018 business process review
Support the structure by which The City’s Protocol functions are conducted

### Why?

This service will continue to support the framework and structures that support the legislative process and The Corporation's protocol functions. The service will seek to find efficiencies and alignment to both improve outcomes and find cost savings where possible. This includes implementation of the recommendations of the 2018 business process review to ensure that resources are aligned to priorities and well-designed processes are in place.

## What we propose to do less of

STRATEGY

### Why?

## What we propose to do more of or include as a new offering

STRATEGY
Enhance transparency through the improved use of technology and available tools
Develop enhanced processes to coordinate the appropriate release of confidential reports
Better Protocol support for visiting delegations and dignitaries
Enhance communication and recruitment processes for Boards, Commissions and Committees
Retrofit the Engineering Traditions Committee Room.

### Why?

This service will seek to improve the use of technology and tools, improve public access to legislative meetings, and improve processes for the public release of confidential reports. Enhanced Protocol support to visiting delegations and dignitaries, including improving the intake and coordination process, will be implemented. Communication and recruitment for Boards, Commissions and Committees will be enhanced to ensure a diversity of applicants.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Accurate and on-time minutes publication rate(Percentage)	85	↔
Protocol events and activities (Number)	364	↑
Hours of Council and Committee meetings (Hours per month)	60	↔
Diversity of Boards, Commissions and Committee applicants (Percentage)	30	↑
Volume of Outreach (Hours)	15	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	3,666	3,825	4,724	4,073
Less Previous Year one Time	-	-	(700)	-
Base	3,666	3,825	4,024	4,073
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	49	199	49	49
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(20)	-	-	-
Service Reductions	-	-	-	-
Service Increases	130	-	-	-
One Time	-	700	-	-
Realignments	-	-	-	-
Total	3,825	4,724	4,073	4,122

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	3,764	3,923	-	3,923	4,122	700	4,822	4,171	-	4,171	4,220	-	4,220
Recoveries	(71)	(71)	-	(71)	(71)	-	(71)	(71)	-	(71)	(71)	-	(71)
Revenue	(27)	(27)	-	(27)	(27)	-	(27)	(27)	-	(27)	(27)	-	(27)
Net	3,666	3,825	-	3,825	4,024	700	4,724	4,073	-	4,073	4,122	-	4,122



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Executive Leadership

Led by: City Manager's Office

## Description:

Executive Leadership works to secure the trust and confidence of citizens, Council and employees by setting strategic direction and priorities, ensuring financial sustainability, and proper use and management of public resources through Corporate oversight. This service fosters high performance with the use of a performance management system, and promoting a culture of accountability, transparency, collaboration and resilience.

## Customers:

There are two primary customers of the Executive Leadership service: citizens and employees.

## What is delivered to customers:

Executive Leadership is about public and employee trust and confidence in municipal government. Outputs of the service include corporate culture, norms/values, corporate brand, corporate strategic plans/priorities, corporate ethics and code of conduct, service review & improvement, integrated risk management and performance management/accountability.

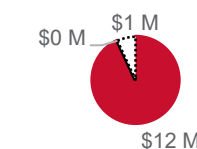

## Partners:

The Executive Leadership service works closely with members of Council to ensure that the Administration delivers on Council's direction and achieves results for the citizens of Calgary.

## Service need (value proposition):

The Executive Leadership service provides organizational leadership to deliver on the expectations of citizens and employees. These expectations include: connecting Council's vision to organizational strategies and actions, coordination and alignment of objectives and results across service lines, maximizing the broader, long-term benefits for citizens, the proper use and management of public resources for financial sustainability, a citizen-centric and service-oriented organizational culture, and an organization that is well-run with a safe and respectful workplace for all employees.

## Current state service value

<p><b>81%</b> Calgary is a great place to make a life</p> <p><b>85%</b> Proud to work at The City of Calgary</p>	<p><b>82%</b> Calgary is on track to be a better city</p> <p><b>AA+</b> The City of Calgary's Credit Rating</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$10</b> Annual operating cost per resident</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>The Executive Leadership Service is made up of the offices of The City's General Managers (\$6,038), the City Manager's Office (\$1,993) and Corporate Initiatives (\$4,748).</p> <p><b>Key Capital Investments</b></p> <p>IT systems required for data management to support organization-wide processes, including strategic planning and accountability reporting.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

There is a wealth of existing information that is routinely gathered from citizens and employees to inform this service. Key themes include access to information, efficiency and engagement. The City Manager's Where We Stand employee survey results highlight additional areas of focus for the organization, including moving toward more integrated service delivery, engaged leadership and organizational capability and capacity. The Corporate Employee Survey results for 2017 showed that although the satisfaction index remains strong, it has experienced a decrease with employee engagement remaining relatively stable.

### What Council has directed

Executive Leadership supports all Citizen Priorities and, in particular, a Well-Run City. A few areas are important to highlight. This service: has a very important role in speaking with a collective voice that improves communication with Calgarians and employees to build trust and confidence, has a key role in shifting the organizational culture to become a more citizen-centric and service-oriented organization, and leads our organizational culture which includes a focus on innovation, efficient service delivery, and embracing appropriate levels of risk. In summary, the Executive Leadership service is about trust and confidence – an organization that has Council's, citizens and employees confidence and trust, and is reliable, honest, efficient and effective.

### What are we watching?

Trends that impact this service include the pace of change and the organization's capacity to respond to evolving citizen needs, respectful workplace and matters relating to citizen expectations and employee behavior, diversity and inclusion, responding to the economic downturn and reduced revenue, and working across departmental lines and towards integrated service delivery. One of the functions of this service is to ensure collective accountability in relation to the 16 Principal Corporate risks. The Principal Corporate Risks are strategic risks to the organization's ability to deliver on its objectives. Members of the Administrative Leadership Team have been assigned as risk owners to provide leadership and assign individual responsibility, while the group is collectively accountable through Executive Leadership for ongoing monitoring and improvement activities.

### Benchmarking

Benchmarks are not available for this service.

Benchmarking information for Executive Leadership is not available



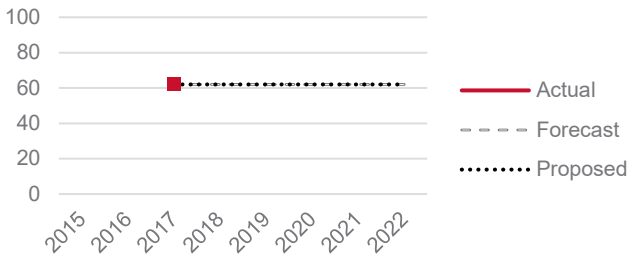
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Transparency	Honest and open.
Reputational Assurance	Earning the trust and confidence of external customers as well as employees.
Motivation	Promotes a culture that employees are excited to be part of.
Informs	Clearly communicates strategic direction with employees.
Quality	Continually improves based on performance, provides high quality reports, analysis and consulting.

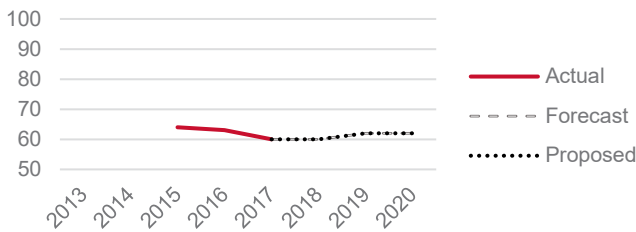


# How is the Service performing? Where we are headed and where do we want to go?

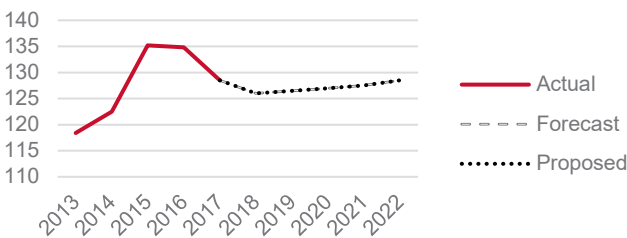
Citizen trust in City of Calgary (Percentage)



% of citizens who indicate they get good value for property taxes (Percentage)



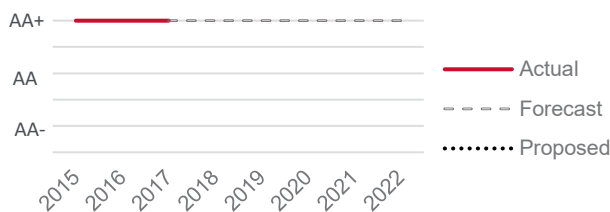
Employee satisfaction index



% of employees who say they are proud to work for The City of Calgary (Percentage)



City of Calgary's Credit Rating (Standard and Poor's)

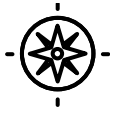


## Story behind the curve

Calgary's recent economic downturn had a significant impact on the community and reduced revenue for the organization and its partners. The City has responded by shifting its focus from accommodating rapid growth to supporting the economy, keeping Calgarians working and reducing costs. The City is also responding to the overall pace of change and the organization's capacity to respond to evolving citizen needs and expectations. Despite uncertainty and the increased need for the organization to adapt to change, survey results from citizens and employees remained strong in 2017 and The City has maintained its AA+ credit rating.

In the 2017 Citizen Satisfaction Survey Results, 79% of Calgarians said they are satisfied with the level and quality of City programs and services and 78% stated they are satisfied with customer service at The City of Calgary. 2017 marked the first year that citizen trust in The City of Calgary and satisfaction with the way Council and Administration are running The City were measured. Sixty-two per cent of Calgarians say they trust The City, and 77 per cent state they are satisfied with how Council and Administration are running the organization. By comparison, the national numbers for trust in government calculated by the Edelman Trust Barometer sit at just 43 per cent. Despite strong results overall, the perceived value of property tax dollars saw a slight drop from previous years at 60 per cent, and Calgarians continue to remain divided on increasing taxes or cutting services. This number should improve with the The City's focus on becoming a more citizen-centric and service-oriented organization and the addition of service plans and budgets.

The Corporate Employee Survey results saw a dramatic increase between 2014 and 2015 and have held strong in 2016 and 2017 despite uncertainty in Calgary's economy and an increasing pace of change. The Employee Satisfaction Index remains high at 128.5 with the support of the key drivers of employee role clarity, personal growth, team culture, leadership impact and supervisor relationship. Employee trust in the organization is also high with the number of City employees who feel proud to work for The City of Calgary at 85 per cent. Administration will continue its intentional management of performance through the Executive Leadership service and Administration's Commitments to maintain stability in the organization through this period of economic uncertainty and increased need for organizational capacity for change.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Sustain a cooperative and meaningful relationship with Council.
Foster a safe and respectful workplace for all employees.
Promote a progressive public service culture through One City, One Voice.
Focus attention on planning and building a resilient city, including flood mitigation and climate change.
Enhance service to our customers and communities, including citizens and businesses.
Further strengthen the Corporation's financial position.

### Why?

These commitments summarize Administration's response to Council's direction and are intended to provide high-level strategic guidance to the organization for the four-year term. Administration's Commitments support all of Council's Directives.

## What we propose to do less of

STRATEGY

### Why?

## What we propose to do more of or include as a new offering

STRATEGY
Update and expand the Corporate Strategy for Efficiency and Effectiveness (CSEE).
Enhance risk understanding, reporting, and management.

### Why?

The updated, expanded CSEE will provide greater focus on service scope reviews, and energizing the front line to make service improvement part of our culture at every level. More tools and techniques are needed to ensure we meet our efficiency targets in 2019-2022, because easily identified efficiencies have already been realized. Together with enhancing and better aligning our efforts to manage risk, these strategies help build trust and confidence in a well-run city.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Citizen trust in City of Calgary (Percentage)	62	↔
Citizens who indicate they get good value for property taxes (Percentage)	60	↔
Employee satisfaction index (Percentage)	126	↔
Employees who say they are proud to work for The City of Calgary (Percentage)	85	↔
City of Calgary credit rating (Agency rating )	AA+	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	11,898	11,726	11,728	11,730
Less Previous Year one Time	(354)	-	-	-
Base	11,544	11,726	11,728	11,730
Revenue Changes	-	-	-	-
Internal Recovery Changes	18	-	-	-
Inflation	53	59	56	57
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(51)	(57)	(54)	(55)
Service Reductions	(18)	-	-	-
Service Increases	180	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	11,726	11,728	11,730	11,732

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	12,779	12,589	-	12,589	12,591	-	12,591	12,593	-	12,593	12,595	-	12,595
<b>Recoveries</b>	(881)	(863)	-	(863)	(863)	-	(863)	(863)	-	(863)	(863)	-	(863)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	11,898	11,726	-	11,726	11,728	-	11,728	11,730	-	11,730	11,732	-	11,732



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# Mayor & Council

Led by: Office of the Councillors

## Description:

Mayor and Council are elected representatives responsible for creating the vision for Calgary and working with Administration to execute that vision and deliver services to Calgarians.

Audit Committee oversees the integrity of the City's annual financial statements, internal control processes, integrated risk management, Whistleblower Program and the performance of internal and external auditors.

Integrity and Ethics Office ensures Members of Council meet the highest standards of conduct when carrying out their public functions, including acting with integrity; avoiding conflicts of interest and improper use of influence; and arranging private affairs in a way that promotes public confidence.

## Customers:

All citizens of Calgary are served by the elected representatives of Council and benefit from the oversight provided by the Audit Committee and the Integrity and Ethics Office.

## What is delivered to customers:

The Mayor and Council are elected to serve Calgarians and advocate for the best interests of the city. Audit Committee supports the City's commitment to increasing accountability and transparency. Integrity and Ethics Office ensures Members of Council meet the highest standard of conduct when carrying out public functions.



## Partners:

Council partners with citizens, businesses, civic partners and community groups to provide direction to Administration on delivering services to Calgarians. Audit Committee partners with the City Auditor's Office, external auditors and civic partners. Integrity and Ethics Office partners with Members of Council to provide advice and guidance on matters of conduct or review complaints received.

## Service need (value proposition):

Mayor and Council are elected to serve the interests of Calgarians. They are integral to the governance of the City and setting the directives and priorities, based on public engagement. Citizens expect Mayor and Council to meet the highest standards of conduct when carrying out their public functions, a service need supported by the Integrity and Ethics Office. Members of Council are able to serve constituents and the public in a conscientious and diligent manner, while acting with integrity; avoiding conflicts of interest and improper use of influence; and arranging private affairs in a way that promotes public confidence and will bear close public scrutiny. Audit Committee provides the oversight to ensure the integrity of the City's annual financial statements, internal control processes, integrated risk management, and Whistle Blower Program.

## Current state service value

<p><b>81%</b> Calgary is a great place to make a life</p> <p><b>69%</b> Satisfied with Council's Performance</p>	<p><b>82%</b> Calgary is on track to be a better city</p> <p><b>4th</b> Most livable city in the world according to the Economist Intelligence Unit</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <ul style="list-style-type: none"> <li>Tax-Support: \$0 M</li> <li>Revenue: \$0 M</li> <li>Internal Recoveries: \$12 M</li> </ul>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>	<p><b>\$9.60</b> Annual operating cost per resident</p>
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City</li> <li>A Healthy and Green City</li> <li>A City that Moves</li> <li>A City of Safe and Inspiring Neighbourhoods</li> <li>A Prosperous City</li> </ul> 		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>Mayor's Office - \$ 1,941</li> <li>Audit Committee - \$749</li> <li>Office of the Councillors - \$9,156</li> <li>Integrity and Ethics - \$371</li> </ul> <p><b>Key Capital Investments</b></p> <p>Having a reliable customer relationship management ("CRM") system allows for accurate record keeping and tracking functions of incoming calls and issues to Ward offices, which can remove impediments for those wanting to better Calgary communities.</p>	



## What we've heard and service outlook

### What we heard: Citizen Priorities and Council Directives

As elected representatives, City Council serves as the link between the citizens of Calgary and City Administration. One Calgary, The City's Strategic Plan for 2019-2022, is based on three conversations. The first of these conversations is between the Community and Council. It is the conversation between the Community and Council that sets forth the vision for Calgary.

Members of Council are in continuous discussions with citizens. Following the 2017 civic election, City Council utilized the discussions and conversations they had throughout the campaign to develop the Citizen Priorities and Council Directives for 2019-2022. When planning for the next four years, City Council also used imagineCalgary, Calgary's 100-year vision, which was created in 2006 with participation from 18,000 Calgarians.

Through this conversation between the Community and Council, five Citizen Priorities have been created to guide City Administration. Those Citizen Priorities are:

- A prosperous city: Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business.
- A city of safe and inspiring neighbourhoods: Every Calgarian lives in a safe, mixed and inclusive neighbourhood, and has the right and opportunity to participate in civic life. All neighbourhoods are desirable and have equitable public investments.
- A city that moves: Calgary's transportation network offers a variety of convenient, affordable, accessible and efficient transportation choices. It supports the safe and quick movement of people and goods throughout the city, and provides services enabling Calgarians and businesses to benefit from connectivity within the city, throughout the region, and around the globe.
- A healthy and green city: Calgary is a leader in caring about the health of the environment and promotes resilient neighbourhoods where residents connect with one another and can live active, healthy lifestyles.
- A well-run city: Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners, and others.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	12,217	12,381	12,277	12,338
Less Previous Year one Time	(12)	(105)	-	(60)
Base	12,205	12,276	12,277	12,278
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	1	1	1	1
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	70	-	-	-
One Time	105	-	60	15
Realignments	-	-	-	-
<b>Total</b>	<b>12,381</b>	<b>12,277</b>	<b>12,338</b>	<b>12,294</b>

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	12,217	12,276	105	12,381	12,277	-	12,277	12,278	60	12,338	12,279	15	12,294
<b>Recoveries</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	12,217	12,276	105	12,381	12,277	-	12,277	12,278	60	12,338	12,279	15	12,294



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		200	100	-	-	-	300
481200	Relationship Mgmt Solution	200	100	-	-	-	300
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		200	100	-	-	-	300
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		200	100	-	-	-	300

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 481200: Relationship Mgmt Solution

New Budget Request of \$300 thousand is essential to support the customer relationship management solution required for the 14 Council Ward offices in responding to constituent comments and concerns.

Funding from Pay-As-You-Go

Operating Impact of Capital: None







# Municipal Elections

Led by: City Clerk's Office

## Description:

The service conducts elections in a manner trusted by the public to elect candidates to office and allows all eligible electors to cast a ballot. This service also administers the municipal census and validates petitions.

## Customers:

- Voters
- Candidates
- Media

## What is delivered to customers:

A democratically elected body in accordance with legislation and a municipal census.



## Partners:

- Information Technology
- Transit
- Communications
- Administrative Leadership Team
- Law
- Corporate Security
- Finance
- Calgary Neighbourhoods – Diversity team
- School Boards
- Government of Alberta
- Other Municipalities

## Service need (value proposition):

Municipal Elections fulfill the need for a fair, transparent and democratic process for selecting elected officials and/or voting on an issue. An annual census allows for accurate demographic information used in analysis and planning activities within and outside the organization.

## Current state service value

<p><b>58%</b> Voter turnout (2017)</p> <p><b>2,826</b> Election workers hired &amp; trained (2017)</p>	<p><b>35%</b> Online Census Completion Rate (2017)</p> <p><b>15,778</b> Elections Calls Answered (2017)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$8.50</b> Service cost per eligible elector (2017)</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>•Elections = \$294 (2018);</li> <li>•Census = \$1,699 (2018)</li> </ul> <p>*Estimates are as of March 30, 2018, therefore the 2018 estimates do not include the upcoming Vote of Electors (plebiscite).</p> <ul style="list-style-type: none"> <li>•Elections = \$4,371 (2017);</li> <li>•Census = \$2,174 (2017)</li> </ul> <p><b>Key Capital Investments</b></p> <p>Capital investments are required to continue to modernize the administration of elections, including the use of technology to count ballots efficiently and effectively and to support election and census-related software.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Positive feedback has been received from citizens completing the online census. With respect to elections, in 2013 and 2017, positive feedback was received from the public on new advance voting opportunities, such as the Vote Bus and the Drive-Through voting initiative. However, feedback from the public, candidates and media following the 2017 election demonstrated general dissatisfaction with the administration of the election and the publication of results. Business Process Reviews were conducted to identify and correct issues. Specific feedback was received from voters with respect to the lack of accessibility at some voting locations.

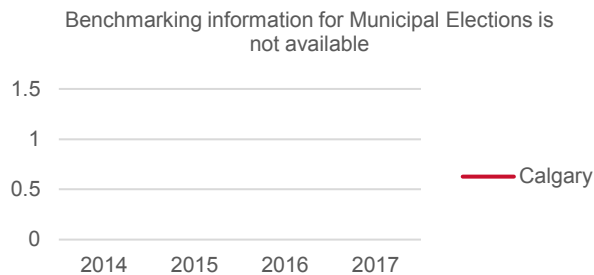
### What Council has directed

- W1 – The election of a Municipal Council provides the decision-making structure through which The City of Calgary is directed to serve Calgarians.
- W2 – The Municipal Elections service will work to be more collaborative and provide opportunities for process improvement.
- W3 – Municipal Elections allow Calgarians to express their priorities and make improvements to their communities.
- W4 – Opportunities for innovation and experimentation in the Municipal Election service will be investigated throughout 2019-2022 within the bounds of legislation.
- The Municipal Tribunals service does not align with any specific long-term plans.

### What are we watching?

There is a growing trend towards completion of the census using the online self-complete option. Greater expectation for real-time tabulation and publishing of results will continue to drive process and other changes. Communication strategies will increasingly need to account for the changing way in which citizens receive information, whether on the election process, candidates, or the results. As Calgary continues to grow, there is an increasing demand for services in a variety of languages, and for better accommodation of individuals' needs. Overall, expectations from citizens, candidates and the media is towards greater transparency of process. Failing to meet that expectation would jeopardize the public trust in the electoral process.

### Benchmarking



No benchmarks are currently tracked. This service will continue to look for ways to benchmark and measure performance. Efforts are ongoing to learn best practices from other jurisdictions that would allow greater use of technology in the logistics and the voting process without undermining the dimensions of quality or legislative compliance. Comparisons of census practices are difficult as Calgary administers an annual census, unlike most jurisdictions.

### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Accessibility	Locations and methods of casting a ballot are physically accessible.
Quality	The votes are counted accurately, and the voter experience is satisfactory.
Informs	The electoral process is open to observers and scrutineers.
Responsiveness	The results of each election are available promptly.
Legislative Compliance	The election was carried out in a manner that followed all legislation and regulation.



# How is the Service performing? Where we are headed and where do we want to go?

Elections Communication Effectiveness Rate (Rate of electors' familiarity with how, when, and where to vote. (Survey collected in advance of election day.))

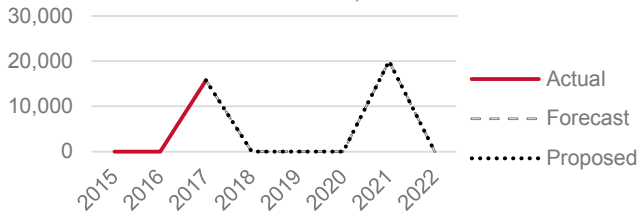


## Story behind the curve

### Elections Communication Effectiveness Rate

Outreach and communication to prospective electors is key to ensuring their ability to exercise their vote. No survey of the effectiveness of this outreach has been performed in the past. However, it is expected that these survey results would allow for more effective programming to be developed.

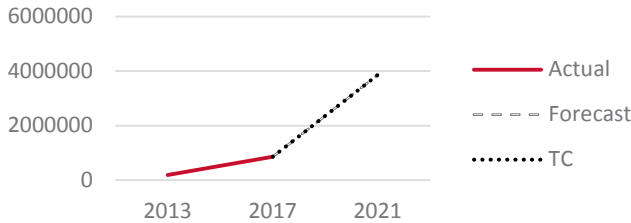
Number of election-related phone calls answered (Overall volume of telephone calls to the election office & 311)



### Number of election-related phone calls answered

The volume of calls received during an election may be indicative of several factors, including whether electors were adequately informed on the voting process, the perceived importance of the election, and how well trained election staff were.

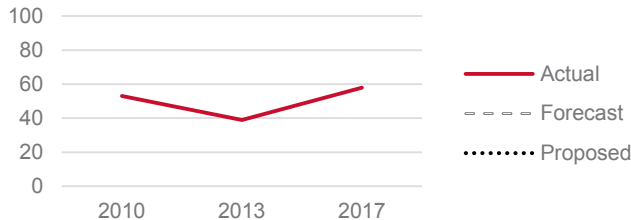
Election website visit volume (2013 & 2017) (Overall number of City of Calgary election website visits)



### Election website visit volume (2013 & 2017)

The volume of website visits during an election may be indicative of several factors, including whether electors were adequately informed on the voting process, the perceived importance of the election, and how well trained election staff were.

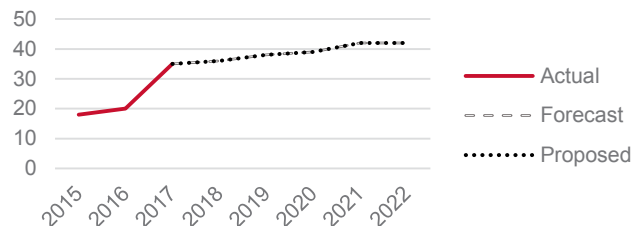
Voter turnout (2010, 2013, 2017) (Percentage of eligible electors who cast a ballot)



### Voter turnout (2010, 2013, 2017)

Voter turnout rates are driven by a number of factors. Whether someone will vote or not is influenced by, among other things, education, age, income and the perceived competitiveness and importance of the election. Elections Calgary focuses on ensuring voters are provided with adequate information and a variety of voting methods.

Online census completion rate (Percentage of households completing their census online)



### Census online completion rate

Providing the option for citizens to self-complete their census online is a cost-effective alternative to door-to-door collection. Higher online completion rates reduce the total paid to door-to-door census takers. Targeted advertising will continue to encourage citizens to self-complete their census online.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Administer elections.
Conduct annual census.
Validate petitions.

#### Why?

This service will continue to deliver elections that are legislatively compliant, trusted by the public and allow all eligible electors to cast a ballot, and conduct the annual census to provide accurate data to support City decision-making and planning. Current review processes will also continue, focusing on potential cost savings while improving outcomes.

### What we propose to do less of

STRATEGY
Printing and mailing (reduce).
Call centre hours (reduce).
Door-to-door census collection (reduce).

#### Why?

Printing, mailing, and door-to-door collection costs will be reduced by using technology and promoting the online census option. Call centre staffing levels can be reduced by better targeting hours of operation.

### What we propose to do more of or include as a new offering

STRATEGY
Develop new interorganizational partnerships.
Use technology.
Develop new performance measures and benchmarks.
Implement a 4-year election program (including business process review implementation).

#### Why?

Along with the move to a four-year election program, this service will continue to work to develop partnerships and build a corporate approach to the delivery of elections and the census. This will include a renewed focus on roles and responsibilities, the use of technology, and the development of measures and benchmarking to assess performance.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Elections Communication Effectiveness Rate (Rate of electors' familiarity with how, when, and where to vote. (Survey collected in advance of election day)	TBD	↔
Number of election-related phone calls answered. (Overall volume of telephone calls to the election office & 311)	15,778*	↑
Election website visit volume. (Overall number of City of Calgary election website visits)	858,186*	↑
Voter turnout. (Percentage of eligible electors who cast a ballot)	58*	↔
Online census completion rate. (Percentage of households completing their census online)	36	↑

\*Reflects results from the 2017 General Election.

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	1,752	1,662	1,662	4,362
Less Previous Year one Time	-	-	-	(2,700)
Base	1,752	1,662	1,662	1,662
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	23	23	23	23
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	37	-	-	-
Efficiencies	-	(23)	(23)	(23)
Service Reductions	(150)	-	-	-
Service Increases	-	-	-	-
One Time	-	-	2,700	-
Realignments	-	-	-	-
Total	1,662	1,662	4,362	1,662

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	1,992	1,902	-	1,902	1,902	-	1,902	1,902	2,700	4,602	1,902	-	1,902
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(240)	(240)	-	(240)	(240)	-	(240)	(240)	-	(240)	(240)	-	(240)
Net	1,752	1,662	-	1,662	1,662	-	1,662	1,662	2,700	4,362	1,662	-	1,662



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		1,020	2,200	380	-	-	3,600
481000	Census & Election Software	1,020	2,200	380	-	-	3,600
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		1,020	2,200	380	-	-	3,600
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		1,020	2,200	380	-	-	3,600

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 481000: Census & Election Software

New Budget Request of \$3,600 thousand for significant upgrades to census and election software systems required due to obsolescence and anticipated changes in requirements.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$37 thousand base funding of operating costs starting in 2019.







# Property Assessment

Led by: Assessment

## Description:

The Property Assessment service assesses properties within the corporate limits of the city of Calgary as a mechanism to fairly and equitably allocate property taxes. This directive is provided by the Government of Alberta's Municipal Government Act, its regulations and associated civic bylaws. This legislation largely directs the Property Assessment service's activities which, while broad and complex, can be summarized as the preparation, communication and defense of property assessments.

## Customers:

The Property Assessment service's customers can be summarized into four main groups:

- The City of Calgary
- The Government of Alberta
- Residential property owners
- Non-residential property owners

## What is delivered to customers:

The main outputs of the Property Assessment service are property assessments themselves.

## Partners:

Property Assessment's primary partners are:

- The Government of Alberta which provides legislative direction and delivers services.
- External assessment jurisdictions who we exchange benchmarks and best practices with.
- Industry groups who we exchange real estate data and analysis with.
- City of Calgary services such as Building Approvals, Taxation and Financial Support, and Legal Counsel & Advocacy.

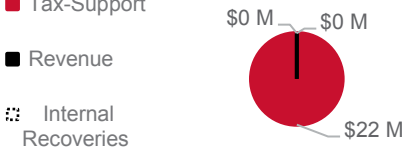

## Service need (value proposition):

The service addresses the Corporation's and Government of Alberta's legislated requirement for market value property assessments. These assessments provide a basis for the fair and equitable distribution of property taxes which are used for the provision of public services.

From the residential and non-residential property owners perspective, the property assessment service is particularly important as it ensures they understand and will only pay their fair share of the property tax base.

The Property Assessment service also allocates appropriate tax status to not for profit organizations.

## Current state service value

<p><b>522,225</b> 2018 Annual Property Assessment Accounts</p> <p><b>7,573</b> 2018 Customer Review Period Inquiries</p>	<p><b>47%</b> Property Taxes as % of City Op. Revenues</p> <p><b>3,003</b> 2018 Annual Tribunal Property Complaints</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$42</b> Annual operating cost per property assessment account</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p>
		<p><b>Key Capital Investments</b></p> <p>Preparing, communicating, and defending over half a million property assessments across Calgary is only possible via sophisticated computer software. Capital investments in the Property Assessment service focus entirely on this software.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

A customer service survey is administered once every two years. While overall satisfaction has stayed consistently over 80 per cent since 2010, non-residential results have lagged behind. This is a theme the Property Assessment service will concentrate on during 2019-2022. Non-residential properties do not make up a large proportion of overall properties by count but they do comprise a significant proportion by assessed value which is what ultimately affects property tax dollars.

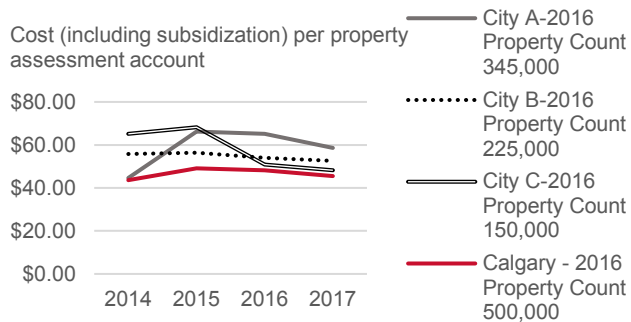
## What Council has directed

The Property Assessment service aligns primarily with directives contained within the "A Well-Run City" Council Priority which notes "Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners and others." There is also alignment with a directive contained within the "A Prosperous City" Council Priority which notes "Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business." The long-term plan that the Property Assessment service primarily aligns with is the Long Range Financial Plan – particularly its "Funding Sufficiency" and "Efficiency" goals.

## What are we watching?

- Recent legislative changes are expected to have long-term and significant impacts on processes and products.
- Property Assessment will potentially have to operate in an increasingly complex environment due to an increased interest in tax relief programs.
- Amplified attention in Property Assessment from all levels of stakeholders will require a continued focus on accountability and transparency.
- Volatility in the real estate market may result in a spike in inquiry and complaint volumes which could result in a workload increase and a corresponding financial risk to The City of Calgary.
- The replacement of the primary software application that is used to provide the Property Assessment service could have major impacts if conducted improperly.
- Attraction, retention and succession management of key talent will be a key contributor to service success.

## Benchmarking



Comparing "Cost (including subsidization) per Property Assessment Account" is difficult via the Canadian Property Assessment Network as each province has different legislation. Calgary and City A are quite comparable although City A contains Taxation services on top of Property Assessment services which are hard to split out. Calgary, City B and City C are also comparable although there are differences in size. Also, City B is on a two-year reassessment cycle, City C is on a three-year reassessment cycle and Calgary is on a one-year reassessment cycle.

Source: Canadian Property Assessment Network

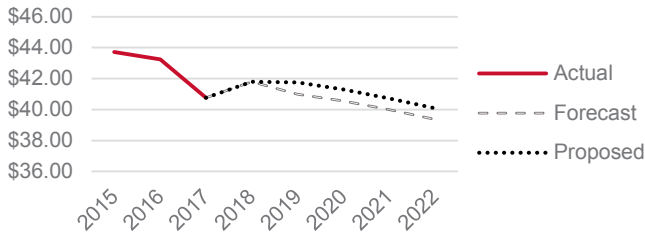
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Legislative Compliance	Valuations meet all quality standards, pass all required audits, and are prepared and issued in accordance with the MGA.
Quality	Valuations are accurate and equitable when originally mailed to property owners.
Fairness	Properties with the same characteristics are assessed in the same manner using mass appraisal.
Reduces risk	The assessment base remains within tolerances throughout the year and strategies are used to minimize complaint impacts.
Informs	Knowledgeable staff can answer questions from property owners.



# How is the Service performing? Where we are headed and where do we want to go?

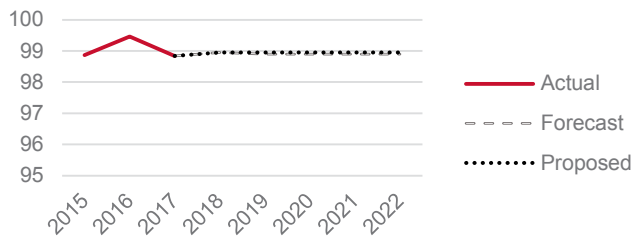
Service cost per property assessment account (Dollars)



## Story behind the curve

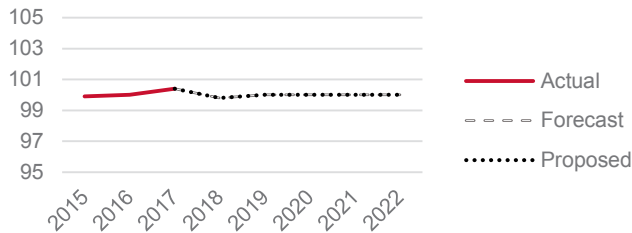
The service cost per property assessment account has trended down over the years and is expected to continue to do so as operating budgets do not keep up with account growth. In the past, the Property Assessment service has been able to maintain service levels due to efforts to increase efficiency despite the increase in both the volume and complexity of accounts.

Per cent of the annual property assessment base maintained (Percentage)



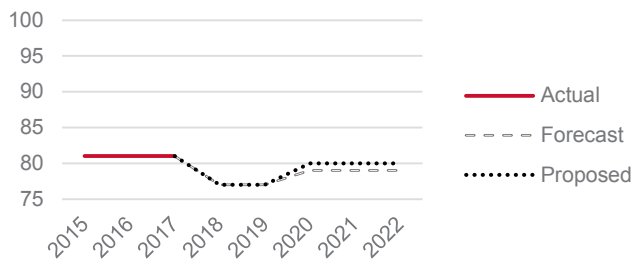
The per cent of the annual property assessment base maintained is how Property Assessment measures overall effectiveness of all parts of its operations. Results that move too far below 100 per cent erode The City of Calgary's ability to rely on the sizeable and stable property tax base to supply services. New accounts are growing faster than the operating budget which will push roll stability lower so Property Assessment will prioritize turning the curve and keeping roll stability at historical averages.

Overall ratio of what properties are assessed at versus what those properties sold for (Percentage)



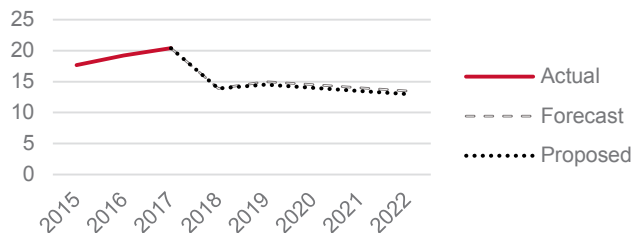
The overall ratio of what properties are assessed at, versus what those properties sold for, is the most fundamental performance measure that Property Assessment has to measure the quality of the assessment roll. Anything close to 100 per cent means that, on average, properties are selling for close to what they are assessed at. Performance measure results have stayed around 100 per cent for many years due to Property Assessment's continued focus on meeting and exceeding legislated standards.

Assessment customer satisfaction score (Percentage)



Property Assessment conducts a customer satisfaction survey every two years. Results have stayed over a very healthy 80 per cent since 2010 but fell below this target in 2018. This negative trend is expected to continue as Property Assessment's operating budget isn't keeping up with the growth in accounts so, Property Assessment will make efforts to turn the curve to get back to the historical 80 per cent level.

Per cent of the total annual assessment base under formal complaint (Percentage)



The per cent of the total annual assessment base under formal complaint had been steadily rising until a significant effort to turn the curve was made in 2017 resulting in strong 2018 results. It will be important to build on the successes of the 2018 results as this performance measure is a strong leading indicator of tribunal losses and the corresponding negative financial impact that has for The City of Calgary.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Prepare property assessments for each Calgary property that meet or exceed all legislated requirements.
Communicate property assessments to property owners and provide excellent individual customer service.
Minimize the risk of the property assessment roll being reduced outside of acceptable thresholds.
Manage the taxable and non-taxable status of properties to ensure the legislation is correctly interpreted and applied.
Prioritize process and system improvements to set Property Assessment up to be efficient and effective now and in the future.
Create a work environment that attracts staff members to make Property Assessment with The City of Calgary a long-term career choice.

#### Why?

The Property Assessment service's core business is well defined and legislatively needs to continue to be delivered at or above standards that are audited by the Government of Alberta. This core business is the most important part of defining whether Property Assessment is successful in both the short- and long-term. Where required, resources will be pulled from other operational areas to ensure this core business is completed effectively.

### What we propose to do less of

STRATEGY
Spend on paper, printing and mailing.
Allocate staff time to tribunal activities including preparation, attendance and follow-up.
Spend on non-salary and wage related expenses.

#### Why?

Property accounts are expected to grow at a rate of between approximately 1.1-1.6% per year between 2019-2022 but the operating budget is not expected to grow at the same rate. Services will need to prioritize work to make up for this shortfall by focusing resources where they are most needed. Efficiencies will be capitalized on where available but some service reduction will occur.

### What we propose to do more of or include as a new offering

STRATEGY
Improve products, processes and systems to deliver better service to increasingly engaged and educated customers.
Focus resources on pre-roll consultation in order to collaborate with customers and reduce non-residential assessment value under complaint.
Provide more products electronically in an effort to improve customer service, reduce cost and lower The City's environmental footprint.
Actively collaborate with key stakeholders in support of initiatives supporting the downtown and overall tax stability.

#### Why?

The gap between workload growth and workforce growth will see several key performance measures have results that move towards unacceptable levels. Specific strategies and actions will be put in place to combat this movement and ensure Property Assessment delivers the products and services that customers are demanding at levels they are demanding it.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Service cost per property assessment account (Dollars)	41.80	↓
Per cent of the annual property assessment base maintained (Percentage)	98.95	↓
Overall ratio of what properties are assessed at versus what those properties sold for (Percentage)	99.8	↔
Assessment customer satisfaction score (Percentage)	77	↓
Per cent of the total annual assessment base under formal complaint (Percentage)	13.9	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	21,700	21,976	21,977	21,978
Less Previous Year one Time	-	-	-	-
Base	21,700	21,976	21,977	21,978
Revenue Changes	78	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	414	317	383	434
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(464)	(73)	(70)	(71)
Service Reductions	(347)	(243)	(312)	(362)
Service Increases	720	-	-	-
One Time	-	-	-	-
Realignments	(125)	-	-	-
Total	21,976	21,977	21,978	21,979

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	21,828	22,026	-	22,026	22,027	-	22,027	22,028	-	22,028	22,029	-	22,029
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(128)	(50)	-	(50)	(50)	-	(50)	(50)	-	(50)	(50)	-	(50)
Net	21,700	21,976	-	21,976	21,977	-	21,977	21,978	-	21,978	21,979	-	21,979



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	3,600	-	-	-	3,600
411080	Assessment Systems Improvement	-	3,600	-	-	-	3,600
<b>Sub-Total (New Budget Requests)</b>		-	3,600	-	-	-	3,600
Previously Approved Budget Remaining		7,972	-	-	-	-	7,972
<b>Total Capital Investment</b>		7,972	3,600	-	-	-	11,572

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 411080: Assessment Systems Improvement

New Budget Request of \$3,600 thousand to provide additional funding to implement a new Computer Assisted Mass Appraisal system; the core software used by staff to prepare property assessments.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None







# Records Management, Access & Privacy

Led by: City Clerk's Office

## Description:

Records Management, Access & Privacy provides the framework and tools for the effective management, protection, preservation and release of records by the Corporation.

## Customers:

- City employees;
- Requestors under FOIP;
- Business Unit Records Management and Information specialists.

## What is delivered to customers:

This service provides managed documents, processes FOIP requests, investigates privacy breaches, completes privacy impact assessments and delivers records-related training and support.

## Partners:

- Information Technology
- Information Security (Corporate Security)
- Business Unit Records and Information Specialists
- FOIP (Freedom of Information and Protection of Privacy)
- Program Administrators in all business units

## Service need (value proposition):

This service ensures The City is able to provide, protect and preserve its records in order to meet operational, legal, fiscal and archival requirements. It also ensures a balance between the public's right to know and an individual's right to privacy.

## Current state service value

<p><b>63%</b> FOIP On-Time Rate (2017)</p> <p><b>95%</b> Records Management Training satisfaction</p>	<p><b>14</b> FOIP Program Admins &amp; EAs trained (2017)</p> <p><b>1,022</b> Staff trained on Records Management</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$180</b> Annual Records Management, Access &amp; Privacy cost per City employee</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>• Records Management = \$1,521;</li> <li>• Archives = \$804;</li> <li>• Information Access = \$702;</li> <li>• Privacy = \$365.</li> </ul> <p><b>Key Capital Investments</b></p> <p>Capital funding will allow the Corporation to better manage electronic records, including developing and implementing processes and procedures, training users, and developing effective document repositories.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Customers interviewed during an internal engagement expressed an increasing desire to see greater support, tools and training on the management of electronic records. Internal customers have also expressed a desire for more training on the administration of the FOIP Act, as well as more information with respect to privacy obligations. Internal and external Archives users desire more online archival records. In 2017, requestors of information through the FOIP Act expressed dissatisfaction with both the timeliness of responses and the content made available through release, as well as the user fees assessed.

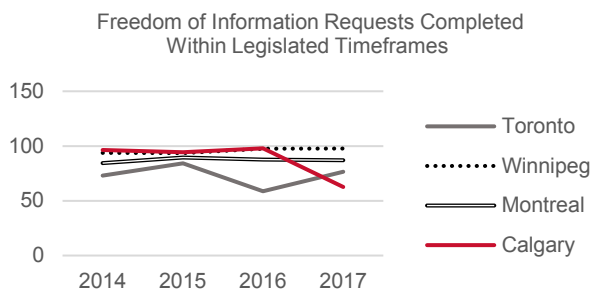
### What Council has directed

- W2 – This service supports all business units and services to be as efficient and effective as possible through streamlined management of records and information.
- W3 – Available records and access provides citizens with information to be used in making improvements to their communities.
- W4 – By providing the framework for Records Management, Access and Privacy this service allows The City to make informed decisions on risk and to innovate through service delivery.
- The Records Management, Access and Privacy service does not align with any specific long-term plans.

### What are we watching?

The growing use of technology will lead to the creation of more electronic records, with much of it in unmanaged repositories such as email. The public increasingly expects greater transparency and access to information while also expecting privacy to be appropriately protected. As unmanaged records and information increase in volume, the corporation's exposure to legal and compliance risk increases.

### Benchmarking



The FOIP Program has seen an increase to the number of requests in recent years, and an increase to the complexity of requests in general. More resources have been required to address the volume, while also dedicating resources to administer Privacy Impact Assessments for the Corporation and investigate privacy breaches. Greater information sharing with other jurisdictions and even more emphasis on employee education are intended to improve legislative compliance.

Source: Municipal Benchmarking Network Canada

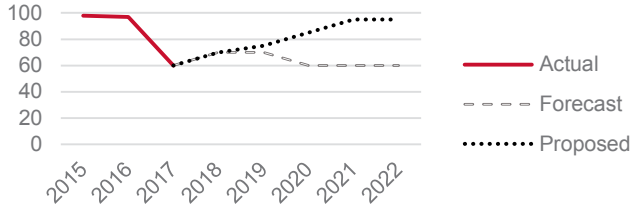
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Availability	City employees are able to locate, provide, protect and preserve records in order to meet requirements.
Informs	The City releases information in accordance with legislation and engages in proactive disclosure where appropriate.
Reliability	Employees and the public can rely on the expertise of staff in matters of privacy, records and information access.
Legislative Compliance	Employees comply with the legislation, regulation and policies governing records management, access and privacy.



# How is the Service performing? Where we are headed and where do we want to go?

FOIP on-time rate (Percentage of concluded FOIP requests that were completed within the legislated timelines)

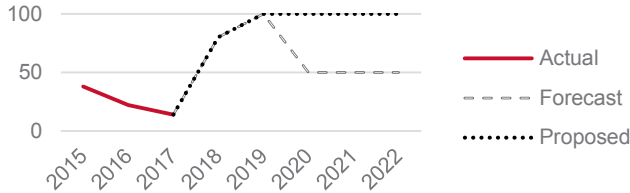


## Story behind the curve

### FOIP on-time rate

Temporary staff shortages combined with an increase in the volume and complexity of information access requests and Privacy Impact Assessments (PIAs) has led to a drop in the on-time compliance rate of the FOIP Program. In addition, the volume and complexity of privacy-related requests (including PIAs and privacy breaches) has required a greater amount of staff effort. Staffing actions and a business process review will allow the sub-service to refocus efforts on completing information access requests in a timely manner.

FOIP Training volume (Number of employees (PAs, Alternates & EAs) who received City of Calgary FOIP training in the listed calendar year.)



### FOIP Training volume

Temporary staff shortages combined with an increase in the volume and complexity of access to information requests has led to a drop in the ability of FOIP staff to offer access and privacy training to the Corporation. Staffing actions and a business process review will allow the sub-service to focus on increasing training amounts and look at alternative training delivery methods.

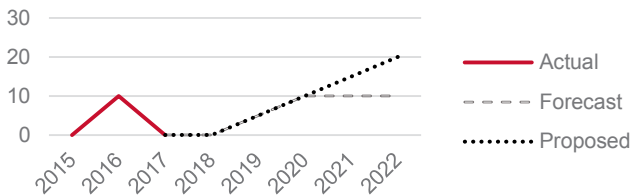
Records management training satisfaction (Percentage of Corporate Records training attendees who rated the courses as good or excellent.)



### Records management training satisfaction

Records Management training is a key foundation of administering an effective Corporate Records program. Satisfaction rates reflect both the content of the sessions and the approach taken by records analysts and administrators who conduct the training. Training is often updated to account for any changes to software, policies or guidelines, which require regular review to remain current and effective. The service will aim to maintain satisfaction levels while exploring enhanced delivery options.

Disposition compliance rate (Percentage of system-hosted records eligible for disposition that were submitted for disposition each year)



### Disposition compliance rate

Disposition is a key step in the management of official records. Business units control the rate at which disposition occurs, supported by their Business Unit Records Coordinator (BURC) and by Corporate Records. While disposition has been on hold for two years due to ongoing technology upgrades, disposition processes for both physical records and electronic records (new) will ensure a greater volume is processed. Investments in short-term assistance to address the backlog of records will help ensure future performance improvements.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide the framework and tools for the management and preservation of records.
Implement the recommendations of the 2018 business process review.
Administer the FOIP program.

#### Why?

This service will continue to provide the framework and tools for the effective management, protection, preservation, and release of records by the Corporation. Implementation of the outcomes of the 2018 Business Process Review will continue, ensuring that resources are aligned to priorities and well-designed processes are in place.

### What we propose to do less of

STRATEGY

#### Why?

While implementation of business process reviews may identify opportunities to "do less" of specific processes, the service will be enhancing the level of service over the business cycle and is not proposing to do less of any specific area of work.

### What we propose to do more of or include as a new offering

STRATEGY
Prioritize completing access requests within the legislated timelines.
Complete Privacy Impact Assessments in a timely manner.
Dispose of records as appropriate.
Increase staff complement to address volume and complexity.

#### Why?

There will be an increased focus on completing access to information requests in compliance with legislation. Through existing project funding and new investments there will be an emphasis on developing and implementing new disposition tools for both electronic and physical records, allowing the Corporation to dispose of records that are past their retention date and no longer serve an operational, financial, legal or archival purpose.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
FOIP on-time rate (Percentage of concluded FOIP requests that were completed within the legislated timelines)	70	↑
FOIP Training volume (Number of employees (PAs, Alternates & EAs) who received City of Calgary FOIP training in the listed calendar year.)	80	↑
Records management training satisfaction (Percentage of Corporate Records training attendees who rated the courses as good or excellent.)	95	↔
Disposition compliance rate (Percentage of system-hosted records eligible for disposition that were submitted for disposition each year.)	0	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	3,389	3,554	3,839	4,099
Less Previous Year one Time	-	-	-	-
Base	3,389	3,554	3,839	4,099
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	165	45	45	45
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	215	-
Efficiencies	-	-	-	-
Service Reductions	-	-	-	-
Service Increases	-	240	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	3,554	3,839	4,099	4,144

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	3,392	3,557	-	3,557	3,842	-	3,842	4,102	-	4,102	4,147	-	4,147
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(3)	(3)	-	(3)	(3)	-	(3)	(3)	-	(3)	(3)	-	(3)
Net	3,389	3,554	-	3,554	3,839	-	3,839	4,099	-	4,099	4,144	-	4,144



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		280	500	280	500	-	1,558
471997	Content Suite (Phase 2) - EDRM	280	500	280	500	-	1,558
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		280	500	280	500	-	1,558
Previously Approved Budget Remaining		470	392	-	-	-	862
<b>Total Capital Investment</b>		750	892	280	500	-	2,420

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 471997: Content Suite (Phase 2) - EDRM

New Budget Request of \$1,558 thousand for continuation of work relating to Content Suite - Enterprise Document and Records Management (EDRM).

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: This request requires \$215 thousand base funding of operating costs starting in 2021.







# Taxation

Led by: Finance

## Description:

This service is provided to external customers and The City of Calgary, and ensures property taxes are properly billed and collected, and that customers receive timely and accurate information on property tax matters.

## Customers:

The Corporation  
Residential and Non-Residential Property Tax Account Holders  
Business Improvement Areas and Business Revitalization Zones

## What is delivered to customers:

Property tax account paid, and timely and accurate tax-related information is provided.

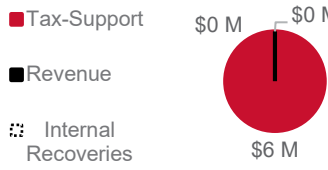
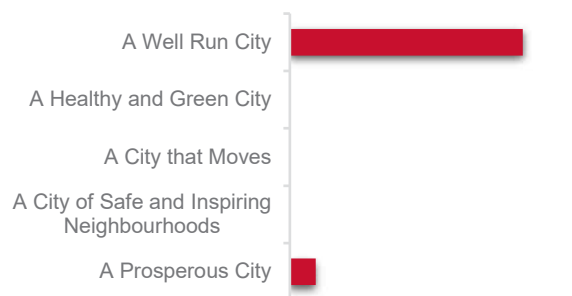
## Partners:

Finance  
Information Technology  
Customer Service & Communications  
Business Improvement Areas  
Assessment

## Service need (value proposition):

Timely and accurate billing and collection of property taxes provides The Corporation with certainty regarding the amount and timing of a significant component of its total revenues. Accurate billings give citizens certainty in their expenditures and confidence in The City's ability to provide prudent fiscal management. This certainty enables The City to confidently deliver services, programs and infrastructure expected and valued by Calgarians. Accuracy in billing ensures confidence in the amount of taxation revenue that will be collected, while proactive and innovative collection efforts ensure the risk of uncollectible revenue remains low. Active promotion and enhancement of the Tax Instalment Payment Plan (TIPP) provides The City with stable and predictable cash flow to fund operating and capital requirements, and provides property owners with a convenient payment option.

## Current state service value

<p><b>522,000</b> Number of property tax accounts served</p> <p><b>100</b> % of Service Requests closed on-time</p>	<p><b>180,000</b> Number of annual citizen interactions</p> <p><b>\$1.8 billion</b> Municipal property tax billed in 2018</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$12</b> Annual operating cost per property tax account</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Service: Taxation. What the service includes: Tax Billing and Systems (\$2,090), Tax Advisory Services (\$2,077), Tax Account Maintenance (\$1,202), Collections (\$926)</p> <p><b>Key Capital Investments</b></p> <p>Billing and collection of property tax is supported by the PTWeb system. Investments are required to ensure legislative compliance and to ensure ongoing system viability and performance.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

In 2017, Tax facilitated 180,000 customer interactions. While there is not currently a formal process to capture feedback, anecdotal observations support that citizens appreciate the services provided by Taxation in helping them understand and resolve tax matters. Occasionally, customers indicate they would like to see more flexibility in such matters as payment deadlines and the application of penalties. While matters such as these are directed by City bylaws under the authority of the MGA, and not subject to discretionary application, Taxation endeavours to be responsive to customer requests for enhanced levels of service.

## What Council has directed

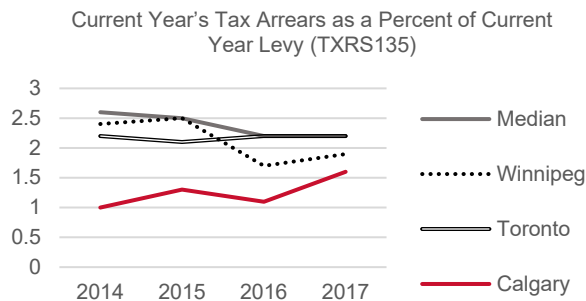
W1 We need to speak in a collective voice that improves communication to help Calgarians understand: services, how taxes are invested, municipal government functions to serve Calgarians, and that municipal government is well-run and efficient. W2 We need to shift our understanding and focus from how services are delivered to why services are delivered. We must work on improving the value of municipal services delivered by simplifying and streamlining processes and procedures, cutting red tape, eliminating service silos, and discontinuing services The City should not be providing. W4 We need to recognize that we miss opportunities for innovation because of a culture of risk avoidance. We need to create a culture, that embraces appropriate risk, innovation, experimentation, and lessons learned as opportunities to improve.

## What are we watching?

There are a number of external trends that Tax is monitoring and responding to as appropriate:

- The legislative environment (i.e. Municipal Government Act) contains actual and proposed changes which will directly impact the capacity and functioning of our systems and resources.
- How citizens/customers expect to engage with The City (e.g. electronic tax notices, 24-hour access to information).
- Proactively monitoring the economic environment to identify sectors at risk to manage tax accounts that may be at greater risk of non-collection.
- Risk Section.
- PTWeb has increasing demands on system capacity and the resources which support it (e.g. PTP, MGA changes, BIA levy collection).
- Other internal systems are undergoing significant changes which will require integration to be actively managed (e.g. CIAO+).

## Benchmarking



Source: Municipal Benchmarking Network Canada

The current year's tax arrears as a per cent of the current year levy is supported by several factors related to the provision of taxation services including: the accuracy of annual and supplementary tax billings, timeliness of annual and supplementary tax billings, speed with which payments are processed, ability to communicate effectively with taxpayers and resolve their inquiries, and the ability to collect outstanding taxes. Calgary's performance in maintaining a low current year receivable balance speaks to Taxation's ability to meet expectations for a reliable and responsive service.

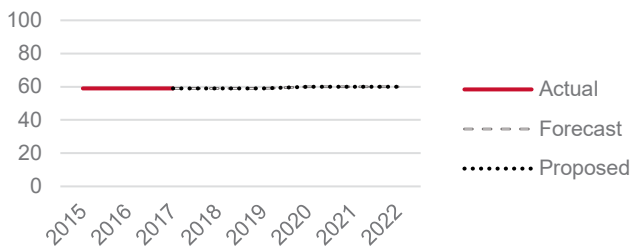
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Sustainability	Tax bill payments are received in a timely manner.
Reliability	Tax bills are timely and accurate.
Responsiveness	Tax bill inquiries are resolved in a timely manner.

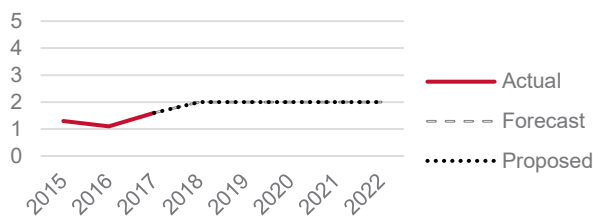


## How is the Service performing? Where we are headed and where do we want to go?

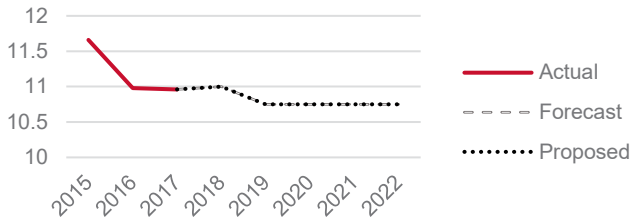
TIPP Participation Rate (Percentage)



Current year's tax arrears as a percent of current year's tax levy (Percentage)



Operating Cost to Maintain Property Tax Accounts per Property Tax Account Serviced (Dollars/account)



### Story behind the curve

The TIPP participation rate is impacted by a number of factors including the general economic environment, program visibility and trust in the municipality. While the participation rate has remained steady for several years, it has done so against an increasing number of property tax accounts. The goal is to maintain or slightly increase TIPP participation as the number of accounts grows by ensuring the benefits of the program remain visible to customers and the Taxation Service continues to maintain the trust and confidence of customers.

Current year's tax arrears as a per cent of the current year levy is supported by several factors related to the provision of taxation services including:

- Accuracy of annual and supplementary billings.
- Timeliness of annual and supplementary billings.
- Speed with which payments are processed.
- Ability to communicate effectively with taxpayers.
- Ease of understanding of taxpayer obligations, payment options, due dates, and penalties.
- Ability to resolve taxpayer concerns and inquiries.
- Ability to collect outstanding taxes.
- Responsiveness of systems and resources to increasing capacity demands.

Maintaining low current year tax arrears is indicative of the overall health and effectiveness of the Taxation Service.

### Operating Costs to Maintain Property Tax Accounts per Property Tax Account Serviced

As the volume of accounts has increased, the cost to maintain each account has shown a downward trend. This has been achieved by leveraging technology to enhance efficiency and productivity. This strategy will continue to be employed as much as possible. However, the Taxation Service continues to face additional pressures to workload and expectations due to changes in the MGA, increasing expectations from Council and Administration (e.g. delivering PTP, providing a Compassionate Tax Penalty Relief Program, TIPP forecasting, etc.) that will potentially offset some of the efficiencies delivered as we react to competing demands.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Offer relevant, timely and responsive taxation services to the Corporation and customers.
Leverage technology to create capacity to accommodate rise in transaction volumes.
Enhance cross-training and develop more androgynous positions.
Evaluate workflows in response to changes to Municipal Government Act.

#### Why?

Taxation Services prepares and sends approximately 500K property tax bills and has approximately 180,000 customer interactions per year. Customers expect access to timely, reliable and accurate property tax information and this service will continue to be provided through a combination of highly-skilled professionals and technology.

### What we propose to do less of

STRATEGY
Maintain and bill business tax accounts due to the successful conclusion of the Business Tax Consolidation initiative.
Redirect resources from improvement initiatives not directly tied to corporate strategic goals.

#### Why?

Property accounts are expected to grow at a rate between approximately 1.1% - 1.6% per year between 2019-2022 but operating budgets are staying close to 2018 levels. Taxation will need to prioritize work to make up this shortfall by focusing resources on work that is important operationally or tied to a larger corporate strategy.

### What we propose to do more of or include as a new offering

STRATEGY
Leverage technology to create capacity to accommodate rise in transactional volumes.
Enhance cross-training and develop more androgynous positions.
Offer compassionate property tax penalty relief under certain circumstances.

#### Why?

Taxation Services will continue to pursue opportunities to become even more efficient through the use of available and emerging technology. We will also continue to evaluate our staff resources to ensure they are delivering our services in the most efficient and effective manner to meet the needs of the Corporation and customers.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
TIPP Participation Rate (Percentage)	59	↔
Current year's tax arrears as a percent of current year's tax levy (Percentage)	2	↔
Operating Cost to Maintain Property Tax Accounts per Property Tax Account Serviced (Dollars/account)	11	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	5,977	6,563	6,563	6,543
Less Previous Year one Time	-	-	-	-
Base	5,977	6,563	6,563	6,543
Revenue Changes	(25)	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	135	-	-	-
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(159)	-	(20)	-
Service Reductions	(295)	-	-	-
Service Increases	930	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	6,563	6,563	6,543	6,543

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	6,294	6,905	-	6,905	6,905	-	6,905	6,885	-	6,885	6,885	-	6,885
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	(317)	(342)	-	(342)	(342)	-	(342)	(342)	-	(342)	(342)	-	(342)
Net	5,977	6,563	-	6,563	6,563	-	6,563	6,543	-	6,543	6,543	-	6,543



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		1,000	1,000	-	-	-	2,000
480200	Tax Management Sustainment	1,000	1,000	-	-	-	2,000
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		1,000	1,000	-	-	-	2,000
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		1,000	1,000	-	-	-	2,000

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480200: Tax Management Sustainment

New Budget Request of \$2,000 thousand for funding to ensure ongoing compliance of The City's tax billing and collection system with regulatory and legislative requirements.

Funding from Pay-As-You-Go

Operating Impact of Capital: None











# Corporate Security

Led by: Corporate Security

## Description:

Corporate Security's service line protects The City's employees, Mayor, Members of Council, citizens and visitors, information, assets and infrastructure, and assists in the provision of public safety. We have two functional categories of service, cyber security and physical security. Under these categories, Corporate Security has 50 subservices.

## Customers:

Corporate Security's customers who directly and indirectly benefit from the Security service include City of Calgary employees, service owners, Executive leadership, the Mayor and Members of Council, citizens and visitors, internal partners, regulatory bodies and the media.

## What is delivered to customers:

Physical and logical assets are secured through (1) Assessment and mitigation strategies, (2) Intelligence, (3) Technical application and support, (4) Business support, (5) Training and education courses related to various security topics, (6) Security operations, monitoring and response, (7) Investigations and forensics and (8) Cyber security incident response.

## Partners:

Corporate Security's key partners include the Administrative Leadership Team, the Senior Management Team, the Mayor and Members of Council, Law, City Clerks, Information Technology and Facility Management.

Corporate Security also provides security services to citizens. External partners include Civic Partners, Calgary Police Service, Calgary Public Library and Calgary Housing Company.

## Service need (value proposition):

Our customers receive value from our services through the protection of City assets, infrastructure and information. We work to proactively manage loss, identify, assess and mitigate risks, and ensure organizational resilience, safety, security and availability of services.

Customer segmentation and the public engagement sessions helped identify our customers and what they value:  
 Employees: Safe, secure, supported, responsiveness, integrity, transparency, availability  
 Internal partners: Quality, timely response, expertise, collaborative partnerships, consistency  
 Service Owners: Value, safe and secure, quality and expertise, responsibility, accountability, engaged workforce  
 Executive Leadership: Resiliency, transparency, value, compliance, proactive risk management  
 Members of Council: Same as above  
 Citizens/visitors: Resiliency, transparency, value, compliance, proactive risk management, availability

## Current state service value

<p><b>890</b> Reported number of security incidents</p> <p><b>91%</b> Level of customer satisfaction</p>	<p><b>\$1.4 M</b> Reported total losses to public assets</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$8.50</b> Annual operating budget \$ per \$1000 of City Tangible Capital Assets</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p>		<p><b>What the service includes (\$000s)</b></p> <p>Assessments &amp; Mitigation Strategies: \$4,089          Training &amp; Education: \$290          Security Monitoring &amp; Response: \$12,429          Technical Applications &amp; Support: \$2,059          Investigations &amp; Forensics: \$2,198</p> <p>We have completed our Service Catalogue which outlines our 50 subservices in detail. This will be used to assist us with our recovery model and improve our service delivery.</p> <p><b>Key Capital Investments</b></p> <p>Two programs for information and physical security continue to deliver projects for lifecycle replacement, improved resiliency of enterprise security systems and tools for network/information protection and aging hardware (video surveillance equipment).</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

In 2017, Corporate Security engaged an external research company to conduct a client satisfaction survey among its City clients.

- The survey was sent to over 1,300 Dept ID owners (City employees who are supervisors, leaders, managers) and 450 people completed the survey and provided feedback regarding subservices.
- 91 per cent of survey respondents were satisfied/very satisfied with the services they receive and see value from Corporate Security.
- 85 per cent stated they understand the value Corporate Security brings to their day-to-day operations.
- 80 per cent feel they can do their jobs securely as a result of Corporate Security's efforts.

## What Council has directed

A City of Safe and Inspiring Neighbourhoods – N1

Calgarians want neighbourhoods and public spaces that are safe, accessible and inclusive for all Calgarians, including seniors and the disabled.

A City that Moves – M3

Innovative technology partnerships can help to build, fund and sustain a resilient transportation network.

A Healthy and Green City – H4

Partnerships with community groups, not-for-profits and businesses will encourage the development of public meeting places that can be used by Calgarians of all ages, abilities and during all seasons.

A Well-Run City – W2

We need to shift our understanding and focus from how services are delivered to why services are delivered.

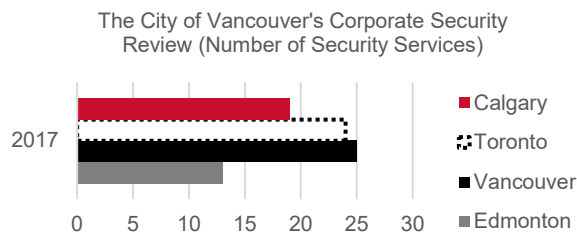
A Well-Run City – W4

We need to create a culture that embraces appropriate levels of risk, innovation, experimentation, and embraces lessons learned as opportunities to improve.

## What are we watching?

Terrorism: attacks are increasing in frequency, costing less, expanding beyond sites previously identified and are including large-scale events and uncontrolled spaces, and are difficult to detect. Cyber incidents: the complex nature, volume and sophistication of incidents continue to increase. Opioid crisis: The City is supporting the Province and community partners in delivering a coordinated response. Cannabis: recreational cannabis is now legalized and The City must clarify its expectations for staff. Drones: we are receiving an increasing number of requests to fly these from, over and around City property. Autonomous vehicles: the use of these is becoming a reality and the security impact of this needs to be explored. Fraud: large organizations often incur loss due to theft/fraud.

## Benchmarking



Source: The City of Vancouver's Corporate Security Review

The number of security services delivered by Corporate Security is approx 50. The number in the table reflects only the services that were surveyed. Calgary is the only city to provide Cyber Security services within its Security program. If Cyber Security services had been included, Calgary would have had the highest number of services. It's possible that comparable data may never be available due to the confidential nature of the subject. The City's Physical Security program is one of the most mature programs in Canada. The Cyber Security program is being developed to reach the same maturity.

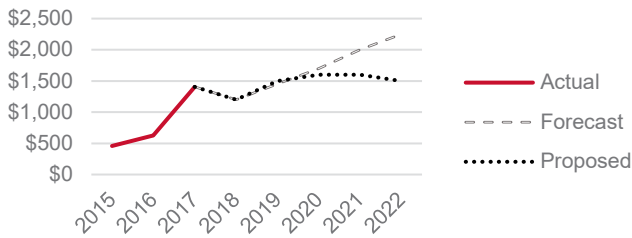
## What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Physical assets; employees, the Mayor, Council, citizens/visitors, infrastructure and assets are secured/protected.
Reliability	Access and integrity of systems are secured. Protect confidential information by educating users on how to use/share it.
Reduces risk	Provide proactive, predictive, intelligence-driven risk mitigation strategies to reduce, manage, transfer and eliminate risks.
Responsiveness	Requested security services will be responded to in a reasonable amount of time.
Expertise	Highly-trained employees combined with the use of innovative technology results in a high level of security expertise.



# How is the Service performing? Where we are headed and where do we want to go?

Total identified losses to public assets (Approximate dollars (000's))



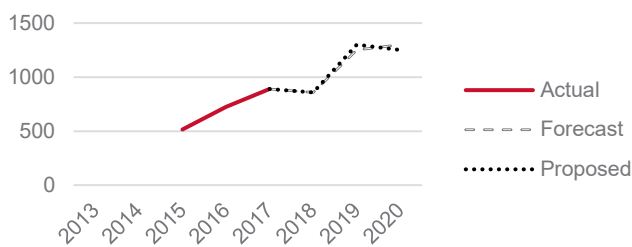
## Story behind the curve

We need to either invest in security prevention or response. Funds allocated to security will help ensure we continue to maintain our proactive, preventative and information-based security service.

### Total losses to City assets

We're starting to make progress and turn the curve in reducing losses to City assets. Since we are able to continue to maintain our service level, we'll likely see further progress in this area. Specifically, we'll be able to continue to deliver threat risk assessments and training, and awareness programs, and both help to address losses to City assets.

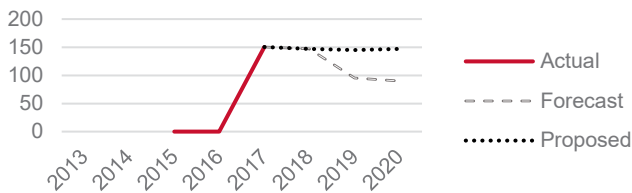
Incidents (new measure) (Number of incidents)



### Number of incidents

Incidents will likely increase due to more investigations arising from the new anti-bullying legislation and the use of cannabis. However, given that we are able to maintain our training and awareness measures, some theft and fraud incidents are likely to decrease in number. We'll continue to work to identify the root cause and collaborate with internal partners on addressing incidents.

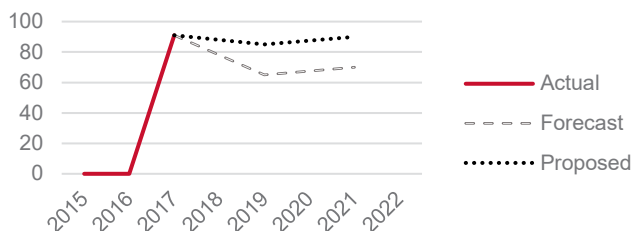
Corporate Security's Employee Satisfaction (The City's Employee Engagement Survey index rating (Corporate Security's score))



### Employee Engagement

In 2017, we formalized our employee engagement efforts and our employee satisfaction was 25 points higher than The City's score. Moving forward, we should be able to sustain this. Leaders will continue to address employee engagement through communications/change management.

Corporate Security's Client Satisfaction (new measure biannually) (Overall satisfaction rating (%age))

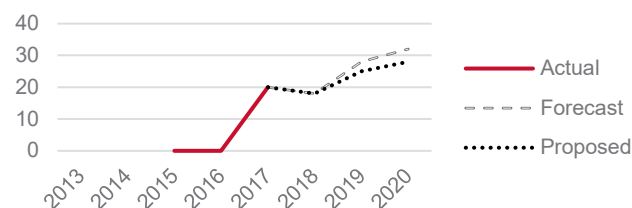


### Client Satisfaction

In 2017, we engaged an external research company to conduct a client satisfaction survey among our clients.

91 per cent of respondents were satisfied/very satisfied with the services they receive. Given that we anticipate moving to a cost recovery model, we anticipate in the short-term that our clients' satisfaction will slightly decrease. We'll need to educate clients about this recovery model and manage their expectations.

Data breaches / information disclosures (new measure) (Number of data breaches / information disclosures)



### Data Breaches

With a proactive security program in place, we'll be able to continue our cyber security awareness and training for staff to ensure they are aware of and address cyber threats. This should result in the number of data breaches remaining stable. However, risks associated with cyber security continue to increase due to complexity and velocity of external threats.

Given the budget dollars, we'll be able to meet regulatory requirements and provide a credible level of service.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Maintain service delivery of the Information Security program – including the Cyber Security Awareness program.
Guard services, in-house and contract, 24-hour monitoring program (through the Integrated Security Centre).
Technical support and maintenance for enterprise security systems.
Consulting services (for both Information and Physical Security services) for capital projects.
Maintain service delivery of the Physical Security program including threat risk assessments.
Employee engagement and support services for Corporate Security.
Train staff about security issues including workplace violence and active assailant (shooter) training.

#### Why?

The budget we have will allow us to continue to provide some proactive security services and allow us to continue to maintain our current levels of both Information and Physical security services. We'll also be able to meet regulatory requirements. Finally, we'll continue providing the services we've committed to in our service level agreements with clients (which aligns with our internal recovery rates service model).

### What we propose to do less of

STRATEGY
Employee mass notification and reporting system – this becomes a one-way system rather than a two-way system.
Tools to improve automation for Information Security's ongoing operations and during a response if an incident occurs.
Tools to coordinate automation for cloud security for information technology projects and services.
Tools to improve automation of network access control – this decreases visibility, control and response to new devices added to the network.

#### Why?

We'll maintain most of our proactive security services and provide a credible level of security service. However, due to limited capital investment, we will not be able to: (1) improve our software, therefore, our ability to be responsive and resilient toward any dynamic changes in the cyber threat landscape will be impacted, (2) implement a robust (two-way) mass notification and reporting system for employees – we may be able to implement a simple one-way system.

### What we propose to do more of or include as a new offering

STRATEGY
Information Security incident response (FOIP/privacy legislation).
Training for in-house security guards (legislative requirements regarding use of force training).
Investigations (anti-bullying legislation and the legalization/use of cannabis).
Pro-active fraud management (identified as a global risk).
Enhance the ability to provide employee background checks and vendor due diligence.

#### Why?

These services respond to/address regulatory requirements and/or global risks. Training of in-house guards is needed as they address a higher volume and more complex incidents. Investigators will address the demand that we'll incur due to new anti-bullying legislation and use of cannabis. We will also invest in fraud management. Cyber risks continue to increase in volume/complexity and continue to require additional resources/attention.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Total identified losses to public assets (Approximate dollars (000's))	1,200	↔
Incidents (New measure) (Number of incidents)	858	↔
Corporate Security's Employee Satisfaction (The City's Employee Engagement Survey index rating (Corporate Security's score))	147	↔
Corporate Security's Client Satisfaction (New measure biannually) (Overall satisfaction rating (% age))	91	↔
Data breaches/information disclosures (New measure) (Number of data breaches/information disclosures)	18	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	9,102	10,022	11,626	12,134
Less Previous Year one Time	-	-	-	-
Base	9,102	10,022	11,626	12,134
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	174	195	185	188
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	936	750	508	135
Efficiencies	(174)	(195)	(185)	(188)
Service Reductions	-	-	-	-
Service Increases	1,413	854	-	-
One Time	-	-	-	-
Realignments	(1,429)	-	-	-
Total	10,022	11,626	12,134	12,269

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	21,065	24,896	-	24,896	26,500	-	26,500	27,008	-	27,008	27,143	-	27,143
<b>Recoveries</b>	(11,833)	(14,744)	-	(14,744)	(14,744)	-	(14,744)	(14,744)	-	(14,744)	(14,744)	-	(14,744)
<b>Revenue</b>	(130)	(130)	-	(130)	(130)	-	(130)	(130)	-	(130)	(130)	-	(130)
<b>Net</b>	9,102	10,022	-	10,022	11,626	-	11,626	12,134	-	12,134	12,269	-	12,269



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		1,702	743	540	1,748	-	4,733
471000	Physical Security	914	644	404	454	-	2,415
471030	Information Security	788	99	136	1,294	-	2,317
Project(s)		-	-	-	-	-	-
Program(s)		1,856	1,156	636	506	-	4,154
481050	Access Security Program	485	485	-	-	-	970
481051	People & Resource Mgmt	678	498	169	169	-	1,513
481052	Security Risk Management	693	173	467	337	-	1,670
<b>Sub-Total (New Budget Requests)</b>		<b>3,558</b>	<b>1,899</b>	<b>1,176</b>	<b>2,254</b>	<b>-</b>	<b>8,886</b>
Previously Approved Budget Remaining		180	-	-	-	-	180
<b>Total Capital Investment</b>		<b>3,738</b>	<b>1,899</b>	<b>1,176</b>	<b>2,254</b>	<b>-</b>	<b>9,066</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 471000: Physical Security

New Budget Request of \$2,415 thousand to deliver essential upgrades of enterprise security systems to safeguard people, facilities and infrastructure which are critical to the sustainability, efficiency and operational effectiveness of City services.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$125 thousand base funding of operating costs starting in 2019, \$105 thousand base funding of operating costs starting in 2020 and \$5 thousand base funding of operating costs starting in 2022.

#### Activity 471030: Information Security

New Budget Request of \$2,317 thousand to deliver essential upgrades to secure City technology assets and information, including personal and confidential data and to monitor networks and systems, protect email and prevent unauthorized access.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$130 thousand base funding of operating costs starting in 2019, \$500 thousand base funding of operating costs starting in 2020 and \$13 thousand base funding of operating costs starting in 2021.



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Program(s)

#### **Activity 481050: Access Security Program**

New Budget Request of \$970 thousand to balance the need for access to City facilities and confidential information which help ensure spaces and data are available to those who require access to perform City business functions or deliver services.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$241 thousand base funding of operating costs starting in 2019 and \$420 thousand base funding of operating costs starting in 2021.

#### **Activity 481051: People & Resource Mgmt**

New Budget Request of \$1,513 thousand to deliver educational/awareness training programs and campaigns, and vendor and employee due diligence processes, which heighten awareness of potential security issues and improve service delivery.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$130 thousand base funding of operating costs starting in 2019 and \$25 thousand base funding of operating costs starting in 2020.

#### **Activity 481052: Security Risk Management**

New Budget Request of \$1,670 thousand to deliver risk management practices and proactive fraud processes to The City, which provide impactful data for informed decision-making by identifying, measuring and communicating security risk.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$310 thousand base funding of operating costs starting in 2019, \$120 thousand base funding of operating costs starting in 2020, \$75 thousand base funding of operating costs starting in 2021 and \$130 thousand base funding of operating costs starting in 2022.







# Data Analytics & Information Access

Led by: Corporate Analytics & Innovation

## Description:

Data Analytics & Information Access (DA&IA) provides citizens and employees Geographic Information System (GIS) platforms, innovation and data hubs for The City. It connects customers with authoritative, reliable, consistent, tabular and location-based data. With broad service areas such as support services for emergency management response and recovery as per the Municipal Emergency Plan, emergency dispatcher's routing and mapping, open data for citizens and businesses, and advanced analytics, customers are enabled to make proactive data driven decisions to improve services, reduce costs, increase value and save time.

## Customers:

Data and information users such as Government Agencies, Partners, Utilities, Calgary Real Estate Board, School Boards, Civic Partners, Individual Businesses, Client Business Units and General Public.

## What is delivered to customers:

Accessible and actionable data, information, products and services using web based technology. This includes: Open Data Catalogue data sets, eCommerce, Corporate Dashboards, Map Gallery, Emergency Routing, Aerial Imagery, Tree Canopy, Terrain Models, Decision Support Analytics, GIS Platform, and Location Analytics for Emergency Response.

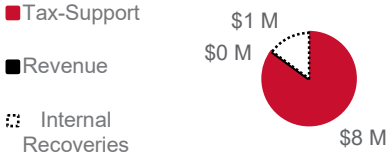

## Partners:

Information Technology, Supply Management, Law, Customer Service & Communications (311), Calgary Emergency Management Agency, University of Calgary Urban Alliance, SAIT, Mount Royal University, Calgary Housing Company, Calgary Parking Authority, ENMAX, Calgary Airport Authority, Calgary Police Service, Southern Alberta Regional Partnership, Municipal Emergency Partners.

## Service need (value proposition):

Our customers require an authoritative source for reliable and accessible City of Calgary data analysis, maps and open data, to enable transparency, and allow for customers to make more informed decisions.

## Current state service value

<p><b>98%</b> GIS services available during core hours</p> <p><b>871,000</b> maps.calgary.ca users</p>	<p><b>250,000</b> online transactions through CityOnline</p> <p><b>1st place</b> ranking on Canada's GIS Maturity Index</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$500</b> Annual operating cost per employee</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Geospatial systems - (GS), data integrity &amp; solution delivery (GS, data management &amp; analysis, solution delivery): \$5,645</p> <p>Advanced Analytics - (Actionable insight and data visualization): \$808</p> <p>Imaging and Content Delivery - (Solutions to digitize physical content into City repositories): \$808</p> <p>Innovation - Human centred design and prototyping of ideas to innovate City service delivery: \$844</p> <p>Intellectual Property (IP) Management and eCommerce (Managed access to City IP and corporate data/products): \$1,137</p> <p><b>Key Capital Investments</b></p> <p>The programs and projects will maintain current software upgrade versions supporting our eCommerce and GIS systems, along with regular imagery updates.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

This service has a diverse customer base within the corporation and externally with citizens and industry. Interaction and engagement with customers is done through various methods. In a recent survey, 100 per cent of customers were satisfied with the overall service delivery. Customers value the availability and accessibility of data to optimize their operations and find innovative ways of doing business. They also value the quality of data and responsive service, enabling them to make more informed decisions. Based on our interactions with customers, we know that customers value the ability to customize service offerings for their unique needs.

### What Council has directed

W2/W3/W4 – Promotes data informed decision-making, sharing of data, research and expertise across the corporation, and facilitates collaboration and connection to help customers eliminate service silos and simplify process to be more cost-effective.

N1/M2/M3 – Geospatial analytics, routing and emergency mapping support The City's front line service providers to ensure neighborhoods and public spaces are safe, and also supports efficient transportation of people and goods throughout the city.

P3/H2 – Quality data, products and services through channels such as CITYonline, Calgary.ca and the Open Data portal support Calgary businesses.

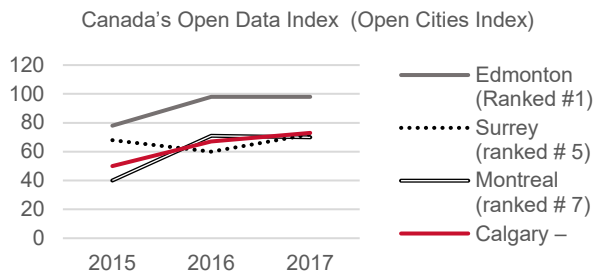
H3 – Helps to ensure our water utility's asset data is accurate, and supports flood mitigation and modeling of Calgary's watershed.

This service aligns to the Information Management and Security Policy, Open Data Strategy, Digital Strategy, and GIS Roadmap.

### What are we watching?

The current pace of technological development and connectivity is profoundly changing the way people live, work and make decisions. It impacts all services and products throughout the organization. This service plays a huge role in managing the impacts of this trend by working with technology such as Aerial Imagery and artificial intelligence. Many of these technologies have yet to realize their full potential and contribution to City operations. Accessibility of authoritative data and transparency of City operations is another growing trend that builds trust, allowing further connections and innovative uses of data. It promotes the use of data mining, locational intelligence, numerical modeling and algorithms. A "single source of the truth" accomplished through a centralized data repository modelled after the successful Geospatial platforms, is on the horizon for analytics.

### Benchmarking



Source: Open Cities Index

The growth of open data initiatives across Canada represents a trend towards more open, transparent, accountable government where open data and quality information are available and accessible by citizens. The Open Cities Index is Canada's first study to benchmark municipal open data initiatives. The index measures the readiness, implementation, and impact of the participating cities' open data initiatives. Compared against 60 other municipalities, Calgary's overall index ranking retained fourth place in 2016 and 2017. This was well above national average score of 43 per cent for 2017.

### What matters to Calgarians

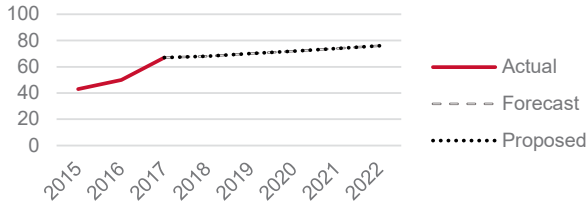
VALUE DIMENSION	DESCRIPTION
Convenience	Outputs from the service are accessible by the customer easily.
Availability	Data and information is available 24/7 (except scheduled down time).
Quality	All outputs are accurate and up to date.
Responsiveness	Requests are responded to in a timely manner.
Reduces effort	Analysis provided gives information and insight to gain more value from city investments.



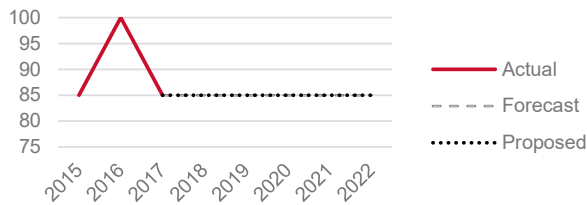


# How is the Service performing? Where we are headed and where do we want to go?

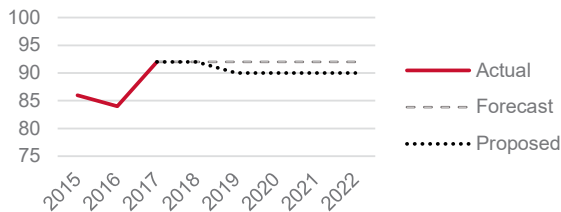
Per cent of City of Calgary business units that have data sets in the Open Data Catalogue (Per cent)



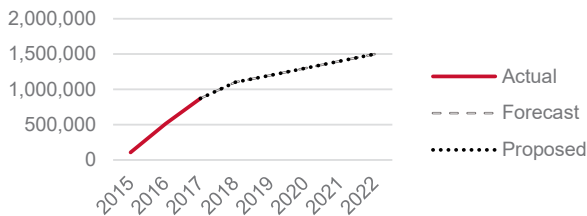
Per cent of customers satisfied with data formats delivered in the Open Data Catalogue (Per cent)



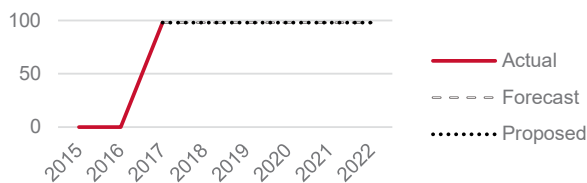
Per cent of customers satisfied with ease of navigation CITYonline website (Per cent)



Number of users that view products on maps.calgary.ca (Number)



Per cent of Geographic Information System (GIS) Production Services uptime 24 hours/ day, 7 days/week (Per cent)



## Story behind the curve

Per cent of City of Calgary business units that have data sets in the Open Data Catalogue.

- With the additional resources proposed to continue to operating a cross corporation program (i.e. AnalyticsCalgary) that is intended to implement Open Data initiatives, we anticipate that number of open data sets available will be increasing slightly over the next four years. The program is currently being funded through one-time corporate costs for 2016-2018. The permanent funding will allow us to continue our commitment to providing public access to City data, promoting transparency in government and innovation within our community.

Per cent of customers satisfied with data formats delivered in the Open Data Catalogue.

- The customer satisfaction surveys are conducted annually for Open Data portal. Open Data Portal only has history for the current budget cycle 2015-2018. Based on the historical trend and additional resources proposed to maintain the current service level that is currently being funded through one-time corporate costs, it is anticipated that customer satisfaction with data formats delivered in the Open Data Catalogue will remain steady over the next four years.

Per cent of customers satisfied with ease of navigation of CITYonline website.

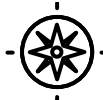
- The customer satisfaction surveys for CITYonline have been completed annually for the past 15 years and reasonably steady at 90 per cent. However, limited capital investment for the next generation CITYonline system may result in losing some online functions and services. As a result, we may see a slight decrease in customer satisfaction over the next four years.

Number of users that view products on maps.calgary.ca

- The Map Gallery will be maintained and updated in a timely manner over the next four years. It is anticipated that the trend will go up as a result of information being accessible, accurate, reliable and trustworthy for citizens.

Per cent of Geographic Information System (GIS) Production Services uptime 24 hours/day, 7 days/week

- Although we strive for the highest possible server and service uptime for GIS systems, this performance will not increase but will likely remain at 2018 uptime levels.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide accessible, authoritative and connected data to customers.
Expand the use of The City's location-based data and open data portals, to support new and changing communities and infrastructure.
Refine the Corporate Imagery Program, in line with industry best practices.
Develop and manage the Corporation's geospatial technology infrastructure, providing guidance and sharing best practices.
Utilize technology advancement and process improvement to offset inflation in manageable costs.
Increase data sets available in the Open Data Catalogue.
Nurture a culture of innovation and expand human-centered design and prototyping, to develop the next generation of civic services.

#### Why?

These strategies deliver on Council Directives and support our key value proposition of quality, accessibility and availability as top values for citizens. As well, these strategies are essential to support the vision of Calgary's Digital Strategy. Its vision is to use innovation and engagement to enable secure anytime, anywhere, access to an open government for today's and tomorrow's citizens.

### What we propose to do less of

STRATEGY
Employee engagement events.
Contracting and consulting for innovation and business development, research, pilot projects and process improvements.
Business development and testing of emerging or maturing technologies including less proactive collaboration between service lines.

#### Why?

### What we propose to do more of or include as a new offering

STRATEGY
Work closely with service owners to proactively identify challenges and make improvements using a targeted approach.
Provide targeted analysis for service lines to address challenges, rather than providing a blanket approach to solving issues.
Leverage the results of the Zero-Base Review.

#### Why?

This service will focus on continuous process improvement to ensure processes are the most effective and efficient to meet evolving customer needs.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of City of Calgary business units that have data sets in the Open Data Catalogue (Per cent)	68	↑
Per cent of customers satisfied with data formats delivered in the Open Data Catalogue (Per cent)	85	↔
Per cent of customers satisfied with ease of navigation CITYonline website (Per cent)	92	↔
Number of users that view products on maps.calgary.ca (Number)	1,100,000	↑
Per cent of Geographic Information System (GIS) Production Services uptime 24 hours/ day, 7 days/week (Per cent)	98	↔

### Breakdown of net operating budget

	2019	2020	2021	2022
Previous Year's Budget	7,851	9,083	9,083	9,083
Less Previous Year one Time	-	-	-	-
Base	7,851	9,083	9,083	9,083
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	18	20	19	19
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(18)	(20)	(19)	(19)
Service Reductions	-	-	-	-
Service Increases	1,164	-	-	-
One Time	-	-	-	-
Realignments	68	-	-	-
Total	9,083	9,083	9,083	9,083

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	9,242	10,384	-	10,384	10,384	-	10,384	10,384	-	10,384	10,384	-	10,384
Recoveries	(1,379)	(1,289)	-	(1,289)	(1,289)	-	(1,289)	(1,289)	-	(1,289)	(1,289)	-	(1,289)
Revenue	(12)	(12)	-	(12)	(12)	-	(12)	(12)	-	(12)	(12)	-	(12)
Net	7,851	9,083	-	9,083	9,083	-	9,083	9,083	-	9,083	9,083	-	9,083



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		2,450	2,298	1,527	2,456	-	8,730
411308	Corporate Imagery Program	928	824	824	1,660	-	4,236
480700	City Online Next Generation	1,075	885	285	285	-	2,530
480703	Corporate GIS Upgrades	446	589	419	511	-	1,965
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		<b>2,450</b>	<b>2,298</b>	<b>1,527</b>	<b>2,456</b>	<b>-</b>	<b>8,730</b>
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		<b>2,450</b>	<b>2,298</b>	<b>1,527</b>	<b>2,456</b>	<b>-</b>	<b>8,730</b>

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 411308: Corporate Imagery Program

New Budget Request of \$4,236 thousand ensures The City of Calgary has essential, accurate and current imagery products and solutions that will meet the needs of Corporate projects, business and services.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480700: City Online Next Generation

New Budget Request of \$2,530 thousand to replace City Online with a simpler platform. This solution will significantly lower the cost of maintenance and allow for better delivery of critical retail services.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480703: Corporate GIS Upgrades

New Budget Request of \$1,965 thousand for Corporate GIS Upgrades to ensure the GIS platform technology and data are current, resilient, compliant and supported to meet operational and business needs.

Funding from Pay-As-You-Go

Operating Impact of Capital: None





# Facility Management

Led by: Facility Management

## Description:

Facility Management plans, builds and operates The City's civic facility portfolio of workplaces and civic spaces. We steward a diverse portfolio of 275 civic facilities, totaling 4.22 million square feet. Through comprehensive professional facility management services, we create and enable positive experiences for staff to deliver effective and quality services to citizens. Facility Management is responsible for two key transformational corporate initiatives: centralization of operations and maintenance, and integrated civic facility planning. Our stewardship portfolio has grown over 185 per cent as a result of these initiatives and will continue to grow significantly through the 2019-2022 budget cycle.

## Customers:

As an enabling service, Facility Management interacts directly and indirectly with our customers which include Executive Leadership and Council, other service owners, tenants such as internal staff and external third-party organizations (i.e. private/non-profit organizations, businesses, other levels of government, and civic partners) and citizens.

## What is delivered to customers:

Facility Management delivers civic facilities to enable service owners to deliver efficient and quality services.



## Partners:

Internal partners include City Council, Executive Leadership, and service owners. External partners include third-party tenants, consultants, contractors, vendors, other orders of government and municipalities. Facility Management collaborates with these partners to ensure civic facilities are cost-effective, safe, sustainable, resilient, well-maintained and meet customer and citizen needs.

## Service need (value proposition):

Service owners require Facility Management to provide professional facility management expertise and customer service that is reliable, responsive and efficient, enabling them to focus on their critical service delivery to citizens. Service owners require safe, functional, accessible, affordable, reliable, sustainable, and resilient civic facilities that optimize staff productivity. Citizens and community groups require civic facilities that are safe, inclusive, accessible, service-oriented, and also enrich and improve their quality of life. In addition, Facility Management seeks to preserve, conserve and protect our heritage assets on behalf of the Corporation to create strong and vibrant communities.

## Current state service value

<p><b>\$1.5 billion</b> Stewarded Facility Replacement Value</p> <p><b>35,000</b> Completed Maintenance Requests</p>	<p><b>65%</b> Employee Satisfaction With Workspaces</p> <p><b>4,223,000</b> Square Feet of City Facilities Stewarded</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p>■ Tax-Support \$40 M ■ Revenue \$19 M ▨ Internal Recoveries \$4 M</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>	<p><b>\$20</b> Annual operating cost per Square Foot to Plan, Build and Operate Facility Management's Portfolio of Civic Facilities</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Plan Civic Facilities (\$1,746) Build Civic Facilities (\$17,324) Operate Civic Facilities (\$43,726)</p> <p><b>Key Capital Investments</b></p> <p>Key investments include multi-service site planning and operational workplace centres, heritage assets, strategic lifecycle asset investments, workplace sustainment, and centralization of operations and maintenance on behalf of the Corporation.</p>	



# What we've heard and service outlook

## What we heard: Research & Engagement Results

The 2016 Facility Management Customer Engagement survey indicated 65 per cent of customers were satisfied with their workspaces. Additionally, 73 per cent considered their workspace and building safe, secure and free of hazards. Improvements are needed in communications and transparency including the intake process for service requests and progress reporting. Customers believe we should focus on our core services of planning, building and operating civic facilities. A 2018 customer survey ranked responsiveness, workplace safety and the delivery of quality professional management services as most important to our customers.

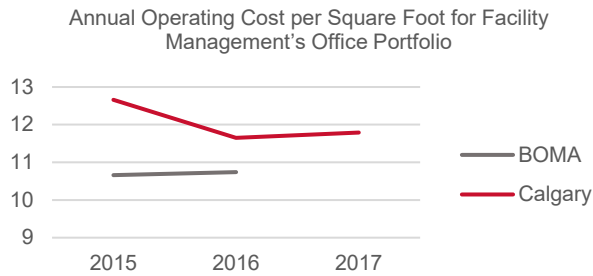
## What Council has directed

We are directed to strategically plan, build and operate civic facilities and strive to balance the environmental, social, economic and cultural needs of employees, communities and citizens. This is supported by the Corporate Facility Planning and Delivery Policy and Framework, Corporate Coordinated Operations and Maintenance Program and Calgary Heritage Strategy. We contribute to long-term community sustainability through facility investment, job creation, heritage tourism, community revitalization and partnerships. The Four-Year Administrative Workspace Plan is one way we support services by understanding their strategic needs while providing value, streamlining business processes, and eliminating service silos. We collaborate with service owners, community groups and businesses to develop sustainable strategies that encourage the creation of activity centres, community hubs and public spaces.

## What are we watching?

Technology, workforce demographics and social changes continue to evolve how we work. Shifting demographics make attracting, recruiting and retaining the best possible workforce increasingly complex and challenging. Sustainability challenges as a result of environmental impacts highlight the need for resilient facilities. New reporting, collection and technologies are needed to ensure data is collected, stored and analyzed to support decision-making and changing customer expectations. Alternative delivery methods increase exposure to procurement, legal and reputational risks while economic and political transparency encourage fiscal, social and environmental responsibility. Fluctuating market conditions and finite resources strain service delivery while reduced investment in aging facilities accelerates deterioration and compounds future capital costs. Growth communities increase pressure for equitable services.

## Benchmarking



Source: Building Owners and Managers Association Average

Operating costs of office buildings have been reduced by transitioning to a service delivery model that focuses on preventative maintenance, strategic investment in critical building systems, and energy management initiatives. Our costs are typically higher due to 24-hour operations in some offices. Moving forward, costs are expected to increase due to expanding corporate standards, economic and inflationary pressures, aging infrastructure, deferring maintenance and the centralization of facility stewardship. As centralizing continues and practices are standardized, long-term efficiencies are expected.

## What matters to Calgarians

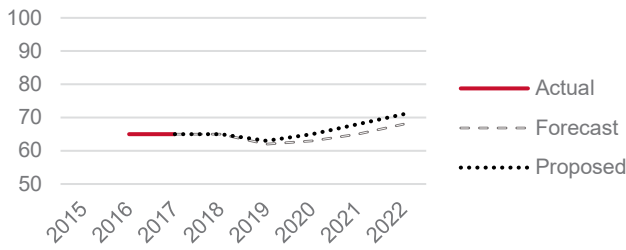
VALUE DIMENSION	DESCRIPTION
Responsiveness	Easy to contact, committed to acting quickly and with expertise to address client service delivery needs.
Quality	Meets/exceeds expectations, work is delivered on time/budget and is affordable and meets service owner and citizen needs.
Safety	Committed to providing inviting workplaces and civic spaces, free from risk of injury, danger or loss.
Reliability	Civic facilities are designed, planned and developed to be sustainable, resilient, cost-effective and safe.
Accessibility	Equitable access to civic facilities, City services and public spaces.





# How is the Service performing? Where we are headed and where do we want to go?

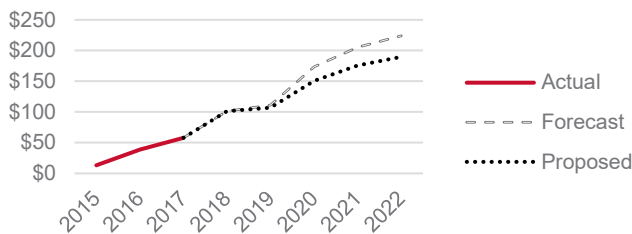
Employee Satisfaction with Work Space (Percentage)



## Story behind the curve

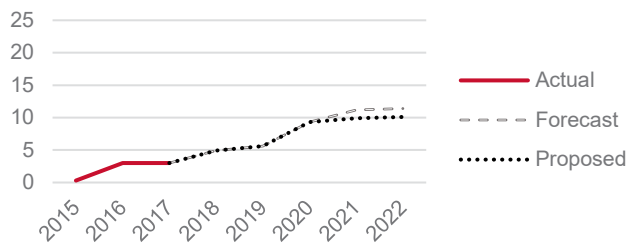
Employees satisfied with their workspaces are more likely to be highly engaged in the work they do, delivering more efficient and quality services. Through centralization of operations and maintenance, our customer service, standards and procedures will be more consistent, improving processes and response times. Improved facility planning will optimize space to meet employee needs by increasing productivity and workspace satisfaction.

Deferred Maintenance of Facility Management Portfolio (Millions of Dollars)



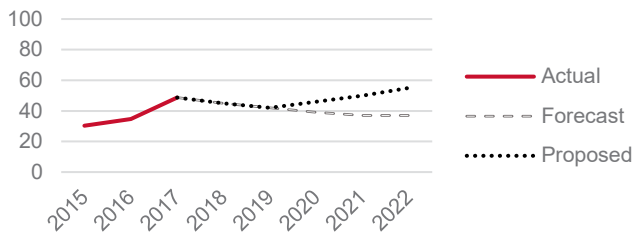
Deferred maintenance is the amount of capital investment required to maintain facilities but is not performed. The 2017 Infrastructure Status Report indicated that several facilities are past their useful life and require redevelopment or replacement. If left unfunded, accelerated deterioration of facilities will result in compounding future capital costs, higher operating costs, increased risk exposure, and reduced levels of service and customer satisfaction. Increasing costs may curb with improved data gathering, standardization of service levels and asset management best practices.

Facility Management Portfolio in Poor & Critical Condition (Percent)



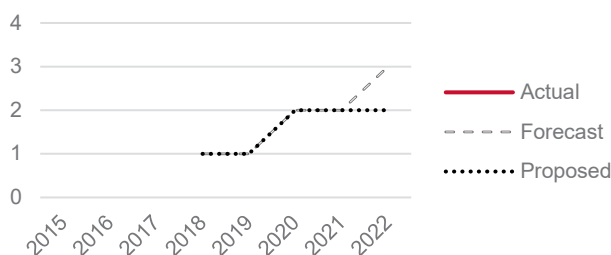
The Facility Condition Index indicates a building's physical condition. When more than 35 per cent of the systems in a building are beyond their useful life, the facility is in poor condition, and critical condition as more than 50 per cent beyond their useful life. We forecast the percentage of facilities in poor and critical condition will increase. To improve this index, we plan to focus on strategic capital investment in life safety and critical building systems, ensuring facilities meet building code requirements while reducing service disruptions.

Proportion of Work Orders That are Preventative Maintenance (Percentage)



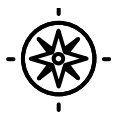
Preventative maintenance ensures reliability of building equipment by taking precautionary and proactive steps to reduce unscheduled failures. On-demand maintenance costs are between three and nine times more than preventative maintenance so we will strategically plan and prioritize preventative maintenance activities. These activities will advance by identifying areas for process improvements and by optimizing the planning, scheduling and tracking of this work. We will also implement a predictive maintenance program on critical building systems.

Responsiveness to Urgent Work Orders (Days)



Responding to urgent work orders, those with potential to cause an undesirable risk (i.e. life safety, environment) within one day provides customer reassurance. With portfolio growth and finite resources our response time will lengthen.

With our proposed efficiencies and restoration of our service reductions, it is expected that performance measures will moderately improve with the strategies indicated above.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Collaborate with City service owners in the planning, building and operation of multi-service civic sites and facilities.
Maximize limited resources applied to The City's portfolio of facilities through innovation and optimization.
Strategically invest in existing civic facilities to optimize the portfolio and realize efficiencies.
Professional project management services to support The City's investment in civic facilities.
Provide flexible work spaces and strategies.
Strategically plan and prioritize deferred, preventative and predictive maintenance activities including climate change resiliency actions.
Strategically plan and prioritize investments to preserve, conserve and protect City heritage assets.

#### Why?

We have become increasingly complex as our role has expanded as directed by Council and Executive Leadership. These strategies are essential to the successful delivery of our mandate to plan, build and operate The City's portfolio of civic facilities and ensure we are agile in responding to Corporate and customer expectations while providing value for money and improving the sustainability of the Corporation.

### What we propose to do less of

STRATEGY
Fixed security services, including hours, at non-critical facilities.
Low impact and on-demand facility maintenance services including janitorial.
Investment in building technology systems.
Capital investments.

#### Why?

These strategies allow Facility Management to continue to provide essential/core service delivery. We will focus our efforts on critical facilities, building systems and increasingly selective maintenance activities by eliminating or reducing non-essential services including some janitorial and low/impact on-demand maintenance.

### What we propose to do more of or include as a new offering

STRATEGY
Multi-service sites and integrated facility planning.
Modernization and enhancement of facility maintenance services, business processes and procedures.
Partner with service owners to centralize stewardship of The City's civic facility portfolio.
Explore regional service opportunities with internal and external partners.

#### Why?

Multi-service site/facility planning will optimize the use of space in new and existing facilities enabling future planning to contribute to Calgary's economic, environmental, social and cultural resiliency. Centralization of operations and maintenance will define common standards/objectives for efficient and effective management of facilities achieving economies of scale, process enhancements and potential long-term cost avoidance.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Employee Satisfaction with Work Space (Percentage)	65	↑
Deferred Maintenance of Facility Management Portfolio (Millions of Dollars)	101.1	↑
Facility Management Portfolio in Poor & Critical Condition (Percent)	4.9	↑
Proportion of Work Orders that are Preventative Maintenance (Percentage)	45	↑
Responsiveness to Urgent Work Orders (Days)	1	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	39,631	53,736	56,330	56,988
Less Previous Year one Time	-	(750)	(2,126)	(1,526)
Base	39,631	52,986	54,204	55,462
Revenue Changes	2,050	-	-	-
Internal Recovery Changes	(1,350)	-	-	-
Inflation	1,972	1,168	1,177	1,147
Operating Impact of Previously Approved Capital	-	-	289	-
Operating Impact of New Capital (Incremental)	-	-	-	300
Efficiencies	(960)	(410)	(208)	(1,087)
Service Reductions	(300)	-	-	-
Service Increases	1,250	460	-	-
One Time	750	2,126	1,526	1,526
Realignments	10,693	-	-	-
Total	53,736	56,330	56,988	57,348

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	62,796	75,592	750	76,342	76,810	2,126	78,936	78,068	1,526	79,594	78,428	1,526	79,954
<b>Recoveries</b>	(18,920)	(20,411)	-	(20,411)	(20,411)	-	(20,411)	(20,411)	-	(20,411)	(20,411)	-	(20,411)
<b>Revenue</b>	(4,245)	(2,195)	-	(2,195)	(2,195)	-	(2,195)	(2,195)	-	(2,195)	(2,195)	-	(2,195)
<b>Net</b>	39,631	52,986	750	53,736	54,204	2,126	56,330	55,462	1,526	56,988	55,822	1,526	57,348



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		4,608	3,765	3,386	3,294	-	15,053
480750	Asset Sustainment Program	4,608	3,765	3,386	3,294	-	15,053
Project(s)		22	2,622	3,222	1,672	-	7,538
480752	Public Building Exterior	-	-	-	400	-	400
480756	Logistics Facility Program	22	122	722	1,272	-	2,138
480760	Beltline YWCA Restoration	-	2,500	2,500	-	-	5,000
Program(s)		19,669	19,912	16,818	15,657	-	72,056
480751	Asset Assessment Program	1,071	999	1,197	684	-	3,951
480753	Coordinated Operations	2,733	2,733	1,867	-	-	7,333
480754	Facility Data & Technology	114	114	114	114	-	457
480755	Ergonomic Furniture Program	315	315	225	225	-	1,080
480757	Forest Lawn Civic Centre	-	-	-	450	-	450
480758	Heritage Planning Program	468	191	1,211	1,573	-	3,443
480759	Heritage Asset Sustainment	495	405	1,575	2,070	-	4,545
480761	Facility Portfolio Planning	3,093	2,297	2,297	2,297	-	9,984
480762	Northeast Site Development	2,000	2,863	-	-	-	4,863
480763	Workspace Planning Program	450	450	450	450	-	1,800
480764	Workspace Sustainment	2,076	2,616	2,371	2,426	-	9,489
480765	Bylaw Services Sustainment	450	675	-	180	-	1,305
480766	Whitehorn 911 Renovation	1,500	-	-	-	-	1,500



# Recommended Capital Investment to Support Service Delivery

For Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
480767	Fire Facility Sustainment	3,304	1,954	1,461	1,108	-	7,827
480768	Parks Facility Sustainment	900	900	1,300	1,330	-	4,430
480769	Livery Services Relocation	-	600	-	-	-	600
480770	Business Licensing Space	200	800	-	-	-	1,000
480771	Build- Symons Valley Multi-Service Centre	500	2,000	2,750	2,750	-	8,000
<b>Sub-Total (New Budget Requests)</b>		24,299	26,300	23,426	20,622	-	94,647
Previously Approved Budget Remaining		23,222	5,155	-	-	-	28,377
<b>Total Capital Investment</b>		47,521	31,455	23,426	20,622	-	123,024

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480750: Asset Sustainment Program

New Budget Request of \$15,053 thousand for required lifecycle maintenance and replacement of Facility Management's Portfolio, as prioritized by the Asset Assessment Program.

Funding from Capital Reserves (\$9,266.7 thousand) and Lifecycle Maintenance & Upgrade Reserve (\$5,786.5 thousand)

Operating Impact of Capital: None

### Project(s)

#### Activity 480752: Public Building Exterior

New Budget Request of \$400 thousand to re-validate existing stabilization measures at the Calgary Public Building.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

#### Activity 480756: Logistics Facility Program

New Budget Request of \$2,138 thousand for the design and build of a fueling station at Sarcee Operations and to address warehousing replacement and efficiencies at Spring Gardens Operations.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480760: Beltline YWCA Restoration

New Budget Request of \$5,000 thousand for partial rehabilitation of the Historic Beltline YWCA including life safety system upgrades, building stabilization & rehabilitation of historic elements.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Program(s)

#### Activity 480751: Asset Assessment Program

New Budget Request of \$3,951 thousand will inform and prioritize asset sustainment and lifecycle for our portfolio of facilities through condition assessments and Asset Management Plans.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 480753: Coordinated Operations**

New Budget Request of \$7,333 thousand to implement the centralization of operations and maintenance of City-owned facilities to achieve economies of scale, service integration and alignment.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### **Activity 480754: Facility Data & Technology**

New Budget Request of \$457 thousand for expansion of the Data Warehouse and asset management systems to support data-driven decisions for future facility asset planning.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### **Activity 480755: Ergonomic Furniture Program**

New Budget Request of \$1,080 thousand to provide furniture to meet ergonomic, health and safety requirements.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 480757: Forest Lawn Civic Centre**

New Budget Request of \$450 thousand to support the design for the multi-service Forest Lawn Civic Centre with proposed construction in the next business cycle.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 480758: Heritage Planning Program**

New Budget Request of \$3,443 thousand to perform Building Condition Assessments on heritage buildings to develop sustainable operations and maintenance plans, and prioritize Heritage sustainment.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### **Activity 480759: Heritage Asset Sustainment**

New Budget Request of \$4,545 thousand to perform restoration and rehabilitation work on Heritage Assets, as prioritized and developed by the Heritage Planning Program.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 480761: Facility Portfolio Planning**

New Budget Request of \$9,984 thousand to continue the execution of collaborative Facility Portfolio & Program Planning activities and to further identify and develop future civic facilities.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 480762: Northeast Site Development**

New Budget Request of \$4,863 thousand to support the development of the area surrounding Spring Gardens to expand the Operational Workplace Centre.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### **Activity 480763: Workspace Planning Program**

New Budget Request of \$1,800 thousand to plan the consolidation of vacancies across The Corporation in order to increase density and mobility to avoid future real estate costs.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Activity 480764: Workspace Sustainment

New Budget Request of \$9,489 thousand for workspace renovation projects, resulting from recommendations as prioritized under the Workspace Planning Program.

Funding from Capital Reserves (\$5,025.8 thousand) and Pay-As-You-Go(\$4,463.3 thousand)

Operating Impact of Capital: None

### Activity 480765: Bylaw Services Sustainment

New Budget Request of \$1,305 thousand for required lifecycle maintenance and replacement of the Calgary Community Standards Facility Portfolio, as prioritized by the Asset Assessment Program.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Activity 480766: Whitehorn 911 Renovation

New Budget Request of \$1,500 thousand to retrofit the Whitehorn Multi-Service Centre to meet Calgary 911 critical operational requirements.

Funding from Developer & Other Contributions

Operating Impact of Capital: None

### Activity 480767: Fire Facility Sustainment

New Budget Request of \$7,827 thousand for required lifecycle maintenance and replacement of the Emergency Service Facility Portfolio, as prioritized by the Asset Assessment Program.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Activity 480768: Parks Facility Sustainment

New Budget Request of \$4,430 thousand for required lifecycle maintenance and replacement of the Calgary Parks Facility Portfolio, as prioritized by the Asset Assessment Program.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None

### Activity 480769: Livery Services Relocation

New Budget Request of \$600 thousand to relocate Livery Services to an existing City facility to support growth and operating improvements.

Funding from Capital Reserves

Operating Impact of Capital: None

### Activity 480770: Business Licensing Space

New Budget Request of \$1,000 thousand to relocate Business Licensing to an existing City facility to support growth and operating improvements.

Funding from Capital Reserves

Operating Impact of Capital: None

### Activity 480771: Build- Symons Valley Multi-Service Centre

New Budget Request of \$8,000 thousand for the Symons Valley Centre Phase 1A to enable coordination and delivery of multiple service lines.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$300 thousand base funding of operating costs starting in 2022.









# Financial Support

Led by: Finance

## Description:

This service provides sound leadership in financial planning and budgeting, reporting, measuring services' financial performance and monitoring adherence to financial plans. This service also provides investment management, non-tax revenue billing and collection, and payments for goods and services provided to The City.

## Customers:

Financial Support services many different customer groups:

- Members of the public
- Council
- Service owners
- City employees
- Various levels of government
- Vendors
- Banking and investment partners
- Financial information stakeholders

## What is delivered to customers:

A financially well-managed City.

## Partners:

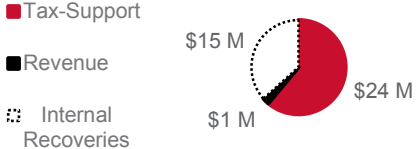

Financial Support's primary partners include:

- Service Owners
- Administrative Leadership Team
- Infrastructure Calgary
- Audit Committee, Investment Advisory Committee, Pension Governance Committee
- Internal and External Reporting Stakeholders

## Service need (value proposition):

A strategic financial partner that ensures The City's financial position is stewarded, economic assets are safeguarded for long-term sustainability, financial risks are monitored and mitigated, and finance related MGA and legislative requirements are met. Financial Support provides a disciplined and responsive fiscal framework including guidance, advice, systems, tools and standards to maintain a financially resilient and healthy organization.

## Current state service value

<p><b>\$2 billion</b> Value of Invoices Paid</p> <p><b>100%</b> Compliant Reports</p>	<p><b>6,380,978</b> Total Journal Lines Posted</p> <p><b>142,125</b> Cashier Transactions Processed (Muni)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>1.05%</b> Financial Support Operating Budget as a % of Total Operating City Budget</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Financial Sustainability Management (\$7,629), Financial Transaction Processing &amp; Accounting (\$16,712), Budget &amp; Financial Reporting (\$15,337).</p> <p><b>Key Capital Investments</b></p> <p>Financial support is supported by many financial information systems. Capital investments for this service will ensure legislative compliance, increase efficiencies of current processes and provide accurate and timely information to support decision making.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Based on the survey of internal services (May 2018) Financial Support was listed as one of the top four internal services that has the greatest impact on the ability of those surveyed to serve their end customers, and is considered to be essential to the day-to-day operation. Quality was rated the most important value characteristics with 94 per cent of respondents rating it as very important followed by Responsiveness at 69 per cent. These were rated as the top two characteristics for Financial Support. Financial Support is in the process of creating a strategic plan which will engage our customers to further understand what brings value to our customers and citizens.

### What Council has directed

The Financial Support service aligns primarily with the "A Well-Run City" Council Priority which notes "Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners and others."

There is also alignment with the "A Prosperous City" Council Priority which notes "Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business," and a minor alignment with the "A City of Safe and Inspiring Neighbourhoods."

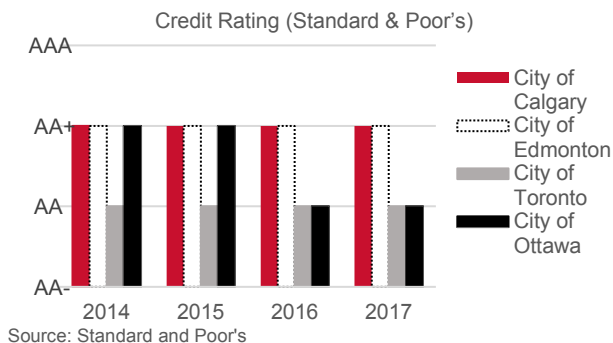
Delving into these Council Priorities to their more in-depth Council Directive level shows that alignment mainly takes place in the W1, W2, P1, P2 and N5 Council Directives.

### What are we watching?

There are a number of trends Financial Support is monitoring:

- The economic environment impacting The City's finances and long-range financial planning and resilience, including operating and capital budgets.
- Future provincial capital funding and its implications to The City's debt financing and ability to maintain infrastructure.
- New funding agreements with the Provincial Government (City Charter).
- Council decisions and service level changes that impact operating and capital budgets.
- Changes in legislative requirements (Municipal Government Act, Public Sector Accounting Standards) impacting City compliance, processes and systems.
- Increasing demand on sound financial leadership and information to minimize risks to financial sustainability and resilience.
- Attraction, retention and succession management of key talent is a key contributor to service success.

### Benchmarking



Credit ratings measure credit worthiness and affect The City's ability to borrow. A higher rating translates into a lower cost of borrowing, as well as a wider market for investors to invest in The City's debt. Standard & Poor's (S&P's) affirm the long-term issuer credit rating of The City of Calgary at AA+. In S&P's view, The City's financial management is very strong compared with other Canadian municipalities. The stable outlook reflects S&P's expectations that The City's operating performance will remain robust and The City's adjusted liquidity will remain sufficient to cover debt service costs.

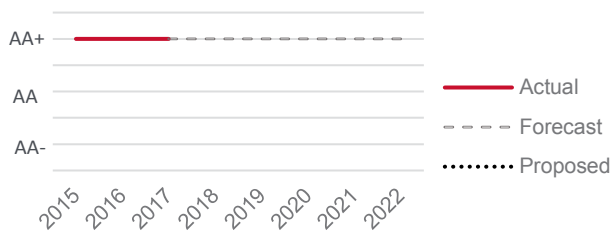
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Quality	Financial reports, analysis and information is accurate in order to support decisions.
Responsiveness	Operational requests are performed in a timely manner.
Reduces risk	Financial risks are monitored and mitigated.
Legislative Compliance	Legislative requirements supported by Financial Support are met.
Sustainability	The City's Finances are proactively stewarded.



## How is the Service performing? Where we are headed and where do we want to go?

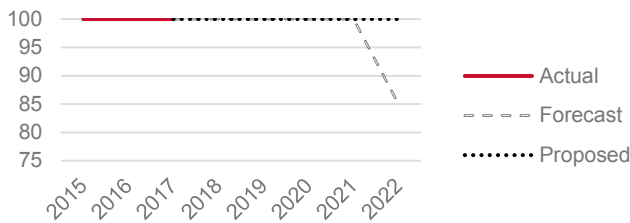
City of Calgary's Credit Rating (Standard and Poor's)



### Story behind the curve

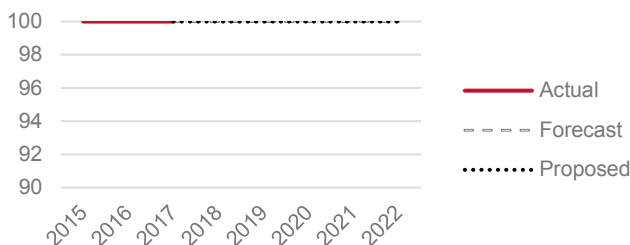
Credit ratings measure credit worthiness and affect The City's ability to borrow. A higher rating translates into a lower cost of borrowing. This rating is a reflection of Financial Support's monitoring of The City's financial environment and the recommendations/decisions made in regards to capital acceleration and availability, debt projects, liquidity and reserves. Financial Support ensures that costs controls and service pressures have the appropriate balance. Standard & Poor's affirm the long-term issuer credit rating of The City of Calgary at AA+.

Unmodified External Audit Opinion with no Unaddressed Audit Findings (%)



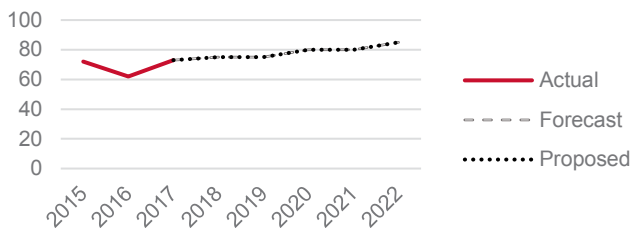
The City strives for an unmodified opinion issued by the external auditor annually and it is based on audit evidence obtained about the amounts and disclosures of the financial statements. With several Public Sector Standard Accounting Standards being implemented in the next budget cycle, it is important that there are sufficient financial and operational resources to implement internal controls and processes that enable The City to continue to achieve an Unmodified Audit Opinion.

% of Compliant Reports Issued (%)



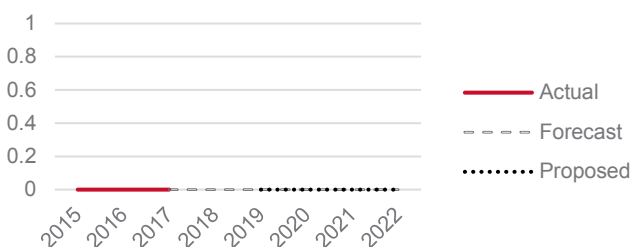
Financial Support receives approximately 27 compliance reports each fiscal year with opinions expressed by accredited external parties on The City's performance, processes and policies. Historically, The City has been 100 per cent compliant for these audits and deliverables in terms of compliance, quality and timeliness will continue to be achieved. Maintaining investments in systems and people ensures that compliance programs and annual audits are conducted in accordance with expectation, minimizing risk to The City as a whole.

Percentage of Invoices Paid within 30 days (Percentage)

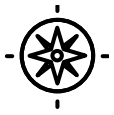


The City prides itself on its reputation and the relationships it builds with vendors. Processing invoices is highly coordinated reaching many levels and across the entire organization. All invoices and billings issued to The City are centrally received by the Accounts Payable division for processing. In 2017, 73.1 per cent of vendors were paid within 30 days of issuing an invoice. The City targets 80-85 per cent of invoices to be paid within 30 days and with an increase in education and awareness this is expected to be achieved in 2020 and beyond. This reflects The City's well managed cash flow and the priority with which it treats vendor payments.

Bad debt write-off as a per cent of billed revenue (%)



The City's performance for bad debt write-offs as a per cent of billed revenue for the corporate portfolio in 2017 was 0.0 per cent. Ensuring collections of The City's receivables is critical to managing The City's overall cash flow.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Ensure economic assets are safeguarded for long-term sustainability.
Prepare reports and analysis that meet or exceed all legislated requirements.
Prepare reports and analysis, make recommendations to operations in decision-making that minimizes financial risk.
Transact and communicate financial information to customer groups and provide excellent individual customer service.
Prioritize process and system improvements to ensure Finance Support can be efficient and effective now and in the future.
Create an environment that continues to retain staff and attracts staff members to make Finance with The City a long-term career choice.
Monitor and respond to the changing economic and political environment impacting The City's finances.

#### Why?

In the next budget cycle six new Public Sector Standards are to be implemented to meet legislated requirements which will have a significant impact on workloads across the Corporation. In addition, Financial Support will continue to support strategic corporate initiatives such as Infrastructure Calgary and provide a multitude of services to our customers. Customers expect responsive, quality guidance and financial information that is compliant with the applicable legislative bodies. This service will continue to be provided through a combination of highly-skilled professionals and technology.

### What we propose to do less of

STRATEGY
Support improvement initiatives (not directly tied to corporate strategic goals).
Transactional and manual processes.
Consulting/contracting, business travel and supplies costs.

#### Why?

Financial Support will prioritize efficiencies where available resulting in a reduction in manual and transactional process as well as a reduction in administrative costs.

### What we propose to do more of or include as a new offering

STRATEGY
Leverage the results of the internal services Zero-Based Review.
Develop a strategic plan for financial support that aligns with customer service expectations and Council expectations.
Improve processes to deliver better service to customers.
Introduce cross-training and develop cross-functional positions, where possible and find efficiencies by consolidating work functions.

#### Why?

Financial Support will continue to pursue opportunities to ensure that processes are the most effective and efficient to meet the needs of our customers, as well as continue to ensure utilization of staff resources is prioritized.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
City of Calgary's Credit Rating (Standard and Poor's)	AA+	↔
Unmodified External Audit Opinion with no Unaddressed Audit Findings (%)	100	↔
Percentage of Compliant Reports Issued (%)	100	↔
Percentage of Invoices Paid within 30 days (%)	75	↑
Bad debt write-off as a per cent of billed revenue (%)	0	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	24,229	24,205	24,256	24,057
Less Previous Year one Time	(200)	-	-	-
Base	24,029	24,205	24,256	24,057
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	570	88	84	86
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(469)	(112)	(283)	(110)
Service Reductions	-	-	-	-
Service Increases	75	75	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	24,205	24,256	24,057	24,033

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	39,677	39,653	-	39,653	39,704	-	39,704	39,505	-	39,505	39,481	-	39,481
<b>Recoveries</b>	(14,532)	(14,532)	-	(14,532)	(14,532)	-	(14,532)	(14,532)	-	(14,532)	(14,532)	-	(14,532)
<b>Revenue</b>	(916)	(916)	-	(916)	(916)	-	(916)	(916)	-	(916)	(916)	-	(916)
<b>Net</b>	24,229	24,205	-	24,205	24,256	-	24,256	24,057	-	24,057	24,033	-	24,033



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		383	460	348	280	-	1,470
413905	Treasury Capital	135	235	235	235	-	840
413910	Finance Capital	248	225	113	45	-	630
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		383	460	348	280	-	1,470
Previously Approved Budget Remaining		300	-	-	-	-	300
<b>Total Capital Investment</b>		683	460	348	280	-	1,770

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 413905: Treasury Capital

New Budget Request of \$840 thousand to ensure ongoing compliance and maintenance of The City's payment and investment systems with Payment Card Industry standard changes and policies CF001 & CF007.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 413910: Finance Capital

New Budget Request of \$630 thousand for funding to support the life cycle needs of the Finance Department. Enables ongoing improvements to the systems to ensure timely and accurate reporting.

Funding from Pay-As-You-Go

Operating Impact of Capital: None







# Fleet Management

Led by: Fleet Services

## Description:

Fleet Management enables sustainable City service delivery through the life cycle management of vehicles, equipment and components. This includes the acquisition, disposal, maintenance and repair of assets, as well as engineering, manufacturing and fleet safety governance.

## Customers:

Our primary customers are City business units including Water, Waste & Recycling, Roads, Parks, and Recreation (not including Police, Fire & Transit). Other external customers include government agencies, and external utilities.

## What is delivered to customers:

Fleet provides safe, reliable, job appropriate vehicles and equipment, including services to design and fabricate that equipment if it does not exist or does not meet the operational need. Fleet also provides services to ensure vehicle and equipment operators are trained, knowledgeable, and adhere to provincial and federal legislation.


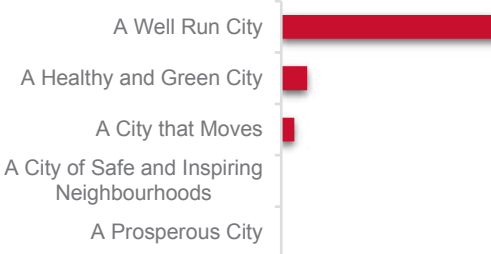
## Partners:

In the provision of services, Fleet partners with a number of City business units, including: Supply (parts acquisitions, unit disposal, and contract support), Information Technology (system sustainment), Facility Management, Finance, Environmental Safety Management, and Law (Risk Management & Claims division).

## Service need (value proposition):

Fleet's customers require the provision of and training for vehicles, equipment, and manufactured goods to perform front line services to Calgarians. Fleet Management's expertise ensures reliable assets, responsive services and safe operations. This service enhances the success of other City business units by providing appropriate reliable assets and innovative services that support the continuity and mobility of services. Fleet's customers value safe, transparent, affordable, available and responsive service.

## Current state service value

<p><b>49,682</b> Work orders completed in 2017</p> <p><b>5,083</b> Operator profiles managed by Fleet</p>	<p><b>6,230</b> Oil changes completed in 2017</p> <p><b>36,715,111</b> Kilometers travelled by vehicles owned and/or managed by Fleet in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$2.28</b> Budget per kilometer travelled for vehicles owned and/or managed by Fleet</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <ul style="list-style-type: none"> <li>Fleet Acquisition and Lifecycle Management \$39,738</li> <li>Fleet Maintenance and Repairs \$34,549</li> <li>Manufacturing Services \$6,116</li> <li>Fleet Safety, Training, Collision, and Compliance \$2,469</li> <li>Engineering and Design \$748</li> </ul> <p><b>Key Capital Investments</b></p> <p>Sustained investment in vehicles and equipment (for growth and replacement), as well as facilities and machinery, is required to support front line services provided to Calgarians.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Recent surveys, Fleet customer forums (monthly), and daily interaction by Fleet's Customer Account Coordinators have indicated the characteristics our customers value regarding Fleet. These include: responsiveness, availability, safety, transparency, affordability, timeliness, and communication. Fleet is continuing to improve working relationships with its customers.

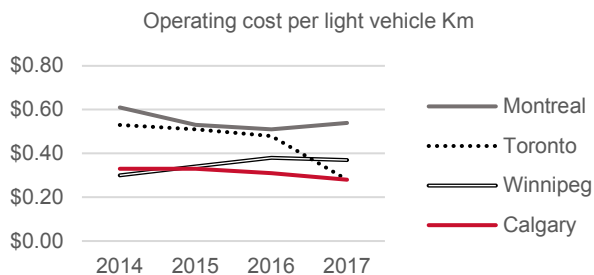
### What Council has directed

As an Enabling service, Fleet focuses on how it can support A Well-Run City. Fleet continues to eliminate silos and simplify services for its customers. Fleet is innovating and experimenting to provide better services at a lower cost. In support of A Healthy & Green City, Fleet is reducing carbon emissions and investigating alternative energies for vehicles and equipment. While ensuring that all modes of transportation are safe, Fleet Management also seeks to reduce City Operator collisions, and ensure that vehicles and equipment are replaced in a timely fashion to minimize risks to Calgarians as they move throughout the city.

### What are we watching?

Fleet monitors and responds to external trends such as: green technologies and procurement approaches to mitigate climate change, customer requirements, improving existing solutions and creating solutions where existing solutions do not meet operational requirement, increasing use of "Smart" infrastructure and technology, increasing demand for innovative products by all levels of government and agencies, increasing demand for and use of alternative fuel infrastructure and evaluating the timing of autonomous vehicles adoption, and increased governance measures by other levels of government. Key risks include: aging and declining asset condition, lack of consistency following Fleet operator's handbook, non-compliance with constantly evolving federal and provincial regulations and standards, and addressing gaps in data quality and data capture.

### Benchmarking



Source: Municipal Benchmark Network Canada

Calgary is below the average cost per light vehicle kilometer. This cost includes maintenance and fuel, which can be impacted by differences in labour cost and fuel cost between cities. Comparisons are impacted by: assortment of class and weight, municipal groups supported, usage data quality, environment, asset age, over/under utilization, door rate, and recovery model (IT/HR/Stores costs captured in maintenance).

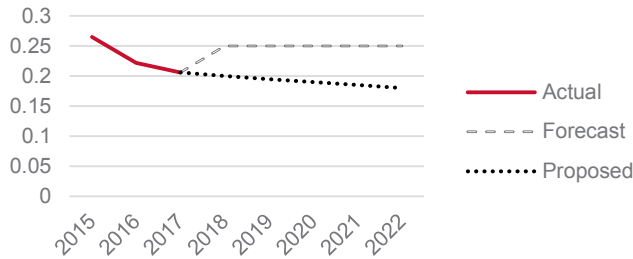
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Safety	Assets are safe for use for intended purposes and adhere to all legislative requirements. Staff meet all regulatory requirements.
Transparency	Customers have a clear line of sight on the service provided by Fleet.
Affordability	Cost of services are reasonable and can be budgeted for appropriately. Training is provided at a reasonable cost.
Availability	Customers have access to all of the services Fleet provides. Field services are available for work in various locations when required and in case of emergencies. Priority is given to critical fleets to ensure availability requirements.
Responsiveness	Customer needs are dealt with in a timely manner, taking into account type of operation. Unique manufacturing requests and emergencies are accommodated.



# How is the Service performing? Where we are headed and where do we want to go?

Carrier Profile rating (Rating)



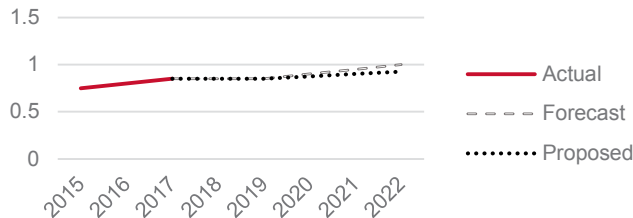
## Story behind the curve

### Carrier profile rating

The carrier profile is a government issued risk rating for commercial fleets or carriers of vehicles. A lower carrier profile is a reflection of the work that Fleet and its partners are doing to increase operator safety. An increase in this number would reflect an increase in accidents. The forecast shows that if nothing new is done, the carrier profile may increase over the next budget cycle.

Turn the curve shows the effect of the proposed strategies in addressing and mitigating the anticipated performance decline as a result of the operating budget starting point. Fleet anticipates that focusing on driver behaviour and encouraging customers to follow the Fleet Operator's handbook may result in a decrease in operator accidents.

Total cost per light vehicle KM (lease and maintenance cost, not including fuel) (Dollars)

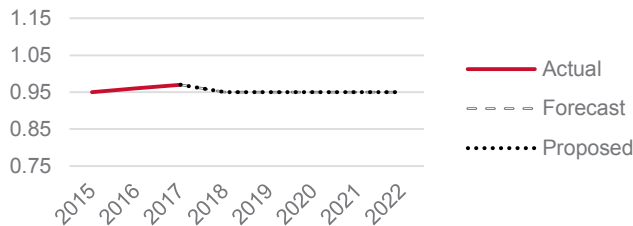


### Total cost per light vehicle km

This table measures the ownership cost of units purchased and maintained by Fleet, including lease and maintenance costs (as opposed to MBNCanada, which reports operating costs). Fuel costs are excluded as operators do not always fill up at City pumps. This measure has increased by \$0.05/year, which is partially due to normal inflation of asset purchase costs and labour increases. The remainder of the annual increase is indicative of aging and declining asset condition as a result of customer reluctance to replace assets beyond the end of life cycles. Assets that remain in service beyond their specified life cycle often show increased maintenance costs.

The forecast shows that if nothing new or different is done, the trend will likely continue. Turn the curve demonstrates the effect of proposed strategies in addressing and mitigating possible performance decline expected from the operating budget starting point. Fleet's car share project should result in improved utilization and reduced asset counts, thereby slowing cost increases.

Uptime of critical and essential fleet (Percentage)



### Uptime of critical and essential fleet

Uptime is a key measurement of unit availability. Uptime has improved in the past few years, as a result of continuous improvements such as scheduling and shift planning to respond to customers' operational schedules. Fleet continues to monitor uptime and seek improvements as part of our normal business improvement process.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Leverage efficiencies to reduce costs to other services.
Maintain a safe, reliable and cost-effective fleet.
Deliver green driver training to all City operators.

#### Why?

As an Enabling service, increasing efficiency, availability and reliability, along with other cost saving strategies, aims to reduce the overall fleet costs and improve the consistency of providing City services to Calgarians. An emphasis on driver behaviour training, including green driving strategies, strives to improve road safety for City operators and all roadway users, as well as reduce carbon emissions.

### What we propose to do less of

STRATEGY
Fix on Fail as we move to a better preventative maintenance program.
Customization as we move to a more standardized fleet.

#### Why?

Process improvement opportunities generated by Fleet to support the delivery of services to Calgarians in a more efficient manner. Changes in service levels by other services may impact the demand for Fleet Management.

### What we propose to do more of or include as a new offering

STRATEGY
Invest in SMART fleet.
Evaluate green technologies.
Better alignment of vehicle size with application.

#### Why?

Through a SMART fleet program, Fleet is working to initiate a car-share program, implement green driver program enhancements, and assess mobile fleet solutions. These strategies will be executed using current funding. Efficiencies will be passed on to impacted services. Fleet aims to support the climate resilience strategy by evaluating green technologies, and right-sizing the fleet. Capital funds may be required beyond the One Calgary cycle.



# What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Carrier profile rating (Rating)	0.25	↓
Total cost per light vehicle KM (lease and maintenance cost, not including fuel) (Dollars)	0.85	↔
Uptime of critical and essential fleet (Percentage)	0.95	↔

## Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	-	-	-	-
Less Previous Year one Time	-	-	-	-
Base	-	-	-	-
Revenue Changes	(205)	(45)	(46)	(47)
Internal Recovery Changes	2,902	585	452	751
Inflation	516	573	547	559
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(3,213)	(1,113)	(953)	(1,263)
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	-	-	-	-

## Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	83,620	94,789	-	94,789	94,249	-	94,249	93,848	-	93,848	93,336	-	93,336
<b>Recoveries</b>	(81,536)	(92,500)	-	(92,500)	(91,915)	-	(91,915)	(91,468)	-	(91,468)	(90,909)	-	(90,909)
<b>Revenue</b>	(2,084)	(2,289)	-	(2,289)	(2,334)	-	(2,334)	(2,380)	-	(2,380)	(2,427)	-	(2,427)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-	-	-	-



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		46,700	33,800	37,600	38,000	-	156,100
414450	Replacements	46,700	33,800	37,600	38,000	-	156,100
Project(s)		-	-	-	-	-	-
Program(s)		1,700	700	700	700	-	3,800
414350	Growth	1,700	700	700	700	-	3,800
<b>Sub-Total (New Budget Requests)</b>		<b>48,400</b>	<b>34,500</b>	<b>38,300</b>	<b>38,700</b>	<b>-</b>	<b>159,900</b>
Previously Approved Budget Remaining		49,146	37,473	2,249	-	-	88,868
<b>Total Capital Investment</b>		<b>97,546</b>	<b>71,973</b>	<b>40,549</b>	<b>38,700</b>	<b>-</b>	<b>248,768</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 414450: Replacements

New Budget Request of \$156,100 thousand for acquisition of vehicles and equipment to replace end of life assets in support of City operations.  
 Funding from Self-supported Debt  
 Operating Impact of Capital: None

### Program(s)

#### Activity 414350: Growth

New Budget Request of \$3,800 thousand for acquisition of new vehicles and equipment in support of City operations  
 Funding from Self-supported Debt  
 Operating Impact of Capital: None







# Human Resources Support

Led by: Human Resources

## Description:

HR offers strategies, governance, programs and services to support the employee life-cycle, including: recruitment, onboarding, learning and development, compensation, pay, benefits and pensions, career planning, and performance coaching. HR also provides consulting in workforce planning and analytics, recognition, employee and labour relations, change leadership, inclusion and ethical behavior.

HR strengthens the workforce and shapes the workplace by providing HR strategies, partnering to find solutions and advising on sound workplace practices. Our work serves to influence and reinforce desired corporate culture, leadership effectiveness and business performance to benefit all Calgarians.

## Customers:

HR provides employees with information, guidance, programs, training and transactional services. HR provides specialized advice and consulting to leaders and management. HR provides information to job applicants, and advice and information to Council members. We serve The City by building and sustaining a healthy workplace and engaged workforce.

## What is delivered to customers:

Customer needs for engaged talent, good governance and a healthy workplace are met by delivering: consulting services, data to inform business decisions, hiring services to attract qualified candidates, learning programs for staff and leaders, labour relations services to negotiate/uphold agreements, payroll services, and total rewards programs.







## Partners:

HR partners with management and leaders to design and deliver HR programs and services. It has a strong partnership with Unions and Associations whose input, leadership and support enables effective service delivery. External bodies, notably MEBAC (benefits association), pension authorities and vendors offering plans and services to City employees are supported and in some cases managed by HR.

## Service need (value proposition):

The HR Support service line strives to ensure its customers can make life better every day for Calgarians. When thinking of HR Support Services, customers value responsiveness, reliability and quality most of all. HR provides services in a consistent, accurate, timely and reliable manner, while respecting privacy and confidentiality. It aims to provide high quality, ethical, equitable and professional HR services to its customers. HR Support's programs and services help foster the social, physical, mental and financial well-being of employees which, in turn, drives productivity. HR's services make The City of Calgary an attractive place to work and have a career. This service line continually seeks ways to improve value for the cost of services it delivers. HR Support services contribute to the effective execution of all Council priorities.

## Current state service value

<p><b>20,000</b> Employees supported in 2018 (F)</p> <p><b>13,090</b> Employees trained on ethical behaviours</p>	<p><b>40,000</b> Calls to the HR Service Centre/year</p> <p><b>11</b> Association/Union negotiated agreements</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$1,750</b> Annual operating cost per employee HR served</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>	
<p><b>Connections to Citizen Priorities</b></p> <ul style="list-style-type: none"> <li>A Well Run City </li> <li>A Healthy and Green City </li> <li>A City that Moves </li> <li>A City of Safe and Inspiring Neighbourhoods </li> <li>A Prosperous City </li> </ul>		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <hr/> <p><b>Key Capital Investments</b></p> <p>Technology supports critical HR services including payroll, learning, workforce data and hiring. New or enhanced technology enables us to provide integrated program delivery, process improvements, efficiencies and self-service options for customers.</p>	



## What we've heard and service outlook

### What we heard: Research & Engagement Results

People are fundamental to the work The City does to make life better every day for citizens. Not surprisingly, a recent survey showed that BUs identified HR Support as the internal service with the most impact on their ability to serve their end customers. HR Support's customers have indicated a high level of satisfaction across a wide range of HR services, from courses (98 per cent satisfied), to awareness of certain benefit coverage (90 per cent), HR Support Services (93 per cent satisfied), and accessibility of application process (94 per cent), to name a few. Customers indicate that reliability, responsiveness and quality of HR service delivery are critical attributes.

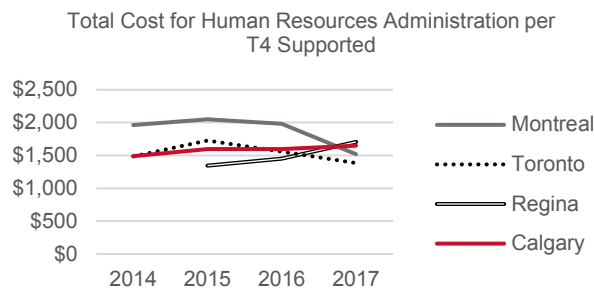
### What Council has directed

While HR supports all Council Priorities, we have identified four Directives under the Priority of a Well-Run City: W1, W2, W4, W5. HR communicates with the public regarding job opportunities and strives to deliver a process that is simple, fair and accessible. We talk to candidates about The City as an employer: its services, culture and careers (W1). HR actively pursues opportunities for efficiency, self-serve and using technology to improve the value of services and the customer experience (W2). HR helps shape and reinforce desired culture through consulting and change leadership. HR sees opportunity to work with leaders in continuing to create a culture of innovation and risk management (W4). HR will actively work with other Services and Indigenous partners to build staff understanding and awareness of Indigenous culture that will strengthen relationships and build trust (W5).

### What are we watching?

The economy, demographic shifts influenced by immigration and age, and the growing voice around equity and inclusion are some of the trends we see impacting HR Support. The economy is slowly recovering and unemployment rates are dropping. Calgary's visible minorities comprise one-third of the population. The Indigenous population is one of the fastest growing segments in Canada. Economic pressures, coupled with anticipated retirements, may cause difficulty in attracting and retaining talent. "Me Too" and other movements have triggered an international conversation on respectful workplace and equity. Governments continue to advance Truth and Reconciliation by listening to, learning from, and acting on ways forward with Indigenous communities. We see increased demand for HR services to build workforce capacity, leadership effectiveness and a workplace that is welcoming, equitable and inclusive.

### Benchmarking



Source: Municipal Benchmarking Network Canada

We have participated in benchmarking for nine years to continuously improve, objectively evaluate service efficiency, foster innovation and learn from our peers. Peer services are not entirely comparable due to differences in organization structure, size, total rewards programs and outsourcing. The efficiency measure shown here is the total cost of HR administration support (incl. health/wellness) per T4 supported (Municipal Benchmarking Network Canada Survey).

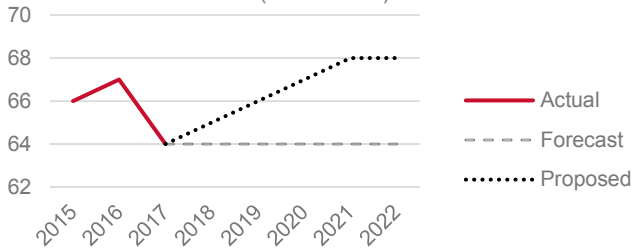
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	HR Services provided in a timely manner.
Reliability	HR services provided in a consistent, accurate, timely and reliable manner while respecting privacy and confidentiality.
Quality	HR provides high quality, ethical, equitable, professional human resources services.
Attractiveness	HR provides services that foster the social, physical, mental and financial well-being of all employees.
Affordability	HR delivers value for cost of services.



# How is the Service performing? Where we are headed and where do we want to go?

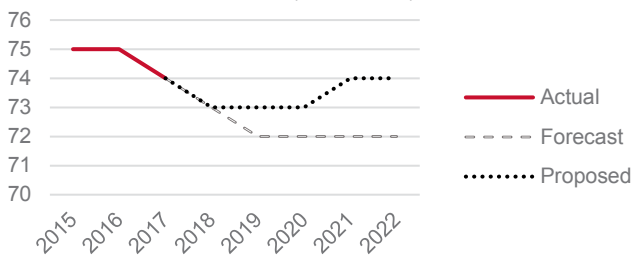
Corporate Employee Survey: Leadership Impact Index (Index score)



## Story behind the curve

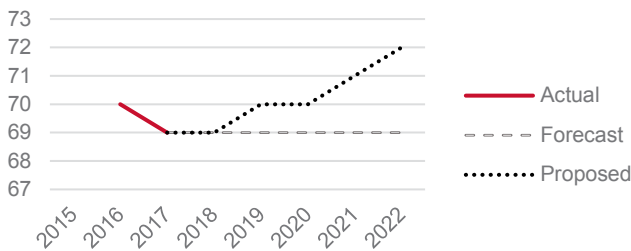
The Leadership Impact Index measures attributes of leadership effectiveness and is reported in the annual Corporate Employee Survey. The index reflects leaders' influence in creating a culture of accountability and high performance, employee empowerment, effective communication and cooperation among groups. Without additional attention, current scores should be maintained. Increasing this index requires additional training, coaching and consulting support to leaders to help them create and sustain a positive workplace culture.

Corporate Employee Survey: Employee Engagement Index (Index score)



Employee Engagement measures the degree to which employees feel responsible for and committed to superior job performance. Engagement is linked to higher performance, lower absenteeism, improved customer service, and lower employee turnover, all leading to better service delivery to citizens. The Engagement Index has been relatively stable at 75/100, even during the economic downturn. In order to increase the level of employee engagement, HR would have to continue to work with all of our service partners, employees and leadership to build capacity and skill in creating a positive work environment and culture.

Corporate Employee Survey: Inclusion Index (Index score)



The Inclusion Index measures how inclusive employees perceive their workplace to be. The results for the two years this has been measured are stable at around 70/100. Without additional attention, we would expect that this index would remain flat. Turning the curve will require more work beyond creating awareness including: training, systemic audits, targeted and corporate-wide programs, and examining our policies and practices using a diversity and inclusion lens.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Identify opportunities for further integration, streamlining, efficiency and resiliency, in service to deliver better outcomes to clients.
Develop solutions to build and sustain leadership effectiveness, accountability, workplace capacity and a healthy workplace.
Work with service partners to create and sustain workplace conditions that reinforce employee engagement, inclusion and productivity.
Provide governance, negotiate sound contracts, design programs to enrich staff experience, strengthen engagement and drive productivity.
Consult proactively with customers on all aspects of workforce and workplace to help them deliver on their business plans and goals.
Revise HR business model and performance measures to meet customer need for service reliability, responsiveness, efficiency and quality.

#### Why?

We have seen that customers value the services we deliver. However, we also see from certain performance measures, as well as data and trends, that we have not achieved the levels of engagement, inclusivity and productivity/performance we believe are possible. We will continue to support building and sustaining a productive workforce and healthy workplace to serve our great city.

### What we propose to do less of

STRATEGY
Transactional and manual processes through enabling technology.
Costly contracting out of project services by absorbing project work internally.

#### Why?

As our work and services become more technology-enabled we foresee a corresponding reduction in manual, transactional processes.

### What we propose to do more of or include as a new offering

STRATEGY
Improve inclusiveness by developing programs to: remove barriers, increase understanding, and enable staff to raise and resolve concerns.
Strengthen data accessibility and provide integrated workforce analytics to inform customers' evidence-based decision making.
Strengthen technology-enabled, self-service options for customers to create efficiencies, reduce wait times and optimize resource allocation.
Strengthen services to meet growing customer demand for: workplace investigations and restoration, change leadership and succession planning.
Improve employee effectiveness and accountability through individual performance development.

#### Why?

While we continue to offer core programs and services based on value and demand, we are conscious of the need to create a more welcoming, equitable and healthy workplace for all employees. Also, we must find more efficiencies, and become more agile/resilient to changing customer needs. Finally, we are aware of opportunities to provide customers with products (e.g. workforce data) in more integrated and accessible ways, to improve their performance.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Corporate Employee Survey: Leadership Impact Index (Index score )	64	↔
Corporate Employee Survey: Employee Engagement Index (Index score)	73	↔
Corporate Employee Survey: Inclusion Index (Index score)	69	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	26,678	26,339	26,338	26,339
Less Previous Year one Time	-	-	(200)	(200)
Base	26,678	26,339	26,138	26,139
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	205	223	213	224
Operating Impact of Previously Approved Capital	150	138	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(694)	(712)	(212)	(223)
Service Reductions	-	-	-	-
Service Increases	-	150	-	-
One Time	-	200	200	-
Realignments	-	-	-	-
Total	26,339	26,338	26,339	26,140

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	35,035	34,696	-	34,696	34,495	200	34,695	34,496	200	34,696	34,497	-	34,497
<b>Recoveries</b>	(8,357)	(8,357)	-	(8,357)	(8,357)	-	(8,357)	(8,357)	-	(8,357)	(8,357)	-	(8,357)
<b>Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net</b>	26,678	26,339	-	26,339	26,138	200	26,338	26,139	200	26,339	26,140	-	26,140



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		-	-	-	-	-	-

## Explanation of Capital Budget Requests

No new Capital Budget for approval.







# Infrastructure Support

Led by: Corporate Analytics & Innovation

## Description:

Infrastructure Support (IS) provides the specialized expertise to our customers to support their business functions of energy, project and asset management, land planning management, capital construction and policy development. Specifically, the service includes:

- Engagement, planning, design, delivery and sustainment of infrastructure assets.
- Energy and environmental resources to front-line service providers.
- Development and provision of field surveying reports, base maps.
- Asset management and budget plans.
- Advisory services in project management, engineering and energy consumptions areas.
- Managed access to City rights-of-way and infrastructure to enable risk management.

## Customers:

The Corporation and Client Business Units, Civic Partners and Related Authorities, External Utilities, Private/Non-Profit Organizations.

## What is delivered to customers:

Information and services which enable infrastructure investment plans, lifecycle cost and risk analysis, project documents, energy audits, drawings, survey control, and base maps.

Examples include: Infrastructure Status Report, Asset Management Plan, Project Plan, Engineering Compliance reviews, Engineered Block Profiles, Field Survey reports.

## Partners:

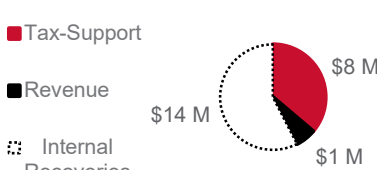

Information Technology, Supply Management, Law, Infrastructure Calgary, ENMAX, Association of Professional Engineers and Geoscientists of Alberta (APEGA), University of Calgary Urban Alliance, Consulting Engineers of Alberta, Calgary Construction Association, Government of Alberta.

## Service need (value proposition):

The City's front-line services and operations require support from infrastructure assets, energy and environmental resources to ensure that value to citizens is maximized while minimizing service disruption, public safety and security risk, energy/environmental impact and cost.

Specifically, this service is required to reduce legal and reputational risks to The City and acts to improve accountability and transparency to the tax payer based upon industry-recognized sustainability, engineering, survey control, as well as asset and project management practices. As a result, it ensures The City is following legislative requirements for the above noted practice areas.

## Current state service value

<p><b>1,700</b> surveying projects</p> <p><b>5,300</b> buildings mapped</p>	<p><b>35,054</b> new addresses created in 2017</p> <p><b>\$ 84.5 B</b> worth of assets guided by IS</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$1,300</b> Annual operating cost per employee</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Asset Drafting/Base Mapping (Design, drafting, mapping, record management, addressing): \$9,395</p> <p>Field Survey (Survey control, engineering and legal surveys, positioning): \$5,437</p> <p>Engineering Services (Eng. advisory, building system audits): \$797</p> <p>Energy Services (Energy conservation and efficiency): \$910</p> <p>Asset Management: \$1,634</p> <p>Project Management: \$3,925</p> <p>Utility Rights-of-Way (City access to municipal ROW): \$1,060</p> <p>Industry Engagement: \$284</p> <p><b>Key Capital Investments</b></p> <p>The programs and projects will maintain and improve essential tools and systems to support cross-corporate infrastructure service delivery. It will also ensure we are in compliance with Provincial legislations.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

This is a diverse service. Our customers value low-cost solutions to find efficiencies; manage technical, business and public safety risk; and identify sustainable options. They value our expertise, accurate and accessible information and affordability. Citizens value public safety and resiliency, affordability and accessibility of the City's infrastructure. Council has concern regarding risk of poor infrastructure condition and performance. Eighty-five per cent of customers rated our collaborative efforts valuable. We will continue to build partnerships, improve service delivery, analyze infrastructure performance and protect The City's interests.

### What Council has directed

W2/W4 – Uses metrics and business analytics to streamline processes, create innovative solutions and cost savings, and manage infrastructure risk.

N5 – Uses integrated and automated business tools to enable timely, transparent and accountable infrastructure decisions, and promotes The City's Sustainable Infrastructure Capital Program to improve the energy efficiency of The City's infrastructure.

M4 – Uses survey, mapping and technological solutions to support transportation optimization.

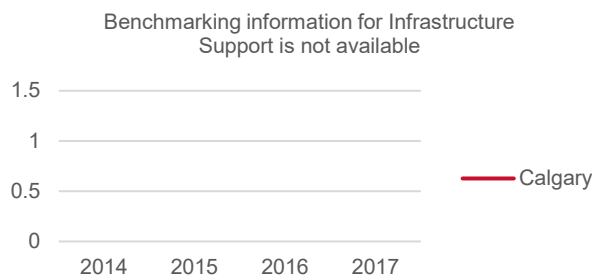
H2 – Helps organization to better understand their energy consumption, energy interdependencies, and identifies ways to reduce energy consumption and associated costs.

This service aligns to Community Standards Bylaw (Addressing), Sustainable Building Policy, Asset Management Policy, Project Management Policy, Municipal Naming, Sponsorship and Naming Rights Policy and Municipal Rights-of-Way Bylaw.

### What are we watching?

Population growth in Calgary will result in increased demand for infrastructure, higher consumption of energy, emissions and distribution costs. Additionally, the better and greater use of technology becomes a growing trend, creating opportunities to improve service delivery that are integrated, quicker and more scalable. For example, City infrastructure continues to require more connectivity to support automation and integration of sensor systems. We are also seeing an increased use of 3D modeling in infrastructure planning and design. Given the Infrastructure Gap and nearly \$2 billion of assets in poor to critical condition, this service will play a crucial role in supporting the management of City infrastructure via project and asset management practices, risk and lifecycle cost analysis and investment prioritization as part of The City's Resiliency and Climate Change Strategies.

### Benchmarking



Sufficient data is not available to build the benchmarking process for IS at this time. Work is underway to develop a process to track energy, asset and project management performance. The discussion with ENMAX has started to explore the possibility of obtaining energy data from other cities. Work is also underway to identify benchmark infrastructure reinvestment rates against the Canadian Infrastructure Report Card as well as asset and project management maturity. IS is developing infrastructure condition, service level and performance metrics, and implementation of technology to track that data.

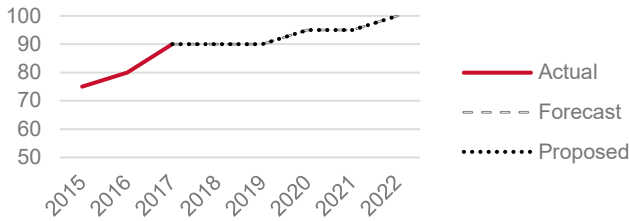
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Accessibility	Outputs from the service are easily accessible by the customer.
Affordability	Cost of service is reasonable and can be budgeted for appropriately.
Quality	All outputs continue high standard and proficient experts' inputs/solutions/recommendations.
Responsiveness	Provides the requested output in a timely manner.
Reduces effort	Analysis provided gives information and insight to gaining more value from City investments.

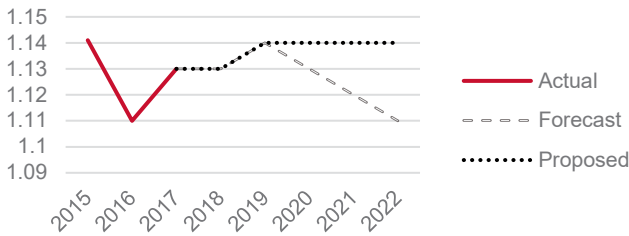


# How is the Service performing? Where we are headed and where do we want to go?

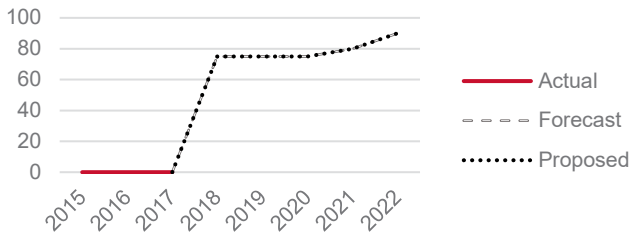
Per cent of City of Calgary business units that have an increase in Asset Management maturity (Per cent)



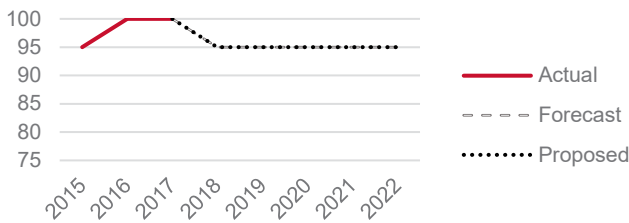
Energy used to deliver all City services, per citizen (MWh per citizen (megawatt hours equivalency))



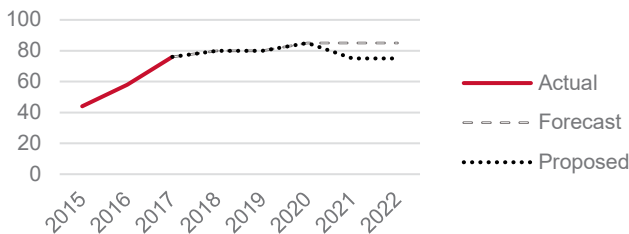
Per cent of Utility Line Assignment turnaround times to meet processing time standards (Per cent)



Per cent of registered survey plans that are mapped within 21 days of receipt (Per cent)



Per cent of external addressing service requests resolved within 10 days of receipt (Per cent)



## Story behind the curve

PM 1:

The increase in Asset Management helps to measure the understanding of The City's asset and service performance. The corporate-wide Asset Management Technology Capital Program is currently funded by cost recovery from participating business units. The proposed base operating budget shifts from a recovery model to a centralized corporate program. This permanent funding, although only the minimal amount required, will enable the sustainment of critical software. IS has proposed additional capital and operating cuts, which will reduce The City's ability to manage, analyze and report on asset data within this system.

PM 2:

Assumptions for energy used: (1) fuel component assumes flat future consumption, (2) natural gas and district energy components are normalized to a five-year Heating Degree Days average, and (3) the new Composting Plant gas use was included in a full-year 2018 forecast. The annual consumption was assumed flat after 2018.

Budget reduction will result in less delivery of work related to energy efficiencies, climate actions and support to other business units. The City may potentially spend slightly more on energy bills.

PM 3:

Implementation of the Calgary Rights-of-Way Management (CROWM) system will improve turnaround time through better coordination of utility providers' projects for efficient use of rights-of-way corridors. The performance data will be available in 2018 as the phase one work is completed this year. The phase two work is proposed to continue to add needed functionality and integrations to the system to support service line alignment with citizen expectations of minimal disruption with coordinated work by utility providers.

PM 4:

This measures the service level (in terms of turnaround time) to our clients. We forecast 2019–2022 to remain at 95 per cent because there may be complex cases that go beyond the 21 days. We may also see a slight increase in requests from our clients as a result of a favorable economic environment.

PM 5:

This measures the service level (in terms of turnaround time) to our clients and citizens. Our 2019–2020 forecast remains in the range of 80 per cent as an efficiency gain will be realized through the consolidation of certain business functions in 2020. However, a budget reduction in 2021 will negatively impact this performance measure. We expect a drop in efficiency (below current levels) in resolving addressing requests.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Provide precision surveys to support the design, construction and asset lifecycle phases of infrastructure projects.
Create a corporate database and business process for construction drawings and implement online submission tools.
Maintain engineering and geological practices, including maintaining the Engineer-In-Training Program.
Provide building commissioning, green building consultations, energy audits information and education.
Implement the Climate Mitigation Strategy through leading by examples in our own operations.
Implement quality and risk management approaches, automated business tools for corporate asset and project management programs.
Manage municipal rights-of-way using Utility Line Assignment System to ensure public safety, cost avoidance and regulation compliance.

### Why?

These strategies deliver on Council Directives and support our key value proposition of quality, affordability and accessibility as top values for our customers. We will continue to address the infrastructure gap and associated risk of infrastructure failure/service impact, identify and implement energy and cost saving opportunities, provide surveying services, and improve time to process developer and City led subdivision applications.

## What we propose to do less of

STRATEGY
Management of work related to energy efficiencies, climate actions and consultations for clients.
Support for Real Time positioning and navigation systems.
Asset and project management analysis and planning.
Infrastructure Support employee engagement events.
Contracting and consulting for innovation, business development, research, pilot projects and process improvements.

### Why?

To absorb the required reduction in operating costs, citizen-facing service lines will face a reduction in support for asset management and infrastructure investment planning, energy planning and monitoring, base mapping and surveying. Reduced support to our clients may result in response time delay and limited capacity for new work.

## What we propose to do more of or include as a new offering

STRATEGY
Centralize software management (including technical support) for existing asset management enterprise applications, including InforEAM, PowerPlan (formerly RIVA) in order to achieve corporate savings on licensing. This is supported by a base operating budget request.
Implement Project and Portfolio Management software (Microsoft Project Online) to support infrastructure investment prioritization (Infrastructure Calgary), project and cost management. This is supported by both the one-time operating budget request (for licensing/sustainment) and an essential capital budget request for software implementation.

### Why?

The more effective and efficient support will be provided to manage the implementation of the enterprise programs (e.g. corporate-wide asset and project management technology) across all business units, so that asset and project risks can be appropriately mitigated. Infrastructure Support will be focusing on optimizing resources and consolidating numerous licences into one enterprise licence and program.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Per cent of City of Calgary business units that have an increase in Asset Management maturity (Per cent)	90	↑
Energy used to deliver all City services, per citizen (MWhr per citizen (megawatt hours equivalency))	1.13	↓
Per cent of Utility Line Assignment turnaround times to meet processing time standards (Per cent)	75	↑
Per cent of registered survey plans that are mapped within 21 days of receipt (Per cent)	95	↔
Per cent of external addressing service requests resolved within 10 days of receipt (Per cent)	80	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	8,483	9,857	9,935	9,791
Less Previous Year one Time	-	(753)	(1,000)	(1,000)
Base	8,483	9,104	8,935	8,791
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	43	51	47	49
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	825	15	15	15
Efficiencies	(52)	(60)	(56)	(58)
Service Reductions	(138)	(175)	(150)	(135)
Service Increases	-	-	-	-
One Time	753	1,000	1,000	870
Realignments	(57)	-	-	-
Total	9,857	9,935	9,791	9,532

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	23,442	24,270	753	25,023	24,101	1,000	25,101	23,957	1,000	24,957	23,828	870	24,698
<b>Recoveries</b>	(13,500)	(13,707)	-	(13,707)	(13,707)	-	(13,707)	(13,707)	-	(13,707)	(13,707)	-	(13,707)
<b>Revenue</b>	(1,459)	(1,459)	-	(1,459)	(1,459)	-	(1,459)	(1,459)	-	(1,459)	(1,459)	-	(1,459)
<b>Net</b>	8,483	9,104	753	9,857	8,935	1,000	9,935	8,791	1,000	9,791	8,662	870	9,532



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		20	20	20	20	-	80
480900	Indigenous Consultation	20	20	20	20	-	80
Project(s)		604	733	669	65	-	2,071
480701	CROWM Phase II	475	475	475	-	-	1,425
480704	Base Mapping Improvements	129	258	194	65	-	646
Program(s)		4,050	2,294	1,301	1,287	-	8,932
461812	Sustainable Infrastructure Capital Program (SICP)	500	500	500	500	-	2,000
480702	Survey Control Program	130	400	400	400	-	1,330
480705	Project and Portfolio Mgmt	2,655	980	-	-	-	3,635
480706	Corporate AM Technology	765	414	401	387	-	1,967
<b>Sub-Total (New Budget Requests)</b>		<b>4,674</b>	<b>3,047</b>	<b>1,989</b>	<b>1,372</b>	<b>-</b>	<b>11,083</b>
Previously Approved Budget Remaining		987	941	-	-	-	1,928
<b>Total Capital Investment</b>		<b>5,661</b>	<b>3,988</b>	<b>1,989</b>	<b>1,372</b>	<b>-</b>	<b>13,011</b>

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 480900: Indigenous Consultation

New Budget Request of \$80 thousand to support project management activities that are involved with consulting to Indigenous and Métis nations.

Funding from Pay-As-You-Go

Operating Impact of Capital: None





## Recommended Capital Investment to Support Service Delivery

For Council Approval

### Project(s)

#### Activity 480701: CROWM Phase II

New Budget Request of \$1,425 thousand to add integrations to the Calgary Rights of Way Management (CROWM) system to support citizen expectations of minimal disruption of coordinated work by utility providers.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480704: Base Mapping Improvements

New Budget Request of \$646 thousand to update essential base map service technology.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Program(s)

#### Activity 461812: Sustainable Infrastructure Capital Program (SICP)

New Budget Request of \$2,000 thousand to continue an existing investment program started in 2012, which is intended to direct strategic investments in improved infrastructure engineering/design practices, proven technologies, technology trials, performance monitoring and benchmarking.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### Activity 480702: Survey Control Program

New Budget Request of \$1,330 thousand for maintaining government Survey Control networks in Calgary. The survey networks is used to accurately build, locate and map all city and private infrastructure such as buildings and roads.

Funding from Pay-As-You-Go (\$1,030 thousand) and Developer & Other Contributions (\$300 thousand)

Operating Impact of Capital: None

#### Activity 480705: Project and Portfolio Mgmt

New Budget Request of \$3,635 thousand to implement the desired functionality for the project management community with a focus on improving project and portfolio management at The City.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$753 thousand one-time funding of operating costs in 2019, \$1,000 thousand one-time funding of operating costs in 2020, \$1,000 thousand one-time funding of operating costs in 2021 and \$870 thousand one-time funding of operating costs in 2022.

#### Activity 480706: Corporate AM Technology

New Budget Request of \$1,967 thousand to improve asset management technology, asset information, business intelligence and management maturity at The City.

Funding from Pay-As-You-Go

Operating Impact of Capital: This request requires \$825 thousand base funding of operating costs starting in 2019 and \$15 thousand base funding of operating costs starting in 2020, 2021 and 2022.







# Insurance & Claims

Led by: Law

## Description:

Manage operational risks and claims arising from City operations through the civic insurance program.

## Customers:

Business units, civic partners and the Calgary Police Service. We also provide front-facing service to citizens for potential claims.

## What is delivered to customers:

- Risk mitigated/claim resolved.
- Avoidance of large unpredictable costs to customers and partners.

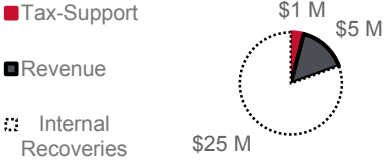

## Partners:

Legal Counsel & Advocacy

## Service need (value proposition):

Work with City staff and Civic Partners to identify and mitigate risks and address damages or potential liabilities as a result of their operations. Provide an avenue for citizens should they wish to submit a claim.

## Current state service value

<p><b>\$8.27 / \$1,000</b> Cost of Risk (Per \$1,000 of Revenue)</p> <p><b>100%</b> Percentage of City Services Served</p>	<p><b>100%</b> Level of Client Satisfaction</p> <p><b>2.31%</b> Liability Claims Going to Litigation</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$1,700</b> Annual operating cost per employee</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</small></p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b> This service has no sub-services.</p> <hr/> <p><b>Key Capital Investments</b> N/A</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

In a recent client engagement survey with five key clients, responses indicated they were grateful for the assistance, either financially or operationally, when they sustain an insured loss or ask for risk management and insurance advice. We act in the best interest of all Calgarians and, therefore, decisions on claims are based on legal liability. This can create situations where citizens are not satisfied with the outcome of our investigation, in which case the file can be escalated and reviewed to ensure the citizen is being treated fairly.

### What Council has directed

W2 – This service will reduce costs and focus on value-for-money by focusing on the management of internal claims. For example, reducing the number of transactions between service lines when a City vehicle collides with another City vehicle or with City property. We will also review the internal deductible structure to see where efficiencies can be found.

W4 – By managing financial risk through loss prevention activities, and by transferring risk through commercially reasonable insurance, this service assists The City in offering quality services to citizens while maintaining an affordable tax rate.

M1 – The operations of Calgary Transit are extensive and this service supports the implementation of RouteAhead. Increasing the transit services available to citizens while also making it safer may reduce the number of incidents and claims that are occurring on our buses and trains.

H3 – This service has been actively involved in flood protection efforts to help mitigate a future flood loss, both from an insurance and a claims perspective. The insurance markets continue to recognize the improving risk profile of The City.

### What are we watching?

Climate change: large weather events are occurring more frequently; potential impact to insurance markets. Citizen expectations: the velocity and complexity of claims are increasing. Technology: impact and risks associated with technological advances (e.g. autonomous cars, artificial intelligence, drones, etc.). Current economic environment: impact on Calgary's economic health and funding from other levels of government; cyber threats and data security issues. Legislative changes: including changes to soft tissue caps on liability and the legalization of cannabis. Personnel: succession and knowledge-transfer risks with increase in retirements; increased age of The City's infrastructure may add to the number of possible claims.

### Benchmarking



Source: RIMS Benchmark Survey

Benchmark data is collected through the Risk and Insurance Management Society (RIMS) which is an industry association for companies across North America. Our data is compared to other government and non-profit organizations. Cost of Risk is defined as the sum of insurance premiums, self-funded losses, risk control expenditures, as well as internal and external administrative costs per \$1000 of operating revenue. As indicated above, Calgary's cost of risk is lower than the industry average for government and non-profit organizations. This demonstrates that the Insurance & Claims service is being operated more efficiently than other peer groups.

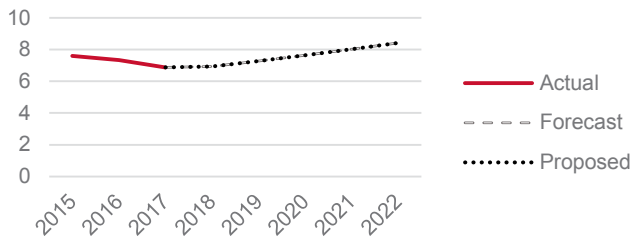
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Reduces risk	Intentionally manage risk: provide comprehensive risk mitigation strategies to identify, manage, transfer or insure risks, and manage the adjustment of claims.
Responsiveness	Responsiveness: requested service will be addressed in a reasonable amount of time. Respond to citizen's inquiries within 24 hours.
Quality	Customer Service: deliver quality insurance and claims services through increased business insight and understanding of City services provided by City business units. Provide citizens service for potential claims that they may be involved in.
Legislative Compliance	Utmost good faith: ensure the adjustment of claims using sound insurance and legal principles in a transparent manner.
Affordability	Cost effective: provide a civic insurance program that achieves the best possible insurance coverage at the best rates available.

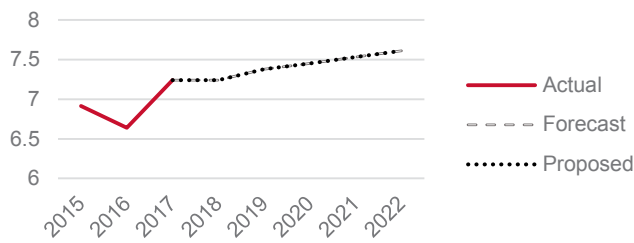


## How is the Service performing? Where we are headed and where do we want to go?

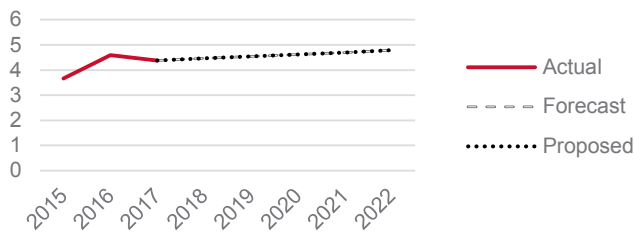
Funds Available for Insurance Premiums (in Millions)



Number of Claims per 1000 Citizens



External Recoveries by Year (in Millions)



### Story behind the curve

Funds Available for Insurance Premiums:

Large weather events such as hurricanes, wildfires and floods are occurring more frequently and are having an adverse impact on commercial insurance rates. We experienced a five per cent increase in the property insurance rate from 2017 to 2018, and expect this trend to continue over the next four years. The City's insurance program will continue to be marketed internationally to attract the most commercially reasonable rates, while balancing the changing needs of the Corporation.

Number of Claims per 1000 Citizens:

Given the economic environment in Calgary, we are not anticipating significant growth in the number of citizens and, therefore, are not anticipating a significant increase in the number of claims per 1000 citizens. However, if there is a large reduction in an operating/maintenance budget (e.g. Roads maintenance) or large or several weather events this may change the number of claims being reported by citizens. In order to turn the curve, we will continue to educate citizens by utilizing the Claims website and ensure proper training is provided to City staff to reduce the potential for claims.

External Recoveries by Year (amounts collected from responsible parties):

Inflationary costs for repairing damage to City assets are increasing at a rate of 1.8 per cent per year. Therefore, we expect our recoveries from third parties who are responsible for damaging City assets to increase at a similar rate. Adjusting staff are also becoming increasingly diligent and persistent in collecting from responsible third parties.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Internal and external training.
Heading towards paperless claims handling.
Use of web submissions for claims.
Updating transparency of claims information on our website.
Upgrading risk management information system to handle claims while adjusters are in the field.
Templating risk and claims forms.
Appraisals and loss control inspections.

#### Why?

These strategies support providing insurance and claims services for A Well-Run City.

### What we propose to do less of

STRATEGY
Internal transfers relating to claims costs in favour of direct billing of claims costs.
Ad-hoc risk and claims forms in favour of templated forms.
Use of hardcopy claims files in favour of electronic files.

#### Why?

These strategies will allow the Insurance & Claims service to reduce or eliminate processes that are considered unnecessary, and replace them with more efficient practices that will achieve the same or better results.

### What we propose to do more of or include as a new offering

STRATEGY
Direct citizens to our website to provide information on claims and how to submit.

#### Why?

Provide more transparency to the public to explain how claims are investigated and how liability is determined.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Funds Available for Insurance Premiums (in Millions)	6.93	↔
Number of Claims per 1000 Citizens	7.24	↔
External Recoveries by Year (in Millions)	4.46	↔

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	1,268	1,244	1,244	1,244
Less Previous Year one Time	-	-	-	-
Base	1,268	1,244	1,244	1,244
Revenue Changes	(80)	(80)	(80)	(90)
Internal Recovery Changes	(1,401)	(1,475)	(1,553)	(1,624)
Inflation	1,481	1,555	1,633	1,714
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(24)	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	1,244	1,244	1,244	1,244

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	31,078	31,135	-	31,135	31,215	-	31,215	31,294	-	31,294	31,384	-	31,384
<b>Recoveries</b>	(25,033)	(25,033)	-	(25,033)	(25,033)	-	(25,033)	(25,033)	-	(25,033)	(25,033)	-	(25,033)
<b>Revenue</b>	(4,777)	(4,858)	-	(4,858)	(4,938)	-	(4,938)	(5,017)	-	(5,017)	(5,107)	-	(5,107)
<b>Net</b>	1,268	1,244	-	1,244	1,244	-	1,244	1,244	-	1,244	1,244	-	1,244



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		200	-	-	-	-	200
<b>Total Capital Investment</b>		200	-	-	-	-	200

## Explanation of Capital Budget Requests

No new Capital Budget for approval.





# IT Solutions & Support

Led by: Information Technology

## Description:

This service provides the technology, devices and infrastructure that underpins the delivery of all technology solutions for The City. This service develops and maintains both corporate-wide and line-of-business applications and improves and automates business processes to enable City business units to deliver internal and citizen-facing services.

## Customers:

Direct customers are individuals that interact with IT or use IT services on a daily basis, including corporate management, office employees, frontline/field employees, civic partners, Council and citizens. Indirect customers are individuals or organizations that benefit from IT's services and include citizens, businesses and post-secondary institutions.

## What is delivered to customers:

**Business Systems & Consultation:** Applications, tools and standards that help business units improve delivery of services to citizens.

**Workforce Productivity:** Technology (e.g. computers, devices, software) and network access to perform day-to-day business activities.

**Infrastructure & Platforms:** Technology infrastructure that supports City business activities.

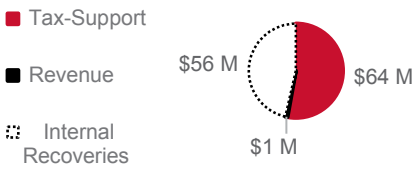

## Partners:

Key partners of this service include: Corporate Analytics & Innovation, Customer Service & Communications, Law, Corporate Security, Supply, and external contracted service providers.

## Service need (value proposition):

IT Solutions and Support supplies technology and associated infrastructure to connect over 18,000 City staff, 260 City facilities, and 3,000 vehicles to enable The City to perform day-to-day business activities. This includes provisioning and support for more than 15,000 computers, 16,500 mobile devices (e.g. radios, modems, smartphones), and 14,000 telephone lines. With over 460 business and enterprise applications, 2,000 software titles (e.g. productivity tools and utilities), and resilient technology infrastructure to support essential applications, technology is behind every citizen-facing transaction. The City's 450 kilometers of fibre-optic infrastructure provides high-speed connectivity, promotes research and development, and encourages economic diversity and resiliency. Leveraging technology increases The City's effectiveness, efficiency, and capacity to deliver services to citizens of Calgary.

## Current state service value

<p><b>92%</b> IT Client Satisfaction Rating</p> <p><b>30,320</b> Number of Network Devices/Sensors (IoT)</p>	<p><b>127,443</b> Number of Service Desk Tickets Per Year</p> <p><b>375,000</b> Number of myID Citizen Accounts</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$6,500</b> Annual operating cost per employee</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>The IT Solutions and Support service includes: Business Systems &amp; Consultation (\$62,704), Workforce Productivity (\$28,511), and Infrastructure &amp; Platforms (\$30,488).</p> <p><b>Key Capital Investments</b></p> <p>IT's Annual Investment Programs are focused on maintaining service by completing only essential lifecycle activities for critical software, network, servers, storage, and end-user devices. This will result in reduced service levels for this budget cycle.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

In the 2017 Client Satisfaction Survey, 92 per cent of respondents indicated they were satisfied overall with IT, with 48 per cent indicating they were very satisfied. IT has also achieved a 98 per cent customer satisfaction rate through surveys conducted when IT Service Desk tickets are closed. The Citizen Perspective Survey found that seven out of 10 Calgarians are confident in The City's ability to protect privacy and confidentiality when conducting online transactions. In addition, 88 per cent of Calgarians have indicated they are satisfied with The City of Calgary's web-site, based on the Citizen Satisfaction Survey.

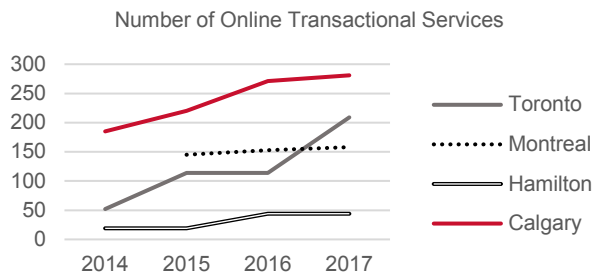
### What Council has directed

The IT Solutions and Support service supports all 61 services and all Council Directives. The Council-directed investment in fibre-optic infrastructure (GPT2015-0485) enhances Calgary's economic resiliency and promotes economic diversification. IT's investment in infrastructure supports citizen and employee safety by connecting cameras and help phones as well as providing systems that support community growth, development, accessibility and inclusion. IT systems support innovative technology partnerships to help build, fund and sustain resilient transportation networks. The use of energy-efficient technology devices and implementation of energy-saving initiatives support A Healthy and Green City. IT's commitment to process improvement is highlighted through recent IT Zero-Based Review opportunities. Technology supports innovation and the efficient delivery of City services to citizens.

### What are we watching?

Technology security remains one of the top concerns for The City. Additional technology risks include business disruption due to system failure and ability to sustain the increasing pace of technology lifecycle demands with reduced funding. The Internet of Things is the network of devices, software and sensors capable of connecting and exchanging data. Robotic process automation blends automation with artificial intelligence to allow systems to learn and make more complex decisions. These trends are expected to appear in emerging software/technology to increase automation and enable more efficient service to citizens. Citizens now expect mobile on-demand personalized self-serve solutions to access municipal services. Limited capital funding is available in this budget cycle for infrastructure lifecycle and to pursue new technology advancements.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The number of online transactional services represents City services that can be completed through a web browser or mobile application, enabling citizens to access City services at anytime from anywhere. The City of Calgary has consistently been the national leader in this area, ranking first among municipalities participating in the Municipal Benchmarking Network Canada. The use of online services helps The City to stay competitive, streamlines processes, promotes innovation, and increases convenience for citizens.

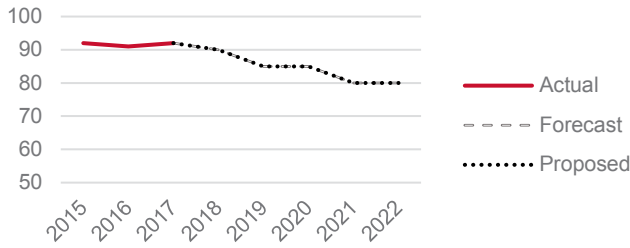
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	The ability for IT to provide products, services and infrastructure in a timely manner.
Expertise	IT is able to design and deliver products, services and infrastructure that meet business needs today and in the future.
Affordability	The City's investment in technology leads to greater efficiency, cost avoidance and better service for citizens.
Connectivity	Technology enables City staff to easily connect to each other and to citizens.
Reduces risk	IT manages technology risk by using standards and methodologies for projects, processes and changes to the environment.



# How is the Service performing? Where we are headed and where do we want to go?

Overall Satisfaction with IT (Percentage)

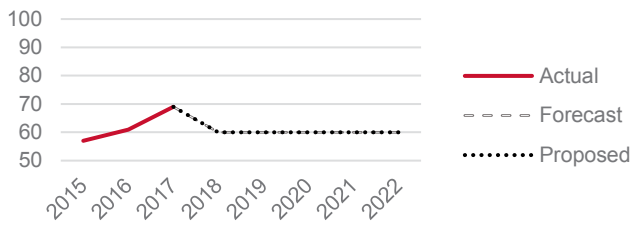


## Story behind the curve

### Overall Satisfaction with IT

Since 2014, IT has maintained a rate of overall satisfaction greater than 90 per cent. Moreover, the percentage of respondents who indicated they were “Very Satisfied” rather than “Somewhat Satisfied” has increased from 40 per cent to 48 per cent. A moderate decline in client satisfaction is anticipated due to consolidated workforce productivity devices, rationalized business software titles, and reduced service levels for less critical IT functions.

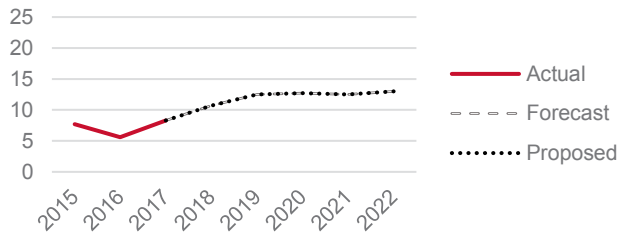
Percentage of IT Service Desk Phone Calls with First Contact Resolution (Percentage)



### Percentage of IT Service Desk Phone Calls with First Contact Resolution

This is an industry-standard measure for call centre performance where high results indicate callers have their issues fully addressed without delay or the need to have another team dispatched to assist. Between 2015 and 2017, The City of Calgary IT Service Desk saw a significant increase in its rate of first contact resolution, improving from 57 percent to 69 percent.

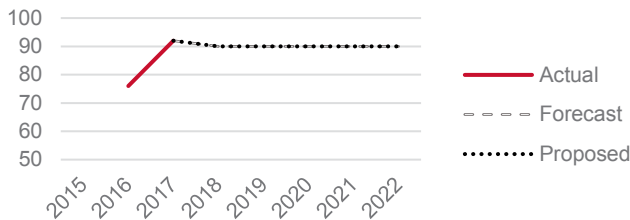
IT Software Expenditures as a Percentage of Overall IT Expenditures (Percentage)



### IT Software Expenditures as a Percentage of Overall IT Expenditures

Software costs are a key driver of overall IT expenses and are part of an ongoing contractual obligation for the maintenance and support of foundational and line-of-business systems. Investment in enterprise software is required due to increasing corporate demands, inflationary impacts, and changes in the software model (shift from a capital expense to an operating expense as the licensing model moves from purchased licenses to subscription-based). Opportunities identified as part of the IT Zero-Based Review will focus on identifying software rationalization and consolidation opportunities.

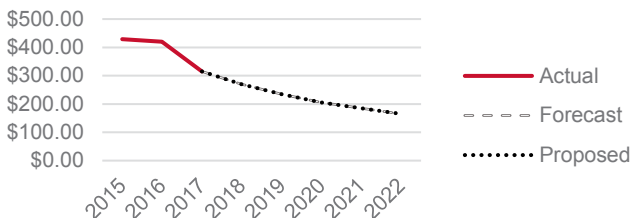
Benefits Realization of Technology Projects (Percentage)



### Benefits Realization of Technology Projects

This measures the number of survey respondents who agreed that technology projects completed for their business unit have achieved the desired outcome. In the most recent survey, 92 per cent of respondents agreed that new technology projects successfully realized the anticipated benefits, a substantial increase from the previous year. This demonstrates that the vast majority of City business units are recognizing the positive value of investments made in IT projects.

City Network Gross Operating Cost per Connected Device (Dollars)



### Operating Cost per Connected Device on the City Network

This measure shows the cost efficiency of the City’s data network. Network operating costs are expected to remain relatively static as more devices are connected in the coming years due to The City’s previous investment in technology infrastructure.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Broker technology services and resources for The City to find efficiencies in a constantly changing and growing technology landscape.
Enhance and support citizen-centric digital services to connect citizens and employees with data and technology to enable all City services.
Build and maintain secure and resilient technology infrastructure to improve the availability of City services.
Enable an agile IT workforce by attracting and retaining people with the right skills for the future.
Optimize technology platforms and applications by balancing business technology investment decisions with corporate solutions.
Manage information as a strategic asset by advancing the use, reliability, and value of civic data through improved access and analysis.

### Why?

With limited capital and operating funding, IT will be focusing on finding and leveraging efficiencies through technology and service contracts, digital services, resilient infrastructure, and an agile workforce. The IT Zero-Based Review will be pursuing opportunities to further eliminate redundancy and avoid cost. Technology platforms and application inventories will continue to be reviewed and optimized, and information will be managed as a corporate asset.

## What we propose to do less of

STRATEGY
Pro-active lifecycle replacements for non-essential technology (risk will be partially offset by purchasing extended vendor support).
Investment in new technology advancements (e.g. Internet of Things and robotic process automation).
Capital investment in The City's Fibre Infrastructure Strategy (slowing growth and anticipated revenue).

### Why?

Services levels for less critical IT functions will be reduced while minimizing impact to City services. Technology lifecycles will be extended past optimal replacement periods. Investment in The City's Fibre Infrastructure Strategy and new technology advancements will be reduced.

## What we propose to do more of or include as a new offering

STRATEGY
Respond to shifts in the software industry from purchased software to subscription-based software.
Focus on optimizing workforce productivity devices throughout The City, ensuring users have the right device to do their job.
Review and adjust resource levels to maintain an agile workforce and adapt to changing priorities and technologies.
Review and optimize internal and external service contracts.

### Why?

Investment in enterprise software is required to keep up with demand and the shift in enterprise software delivery models from purchased licenses to subscription-based. As a result of the IT Zero-Based Review, IT will be focusing on optimizing workforce productivity devices and consolidating business software titles. Resource levels will be reviewed and adjusted to respond to changing business priorities. To ensure efficient IT operations, internal and external service contracts will be reviewed and optimized.





## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Overall Satisfaction with IT (Percentage)	90	↓
Percentage of IT Service Desk Phone Calls with First Contact Resolution (Percentage)	60	↔
IT Software Expenditures as a Percentage of Overall IT Expenditures (Percentage)	10.7	↑
Benefits Realization of Technology Projects (Percentage)	90	↔
City Network Gross Operating Cost per Connected Device (Dollars)	270	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	64,318	64,704	64,515	63,366
Less Previous Year one Time	-	(1,500)	(2,050)	(900)
Base	64,318	63,204	62,465	62,466
Revenue Changes	-	-	-	-
Internal Recovery Changes	(528)	(578)	(556)	(569)
Inflation	1,056	1,157	1,112	1,140
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(1,092)	(918)	(555)	(570)
Service Reductions	-	(400)	-	-
Service Increases	-	-	-	-
One Time	1,500	2,050	900	600
Realignments	(550)	-	-	-
Total	64,704	64,515	63,366	63,067

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	121,703	120,589	1,500	122,089	119,850	2,050	121,900	119,851	900	120,751	119,852	600	120,452
<b>Recoveries</b>	(56,478)	(56,478)	-	(56,478)	(56,478)	-	(56,478)	(56,478)	-	(56,478)	(56,478)	-	(56,478)
<b>Revenue</b>	(907)	(907)	-	(907)	(907)	-	(907)	(907)	-	(907)	(907)	-	(907)
<b>Net</b>	64,318	63,204	1,500	64,704	62,465	2,050	64,515	62,466	900	63,366	62,467	600	63,067



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		26,602	26,528	26,681	24,473	-	104,284
415200	Network Infrastructure (Hardware and Cabling)	300	300	300	300	-	1,200
415250	IT-Enterprise Storage Units	2,535	2,232	1,821	684	-	7,271
415770	IT Communications Infrastructure	934	1,112	974	1,179	-	4,198
415802	IT-Enterprise Servers	1,688	2,792	2,457	1,413	-	8,350
415803	IT -Lifecycle Replace-Desktop	3,500	2,800	2,700	4,000	-	13,000
415806	Data Centre Environmentals (Lifecycle Replacement)	400	504	874	304	-	2,082
415810	IT-Calgary City Net	2,218	1,993	1,978	1,204	-	7,392
415890	Enterprise Software Licensing	5,796	6,000	6,168	6,018	-	23,981
415891	Software Lifecycle Replacement	1,785	1,740	1,775	1,710	-	7,010
415894	IT Service Resiliency and Disaster Recovery	406	217	343	316	-	1,282
415970	PeopleSoft FSCM	530	283	283	283	-	1,378
415990	PeopleSoft HCM	325	325	685	685	-	2,020
417570	IT-Development Pool	5,000	5,000	5,000	5,000	-	20,000
418960	Fibre Optics	1,000	1,000	1,000	1,000	-	4,000
480300	Enterprise Info Management	186	231	325	379	-	1,120
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		26,602	26,528	26,681	24,473	-	104,284
Previously Approved Budget Remaining		20,364	974	-	-	-	21,338
<b>Total Capital Investment</b>		46,966	27,502	26,681	24,473	-	125,622



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### **Activity 415200: Network Infrastructure (Hardware and Cabling)**

New Budget Request of \$1,200 thousand for lifecycle, maintenance and growth of critical network connectivity cabling and equipment in City buildings.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415250: IT-Enterprise Storage Units**

New Budget Request of \$7,271 thousand for lifecycle of City data centre data storage devices. These devices store all City data used by applications and employees.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415770: IT Communications Infrastructure**

New Budget Request of \$4,198 thousand for lifecycle of phone equipment and upgrades to contact centre applications, mobile device security management, web conferencing and in-building wireless coverage.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415802: IT-Enterprise Servers**

New Budget Request of \$8,350 thousand for lifecycle of City servers. Approximately 450 physical servers hosting 5900 virtual servers support all City applications and services.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415803: IT -Lifecycle Replace-Desktop**

New Budget Request of \$13,000 thousand for lifecycle of Windows based computing devices, infrastructure, and multifunction printers for all City business units.

Funding from Capital Reserves

Operating Impact of Capital: None

#### **Activity 415806: Data Centre Environmentals (Lifecycle Replacement)**

New Budget Request of \$2,082 thousand for lifecycle and maintenance of environmental management systems that support critical data centres and other essential compute spaces.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415810: IT-Calgary City Net**

New Budget Request of \$7,392 thousand for the lifecycle and upgrade of The City's high-speed data network backbone, last mile access, and security infrastructure.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

#### **Activity 415890: Enterprise Software Licensing**

New Budget Request of \$23,981 thousand for The City's contractual obligations for enterprise-wide software licenses.

Funding from Capital Reserves (\$5,600 thousand) and Pay-As-You-Go (\$18,381 thousand)

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 415891: Software Lifecycle Replacement**

New Budget Request of \$7,010 thousand for the lifecycle of essential software applications and supporting technologies that enhance critical business capabilities and services across The Corporation.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 415894: IT Service Resiliency and Disaster Recovery**

New Budget Request of \$1,282 thousand for the maintenance and upgrade of essential infrastructure and systems required for City Service Resiliency and Disaster Recovery.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 415970: PeopleSoft FSCM**

New Budget Request of \$1,378 thousand for essential investment to PeopleSoft FSCM supporting critical Supply and Financial reporting, payable/receivables, contract, audit and service delivery.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 415990: PeopleSoft HCM**

New Budget Request of \$2,020 thousand for essential investment to PeopleSoft HCM supporting critical human capital management, payroll, pension and benefits and workforce planning and systems.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 417570: IT-Development Pool**

New Budget Request of \$20,000 thousand to provide technology solutions to enhance the delivery of all City services.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 418960: Fibre Optics**

New Budget Request of \$4,000 thousand for the continuation of the Council-approved Fibre Infrastructure Strategy.

Fibre infrastructure connects all City services, buildings, and assets.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 480300: Enterprise Info Management**

New Budget Request of \$1,120 thousand for investment to the enterprise records management tool and information management practices, supporting key FOIP and records management legislated requirements.

Funding from Pay-As-You-Go

Operating Impact of Capital: None





# Legal Counsel & Advocacy

Led by: Law

## Description:

Through Legal Counsel and Advocacy (LCA) we represent our clients in legal proceedings involving The City. We also support our clients' delivery of services to citizens through the identification of issues and risk, drafting legal documents, advising on legal and regulatory requirements, supporting informed decision-making, and developing solutions and strategies.

## Customers:

City Council, Administrative Leadership Team, Service Owners, Employees, Civic Partners.

## What is delivered to customers:

Legal advice, legal documents and representation is delivered, issues and risk are identified with solutions and strategies.



## Partners:

Key partners of this service include: Assessment, Human Resources, Community Services, Real Estate & Development Services, Supply Management, Risk Management & Claims, Planning & Development, Transportation Infrastructure, Water Resources & Water Services, Calgary Parking Authority.

## Service need (value proposition):

Expert legal advice, legal documents, representation, identification of issues and risk, provision of solutions and strategies.

## Current state service value

<p><b>100%</b> % of City Services served by LCA</p> <p><b>100%</b> % Satisfied Highest Volume Clients</p>	<p><b>24.2%</b> % Increase of Legal Proceeding (2016/17)</p> <p><b>0.2%</b> % of External Counsel Retained in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$130</b> Operating Cost per Client Hour using 2017 hours</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Advocacy - \$3,200          Business Transactions - \$3,693          Regulatory - \$1,691          Municipal Council - \$3,883          Corporate Counsel - \$1,677</p> <p>This is the allocation of the gross operating budget for Legal Counsel and Advocacy.</p> <p><b>Key Capital Investments</b></p> <p>Software investment to ensure that Legal Counsel and Advocacy can continue to meet Law Society requirements and client needs. This will also allow us to collect the data required to continue enhancement of data-driven and informed decision making.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Through 2018 engagement, clients identified LCA support as necessary to successfully deliver service and achieve business outcomes.

Clients emphasized that the proactive and ongoing involvement of LCA throughout a project is central to success, as LCA supports informed decision-making and provides insight and perspective necessary to manage critical issues associated with the unique and complex nature of client work. Insufficient support from LCA will compromise client service delivery to citizens and the ability to manage corporate, legal, reputational and financial risk.

### What Council has directed

Council directives related to our service are:

(W1) That the municipal government functions to serve Calgarians and is well-run and efficient;

(W4) We need to create a culture that embraces appropriate levels of risk, innovation, experimentation and embraces lessons learned as opportunities to improve;

(W5) We recognize that true reconciliation is only possible within an ethical space of engagement and understanding of Indigenous-Canadian history;

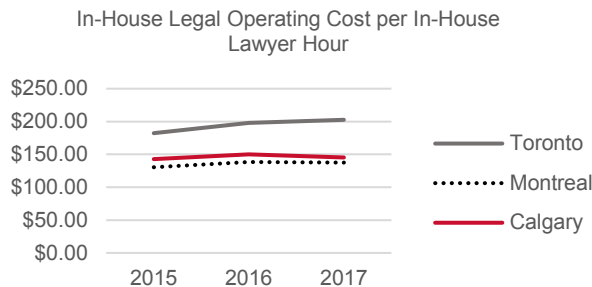
(P3) We need to methodically remove red tape and barriers that impede businesses from locating to Calgary or interfere with existing businesses and new business startups;

(N5) Growth of the city needs to be managed in a way that achieves the best possible social, environmental and economic outcomes within financial capacities.

### What are we watching?

Emerging industries and technology; Balancing accountability and transparency with ensuring the privacy of personal information; Increased age of the City's infrastructure; Adversarial climate; Evolving professional regulatory requirements for lawyers and clients; Increased use of social media/media and the impact on the resources needed to manage issues and risks; Current economic environment and the impact on Calgary's economic health; Increasing volume, velocity and complexity of work. Risks to LCA include: Capacity for change risk, Workforce management risk, Organizational structure and process risk, Increased corporate risk, Legislative change risk.

### Benchmarking



Source: Municipal Benchmarking Network Canada

The data provided by MBNCanada is a high-level comparison of the in-house Legal Counsel and Advocacy services provided within other municipalities. Of those that participate in MBNCanada, Toronto and Montreal are most similar to The City. There are significant differences in the service models, services provided and the scope of practice in other municipal law departments in comparison to The City's Legal Counsel and Advocacy service. Previously, Ottawa has been used as a third benchmarking data point, however, they have withdrawn from MBNCanada.

### What matters to Calgarians

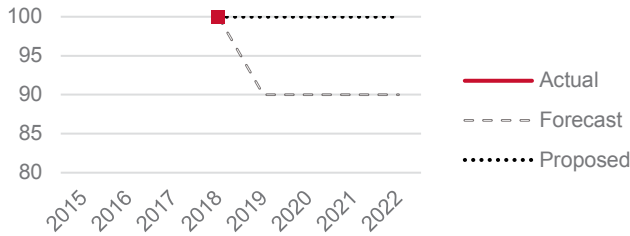
VALUE DIMENSION	DESCRIPTION
Affordability	Provide efficient and effective service.
Expertise	Advice to support informed decision-making and intentionally manage risk and provide legal representation.
Reliability	Provide accurate and trustworthy advice.
Quality	Deliver quality, client-focused service.
Responsiveness	Attend to legal issues in a timely manner.



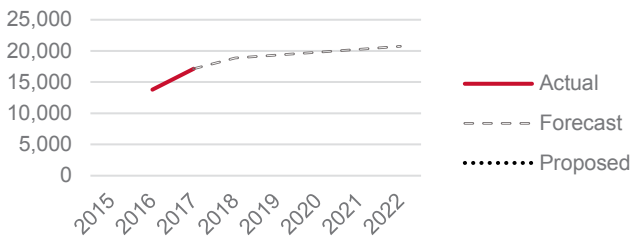


# How is the Service performing? Where we are headed and where do we want to go?

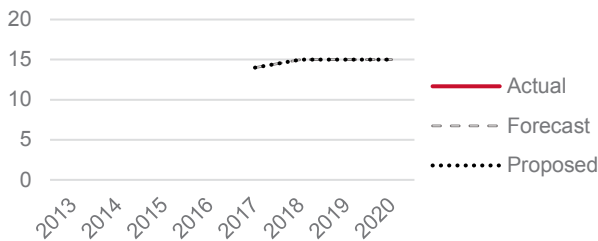
Client Satisfaction (% Satisfied with Legal Counsel and Advocacy)



Number of Legal Proceedings Involving The City (Number of Legal Proceedings)



Number of Retainers for Outside Counsel (Number of Matters)



## Story behind the curve

Client Satisfaction – Legal Counsel and Advocacy conducted a 2018 client engagement initiative with our highest volume clients, which included capturing current levels of client satisfaction. All indicated they were either satisfied or very satisfied with LCA's service. The intention is to maintain this level of satisfaction.

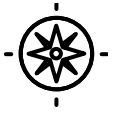
Number of Legal Proceedings Involving The City – Any formal proceedings of a legal nature involving The City where the determination of the matter may ultimately rest with a third-party decision-maker. Legal proceedings impact corporate, financial, legal and reputational risk. Our turn the curve strategy is to contribute to the corporate efforts to reduce this risk in two ways:

1. Proactively – through early participation in projects and issues to avoid or minimize risk exposure and deliver client training.
2. Responsively – support efforts to manage corporate, legal, reputational, and financial risk when it emerges, and manage the increased service demands on LCA through internal efficiencies.

Number of Retainers for Outside Counsel – Outside Counsel is retained when matters involving The City put LCA in a conflict of interest position, specific legal expertise is required, and/or when a resource gap has been identified. Effective legal representation depends on technical legal skills and institutional knowledge of the client. Due to our legal expertise, business acumen and corporate knowledge, LCA delivers value to the corporation that external counsel cannot.

Due to cumulative budget reductions in recent years, any further reductions will compromise the level of service LCA has the capacity to deliver. This will reduce the overall corporate delivery of service to citizens and result in increased corporate risk. This includes the inability of clients to deliver projects on time, or at all, the inability of LCA to effectively or efficiently advance corporate interests in legal proceedings involving The City, and the inability to support proactive issue management.

LCA will continue our data development to further enhance our ability to make data-driven and informed decisions.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Continuous improvement initiatives identified through our business process review.
Review the roles and responsibilities within the service.
Develop a strategic plan for legal counsel and advocacy that aligns with administrative commitments to Council.

#### Why?

These initiatives are intended to continue to improve our current level of service provided to our clients and intentionally manage the increasing volume, velocity and complexity of our service and our clients' services to citizens.

### What we propose to do less of

STRATEGY
Number of customized agreements and documents.

#### Why?

Increase efficiency through the use of standard documents and agreements.

### What we propose to do more of or include as a new offering

STRATEGY
Provide staff with greater flexibility in delivering services to clients through modernization of technology.
Continue efforts to increase proactive involvement on priority issues posing corporate risk.
Deliver additional legal service to support the corporate Tangible Capital Asset (TCA) review resulting from a change in accounting standards.

#### Why?

Through our client engagement for One Calgary our clients have indicated the value of working directly with lawyers at client sites. One strategy for meeting this need is to provide staff with mobile technologies. A secondary benefit is a reduction in office supplies and increased efficiency through a reduction in support staff time spent on photocopying and scanning.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Client Satisfaction (% Satisfied with Legal Counsel and Advocacy)	100	↔
Number of Legal Proceedings Involving the City (Number of Legal Proceedings)	18,860	↑
Number of Retainers for Outside Counsel (Number of Matters)	15	↔

### Breakdown of net operating budget (\$000)

	2019	2020	2021	2022
Previous Year's Budget	9,609	9,770	9,771	9,772
Less Previous Year one Time	-	-	-	-
Base	9,609	9,770	9,771	9,772
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	17	19	18	19
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(30)	(18)	(17)	(18)
Service Increases	174	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	9,770	9,771	9,772	9,773

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	14,144	14,305	-	14,305	14,306	-	14,306	14,307	-	14,307	14,308	-	14,308
<b>Recoveries</b>	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)
<b>Revenue</b>	(17)	(17)	-	(17)	(17)	-	(17)	(17)	-	(17)	(17)	-	(17)
<b>Net</b>	9,609	9,770	-	9,770	9,771	-	9,771	9,772	-	9,772	9,773	-	9,773



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		1	66	195	195	-	456
481100	Software Sustainment	1	66	195	195	-	456
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		1	66	195	195	-	456
Previously Approved Budget Remaining		-	-	-	-	-	-
<b>Total Capital Investment</b>		1	66	195	195	-	456

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 481100: Software Sustainment

New Budget Request of \$456 thousand for the rationalization of the technology used to deliver Legal Counsel and Advocacy to clients to ensure that we can meet our client's needs, Law Society requirements, and the data requirements related to One Calgary.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None





# Organizational Health, Safety & Wellness

Led by: Environmental & Safety Management & Human Resources

## Description:

Organizational Health, Safety and Wellness (OHSW) helps to protect the most important asset to our organization, our employees, who in turn provide most City services. We offer our employees health, safety and wellness support through programs and services such as: safety advisory support; mental health and wellness; occupational hygiene services, including ergonomics. When required, we also support our employees through claims management and returning to work. We provide strategic corporate leadership of health, safety and wellness risks and impacts in the delivery of our services, in order to optimize productivity and reduce injury.

## Customers:

As an enabling service, we support all employees in the safe delivery of City services. We also support City leaders in managing the risks associated with the health and safety of their employees. Finally, we provide corporate leadership in the pursuit of creating a safe and healthy workplace.

## What is delivered to customers:

City employees are provided with support services that adhere to health and safety legislation. City leaders are provided with strategic guidance, data, tools and resources to integrate health, safety and wellness into their services in order to manage risks to their employees. We support all employees in the safe delivery of City services.

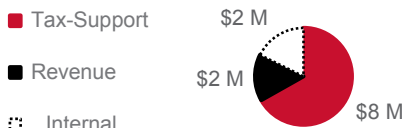

## Partners:

We partner with other services throughout the organization, such as Human Resources Support, to maximize health, safety and wellness opportunities. We also work alongside our unions, associations, contracted external vendors and service providers, as well as Alberta Labour and the Workers' Compensation Board.

## Service need (value proposition):

This service supports the health, safety and wellness of City employees, so they can continue to deliver services to citizens and go home safe at the end of every shift. This service is necessary to reduce employee injuries and address rising claims costs, while adhering to evolving legislation and managing risk at City worksites and facilities. We provide health, safety and wellness support and expertise through targeted programs and services. These include: safety advisory support, disability management, industrial hygiene, wellness clinics and programs, employee communication and learning, contractor safety management and mental health support. We also provide targeted leadership direction and support to services requiring greater risk mitigation.

## Current state service value

<p><b>100%</b> Employees served</p> <p><b>92%</b> Employees know their role in safety</p>	<p><b>79%</b> Employees feel well-being is supported</p> <p><b>79%</b> Employees are aware of health programs</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$660</b> Annual operating cost per employee</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes (\$000s)</b></p> <p>Safety Leadership, Programs and Services (\$6,369), Injury/Illness Case Management (\$3,311), Health and Wellness Leadership, Programs and Services (\$2,564)</p> <p><b>Key Capital Investments</b></p> <p>Investing in a healthy and safe workplace reduces injuries and addresses rising claims costs. We invest our capital in health and safety systems that promote compliance to legislation and protect employees - our most important asset.</p>



# What we've heard and service outlook

## What we heard: Research & Engagement Results

Results from the Safety and Mental Health indices of our Corporate Employee Survey, as well as a recent Health System Review project, highlight the need for continuous improvement of health, safety and wellness, linked to culture, awareness, leadership, and shared accountability. City employees are satisfied with existing programs and services we offer, but seek more strategic support and early engagement. This includes: supporting open communication, building trust, having reliable data and building a safe environment. Leaders within the organization want our service to: reduce risk, be accessible to all employees and be responsive to change.

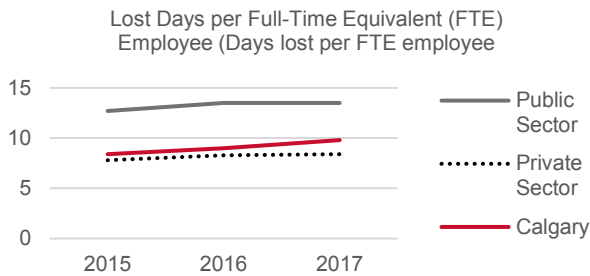
## What Council has directed

Council wants us to provide leadership to create a positive workforce culture that embraces health, safety and wellness. We must balance risk mitigation and adherence to legislation with providing value in our support to the organization. This will help maximize the productivity of all City employees in delivering services to citizens. Council also wants us to drive positive health, safety and wellness performance through continuous improvement and lessons learned. We need to increase integration with our partners and customers through greater collaboration, and by listening and working more closely with our customers. Finally, we align to: Internal policies (e.g. Corporate OHS, Health and Wellness, Code of Conduct), provincial legislation (e.g. OHS Act, Workers' Compensation Act, Alberta Employment Standards, Alberta Human Rights Act) and federal legislation (e.g. Cannabis legislation).

## What are we watching?

Recent revisions to Alberta's Occupational Health and Safety Act and Workers' Compensation Act highlight the need to continually evolve our service. We must also align to Alberta Employment Standards and the National Standard for Psychological Health and Safety, including support for mental health and psychological safety. There is increased attention on the following topics that will impact our service: respectful workplace, resiliency, evolving case law and legislation on duty to accommodate, obligation to reinstate, the duty to inquire, the opioid crisis, cannabis legalization, and radon exposure. Finally, our changing workforce demographics highlight the need to evolve service delivery and understand (e.g. accurate and timely metrics) the various needs of employees including: elder care, child care, financial wellness, ergonomics, personal reliance, and work-life balance.

## Benchmarking



We benchmark employee absenteeism (i.e. employee illness and injury). This measure allows us to evaluate our service against both public and private sector entities. We compare favourably to public sector performance and are slightly higher than the private sector. Continued focus in health, safety and wellness will allow us to improve operational performance, decrease absenteeism and reduce claims costs. Our service will be responsive to changing employee demographics, supporting their health, safety and well-being, while meeting operational demands.

Source: Statistics Canada Labour Force Survey (Table 279-0035)

## What matters to Calgarians

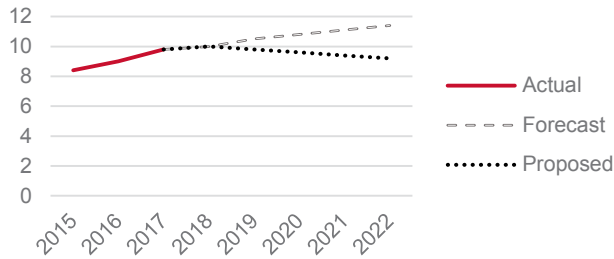
VALUE DIMENSION	DESCRIPTION
Reduces risk	We strive to reduce the likelihood and impact of health, safety and wellness risks to employees and the organization.
Responsiveness	We respond to our customers and resolve issues in a timely manner, adhering to any applicable legislative timelines.
Accessibility	We proactively ensure that resources and information are available when employees and leaders need them.
Affordability	We deliver value for the level of health, safety and wellness leadership and services provided.
Wellbeing	We support the mental and physical health, safety and wellness of employees.



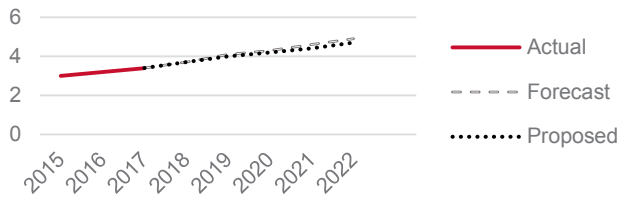


## How is the Service performing? Where we are headed and where do we want to go?

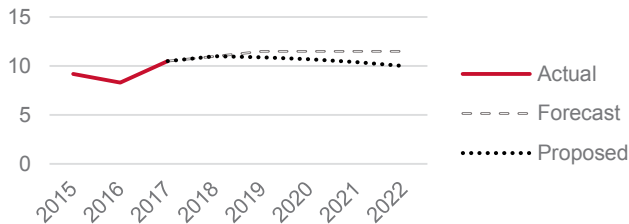
Employee Absenteeism (Days lost per employee)



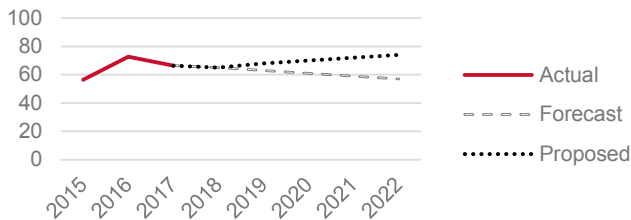
Claims Cost Ratio (Ratio of sickness and accident and Workers' Compensation Board compensation costs to gross salary and wages)



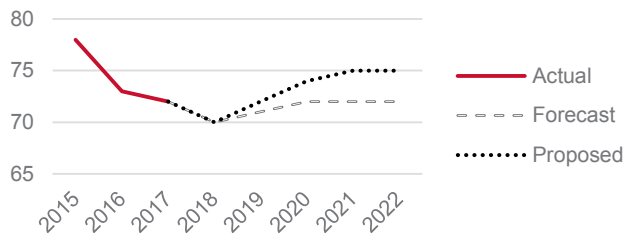
Total Recordable Injury Frequency (TRIF) ([# claims x 200,000]/Total exposure hours)



Employee Accommodation (Percentage of claims accommodated)



Corporate Employee Survey - Mental Health Index (Index score)



### Story behind the curve

Our service ensures the organization's health, safety, and wellness programs and services are compliant with corporate and regulatory requirements, and are delivered in a fiscally responsible manner. We support The City in measuring and mitigating risks associated with employee health, safety and wellness. The pace and amount of regulatory and internal change, as well as the current economic environment, are impacting our workforce culture, safety, organizational resilience and employee health and well-being.

The City is incurring increased absences and claims costs, as indicated in the increased number of work-related injuries and illnesses. The costs associated with these absences are impacted by many factors including: increased number of employees eligible for benefits and their associated wages, an aging workforce, and increased complexity of disability claims. Intentional management and increased leadership competency is necessary in areas such as: identification and communication of workplace safety hazards, proper incident investigation and subsequent sharing of learnings, and diligent workplace inspections.

Fewer employees are being accommodated and interventions are required to turn the curve. Helping employees return to work when medically able, as a part of their recovery (called 'accommodation'), is one way to mitigate costs, but also support employees from perspectives of mental and physical health. Accommodation balances the needs of the employees as they recover and the needs of our organization to deliver services to citizens and reduce total costs.

The Index identifies fourteen psychological factors to promote well-being. Based on the results of specific questions included in this index, there is an opportunity to do more to address the psychological safety and protection of employees. As a collective, our improvement strategies will support the organization to help turn these curves and improve worker safety and wellness. Our continued investments in safety technology and data analytics will allow us to achieve the greatest value from our data management and reporting systems.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Service line oversight: Ensure legislative compliance, risk mitigation, financial accountability, safe work practices and legal standards.
Leadership support: Leader and key partner consultation to recommend, develop and implement initiatives.
Employee support: Services to support employee physical, mental, social and financial health, safety and well-being.
Corporate leadership: Create organizational culture that prioritizes health, safety and wellness. This includes contractor safety.
Case management: Individualized support to return employees to work, supplemented with injury and illness prevention.

### Why?

By delivering these strategies, we strive to create an organization where our employees are safe, healthy and well. We support leaders and employees, through a health and wellness cycle, focusing on prevention of occupational and non-occupational injury and illness. By continuing to provide guidance, systems, standards and various programs, our service will support a safe and healthy workplace, in alignment to our values and culture.

## What we propose to do less of

STRATEGY

### Why?

## What we propose to do more of or include as a new offering

STRATEGY
Greater understanding and support for the growing areas of mental health and psychological safety.
New safety and health system models encompassing Healthy Workplace Strategy, embracing strategic outcomes and proactive engagement.
Increased use of data to assist with and inform strategic workforce trending, performance analytics, reporting and decision-making.

### Why?

Our service is constantly evolving. Mental health and psychological safety, including legislation toward them, are important elements to maintain a strong and resilient workforce. We must be strategic, proactive and purposeful in delivery of our programs and services. Through the implementation of new models, we aim to achieve these objectives. Our service helps to protect the most important asset to our organization, our employees.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Employee Absenteeism(Days lost per employee)	10	↓
Claims Cost Ratio (Ratio of sickness and accident and Workers' Compensation Board compensation costs to gross salary and wages)	3.7	↑
Total Recordable Injury Frequency (TRIF) ([# claims x 200,000]/Total exposure hours)	11	↓
Employee Accommodation (Percentage of claims accommodated)	65	↑
Corporate Employee Survey – Mental Health Index (Index score)	70	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	8,183	8,183	8,378	8,443
Less Previous Year one Time	-	-	-	-
Base	8,183	8,183	8,378	8,443
Revenue Changes	(135)	-	-	-
Internal Recovery Changes	(110)	-	-	-
Inflation	112	120	115	119
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(112)	(120)	(115)	(119)
Service Reductions	-	-	-	-
Service Increases	245	195	65	65
One Time	-	-	-	-
Realignments	-	-	-	-
Total	8,183	8,378	8,443	8,508

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	12,244	12,860	-	12,860	12,905	-	12,905	12,970	-	12,970	13,185	-	13,185
<b>Recoveries</b>	(2,167)	(2,277)	-	(2,277)	(2,277)	-	(2,277)	(2,277)	-	(2,277)	(2,277)	-	(2,277)
<b>Revenue</b>	(1,894)	(2,400)	-	(2,400)	(2,250)	-	(2,250)	(2,250)	-	(2,250)	(2,400)	-	(2,400)
<b>Net</b>	8,183	8,183	-	8,183	8,378	-	8,378	8,443	-	8,443	8,508	-	8,508



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		139	142	109	105	-	495
410717	Technology	139	142	109	105	-	495
<b>Sub-Total (New Budget Requests)</b>		139	142	109	105	-	495
Previously Approved Budget Remaining		115	-	-	-	-	115
<b>Total Capital Investment</b>		254	142	109	105	-	610

## Explanation of Capital Budget Requests

### Program(s)

#### Activity 410717: Technology

New Budget Request of \$495 thousand to support essential maintenance of the Safety Data Management System, continued health and safety compliance and legislated safety monitoring equipment.

Funding from Pay-As-You-Go

Operating Impact of Capital: None





# Procurement & Warehousing

Led by: Supply Management

## Description:

Procurement & Warehousing offers procurement, inventory and warehouse services which deliver the best value for tax payers' dollars and promotes trust in The City of Calgary.

This service provides Corporate supply chain activities: procurement of construction, consulting, inventory, goods and services; and planning, forecasting, physical inventory control, distribution, and end-of-life asset disposal. The service facilitates Corporate adherence to legislation and regulatory requirements. On behalf of the customers, this service line binds contracts between suppliers and The City through authority, delegated by the City Manager, under Bylaw 43M99 Section 5 Execution of Agreements.

## Customers:

Procurement & Warehousing services both internal and external customers. Internal customers include operational employees through to and including City executive leaders. External customers include potential suppliers, non-City agencies, businesses and the general public.

## What is delivered to customers:

Procurement & Warehousing delivers best value for tax payers' dollars through fair, open and transparent processes. This service delivers executed contracts, inventory to maintain customer assets and operations, fuel and the services to store and distribute fuel, and recovery of the residual value on retired assets.



## Partners:

Procurement & Warehousing works with contributing services and internal and external partners to provide service. Contributors: Law, IT, Facilities Management, Environmental & Safety Management, and Human Resources. Key partners: Clerk's Office, Fleet Services, Facility Management, Corporate Analytics & Innovation, MERX™(external bidding portal), and other levels of government.

## Service need (value proposition):

Customers expect to have their procurement, inventory and warehouse needs met to enable them to meet their operational commitments and/or community outcomes. Customers need delivery of goods and services of the appropriate quality and cost. We meet these needs by considering the political, legal, economic, social and technological environments, and applying supply chain expertise. Customers expect risk mitigation strategies which align to public procurement law, trade agreements and City policy as they relate to procurement and warehousing. This centralized Enabling service adds value through public procurement expertise, Corporate economies of scale, consistency of approach, and standardized documentation reflecting the additional obligations of the public-sector procurement over and above private-sector procurement.

## Current state service value

<p><b>2,177</b> Procurement Files Processed (2017)</p> <p><b>93%</b> Warehouse Counter Customer Satisfaction</p>	<p><b>\$1.2 B</b> Total Awarded Value (2017)</p> <p><b>1.90</b> Inventory Turnover (2017)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>\$16.50</b> Annual operating cost per resident</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>This Service is continuing to transform supply chain activities at The City by investing in technological systems to enable process, people, and compliance efficiencies; and managing Corporate risk in procurement, safety and environmental compliance.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Customers value: subject matter expertise, creativity, value for money, awareness of customer objectives and an efficient timeline. Strengths identified: reliability, product quality, product availability, service is available in customers' place of work, and openness to looking at ways to work better together. Improvement areas included: understanding customers' challenges and creating innovative solutions, process clarity, consistency and efficiency in service delivery. We are investigating how Procurement & Warehousing can make a further, positive impact on environmental, social and market-led opportunities.

### What Council has directed

P1: Support customers to plan and negotiate prices for commodities to be more resilient to change.

P3: Pilot of market-led procurement to enhance support for entrepreneurs.

P4, N1: Investigate opportunities for social procurement.

N5: Working with all business units to achieve value for money for each service and across The Corporation through capital planning.

W1: Modern and efficient Procurement & Warehousing service focused on resilience and continuous improvement.

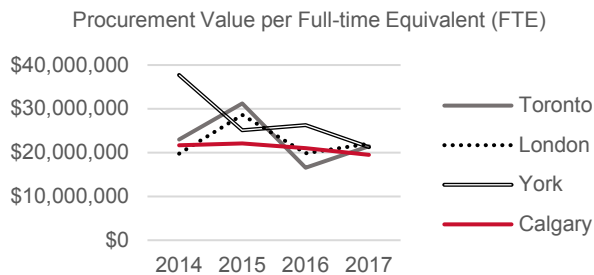
W2: Leveraging technology and alternative service delivery to implement simplified, automated, and streamlined processes and procedures.

W4: We are evolving our processes to create a modern and efficient service that is focused on innovation, resilience and continuous improvement.

### What are we watching?

The primary focus is protecting City interests and gaining best value for tax payers' dollars with respect to Procurement & Warehousing. The service is diligently monitoring the public procurement landscape: new provisions of trade agreements, public procurement case law, auditor reports, tariffs, and emerging trends from other governments such as bid rigging and fraudulent activities. At the same time, Procurement & Warehousing is actively seeking opportunities to further strengthen the 5-Point Plan (Agility, Alignment, Standardization, Effectiveness & Efficiency, Competition) reflecting the changes and emerging opportunities to be more business friendly (e.g. market-led proposals) and leverage social procurement and technological advances.

### Benchmarking



Source: Municipal Benchmarking Network Canada

Municipal Benchmarking Network Canada supports Council's Directive of "A Well-Run City" and actions undertaken to improve performance and increase efficiency and effectiveness of municipal services. Municipalities utilize different methods to deliver the same service often resulting in differing costs. Results are influenced by: population, geographic size, organizational form, government type, and legislation speak to the uniqueness of each municipality. Understanding municipal performance results within the broader context can help identify potential areas for improvement.

### What matters to Calgarians

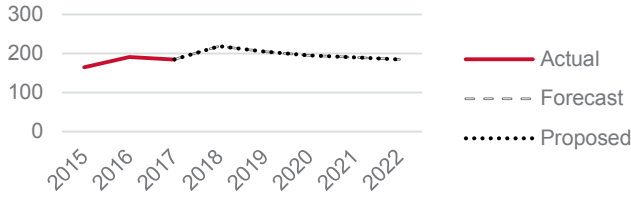
VALUE DIMENSION	DESCRIPTION
Availability	Customers will have the appropriate product or service available at the right time and right location.
Quality	Fulfill customers' needs through the appropriate quality of product or service to meet the desired outcomes.
Legislative Compliance	Providing professional advice to enable adherence to applicable legislative and regulatory requirements.
Transparency	Demonstrating taxpayers' dollars spent was conducted fairly, impartially and in accordance with applicable obligations.
Reduces risk	Providing professional guidance to reduce financial and reputational risk related to procurement and warehousing.



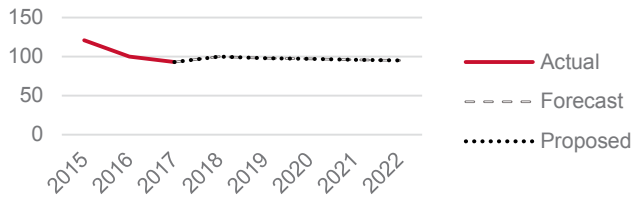


## How is the Service performing? Where we are headed and where do we want to go?

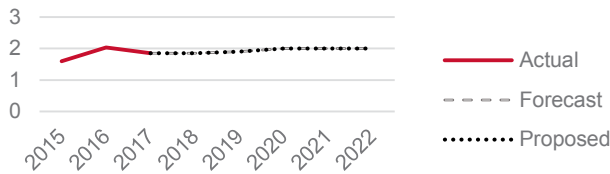
Request for Proposal Cycle Time (days) (Number of calendar days from initiation to award of Requests for Proposal (RFP))



Request for Tender Cycle Time (days) (Number of calendar days from initiation to award of Requests for Tender (RFT))



Inventory Turns per year (Warehouse efficiency ratio determined by value (\$) of items sold compared to the value (\$) of inventory items in stock, excluding critical spares)



### Story behind the curve

Request for Proposal (RFP) and Request for Tender (RFT) Cycle Time

Procurement & Warehousing is striving to reduce the time to contract suppliers while maintaining quality and compliance. RFP and RFT cycle time measures the time from receipt of request to the contract award date. The cycle time is comprised of activities from the procurement team, customers and contributors. Resource availability in procurement team, customers and contributors can affect cycle time.

RFP and RFT cycle time has been impacted by: document review, new trade agreement requirements for increased days on the market, rigorous evaluation and approval, strengthened contractual documentation, and changes in procurement complexity. (see What are we watching?)

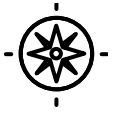
The curve will be turned and maintained by: improvement to the procurement intake process (validate that customers are resource-ready), defining the cycle time measure (stages within the procurement), focusing on pre-engagement (upcoming requests, timing, priority, strategizing on the type of procurement, and opportunities for bundling), involvement in stage gating, reducing internal leadership review time (competency development of procurement staff and customers, and further RFP template/standard document development), improving the evaluation/negotiation process, and removal of non-value added activities (realizing current capital investment in a contract management system).

### Inventory Turns

Procurement & Warehousing is striving to reduce the risk and liability of obsolete and non-moving inventory for The City. Customers require knowledge and budget to manage inventory. Inventory Turns measures the number of times that our inventory value is sold per year. A higher number indicates the inventory is turning more frequently which is more effective for The City.

Inventory Turns has been impacted by: the need to stock parts for aging infrastructure (parts are no longer being manufactured) and obsolete items in inventory (awaiting disposition decisions).

The curve will be turned and maintained by working collaboratively with customers to: improve stocking decisions, improve material planning alignment with maintenance planning, develop inventory policies, and increase the consistency of application of inventory accounting process.



## What do we propose to do?

### What we propose to continue doing

STRATEGY
Provide centralized procurement services to deliver the operating and capital needs of all Service Lines.
Provide warehousing and inventory services to existing Service Line customers.
Implement alternative service delivery and technology efficiencies.

#### Why?

Customers continue to require centralized procurement, inventory and warehouse services to enable them to meet their community outcomes. This Service will continue to transform supply chain activities, considering appropriate levels of corporate risk while implementing the 5-point plan presented to Council in June 2016. It will do this by leveraging technology from capital investments and implementing alternative service delivery options.

### What we propose to do less of

STRATEGY
Manual handling of physical procurement files.
Manual creation of inventory records in Peoplesoft.
Manual ordering of fuel replenishment.

#### Why?

The implementation a Contract Management System, leveraging technology from capital investments, will reduce our manual processes of handling files and introduce system-controlled workflow, improving internal controls and compliance. The implementation of further automation of inventory records in PeopleSoft to reduce manual data entry errors and increase timeliness. The changes to the fuel replenishment strategy also allows us to be more responsive.

### What we propose to do more of or include as a new offering

STRATEGY
Use a web-based intake and monitoring of procurement requests.
Use a web-based intake and order tracking for clothing/uniform requirements (internal).
Proactively plan maintenance and operational parts needs with customers.

#### Why?

Implement best practices (proactive planning) to be more responsive to customer needs, driving increased availability and best value for taxpayer's dollars.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Request for Proposal Cycle Time (days) (Number of calendar days from initiation to award of Requests for Proposal (RFP))	219	↓
Request for Tender Cycle Time (days) (Number of calendar days from initiation to award of Requests for Tender (RFT))	100	↓
Inventory Turns per year (Warehouse efficiency ratio determined by value (\$) of items sold compared to the value (\$) of inventory items in stock, excluding critical spares)	1.85	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	8,645	8,489	8,496	8,503
Less Previous Year one Time	-	-	-	-
Base	8,645	8,489	8,496	8,503
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	32	32	32	32
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(188)	(25)	(25)	(25)
Service Reductions	-	-	-	-
Service Increases	-	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	8,489	8,496	8,503	8,510

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
<b>Expenditure</b>	24,959	25,432	-	25,432	25,439	-	25,439	25,447	-	25,447	25,454	-	25,454
<b>Recoveries</b>	(11,464)	(11,464)	-	(11,464)	(11,464)	-	(11,464)	(11,464)	-	(11,464)	(11,464)	-	(11,464)
<b>Revenue</b>	(4,850)	(5,480)	-	(5,480)	(5,480)	-	(5,480)	(5,480)	-	(5,480)	(5,480)	-	(5,480)
<b>Net</b>	8,645	8,489	-	8,489	8,496	-	8,496	8,503	-	8,503	8,510	-	8,510



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		250	450	250	-	-	950
480950	Qualification/Perform Mgmt	250	450	250	-	-	950
Program(s)		745	859	619	459	-	2,682
414301	Warehouse	90	180	90	180	-	540
414302	Business Applications and Technology Maintenance U	250	400	250	-	-	900
414310	Fueling Systems	405	279	279	279	-	1,242
<b>Sub-Total (New Budget Requests)</b>		995	1,309	869	459	-	3,632
Previously Approved Budget Remaining		940	931	196	-	-	2,067
<b>Total Capital Investment</b>		1,935	2,240	1,065	459	-	5,699

## Explanation of Capital Budget Requests

### Project(s)

#### Activity 480950: Qualification/Perform Mgmt

New Budget Request of \$950 thousand to focus on ensuring qualified suppliers are performing and are managed in accordance with The City's expectations. This is necessary to protect the public health and safety of the people we serve and safeguard critical assets and infrastructure of The City.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### Program(s)

#### Activity 414301: Warehouse

New Budget Request of \$540 thousand to continue to ensure warehouse storage infrastructure is compliant with safety and occupational legislation. This is to protect employees, contractors, visitors, and safeguard The City's inventory.

Funding from Pay-As-You-Go

Operating Impact of Capital: None



## Recommended Capital Investment to Support Service Delivery

For Council Approval

### **Activity 414302: Business Applications and Technology Maintenance U**

New Budget Request of \$900 thousand to continue focus on regulatory compliance with public procurement law. This program positions Procurement & Warehousing to better manage risk, ensure compliance and unlocking organization capacity.

Funding from Pay-As-You-Go

Operating Impact of Capital: None

### **Activity 414310: Fueling Systems**

New Budget Request of \$1,242 thousand for the continuation of the fuel dispensing equipment safety and environmental legislative compliance program. This program is focused on life-cycle maintenance and support of fuel dispensing equipment.

Funding from Pay-As-You-Go

Operating Impact of Capital: None









# Real Estate

Led by: Real Estate & Development Services

## Description:

The Real Estate service negotiates and completes all corporate real estate transactions to maximize the economic and social benefits of The City's real estate portfolio. Surplus real estate no longer required for municipal purposes is sold; property required for capital infrastructure and community service projects is acquired; and the associated administrative, leasing and funding mechanisms that enable these activities are managed. Our service also includes management of the Revolving Fund for General Land Purchases, land policy and standards management, real estate advisory, land asset information management, coordination of strategic land planning, co-location, circulations and land transfers.

## Customers:

Citizens directly benefit from our services as land is a valuable public asset that supports the delivery of public services and infrastructure. Direct customers include internal business units requiring land, public and businesses that buy from or sell land to The City, and customers of encroachment and right-of-way agreements.

## What is delivered to customers:

We provide professional land management and leasing services, strategic real estate advice, and complete property acquisitions and surplus land sales for the corporation. We protect City infrastructure and reduce liability by leasing and licensing City property and through encroachment agreements.

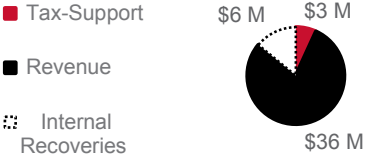

## Partners:

We collaborate with many internal business units including Law, Finance, Communications, Human Resources, Information Technology, Planning & Development, Facility Management, Environmental & Safety Management and Affordable Housing.

## Service need (value proposition):

Major capital projects such as road widenings, transit, civic facilities and affordable housing require land at the right time to deliver those services. Professional land management services protect The City's assets and reduce liability. Through strategic land asset management and administration practices, The City's inventory of over 8,300 parcels is managed to ensure land is available for the best corporate use and to reduce operating costs. Lands that are surplus to City needs are identified and sold to private ownership, which helps to sustain the Revolving Fund for General Land Purchases, support further land acquisitions and broaden the property tax base. These transactions would not be possible without the responsible and sustainable corporate-wide land management practices that we provide.

## Current state service value

<p><b>50</b> Acquisitions/year</p> <p><b>\$20M</b> Revenue from surplus land sales/year</p>	<p><b>30</b> Infrastructure projects supported/year</p> <p><b>\$10M</b> Leasing revenue/year</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p> <p><b>3%</b> Cost as % of total land value acquired</p>  <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p>
		<p><b>Key Capital Investments</b></p> <ul style="list-style-type: none"> <li>• Acquisition of land</li> <li>• Business systems and technology advancement</li> <li>• Real estate life cycle improvements</li> <li>• Sustainment of Corporate Land Management Framework</li> <li>• General land improvements</li> <li>• Enhanced disposition of surplus land</li> </ul>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

Overall, we have received good feedback from our internal customers via in-person interviews. Generally, they are satisfied with the quality of work and service we provide to them. They feel we are professional and experts in our field. Opportunity for improvement was expressed around project communication and timeliness of transactions. Additionally, there is a perception among external customers that real estate transactions seem to take a long time and the process to transact is unclear and cumbersome. These areas are being reviewed and addressed through our continuous improvement strategies.

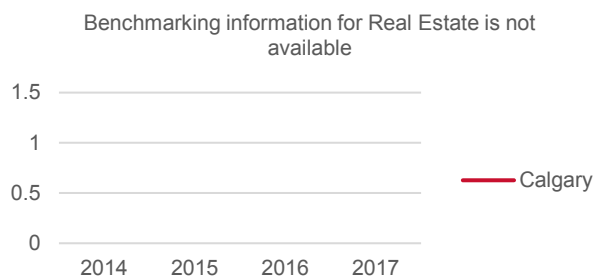
### What Council has directed

Real Estate aligns with several long-term plans and policies including Lease/License of Occupation to Community, Leadership Strategic Plan, Corporate Land Management Framework, Long Range Financial Plan and Affordable Housing Strategy. It supports Council Directives by providing professional land management and real estate advisory services that protect The City's assets, reduce liability, and ensure land is available for the best corporate use; completing real estate transactions to maximize the economic and social benefits of The City's real estate portfolio; identifying and selling surplus lands to sustain the Revolving Fund for General Land Purchases, broaden the property tax base, support further land acquisitions and affordable housing; and acquiring the land required to deliver programs to improve our transportation network, and position Calgary as a city that moves into the future.

### What are we watching?

- Public expectations for greater information and transparency.
- Delivery of higher service levels with the same resources.
- Changes to land management regulations and environmental legislation requiring costly compliance.
- Slow economic recovery and changing market conditions.
- Lack of payback from business units impacting the financial sustainability of the Revolving Fund for General Land Purchases.
- Aging assets in poor condition, leading to higher operating costs and increased vacancy rates.
- Delivering new capital mega projects and expedited construction schedules increase need for costly expropriations.
- Increased demands resulting in delayed service delivery.
- Lack of/aging technology cannot support increasing information demands.

### Benchmarking



Benchmarking indicators for municipal real estate services were explored and were not readily available. Municipal Benchmarking Network Canada does not offer a real estate benchmark. A discussion with The City of Edmonton indicates inconsistent historical data between the two cities. Work is ongoing to find a consistent benchmark for real estate.

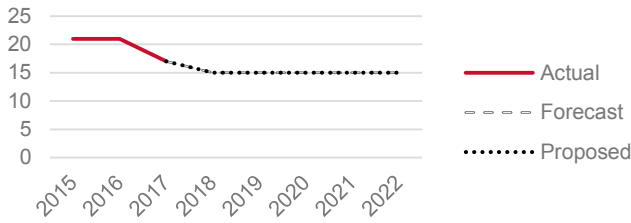
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Responsiveness	Real estate transactions completed in a timely manner.
Quality	Transparency and expertise in municipal real estate processes.
Fairness	Real estate transactions completed at a fair price.
Legislative Compliance	Complies with powers granted by MGA, including delegated authorities of Real Property Bylaw.
Transparency	Processes are clearly defined to public and customers, protects privacy of transactions.

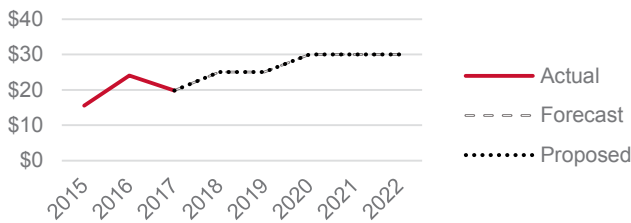


# How is the Service performing? Where we are headed and where do we want to go?

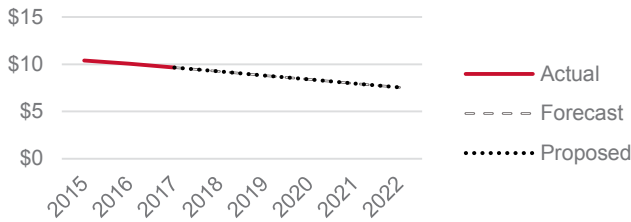
Customer wait time for approved encroachment agreement/letter (Days)



Revenue generated from surplus parcels sold (Dollars (millions))



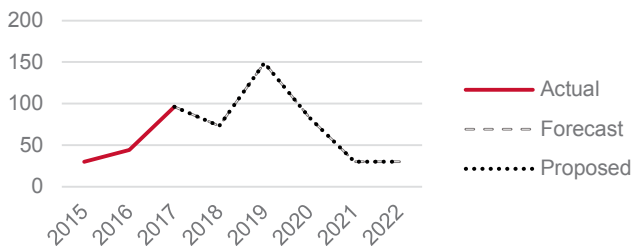
Revenue generated by active leasing agreements (Dollars (millions))



Property tax base contribution from surplus land sales (Dollars (millions))



Number of acquisition transactions (Transactions)



## Story behind the curve

The Green Line LRT corridor is a prime example of land brought into City ownership to deliver services to citizens. Other examples include road widenings, utility easements, facility expansions and community service buildings.

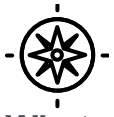
Real Estate services handle all City land acquisition transactions. Many times, land must be purchased well in advance of construction, but the capital budget has funds only for projects commencing within the current four-year budget cycle. To bridge this gap, revenues from leasing and surplus real estate sales go into a capital reserve – the Revolving Fund for General Land Purchases – to fund land acquisitions for projects beyond the current four-year budget cycle.

Over Action Plan (2015-2018), revenue from leasing and surplus real estate sales met or exceeded targets. For 2019-2022, sales revenues are expected to stabilize and leasing revenues are expected to decline. Projections are based on surplus land being identified for disposition from The City's current land inventory.

Inventory management is key to supporting sales. Significant work was accomplished over Action Plan to improve inventory management. Corporate-wide standards and policies were established for reviewing if assets are still needed for their original purpose, could be repositioned for other public needs, or are surplus to City needs and could be made available for sale to the public.

The next step in this work is to define and take a strategic, portfolio-based approach to identify and prioritize parcels for sale to the public. A cradle-to-grave plan for all public land will minimize the costs of City land purchases, reduce operating and maintenance costs to hold land, maximize returns from sales or lease of City lands, and has the potential to increase the property tax base.

Leasing and property management activities help reduce The City's land maintenance costs while providing new and on-going revenues. Managing hundreds of long-term commercial, residential and land leasing agreements require significant capital expenditures and resources. Lifecycle repair, demolition and abatement activities reduce liabilities, eliminate unsightly facilities and mitigate the risk of unnecessary costs. The condition of assets relates directly to tenant retention, potential tenant pool and fees.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Leasing of corporate real estate to public.
Sale of surplus land.
Acquisition of real estate to deliver capital infrastructure and community service projects.
Client services: land acquisition strategy & project mgmt, intake, expropriation and litigation, valuation.
Corporate land inventory administration, encroachments, land titles, land support, general utility right-of-way agreements.
Business operations, technology, process improvements, reporting, information and records management.
Property management of corporate real estate holdings held for future Municipal infrastructure.

### Why?

These are core services that we provide to the Corporation and public. They include on-going land administration functions, acquisition of new land to deliver capital infrastructure projects (e.g. Green Line), sale of surplus lands, leasing and property management. All real estate activities have a commitment to improve operations and customer service through finding efficiencies and continuous improvement.

## What we propose to do less of

STRATEGY
Property management services – costs will go down, with a commensurate reduction in leasing revenues, as surplus properties are identified for disposition through the Enhanced Rationalization program.

### Why?

Property maintenance requires significant capital expenditures and resources. Through the Enhanced Rationalization Program, we expect to reduce the number of properties that are held for municipal purposes. As these properties are declared surplus and sold, the costs necessary to maintain and operate the real property will be reduced.

## What we propose to do more of or include as a new offering

STRATEGY
Corporate leasing standardization.
Enhanced land rationalization services.
Support for non-profit housing providers.

### Why?

Standardizing leasing processes across the Corporation will reduce liability. Enhanced rationalization will identify more surplus real estate available for disposition. These services will be self-funded by the Revolving Fund for General Land Purchases, supported through sales and lease revenues. These land sales will help increase the property tax base and support the Affordable Housing strategy.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Customer wait time for approved encroachment agreement/letter (Days)	15	↔
Revenue generated from surplus parcels sold (Dollars (millions))	25	↑
Revenue generated by active leasing agreements (Dollars (millions))	9.23	↓
Property tax base contribution from surplus land sales (Dollars (millions))	4.7	↑
Number of acquisition transactions (Transactions)	73	↓

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	3,109	3,112	3,115	3,118
Less Previous Year one Time	-	-	-	-
Base	3,109	3,112	3,115	3,118
Revenue Changes	(413)	(8,970)	(10,700)	(4,700)
Internal Recovery Changes	(66)	-	1,000	-
Inflation	493	3	3	3
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(879)	(780)	(300)	(300)
Service Increases	868	9,750	10,000	5,000
One Time	-	-	-	-
Realignments	-	-	-	-
Total	3,112	3,115	3,118	3,121

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	45,494	45,976	-	45,976	54,949	-	54,949	64,652	-	64,652	69,355	-	69,355
Recoveries	(6,407)	(6,473)	-	(6,473)	(6,473)	-	(6,473)	(5,473)	-	(5,473)	(5,473)	-	(5,473)
Revenue	(35,979)	(36,391)	-	(36,391)	(45,362)	-	(45,362)	(56,062)	-	(56,062)	(60,762)	-	(60,762)
Net	3,108	3,112	-	3,112	3,115	-	3,115	3,118	-	3,118	3,121	-	3,121



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		24,100	14,100	14,100	14,100	-	66,400
401850	Land Acquisition Other Civic	20,000	10,000	10,000	10,000	-	50,000
402050	Long-term Leases	1,250	1,250	1,250	1,250	-	5,000
402070	Land Inventory	125	125	125	125	-	500
403000	General Land Improvements	1,500	1,500	1,500	1,500	-	6,000
403371	Corporate Land Management Framework 2	250	250	250	250	-	1,000
480856	Enhanced Rationalization	975	975	975	975	-	3,900
Project(s)		780	995	275	225	-	2,275
403350	Business Systems	155	445	125	125	-	850
403781	Technology Advancement	625	550	150	100	-	1,425
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		24,880	15,095	14,375	14,325	-	68,675
Previously Approved Budget Remaining		525	450	403	-	-	1,378
<b>Total Capital Investment</b>		25,405	15,545	14,778	14,325	-	70,053

## Explanation of Capital Budget Requests

### Annual Investment Program(s)

#### Activity 401850: Land Acquisition Other Civic

New Budget Request of \$50,000 thousand for the Revolving Fund Reserve for General Land Purchases. This is an ongoing reserve fund used to acquire land required for City use in a timely manner for projects beyond the current four year budget cycle.

Funding from Capital Reserves

Operating Impact of Capital: None



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## **Activity 402050: Long-term Leases**

New Budget Request of \$5,000 thousand for demolition, abatement and lifecycle maintenance of Real Estate portfolio buildings.

Funding from Capital Reserves

Operating Impact of Capital: None

## **Activity 402070: Land Inventory**

New Budget Request of \$500 thousand for LInDA (land inventory system) maintenance, sustainment, and new functionality will be required throughout the 2019-2022 business cycle.

Funding from Capital Reserves

Operating Impact of Capital: None

## **Activity 403000: General Land Improvements**

New Budget Request of \$6,000 thousand for general improvements to land assets. This program allows RE & DS to maximize the value of the real estate portfolio, including pre-development and development work, consulting, engineering, etc.

Funding from Capital Reserves

Operating Impact of Capital: None

## **Activity 403371: Corporate Land Management Framework 2**

New Budget Request of \$1,000 thousand required for a comprehensive review of CLMFs Standards to identify gaps in alignment between processes, practices and standards to improve maturity of The City's land management practices.

Funding from Capital Reserves

Operating Impact of Capital: None

## **Activity 480856: Enhanced Rationalization**

New Budget Request of \$3,900 thousand to optimize value (co-location, servicing, subdivisions, grouping/combination of parcels) and timing to sell assets while maximizing the revenue from land sales.

Funding from Capital Reserves

Operating Impact of Capital: None

## **Project(s)**

### **Activity 403350: Business Systems**

New Budget Request of \$850 thousand to implement software tools and databases to make timely and informed decisions. Circulations and leasing & property management workflow systems are fundamental components of RE&DS operations.

Funding from Capital Reserves

Operating Impact of Capital: None

### **Activity 403781: Technology Advancement**

New Budget Request of \$1,425 thousand to implement more efficient and effective systems and processes. Technology enhancements are required to execute a more scalable and sustained future state of strong customer focused service delivery.

Funding from Capital Reserves

Operating Impact of Capital: None









# Strategic Marketing & Communications

Led by: Customer Service & Communications

## Description:

This service provides strategic marketing and communications consulting, strategy development, and the delivery of communications and marketing tactics. These align with The City's brand, serve to strengthen The City's reputation, and support revenue generating services. By using citizen, customer and employee data and intelligence, this service develops targeted messages, delivered in the most effective and appropriate channels to reach the desired audiences. This service is focused on raising awareness, achieving business outcomes, and demonstrating the value of City services in making life in Calgary better.

## Customers:

Citizens, the Corporation (Council, Administrative Leadership Team, City Manager), employees, service owners and their customers.

## What is delivered to customers:

- Corporate marketing and communications strategy and execution.
- Marketing and communication plans and tactics for City services.
- Management of relevant channels for messages and information about City programs, initiatives and services.
- Strategic communications and marketing consulting and advice.
- Marketing and communications return on investment reports.

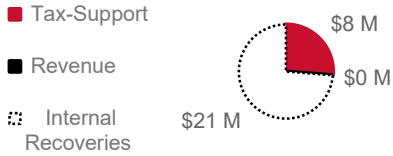

## Partners:

Internal Partners: Council, City Manager's Office, Administrative Leadership Team, service owners  
 External partners: Government of Alberta, Government of Canada, regional municipalities, vendors, media, City partners (Calgary Economic Development, Calgary Tourism, Chamber of Commerce, etc.)

## Service need (value proposition):

This service ensures citizens, customers, and employees are informed about The City, its services, strategic direction, and the value received from The City. We provide transparent, trustworthy, targeted and timely information to create awareness of City programs and services, increase revenue, and build advocacy. We manage communication and marketing policies that protect The City's brand and reputation. Service owners receive marketing and communication expertise including: content development, issue and crisis communications, media relations, social media, internal communications, digital marketing, advertising and creative services. Council and Administration receive support for all citizen priorities and Council Directives through this service, which contributes to achieving outcomes related to the environment, transportation and mobility, social needs, and city planning.

## Current state service value

<p><b>15,500</b> Service requests (2018 forecast)</p> <p><b>1,267,344</b> Calgarians served</p>	<p><b>80%</b> Citizen satisfaction with communications</p> <p><b>2,500,000</b> Social media engagements (2018 forecast)</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p><b>\$19.50</b> Annual operating cost per resident of external marketing and communications</p> <p>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services gross operating budget.</p>
<p><b>Connections to Citizen Priorities</b></p> 		<p><b>What the service includes</b></p> <p>This service has no sub-services.</p> <p><b>Key Capital Investments</b></p> <p>2018 capital investments for this service include technology licensing to manage corporate social media channels, The City's newsroom, myCity, and digital displays.</p>



## What we've heard and service outlook

### What we heard: Research & Engagement Results

This service is key in managing The City's reputation. Strong reputations help organizations perform more effectively and build a reservoir of goodwill for the future. Factors of reputation were measured through the 2017 Citizen Satisfaction Survey, and show that The City has a strong reputation and high levels of familiarity and trust:

- 94 per cent of citizens are familiar with The City.
- 64 per cent have a favourable opinion.
- 62 per cent trust The City.
- 33 per cent consider themselves as advocates.

Further engagement with service owners has identified the need to increase marketing to support revenue generation for City services such as Transit and Recreation.

### What Council has directed

By offering communications and marketing support for all City services, this service supports all Council Directives, however it is most closely related to the directives under A Well-Run City (W1, W2, W3, W4, W5).

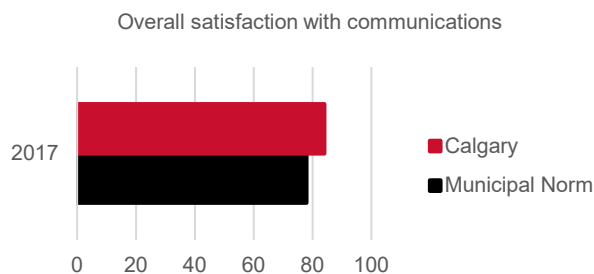
This service helps Council and Administration speak in a collective voice to improve communication with Calgarians. Specifically, it helps The City build a strong brand and enhance understanding of: (1) Investment in City services and the value provided, (2) The City's contribution to quality of life in Calgary, (3) The City's culture of innovation and continuous improvement.

This service also supports Council Direction through these policies: Transparency and Accountability (CC039), Public Notice and Legal Advertising (CS010), Plain Language (CS014), Notice of Motion (C2018-0504) on Multilingual Communications and Engagement, and compliance with Canadian Anti-Spam Legislation.

### What are we watching?

Risks and trends influencing this service include: (1) Demographic shifts (accessibility, translation, interpretation needs); (2) Expectations around ease and timeliness of information in relevant channels and greater shift to digital channels; (3) Increased expectations for transparency and access to information; (4) Growing distrust of media and government, and the growth of online activism and influencers; (5) Increased need for data to inform recommendations; (6) The City not speaking and acting as One City, One Voice, due to misaligned messages, actions and direction; (7) Balancing quality of life results with marketing of revenue generating services; (8) Balancing Corporate direction with communication needs of service owners; (9) Service owner satisfaction with centralized service model, focused more on efficiencies, specialized teams and working within investment constraints.

### Benchmarking



The City compares favourably with other Canadian municipalities for overall satisfaction with communications, indicating that our service outputs are meeting Calgarians' diverse needs for reliable and trustworthy information that promotes trust and confidence in The City. This level of satisfaction has been achieved with a marketing and communications investment of 0.48 per cent of The City's total budget, which supports strategy and content development, social media, creative services, advertising, internal communications, issues and crisis communications, digital marketing, media and public relations.

Source: Ipsos Reid (Citizen Satisfaction Survey and Municipal Norm Research)

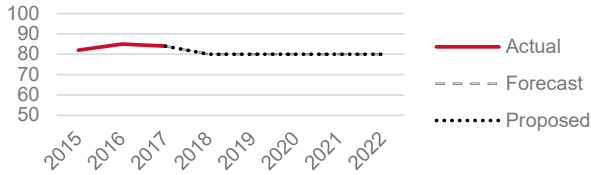
### What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Quality	Communications and marketing strategies and products that deliver on business needs.
Informs	Reliable and trustworthy information about The City.
Equity	The City responds to evolving communications needs of Calgary's population.
Responsiveness	Proactive communication risk identification and solutions that uphold and improve Corporate reputation.
Provides Hope	Supports building/maintaining trust and confidence in The City.

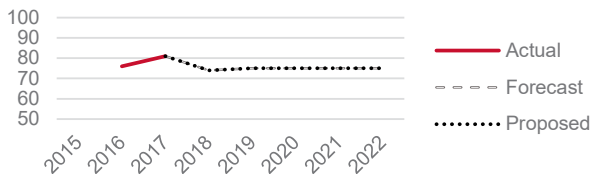


# How is the Service performing? Where we are headed and where do we want to go?

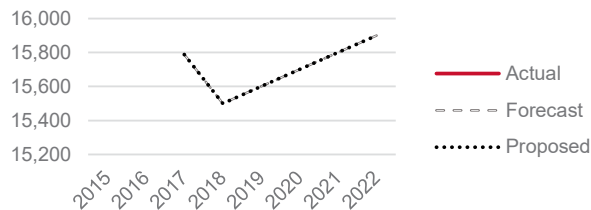
Communications satisfaction (Percentage of Calgarians satisfied with the overall quality of City information and communications (Citizen Satisfaction Survey))



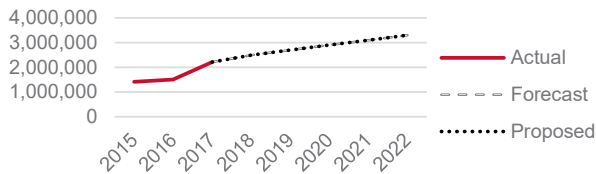
How well The City communicates with citizens (Percentage of citizens who say The City has communicated well about its services, programs, policies and plans (Citizen Satisfaction Survey))



Marketing and communications service requests (Number of service requests)



Corporate social media engagement (Total number of social media engagements on Corporate social channels (Facebook, Twitter, Instagram))



## Story behind the curve

Performance measures indicate the service is performing well, with high demand, strong citizen satisfaction, and increasing social media engagement. Forecasts indicate the proposed investment level will allow us to maintain or slightly improve performance. Without adequate investment, this service will significantly decline in these measures. Once impacted, greater time and investment in marketing and communications is needed to earn back citizen and customer trust and confidence.

A closer look at the measures shows, citizen satisfaction with City communications and marketing is high, and despite a decline since 2015 remains in line with the municipal norm of 78 per cent. Measures related to how well we communicate also remain strong despite recent declines. Opportunities exist to increase performance in this area by addressing Calgary's growing multicultural communication needs. Specific measures to gauge the effectiveness of multicultural communications efforts are currently under development.

Internal demand is high, as requests for strategic marketing, internal and external communications, web content and creative services remain steady. We are seeing a slight decline in demand in 2018, however, we expect this to return to normal levels with a number of large-scale projects on the horizon. We will be able to effectively manage current and future demand within proposed investment levels by working with service owners to more effectively bundle work, which will avoid duplication of effort, and provide more targeted and effective marketing and communications services.

With The City's social media following increasing steadily each year, we expect to see a proportional increase in engagement until our followers reach a saturation point. Similarly, the growing number of citizen inquiries made via our social media channels indicate that citizens want to request information and services from The City using these channels, which is a trend we expect to continue, resulting in more engagements. We will further increase performance by leveraging marketing and communications data to tailor information, build more engaging relationships with social media users and advocates, influence conversations that contribute to the reputation of the organization, and market City services to increase revenue.



# What do we propose to do?

## What we propose to continue doing

STRATEGY
Manage communication needs, including: crisis communications, media relations, social media, employee communications, and creative services.
Develop and execute marketing strategies and tactics.
Manage The City's brand and reputation.
Ensure employees are connected, informed, equipped and engaged as ambassadors of The City.
Manage internal and external channels to ensure effective reach of channels.
Utilize paid advertising and media buying strategically to ensure reach and effectiveness of City campaigns.
Govern strategic marketing and communication function for the Corporation, including related policies.

### Why?

These strategies are required to support The City's brand and reputation and maximize revenue generation for City services. Through the use of City communication channels and messages, this service supports Council and Administration by: equipping City employees to be ambassadors of The City, identifying digital marketing opportunities that save money, and supporting citizen priorities and Council Directives.

## What we propose to do less of

STRATEGY
Printed marketing and communication tactics (in alignment with the MGA).
Corporate seasonal campaigns.
One-off campaigns (will aim to bundle and theme campaigns).
Mass communications in favour of more targeted marketing and communications.
Duplicated work (will increase templated and self-serve options).

### Why?

It's vital for The City to keep pace with communications and channel preferences of citizens, customers and employees. The City is committed to reducing its reliance on print through increased targeted and digital marketing. Additional service reductions and efficiencies will be achieved through templating, self-serve options, and eliminating corporate seasonal campaigns.

## What we propose to do more of or include as a new offering

STRATEGY
Optimize advertising on City assets (buses, shelters, facilities, rinks, vehicles, etc.).
Digital marketing to align with Municipal Government Act and Canadian Anti-Spam Legislation.
Deepen marketing expertise to support revenue generating operations with effective marketing solutions.
Develop and implement a Multilingual Communications and Engagement Policy and framework to better communicate and engage with diverse populations.
Increase focus and elevate cross-departmental communication tactics.

### Why?

The City invests about \$5-6 million annually in promotion to ensure the public has the information they need. We will deepen our marketing expertise and increase adoption of digital marketing, leverage City assets for advertising, and integrate plain language and targeted translation. This will help us reach diverse populations in cost-effective ways and enable a shift away from traditional government messages to messages that are clear, simple and connect with Calgarians.



## What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Communications satisfaction (Percentage of Calgarians satisfied with the overall quality of City information and communications (Citizen Satisfaction Survey))	80	↔
How well The City communicates with citizens (Percentage of citizens who say The City has communicated well about its services, programs, policies and plans (Citizen Satisfaction Survey))	74	↔
Marketing and communications service requests (Number of service requests)	15500	↑
Corporate social media engagement (Total number of social media engagements on Corporate social channels (Facebook, Twitter, Instagram))	2,500,000	↑

### Breakdown of net operating budget (\$000s)

	2019	2020	2021	2022
Previous Year's Budget	7,500	7,721	7,721	7,721
Less Previous Year one Time	-	-	-	-
Base	7,500	7,721	7,721	7,721
Revenue Changes	-	-	-	-
Internal Recovery Changes	(66)	(72)	(69)	(71)
Inflation	115	126	121	124
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	(121)	-	-	-
Service Reductions	(49)	(54)	(52)	(53)
Service Increases	270	-	-	-
One Time	-	-	-	-
Realignments	72	-	-	-
Total	7,721	7,721	7,721	7,721

### Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	28,557	28,844	-	28,844	28,916	-	28,916	28,985	-	28,985	29,056	-	29,056
Recoveries	(21,057)	(21,123)	-	(21,123)	(21,195)	-	(21,195)	(21,264)	-	(21,264)	(21,335)	-	(21,335)
Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	7,500	7,721	-	7,721	7,721	-	7,721	7,721	-	7,721	7,721	-	7,721



# Recommended Capital Investment to Support Service Delivery

For Council Approval

## Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		-	-	-	-	-	-
Program(s)		-	-	-	-	-	-
<b>Sub-Total (New Budget Requests)</b>		-	-	-	-	-	-
Previously Approved Budget Remaining		1,350	-	-	-	-	1,350
<b>Total Capital Investment</b>		1,350	-	-	-	-	1,350

## Explanation of Capital Budget Requests

No new Capital Budget for approval.







# Corporate Programs

## Common Revenue

### Description:

Common Revenue sources include franchise fees, general revenue, investment income and financial charges, as well as taxation revenues, which account for a significant portion of The City's operating budget.

### Customers:

Citizens

### Purposes:

A funding source to provide municipal services.

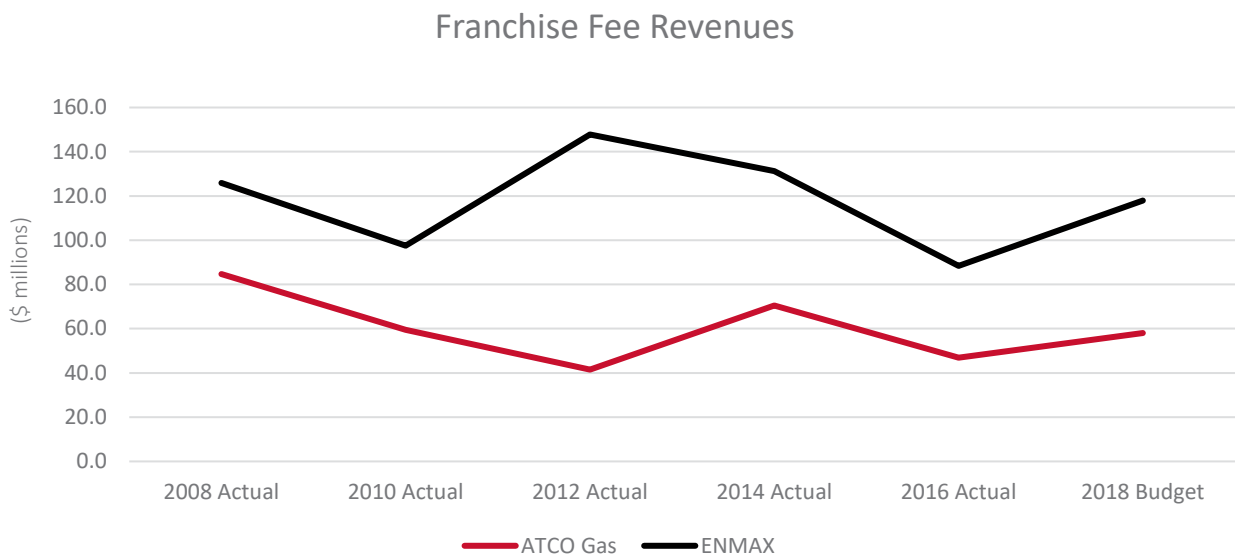
### Partners:

Provincial government, ENMAX, ATCO, Calgary Parking Authority, Calgary Municipal Land Corporation, and Financial Institutions.

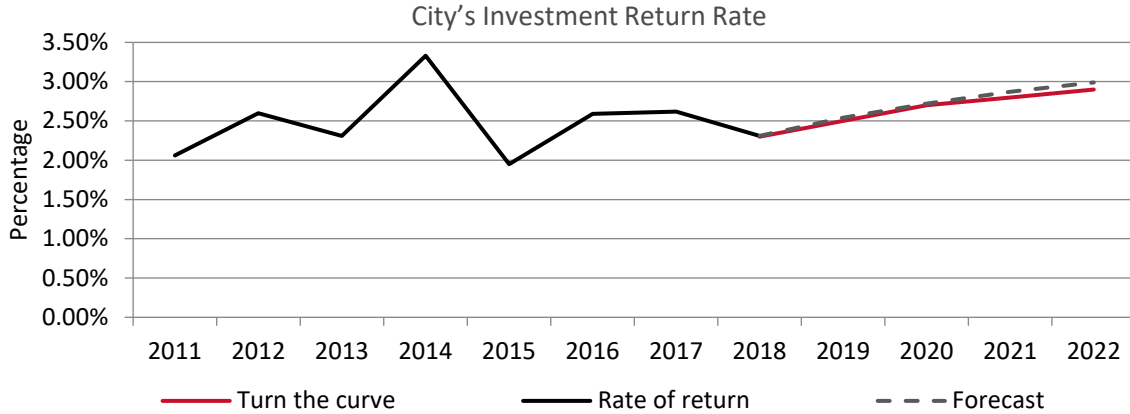
### Dependencies:

The City has little influence over some revenues such as Franchise Fees. Franchise fees are determined by customer consumption, commodity prices and a fixed charge for distribution and transmission.

## What are we watching?

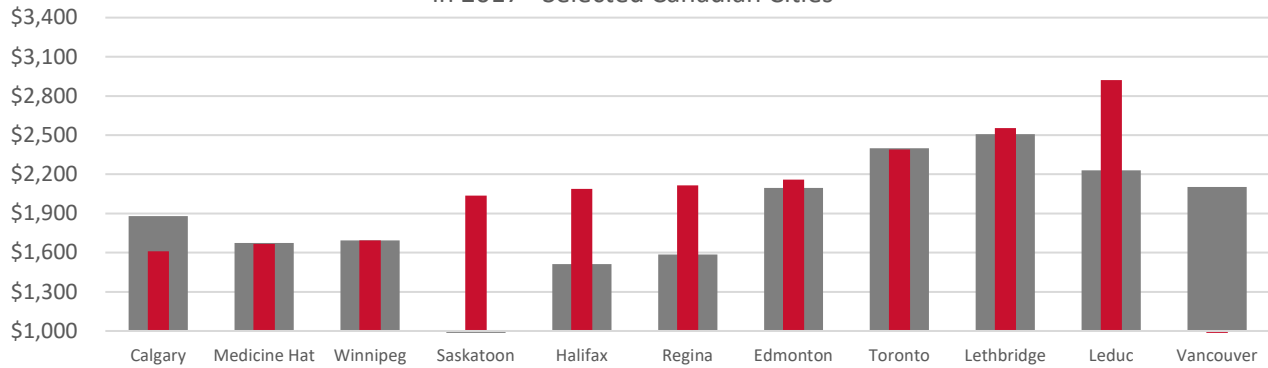


- Franchise Fee revenues are derived from the commodity price, the volume of utility sales, and the costs to deliver the commodity.
- The slowing economy and warmer weather have lowered utility sales volumes of natural gas and electricity.
- Electricity and natural gas prices have fallen, mostly due to an overabundance of supply relative to demand.



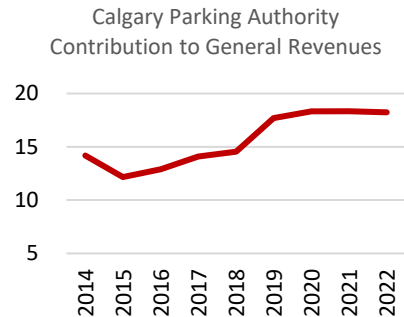
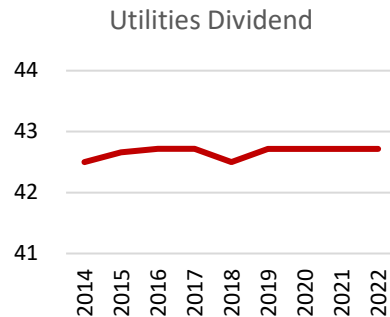
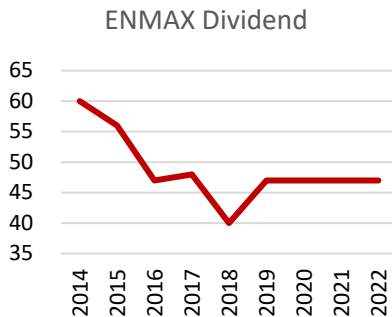
- For the past few years we have been in a low interest-rate environment as many central banks have adopted accommodative monetary policies in order to stimulate their economies. Some central banks such as the European Central Bank and the Bank of Japan have even set negative rates. Low yields have depressed investment returns but forthcoming changes to The City's asset mix should result in higher returns and lower risk through increased diversification into different markets and asset classes.

### Municipal Property Tax for a Representative Two-Storey and Bungalow House in 2017 - Selected Canadian Cities



■ Two-Storey	1	2	3	4	5	6	7	8	9	10	N/A
■ Bungalow	5	3	4	N/A	1	2	6	9	10	8	7

- Calgary has one of the lowest Municipal Property Tax for Two Storey and Bungalows when compared to other Canadian cities.



- If the oil price continues to stay low, ENMAX dividend and Utilities dividend would remain low.

## Total Net Operating Budget (\$000s) for Approval

For Council Approval

Common Revenues - Net Budget (000s)													
	2018 Budget As at Mar 31	2019 Budget			2020 Budget			2021 Budget			2022 Budget		
		Base	One-time	Total	Base	One-time	Total	Base	One-time	Total	Base	One-time	Total
Franchise Fees	(236,713)	(241,943)	0	(241,943)	(244,741)	0	(244,741)	(257,643)	0	(257,643)	(257,628)	0	(257,628)
General Revenues	(143,743)	(114,036)	(25,363)	(139,399)	(114,443)	(24,000)	(138,443)	(114,223)	(5,000)	(119,223)	(113,908)	0	(113,908)
Investment Income & Financial Charges	(30,500)	(32,000)	0	(32,000)	(33,000)	0	(33,000)	(34,000)	0	(34,000)	(35,000)	0	(35,000)
Taxation Revenues	(1,870,487)	(1,933,807)	0	(1,933,807)	(2,017,159)	0	(2,017,159)	(2,100,179)	0	(2,100,179)	(2,189,024)	0	(2,189,024)
<b>Total</b>	(2,281,443)	(2,321,786)	(25,363)	(2,347,149)	(2,409,343)	(24,000)	(2,433,343)	(2,506,045)	(5,000)	(2,511,045)	(2,595,560)	0	(2,595,560)

# Corporate Costs & Debt Servicing

## Description:

Corporate Costs & Debt Servicing are based on legislated requirements and/or Council policies including corporate requirements for capital financing; civic and intergovernmental affairs; corporate costs; employee benefits; gas, power and telecommunication; and scholarships.

## Partners:

Related Authorities, Provincial Government, Alberta Urban Municipalities Association, Federation of Canadian Municipalities, City of Calgary employees and Educational institutions in Calgary.

## Customers:

Citizens

## Purposes:

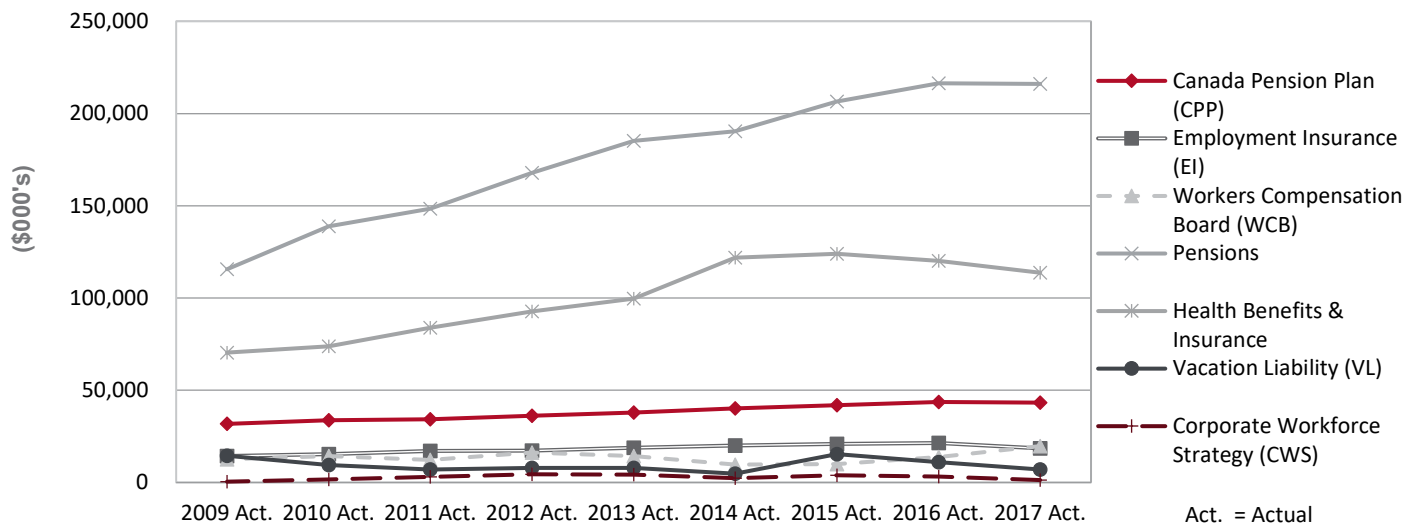
Management of common costs is required to operate a well-run city.

## Dependencies:

The Employee Benefits program under Corporate Programs is net zero as benefit costs are fully recovered from City business units using fringe benefit rates applied to salary and wage expenses. Costs are affected by inflation, changes in the eligible employee population and demographics, and benefit and pension industry trends and legislated requirements.

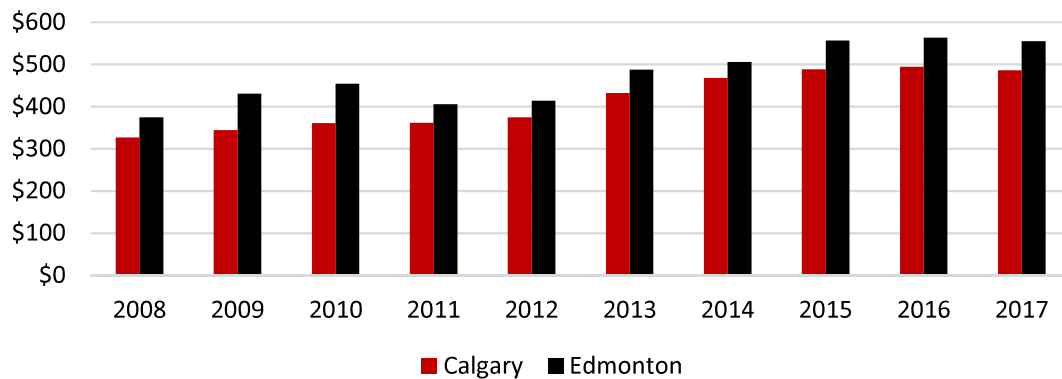
## What are we watching?

### Benefit Types Historical Costs



- Costs are driven by plan agreements and growth in the work force (head count).
- Inflation is often higher than CPI due to the nature of the products and services e.g. drugs.

Average Annual Natural Gas Distribution Costs per Household  
2008-2017



- Calgarians currently pay about 9% less than Edmontonians for their natural gas service in part due to Calgary’s interventions. Regardless, distribution costs for natural gas continue to rise; Calgary’s interventions aim to reduce the degree by which they increase.

**Total Net Operating Budget (\$000s) for Approval**

**For Council Approval**

Corporate Costs - Net Budget (000s)													
	2018 Budget As at Mar 31	2019 Budget			2020 Budget			2021 Budget			2022 Budget		
		Base	One-time	Total	Base	One-time	Total	Base	One-time	Total	Base	One-time	Total
Capital Financing Costs	334,848	372,561	0	372,561	376,800	0	376,800	376,279	0	376,279	376,459	0	376,459
Civic & Intergovernmental Affairs	387	487	0	487	544	0	544	544	0	544	544	0	544
Corporate Costs	151,483	137,849	3,357	141,206	171,901	(4,589)	167,312	219,578	(13,123)	206,455	274,102	(14,665)	259,437
Employee Benefits	(6,900)	0	0	0	0	0	0	0	0	0	0	0	0
Gas, Power & Telecommunications	950	950	0	950	950	0	950	950	0	950	950	0	950
Scholarships	73	73	0	73	73	0	73	73	0	73	73	0	73
<b>Total</b>	<b>480,841</b>	<b>511,920</b>	<b>3,357</b>	<b>515,277</b>	<b>550,268</b>	<b>(4,589)</b>	<b>545,679</b>	<b>597,424</b>	<b>(13,123)</b>	<b>584,301</b>	<b>652,127</b>	<b>(14,665)</b>	<b>637,462</b>

## Capital Budget for Council Approval

DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Previously Approved Budget Remaining	60,726	-	-	-	-	60,726
Allocated to 2019-2023 service plans and budgets	(47,851)	-	-	-	-	(47,851)
<b>Total Capital Budget Remaining</b>	12,875	-	-	-	-	12,875

## Explanation of Capital Budget Requests

### Activity 441000: Corporate Capital Programs

Corporate Programs holds capital funding previously transferred to the Capital Budget Savings Account that has not been reprioritized to other capital investments yet. This request is to reallocate savings to capital projects within the 2019-2023+ proposed capital budget. The remaining funding has either been committed through Council reports or has restrictions that limit the ability to allocate to the 2019-2023+ proposed capital budget.

Funding from Municipal Sustainability Initiative

Operating Impact of Capital: None







# Appendices









# One Calgary Journey

## Introduction

Calgary is one of the most livable cities on the planet, ranking as the best city to live in North America, and the fourth best in the world.

This is no accident. The City works hard every day to contribute towards our vision for Calgary: a great place to make a living, a great place to make a life.

Through our common purpose, making life better every day, we work towards delivering on what is important to Calgarians. We do this by being a service and results-driven, accountable and resilient municipal government, placing citizens, customers and communities at the forefront of our plans, decisions and actions.

Calgarians have told us that they want to know more about The City's services and how we're investing tax dollars. For example, Calgarians:

- Want to know how and why we make decisions and how these decisions will impact them.

- Need better planning from us to ensure Calgary is resilient to shocks and stresses.
- Don't always know what part of The City delivers services.

We've heard Calgarians, and we're changing how we do things. The 2019-2022 Service Plans and Budgets will deliver on what is important to Calgarians.

## The One Calgary Road Map

One Calgary has taken shape over the course of several years and it will continue to influence the delivery of services for years to come. There are five key steps that will be further described in the following pages.



\*The Economist, 2018 Global Living Index

Introduced in 2014, the Leadership Strategic Plan has guided The City of Calgary towards becoming a modern municipal government through a change in our culture.

In 2014, we took the pulse of citizens and City Council to determine where our efforts as a local government should be focused. City Council said they expected us to provide services in a coordinated and integrated way; to collaborate and work together as a team; deliver services with a citizen and customer-focused approach; provide a sustainable financial plan; and instill confidence and trust in all that we do.

Citizens told us they want us to be mindful of spending; show value in the services we offer; invest in infrastructure; be transparent and accountable; and ask for their opinions before making decisions that affect the future of our city. Citizens also want quality customer service through easily accessible channels. They expect our behaviours and our values to align with those of the community we live in, and hold us accountable to meet those expectations on a daily basis. Citizens want us to help out when our neighbours, locally, nationally and internationally are in need. They also expect us to monitor and respond at a moment's notice.

The Leadership Strategic Plan included five areas of focus:

1. Establish a cooperative and meaningful relationship with Council
2. Cohesive leadership culture and collaborative workforce
3. Better serve our citizens, communities and customers
4. Focus immediate and collective attention on planning and building a great City of Calgary
5. Strengthen the Corporation's financial position

Since 2014, a great deal of progress was made on the Leadership Strategic Plan with these areas of focus now being embedded in our organization's culture. Going forward and as shown on page 49 of the Strategy section and in the Executive Leadership service pages (445 to 450) of the Value section, Administration's Commitments summarize our response to Council's direction and are intended to provide high-level strategic guidance to the organization for 2019-2022.





## 2.

### **Better Serving Our Citizens, Communities and Customers:**

#### **One City, One Voice, Establishing our Performance Management System, and Defining our Services**

Better serving citizens, communities and customers and doing it in a way that is cohesive, collaborative and integrated is what being “One Calgary” is all about. Over the past few years, we have been working towards becoming One City, One Voice through our common vision, purpose, values and brand. Better serving our citizens, communities and customers also included defining our services and establishing our Performance Management System.

### **Our Corporate Culture – One City, One Voice**

**Service promise:** What matters to you matters to us. We **Listen, Respect** and **Act**.

**Employee promise:** The City supports a safe and respectful work environment. Above all, employees are afforded the same concern, trust, respect and caring attitude they are expected to share with every Calgary resident, business and visitor.

**Shared values:** Individual responsibility; Collective accountability.

#### **4 Cs:**

- **Character:** we behave the right way
- **Commitment:** we are dedicated to the greater public good
- **Competence:** we do the right things the right way
- **Collaboration:** we work together for a common purpose

### **The City’s Performance Management System**

The Performance Management System is a disciplined approach to continuous improvement designed to better serve our citizens, communities and customers. There are five components to the system:

- Performance Measurement and Accountability
- Service Review and Improvement
- Integrated Risk Management
- Individual Performance Development
- Service Plans and Budgets

The foundation of the Performance Management System is Results-Based Accountability™ (RBA) which is a structured approach for planning, evaluating and continuously improving services. RBA looks at ways to improve the quality of life in communities and performance of City programs and services—challenging us to look at what did we do, how well did we do it and, above all, is the community that we serve any better off?

The 2019-2022 Service Plans and Budgets incorporate all five elements of The City’s Performance Management System as described below.

### **Performance Measurement and Accountability**

There are a total of 260 performance measures for the 61 City services. As a reflection of a service-based focus where the customer is the primary focus, almost three-quarters of the performance measures (191 out of 260) focus on asking “how well are we doing?” and “is anyone better off?” in relation to the service being provided to customers. Also, for each performance measure, a forecast is provided of the level of service if funding remained at status quo with no additional funds allocated. If the forecasted levels of service were deemed to be unacceptable, a revised level of service is proposed.

To support continuous improvement, a total of 48 benchmarks of performance measures that meaningfully reflect The City’s current level of service against peer groups (municipalities, private sector firms or other organizations), have also been included. In particular, these benchmarks relate to what customers of the respective services value (value dimensions).

## Service Review and Improvement

The continuous improvement of service efficiency and effectiveness is a hallmark of every high-performing organization. A continuous improvement mindset that is customer-focused and results-based was foundational to the One Calgary approach. This speaks to our efforts to embed efficiency and effectiveness improvement within the culture at The City.

Preparing and approving the 2019-2022 Service Plans and Budgets is just the starting point. For the next four years, with improvement initiatives like the Zero-Based Review (ZBR) program, Administration has committed to continually seek service improvements with a focus on optimizing service value. Key to this work is building the capacity and skills throughout the organization that are required to analyze, prioritize and implement effective improvements day-to-day. Becoming an organization that continually improves service value requires a strategic approach that coordinates many different elements and levers to:

- do more of the “right things” – i.e. those things that are core to what customers value; and
- do those things the “right way” – i.e. more efficiently.

This effort will enable us to deliver on our efficiency targets while always striving to improve our overall customer experience.

## Integrated Risk Management

Risk is embedded in all major decision-making processes in The City to ensure we, as an organization, are better able to take advantage of opportunities and to reduce the impact of negative risks when pursuing and achieving our objectives.

The City manages risk through its Integrated Risk Management Policy (Council Policy CC011) and Program which oversees regular, bi-annual risk reviews that span across the organization. These risk reviews identify, assess, and ensure management strategies are in place for risks to service delivery. This information is amalgamated and analyzed to inform the bottom-up, top-down review of The City’s cross-corporate strategic risks – The Principal Corporate Risks.

Key examples of risk management throughout the development of the 2019-2022 Service Plans and Budgets are:

- Top risks to each service were identified as part of the process to develop the 2019-2022 Service Plans and Budgets. This information was used to inform strategies, planning, and the development of the service pages.
- Service-level risks were reviewed and analyzed to develop cross-corporate themes for emerging risks to The City’s services.
- The evaluation and analysis of risk was used in discussions related to both capital and operating budgets.
- Risk assessments were performed on various scenarios and possible outcomes for services to The City. These assessments were considered alongside long-term strategic goals, service needs, and how to best align with Council and citizen expectations.

Development of the 2019-2022 Service Plans and Budgets occurred in tandem with The City’s Integrated Risk Management cross-corporate risk review to ensure both were enhanced. In this way, risk was considered both as an input for decision making, as well as an assessment tool. As a result, The City was able to leverage these two processes to enhance and continually improve each.

## Individual Performance Development

Individual Performance Development is key to effective performance management at the enterprise level. It is what ensures line of sight from corporate goals and objectives to what employees deliver every day in order to make life better every day for Calgarians. It is also about building capacity to use the tools of the Performance Management System to deliver on our plans and budgets, achieving our goals and continually improving our services. In 2019-2022, we will improve employee effectiveness and accountability through individual performance development.



### Service Plans and Budgets

Multi-year planning and budgeting helps good cities become great cities. Since 2006, The City of Calgary has used a multi-year approach to outline service provision. The multi-year cycle provides a longer view on service design and delivery, more certainty about future service direction and is a more efficient and effective process. With this process, The City coordinates resources and actions to implement long-term plan goals, and deliver services that are funded through budget allocations over the next few years, reflecting the direction set by elected councils and citizen engagement.

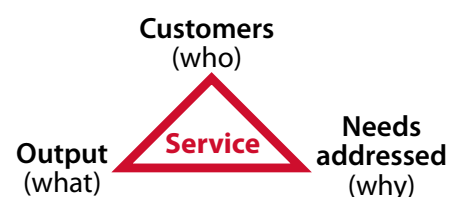
For 2019-2022, The City’s plans and budgets are service-based, rather than being based on organizational structure.

The first step towards delivering service-based plans and budgets was to define The City’s services. A common definition of a service was developed using a citizen/customer lens. Starting in 2015, high-level services were identified that are delivered by The City in a manner that is meaningful to the citizen.

A service is defined as:

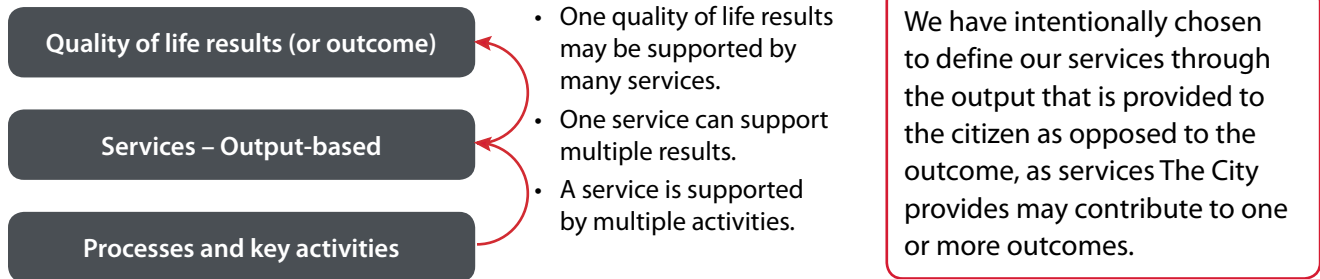
“Commitment to deliver outputs that meet the needs of customers and contributes to outcomes (Quality of Life results).”

The process undertaken to develop the list of services (known as the service portfolio) involved a high degree of collaboration among business units in preparing, reviewing and describing City services in ways that citizens will find clear and easy to understand. The number of services defined in the portfolio needed to be manageable by the organization and be mutually exclusive and collectively exhaustive. The result is a unique, made-in-Calgary list based on industry best practice, input from other cities’ findings on similar initiatives and Calgary’s unique perspective.



By defining services in this way, Administration and Council can focus on results and whether or not citizens are better off, rather than on processes and activities.

### Comparing outcomes to services to processes and activities



The service definition process challenged the organization to think beyond existing structure, identify their customers, and consider how people from different organizational areas need to come together to meet the needs of Calgarians.

In defining services, it became important to also define what does NOT make a service as these elements are focused on how we deliver services and not the customer point of view:

- Organizational structure (current or future)
- Legislative requirements
- Size of budget
- Number of employees
- Funding sources
- Political reasons

Services are meant to be stable and enduring, while all other factors are dynamic and continue to change.

The result was the identification of 61 distinct services offered by The City of Calgary.



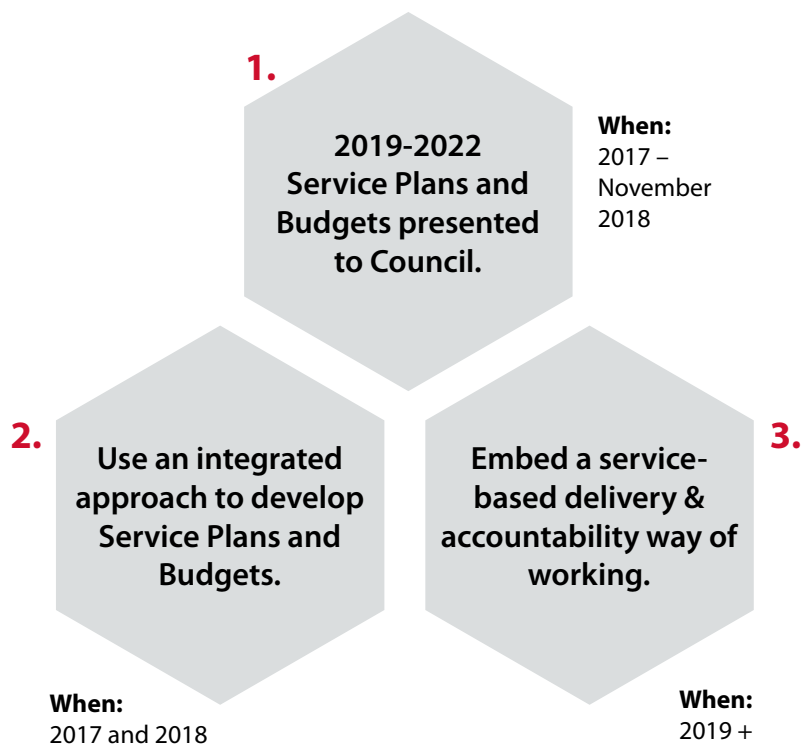
### 3.

## One Calgary 2019-2022 Service Plans and Budgets:

Using an Integrated Approach

### The One Calgary Program

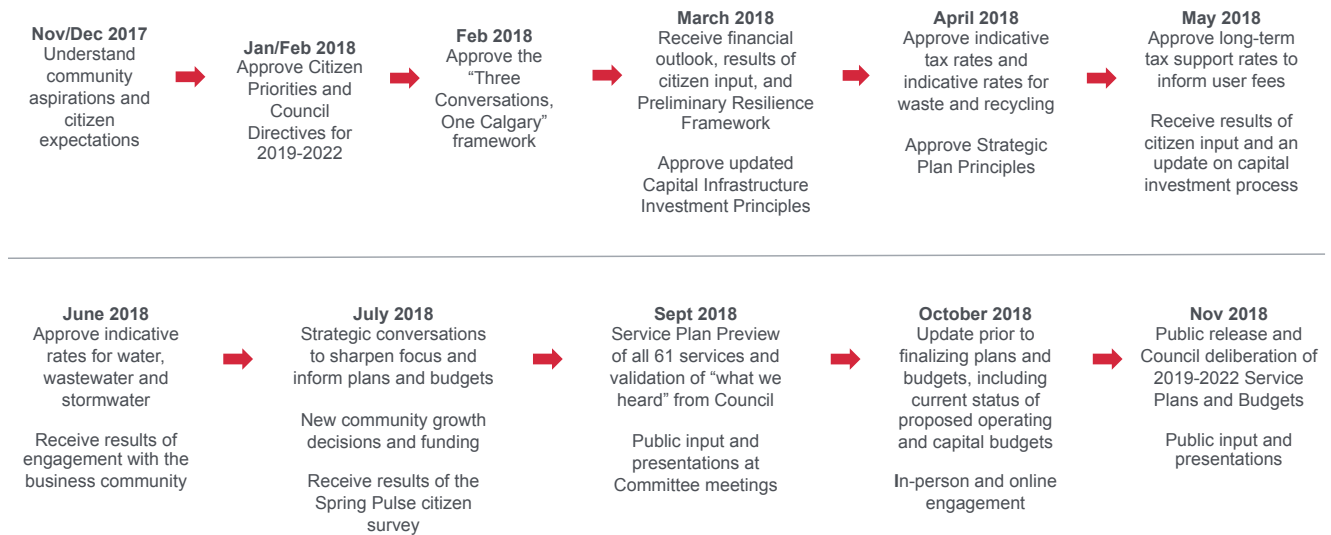
In 2017, the journey toward service plans and budgets continued with the One Calgary program. The program was formed to further break down organizational silos, increase corporate collaboration and advance the organization toward Council approval of plans and budgets for the 2019-2022 business cycle. The goals of the One Calgary program are described as:



The following timeline outlines key steps and milestones for the One Calgary program. There were multiple touch-points with Council and citizens throughout the process to ensure the proposed service plans and budgets meet Council and citizen expectations.

### One Calgary Timeline and Milestones with Council

There were multiple touchpoints with Council and citizens throughout the One Calgary process to ensure the proposed service plans and budgets meet Council and citizen expectations.



## How Calgarians Shaped One Calgary 2019-2022 Service Plans and Budgets

Citizen input was a critically important part of determining The City's focus for the 2019-2022 Service Plans and Budgets. The One Calgary citizen engagement strategy was woven throughout the development of the 2019-2022 service plans and budgets and included multiple touchpoints with citizens over the course of 2018.

- In December 2017, Council took what they heard on the campaign trail from their constituents and used these inputs to help shape their direction to The City for the next four years.
- In March 2018, The City reviewed our existing citizen research from a service point of view. This provided us with a deeper understanding of Calgarians' perspectives on service value.
- In April 2018, we asked citizens what they valued most about our services. We received 11,346 responses through online engagement and 865 members of our Citizen's View panel for a total of 12, 211 pieces of input from Calgarians.
- In May 2018, we heard from 135 panelists (representing small, medium and large businesses) regarding what they value most about some of our services.
- In September 2018, Council and citizens provided feedback on a preview of the service plans and budgets.
- In October 2018, we asked citizens about the City services where they want us to invest more, less, or the same. We received 839 responses through online engagement, held 5 focus groups with a total of 125 people attending, and completed 14 pop-ups (1 per ward) having 700 conversations.
- In November 2018, citizens will have the opportunity to comment on the proposed service plans and budgets to support Council's deliberations.

These inputs have helped us shape our next four years with a strong focus on community and service delivery by taking a citizen-centric approach.



## 2019-2022 Service Plans and Budgets

Service-based plans and budgets represent a change in how The City of Calgary has undertaken its planning and budgeting compared to the past.

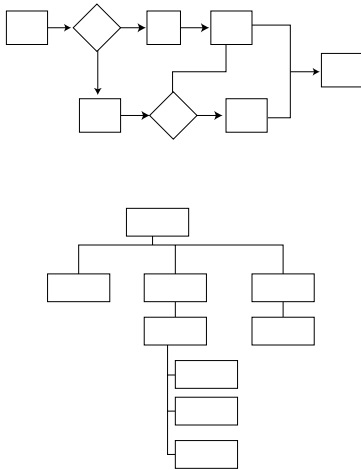
Citizens and customers now have a view of the organization as a collection of services with clearly identified service contributors and service owners. By taking on and sharing this perspective, The City increases internal collaboration where the focus is primarily on services and business units exist for the

purpose of service provision (directly or in support) and not for their own operational sake. When the focus is on service delivery, our goal is for Calgarians to find it much easier to see linkage to where their tax dollars go and services received in return. This transition represents a significant change where the service-based approach keeps the best parts of previous work and improves them with a new citizen focus.

### One Calgary is an intentional shift in focus:

From...

**HOW we do things and WHO does them...**



TO

**WHAT services citizens are receiving and WHY**



To determine:

- How much are we doing?
- How well are we doing it?
- Is anyone better off?



## Strategic Plan Principles

The City's framework for the development of its 2019-2022 Service Plans and Budgets is based on five over-arching principles that help the organization develop, monitor and continuously improve the value dimensions that are most important to citizens.

- 1. Vision:** Address citizen needs and long-term quality of life aspirations.
- 2. Strategy:** Use a Council-driven and corporately integrated approach to planning for service delivery.
- 3. Value:** Focus on what matters most to citizens and customers and maximize their value for city services.
- 4. Accountability:** Monitor the value generated through services by using performance measures, and reporting.
- 5. Continuous Improvement:** seek to improve services and processes and adjust on an ongoing basis

More information on these principles is located on pages 645 to 647.

## What is changing for the 2019-2022 Service Plans and Budgets?

### What's changing?

- **Service-Based Planning and Budgeting:** Plans and budgets are presented by service rather than by organizational unit.
- **Results Focused:** Plans and performance measures will focus more on results that matter to citizens (i.e. "Is anyone better off?").
- **Quality of Life:** Quality of Life information including community indicators (and other research) tells us how the community is doing overall and provides Council with data to inform Council Directives, in addition to what they heard on the campaign trail.
- **Organizational Culture Change:** The planning and budgeting process itself will be leveraged to establish a more collaborative and cohesive workforce and to be a more service-oriented organization.



- **Corporate Prioritization:** From a siloed approach to allocating budgets, to a coordinated corporate prioritization of capital and operating investments to ensure resources are invested where they are needed most.

### What's staying the same?

- **Multi-Year Planning and Budgeting:** We continue to present multi-year business plans and budgets with the opportunity for adjustments every year, as per Council Policy (CFO004).
- **Grounded in Council and Citizen Priorities:** We continue to build plans and budgets that are informed by Council and Citizen Priorities, including citizen research and engagement.
- **Integrated Plans and Budgets:** We continue to integrate plans and budgets, such that plans (including service levels and performance targets) are achievable within budgets.
- **Key Inputs:** We continue to rely on key inputs to build our plans and budgets and inform decision-making, such as performance measures, risks, and trends.

## Cross-Corporate Prioritization of Investments

During the development of the 2019-2022 Service Plans and Budgets, the organization was directed to:

- Find further efficiencies in a time of economic uncertainty.
- Address the challenges of integrating capital and operating.
- Develop a corporate approach to the prioritization of operating and capital.

In response to a changing local economy and an environment of restrained resources, The City implemented new corporate prioritization processes (for both operating and capital budgets) in the development of the 2019-2022 Service Plans and Budgets. By prioritizing investments corporately, we were able to make informed recommendations to Council on where we should invest citizens' money and where we can find savings with the least impact on customers. These processes were led by two new cross-corporate groups, who worked in tandem to ensure a more integrated approach to setting our operating and capital budgets.

## Service Leaders' Forum

The Service Leaders' Forum was established in 2017 with representatives from each City department. As well as advising the One Calgary program overall, this group worked collaboratively to recommend service and operating budget levels that best reflected Citizen Priorities and Council Directives.

To inform the process, all service owners were asked to gather information and prepare multiple scenarios so we could better understand current service levels, as well as the potential impact to services, resources and customers at different funding levels. For each service, we gathered information about:

- Projected service performance in 2019-2022 if funding stayed at current 2018 levels.
- The potential service impacts in two reduction scenarios.

- Options where additional funding would help to maintain or improve service performance.
- The impact of constraints in capital funding availability.

The purpose of this process was not to accept or recommend all the addition and/or reduction packages but, rather, better understand the impact of what would happen if we did. This review process allowed the organization to weigh the pros and cons of the different decisions we could make to focus on what matters most to citizens.

## Infrastructure Calgary

Founded in 2016, Infrastructure Calgary is a corporate function that oversees the planning, management, execution and reporting on The City of Calgary's capital investment portfolio. The Enterprise Portfolio Management Office within Infrastructure Calgary works collaboratively with service owners and their teams across the Corporation (or Enterprise) to facilitate the delivery of valued services to residents by integrating, coordinating and optimizing capital investments to realize the most value for Calgarians. Over the last two years, Infrastructure Calgary has shifted the organization to a corporate portfolio view of The City's infrastructure investment and introduced a capital investment management process to facilitate capital planning and execution. The process aligns with a service-based approach to planning and budgeting. All capital requests for the 2019-2022 cycle have been aligned to services and evaluated against corporate prioritization criteria. This approach helps optimize The City's investment, especially in a constrained capital environment, adds organizational resilience, and increases value to citizens.

## 4.

### Delivering on what is Important for Calgarians:

#### Implementing One Calgary 2019-2022 Service Plans and Budgets

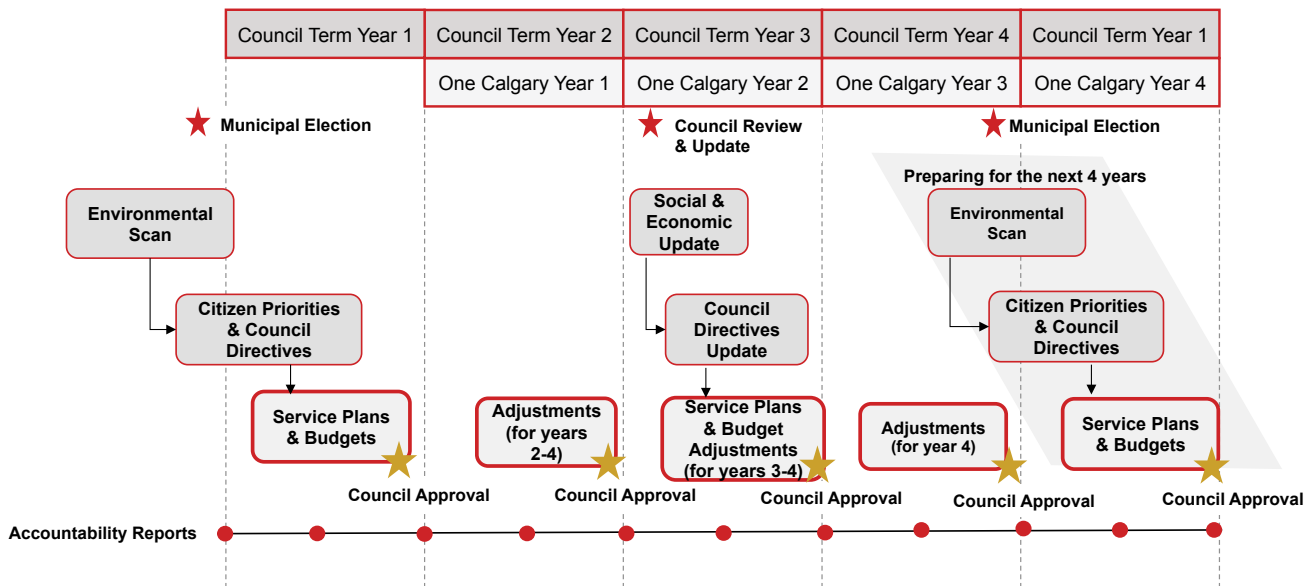
Once the Service Plans and Budgets are approved, 2019-2022 is about delivering on Citizen Priorities and Council Directives. Implementing One Calgary means continuing to make Calgary: a great place to make a living, a great place to make a life.

The 2019-2022 Service Plans and Budgets are not static – they are living plans that will adapt with Calgary’s changing needs. As part of this process, there are opportunities to bring forward adjustments in response to changing circumstances, stresses and shocks (economic, demographic, and financial), and maintain the integrity of four-year plans and budgets. As in previous cycles, there will also be a more significant mid-cycle review after two years, which will include a check-in with citizens, and an update on emerging issues and trends.

In addition, mid-year and year-end accountability reports will provide an update on the status of all Citizen Priorities and Council Directives, major service initiatives, key accomplishments, department budget performance and upcoming challenges. The City also prepares a Corporate Annual Report and Audited Financial Statements, as required by the Municipal Government Act. It includes a high-level review of accomplishments, as well as annual Financial Statements and the external Auditor’s Report.

Following Council deliberations and consideration of the 2019-2022 Service Plans and Budgets, the focus shifts to implementation and sustaining a service-based and results-based way of working going forward. This includes annual adjustments with regular consideration of public input gathered through ongoing citizen research and engagement. This is what this work is all about – service delivery to citizens, communities and customers that delivers value for tax dollars and contributes to quality of life.

For reference, the figure below illustrates the four-year business cycle, and the planning leading into it, against the four-year electoral cycle.



## 5.

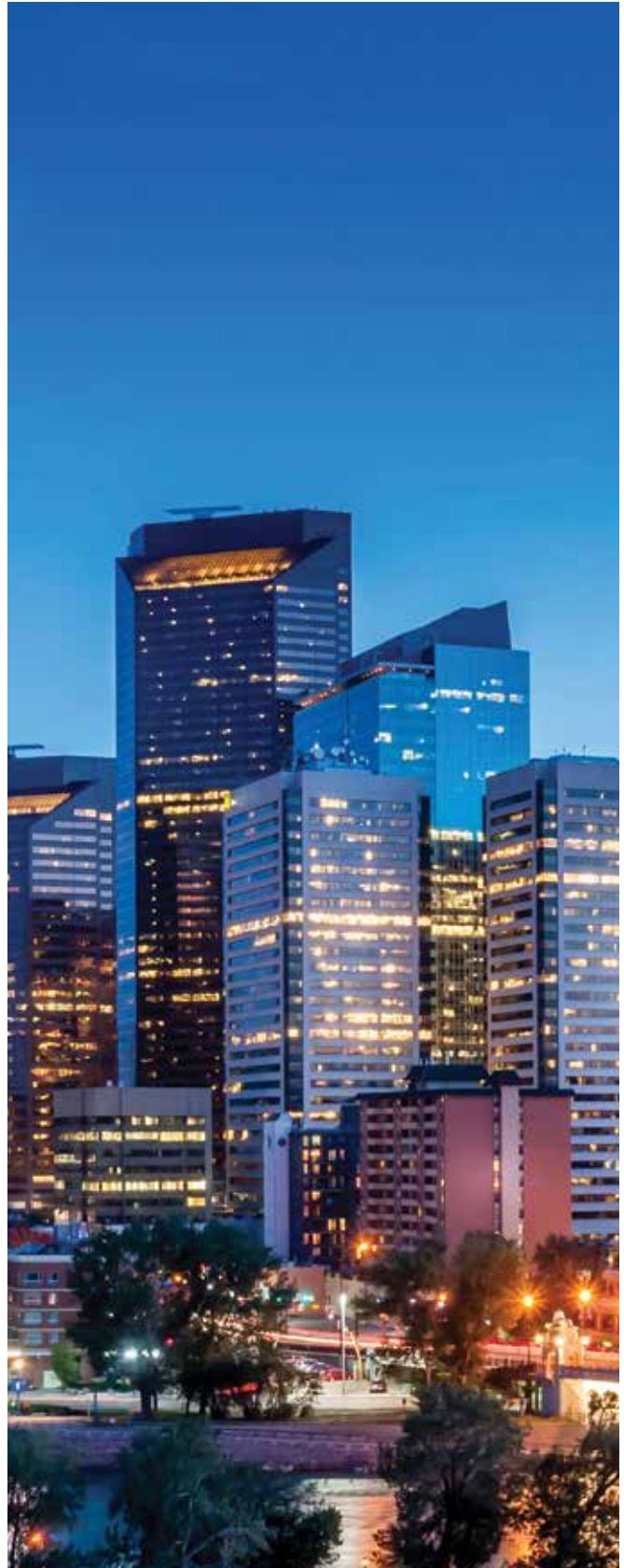
### **Embedding a Service-based and Results-based Way of Working: Ongoing Shift in Culture**

The One Calgary program has been driving towards three key results, including embedding a service-based and results-based culture.

During 2019-2022 we will build on the progress made since 2014 to further embed our 'One City, One Voice' corporate culture. We will ensure that the shift in focus from who delivers services to what will be delivered, how well and why, including contributions to the quality of life of Calgarians, is not only reflected in our service-based plans and budgets but something firmly rooted in every part of our business. Fully embedding this approach in every element of the Performance Management System will be some of our next steps.

Part of this journey for Administration includes further developing an organizational governance model that includes service owners for each of The City's services who will work together to deliver on Council's direction, develop service plans and propose budgets to support delivery of services. Collaboration is required to deliver on what is most important and place these interests ahead of those of any one department, business unit or service. The approach also recognizes the importance of the existing organizational structure and clear accountabilities.

Our employees are a critical part of the journey forward. Change management and communications strategies and tactics will be used to ensure City employees are informed and engaged as we make this journey together.



# The City's Strategic Plan Principles

## Creating Value for Citizens

The City's framework for the development of its 2019-2022 Service Plans and Budgets is based on five over-arching principles that help the organization develop, monitor and continuously improve the value dimensions that are most important to citizens. The first three principles focus on creating value through the development of services plans and budgets (vision, strategy and value), the fourth speaks to accountability through continual monitoring, review and reporting, while the fifth focuses on continuous improvement. It is on these principles that Administration has brought forward its 2019-2022 Service Plans and Budgets to ensure that Calgary is a great place to make a living, and a great place to make a life.

### 1. VISION:

**Address citizen needs and long-term quality of life aspirations.**

#### Key value dimensions:

- Aspirations, hope, fairness, equity, social responsibility, wellbeing

#### Examples of how these are being applied this cycle (One Calgary 2019-2022):

- Citizen Priorities and Council Directives approved to provide the Administration with direction on where the focus should be for the next four-year cycle

Identification of The City's contribution towards quality of life conditions.



### 2. STRATEGY:

**Use a Council-driven and corporately integrated approach to planning for service delivery.**

- Key value dimensions: Environment, reconciliation, resilience, sustainability
- Scalability, expertise, risk, transparency and reputational assurance, innovation, efficiency, effectiveness

#### Examples of how these are being applied this cycle (One Calgary 2019-2022):

- Service pages show a complete integrated picture of service plans (including performance measures, benchmarking, risk, etc.), and both operating and capital budgets.

Services identify how they contribute to Citizen Priorities as well as performance results (customer and citizen outcomes).



### 3. VALUE:

**Focus on what matters most to citizens and customers and maximize their value for city services.**

#### Key value dimensions:

**Functional:** avoids hassles, quality, reliability, responsiveness, saves time, simplifies, reduces risk, reduces effort, legislative compliance, affordability

**Emotional:** accessibility, attractiveness, fun/entertainment, prevention, therapeutic value, wellbeing

Business to Business: ease of doing business, expertise, decreased hassles

#### Examples of how these are being applied this cycle (One Calgary 2019-2022):

- Public and internal engagement that has helped services to better understand what value dimensions are most important to citizens.

Plans and budgets focus on delivering the most value for what matters most given financial capacity available.



### 4. ACCOUNTABILITY:

**Monitor the value generated through services by using performance measures, and reporting.**

#### Key factors and actions:

- Develop service and corporate performance measures and benchmarking as a part of the service plans and report on performance results (including performance on dimensions of value that matter most to citizens and customers).
- Provide a clear line-of-sight of accountability on joint strategies.
- Monitor and maintain a corporate risk register.
- Report regularly to Council and the public on progress.

#### Examples of how these are being applied this cycle (One Calgary 2019-2022):

- Semi-annual accountability reports will identify and report on quality of life results and performance results (including performance on dimensions of service value) for each service.



## 5. CONTINUOUS IMPROVEMENT:

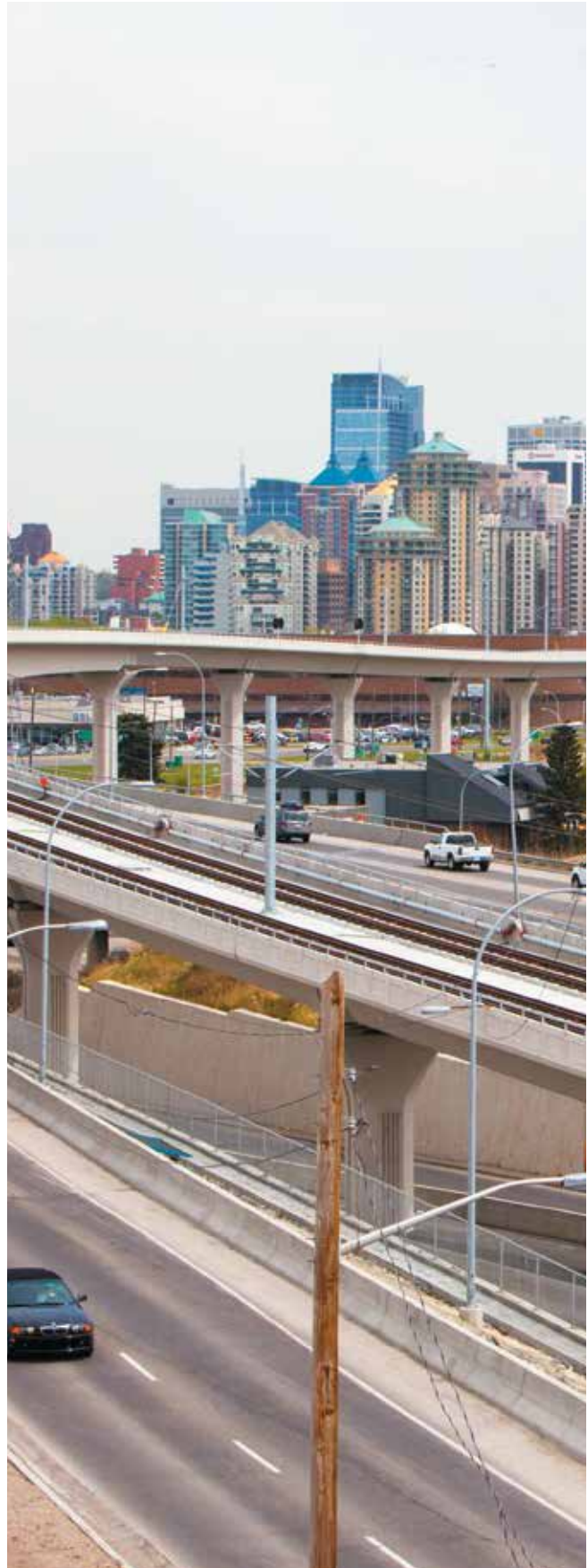
### Seek to improve services and processes and adjust on an ongoing basis.

#### Key factors and actions:

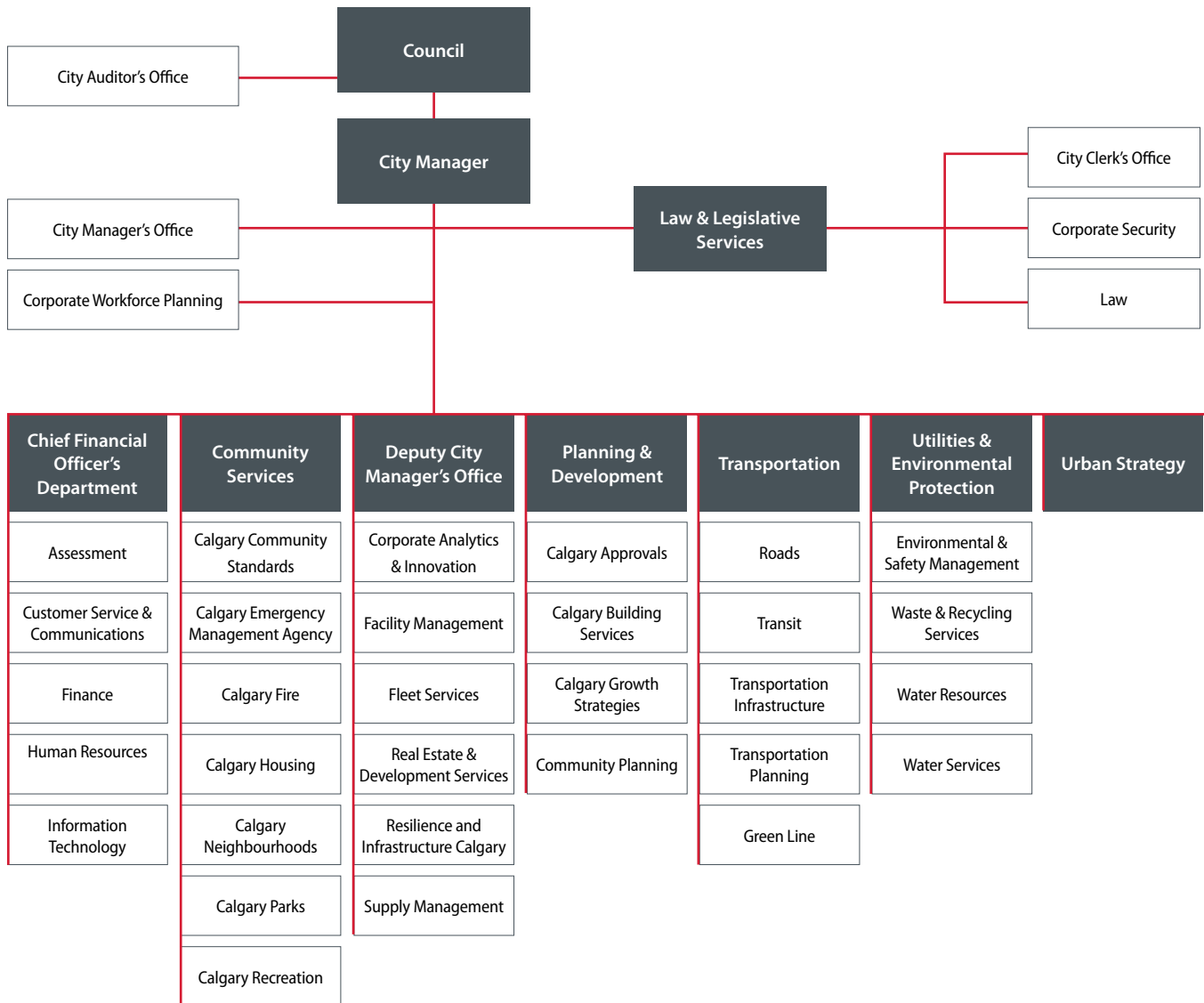
- Implement the Corporate Strategy for Service Efficiency and Effectiveness, using The City's Performance Management System (which includes performance measurement, benchmarking, service review and improvement)
- Revise and adjust plans and budgets in response to emerging needs and Council direction.

#### Examples of how these are being applied this cycle (One Calgary 2019-2022):

- Incorporate Council Directives to Administration for 2019-2022 (C2018-0201) into the development of service plans and budgets.
- Ongoing monitoring of dimensions of value and respond to changes as required.
- Use a variety of approaches across the organization to improve service effectiveness and efficiency.
- Annual adjustments and larger mid-cycle adjustment (in year 2020 to reflect the results of these efforts by adjusting the last two years of the plan)



# Organizational Structure





## Service Owners and Lead Business Units

Citizen Priorities	Service	Led by:	Service Owner(s): (As of October 2018)	Partners:
<b>A Prosperous City</b>	Affordable Housing	Calgary Housing	Sarah Woodgate (Director, Calgary Housing) Teresa Goldstein (Manager, Affordable Housing)	Calgary Housing Company to operate City-owned affordable housing, Silvera for Seniors to provide seniors lodge housing, Community Housing Affordability Collective, Non-profit housing providers and private developers, Provincial and federal governments
	Arts & Culture	Calgary Recreation	James McLaughlin (Director, Calgary Recreation)	City of Calgary business units (e.g. Parks, Roads), City lines of service (e.g. Economic Development and Tourism) Partners (e.g. Calgary Arts Development Authority) Short-term project partners (e.g. National Music Centre, cSPACE, Decidedly Jazz) Community partners (e.g. Action Dignity, Calgary school boards)
	Business Licensing	Calgary Community Standards	Kent Pallister (Chief License Inspector)	Other lines of service: Building Approvals, Development Approvals, Fire & Emergency Response and Police Service Other orders of government: Alberta Health Services, Alberta Gaming Liquor and Cannabis Commission, Service Alberta and Alberta Motor Vehicle Industry Council
	Community Strategies	Calgary Neighbourhoods	Melanie Hulsker (A/Director, Calgary Neighbourhoods) Paula Yung (Manager, Strategic Services)	Advisory committees of Council, other City services, non-profit social service providers, other funders and Calgarians
	Economic Development & Tourism	Calgary Neighbourhoods	Lori Kerr (Manager, Partnership Management) Melanie Hulsker (A/Director, Calgary Neighbourhoods)	Other services including Arts and Culture, Building Approvals, Business Licensing, City Planning and Policy, Development Approvals, and Land Development and Sales Civic Partner organizations and Business Improvement Areas
	Land Development & Sales	Real Estate & Development Services	Chad Blash (Manager, Development Services)	Law, Finance, Calgary Growth Strategies, Transportation Infrastructure, Calgary Approvals, Roads, Water Resources, Transportation Planning, Parks, Affordable Housing, Customer Service & Communication and Environmental & Safety Management
	Library Services	Calgary Neighbourhoods	Lori Kerr (Manager, Partnership Management) Melanie Hulsker (A/Director, Calgary Neighbourhoods)	Calgary Public Library Board Other organizations, include Calgary school boards, YMCA and YWCA, Calgary Police and Fire and University of Calgary

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A Prosperous City</b>	Social Programs	Calgary Neighbourhoods	Cynthia Busche-Hiebert (Manager, Social Programs) Melanie Hulsker (A/Director, Calgary Neighbourhoods)	All orders of government, nonprofit social service providers, local school boards, businesses and City services (e.g. Recreation Opportunities, Public Transit, Waste & Recycling, etc)
<b>A City of Safe &amp; Inspiring Neighbourhoods</b>	Building Safety	Calgary Building Services	Marco Civitarese (Chief Building Official & Manager)	Calgary Fire, Community Services, Law, Transportation, Water Resources, ENMAX, ATCO, External agencies (i.e., Alberta Health Services)
	Bylaw Education & Compliance	Calgary Community Standards	Alvin Murray (Chief Bylaw Officer)	Police Service, Building Approvals, Neighbourhood Support, Parks & Open Spaces, Streets, Waste Water & Treatment, Business Licensing, Fire & Emergency Response, and Taxi, Limousine & Private Vehicles-for-Hire Other agencies: Calgary Alpha House Society, The Safe Communities Opportunity and Resource Centre, Business Revitalizations Zones
	Calgary 9-1-1	Calgary Community Standards	Doug Odney (Calgary 9-1-1 Commander)	Police Service, Fire & Emergency Response, Pet Ownership & Licensing, Bylaw Education & Compliance, Emergency Management & Business Continuity, Public Transit, Alberta Health Services, Tsuut'ina Fire Department
	City Cemeteries	Calgary Parks	Gary Daudlin (Cemeteries Superintendent)	Funeral home providers and related product suppliers
	City Planning & Policy	Calgary Growth Strategies Community Planning	Joachim Mueller (Manager, City Planning & Policy)	Federation of Calgary Communities, community associations, citizens, Calgary Heritage Authority, BILD and NAIOP
	Development Approvals	Calgary Approvals Coordination	Darren Lockhart (Manager, Application Services)	Corporate Approvals Team is made up of employees from across The Corporation that collaboratively review development applications; external partners include utility companies, other orders of government, the Federation of Calgary Communities, industry groups, and Affordable Housing groups
	Emergency Management & Business Continuity	Calgary Emergency Management Agency	Tom Sampson (Chief, Calgary Emergency Management Agency)	Partnerships with over 60 organizations that collectively form the Calgary Emergency Management Agency, partner with all City business units, government agencies, and organizations within the utility, education, transportation, non-profit and private sectors
	Fire & Emergency Response	Calgary Fire Department	Steve Dongworth (Fire Chief) Mark Turik (Deputy Fire Chief)	Fire Inspections & Enforcement, Fire Safety Education, Police, Emergency Management & Business Continuity, 9-1-1, Water Treatment & Supply External partners include Alberta Health Services, Alberta Emergency Management Agency, other municipalities on large-scale emergencies, and public utilities

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A City of Safe &amp; Inspiring Neighbourhoods</b>	Fire Inspection & Enforcement	Calgary Fire Department	Ken Uzeloc (Deputy Fire Chief)	Other City services including: Building Services, Planning and Business Licensing, Calgary Police, 311, Fire & Emergency Response and Fire Safety Education External partners include Alberta Safety Codes Council, Office of the Fire Commissioner and related service providers on fire prevention and risk reduction initiatives
	Fire Safety Education	Calgary Fire Department	Ken Uzeloc (Deputy Fire Chief)	City services including Police, 9-1-1, Bylaw Education & Compliance, Recreation Opportunities and Neighbourhood Supports External partners include social service agencies, seniors' institutions, community groups, schools, businesses and the Office of the Fire Commissioner
	Neighbourhood Support	Calgary Neighbourhoods Calgary Recreation	Cheryl Joynt (Manager, Neighbourhood Support) Melanie Hulsker (A/Director, Calgary Neighbourhoods)	Service lines across the Corporation External partners include residents, CAs/SRGs, the Federation of Calgary Communities, the United Way of Calgary and Area, other non-profit organizations, the Calgary business community, school boards and faith groups
	Pet Ownership & Licensing	Calgary Community Standards	Alvin Murray (Chief Bylaw Officer)	Services Parks & Open Spaces, Police Services, Bylaw Education & Compliance Other animal welfare organizations (Calgary Humane Society, Alberta Animal Rescue Crew Society, MEOW Foundation) University of Calgary Veterinary Medical Program
	Police Services	Calgary Police Service Note: The Calgary Police Commission is a statutory body created under the Alberta Police Act to oversee the Calgary Police Service.	Paul Cook (Deputy Chief) Debra Perry (Strategic Services Manager)	Community organizations, social services agencies, Alberta Health Services, school boards, advocacy groups, Calgary Airport Authority, governmental agencies, and other City business units. Regulatory agencies (Calgary Police Commission, federal and provincial governments) and the justice system (courts, Crown, corrections, law enforcement agencies)
<b>A City That Moves</b>	Parking	Calgary Parking Authority Roads Transportation Planning	Glen Furtado (General Manager, Calgary Parking Authority)	Calgary Transit, community associations, neighbourhoods, and Business Revitalization Zones Calgary Zoo, Heritage Park as well as private sector businesses to manage parking services
	Public Transit	Calgary Transit Transportation Infrastructure Transportation Planning	Doug Morgan (Director, Transit) Chris Jordan (Manager, Access Calgary)	Community Strategies, Neighbourhood Supports, Development Approvals, Emergency Services, Streets, Sidewalks & Pathways, and Social Programs Industry partners, railroads and other orders of government

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A City That Moves</b>	Sidewalks & Pathways	Roads Calgary Parks Transportation Infrastructure Transportation Planning	Troy McLeod (Director, Roads)	Agencies across the public and private sectors, developers, construction industry Community/Business Associations, school boards, police, Alberta Motor Association, and Alberta Health Services
	Specialized Transit	Calgary Transit	Doug Morgan (Director, Transit) Chris Jordan (Manager, Access Calgary)	City services including Streets, Sidewalks & Pathways, Social Programs, and external partners who provide trips as service providers
	Streets	Roads Transportation Planning Transportation Infrastructure	Troy McLeod (Director, Roads)	Traveling public, Alberta Transportation, developers, construction industry, goods movement industry Community and Business Associations, Calgary Police Service, Alberta Motor Association, and Alberta Health Services
	Taxi, Limousine & Vehicles-for-Hire	Calgary Community Standards	Abdul Rafih (Chief Livery Inspector)	Public Transit, Police Service Other orders of government (Government of Alberta, Department of Transportation, Carrier Services and Service Alberta)
<b>A Healthy &amp; Green City</b>	Environmental Management	Environmental & Safety Management	Christopher Collier (Director Environmental & Safety Management)	City services and business units
	Parks & Open Spaces	Calgary Parks	Nico Bernard (Manager, Strategic Services)	Parks Foundation Calgary, sponsors/donors and developers who invest in new parks, City services, the province and school boards, community, sport and nature groups and festival organizations, horticulture/education institutions, onsite vendors including food services and equipment rentals
	Recreation Opportunities	Calgary Recreation	James McLaughlin (Director, Calgary Recreation)	Calgary Neighbourhoods, Calgary Parks, Vivo, YMCA, Repsol, Sport Calgary, McMahon Stadium, Calgary Outdoor Swimming Pools Association, Calgary Minor Soccer Association, and Alberta Health Services, Sport for Life Society
	Stormwater Management	Water Services Water Resources	Rob Spackman (Director, Water Resources) Dan Limacher (Director, Water Services)	Non-governmental organizations, community groups and education partners, Other orders of government (e.g. Alberta Environment and Parks), upstream and downstream municipalities, river users, individual land owners, developers Other City services (e.g. Fire, Emergency Management, Transportation, Parks, Planning), Regional municipalities, Calgary Metropolitan Regional Board

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A Healthy &amp; Green City</b>	Urban Forestry	Calgary Parks	Todd Reichardt (Manager, Parks Centre City)	Development industry, other City service providers on trees for affordable housing sites, riparian areas, etc.; and the landscape industry and educational institutions
	Waste & Recycling	Waste & Recycling Services	Rick Valdarchi (Director Waste & Recycling Services)	Customers (waste generators and haulers in Calgary and the region), government (federal, provincial, municipal, other City services)  Waste Organizations (Recycling Council of Alberta, Green Calgary, Compost Council of Canada, National Zero Waste Council, Alberta Recycling Management Authority)  Education and Community Organizations (universities, school boards, community associations)
	Wastewater Collection & Treatment	Water Services Water Resources	Dan Limacher (Director, Water Services) Andy Hughes (Director, Water Resources)	Education partners (Riverwatch, Advancing Canadian Wastewater Assets etc.), other orders of government (Fisheries and Oceans Canada, Alberta Environment and Parks), upstream and downstream municipalities  Other City services (Waste and Recycling, Planning)  Recipients of biosolids, developers, regional municipalities, Calgary Metropolitan Regional Board
	Water Treatment & Supply	Water Services Water Resources	Nancy Stalker (Manager, Water Quality Services) Carolyn Bowen (Director, Watershed Planning)	Non-governmental organizations, community groups and education partners, Other orders of government (e.g. Alberta Environment and Parks), upstream and downstream municipalities, river users, individual land owners, developers  Other City services (e.g. Fire, Emergency Management, Transportation, Parks, Planning), Regional municipalities, Calgary Metropolitan Regional Board
<b>A Well-Run City</b>	Appeals & Tribunals	City Clerk's Office	Laura Kennedy (City Clerk) Tim Mowrey (Administrative Services Manager)	Law Department Municipal Government Board External Legal Counsel
	Citizen Engagement & Insights	Customer Service & Communications	Krista Ring (Manager, Customer Experience)	Administrative Leadership Team, City departments/owners of long-term plans, Council, community stakeholder groups, private industry (local developers and other organizations), and the provincial and federal governments

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A Well-Run City</b>	Citizen Information & Services	Customer Service & Communications	Clarke Bellamy (Manager, 311/Citizen Services)	Information & Technology, all City service owners are partners in delivering this service (e.g. Pet Ownership & Licensing, Bylaw & Compliance, Streets, Waste & Recycling, Business Licensing, Social Programs, Taxation, Property Assessment, Organizational Health & Safety, Human Resources Support, Insurance & Claims)
	City Auditor's Office	City Auditor's Office	Kathy Palmer (City Auditor)	N/A
	Corporate Governance	City Clerk's Office Corporate Analytics & Innovation Customer Service & Communications Deputy City Manager's Office Environmental & Safety Management Facility Management Fleet Services Finance Human Resources Information Technology Law & Legislative Services Real Estate & Development Services Resilience & Infrastructure Calgary Supply Management	Brad Stevens (Deputy City Manager and Chief Resilience Officer) Rosemarie Aronitz (Leader, Strategic Services)	Other orders of Government, External regulatory bodies, Executive Leadership (ALT)
	Council & Committee Support	City Clerk's Office	Laura Kennedy (City Clerk) Tim Mowrey (Administrative Services Manager)	Corporate Security, Audiovisual Vendor(s), Information Technology, Mayor's Office, Office of the Councillors, Administration's Executive Offices, Law Department, Recreation, Facility Management, Boards, Commissions and Committees

<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>A Well-Run City</b>	Executive Leadership	City Manager's Office Corporate Initiatives Deputy City Manager's Office Chief Financial Officer's Department Law & Legislative Services General Manager's offices Finance Urban Strategy	Jeff Fielding (City Manager) Chris Stewart (Manager, Corporate Initiatives)	Council
	Mayor & Council			Citizens, businesses, civic partners and community groups Audit Committee partners with the City Auditor's Office, external auditors and civic partners Integrity and Ethics Office partners with members of Council
	Municipal Elections	City Clerk's Office	Laura Kennedy (City Clerk) Tim Mowrey (Administrative Services Manager)	Information Technology, Transit, Communications, Administrative Leadership Team, Law, Corporate Security, Finance, Calgary Neighbourhoods – Diversity team, School Boards, Government of Alberta, Other Municipalities
	Property Assessment	Assessment	Nelson Karpa (Director, Assessment)	Government of Alberta External assessment jurisdictions Industry groups City of Calgary services such as Building Approvals, Taxation and Financial Support, and Legal Counsel & Advocacy
	Records Management, Access & Privacy	City Clerk's Office	Laura Kennedy (City Clerk) Tim Mowrey (Administrative Services Manager)	Information Technology, Information Security (Corporate Security), Business Unit Records and Information Specialists, FOIP (Freedom of Information and Protection of Privacy), Program Administrators in all business units
	Taxation	Finance	Mike Perkins (Manager, Tax, Receivables and Accounts Payable)	Finance, Information Technology, Customer Service & Communications, Business Improvement Areas, Assessment

Citizen Priorities	Service	Led by:	Service Owner(s): (As of October 2018)	Partners:
Enabling Services	Corporate Security	Corporate Security	Owen Key (Chief Security Officer) Don von Hollen (Team Lead, Business Innovation & Support)	Administrative Leadership Team, the Senior Management Team, the Mayor and Members of Council, Law, City Clerks, Information Technology and Facility Management External partners include Civic Partners, Calgary Police Service, Calgary Public Library and Calgary Housing Company
	Data Analytics & Information Access	Corporate Analytics & Innovation	Bruce Cullen (Director, Corporate Analytics & Innovation)	Information Technology, Supply Management, Law, Customer Service & Communications (311), Calgary Emergency Management Agency, University of Calgary Urban Alliance, SAIT, Mount Royal University, Calgary Housing Company, Calgary Parking Authority, ENMAX, Calgary Airport Authority, Calgary Police Service, Southern Alberta Regional Partnership, Municipal Emergency Partners
	Facility Management	Facility Management	Darrel Bell (Director, Facility Management)	City Council, Executive Leadership, and service owners External partners include third-party tenants, consultants, contractors, vendors, other orders of government and municipalities
	Financial Support	Finance	Cathy An (Finance Manager, Portfolio & Strategy)	Service Owners, Administrative Leadership Team, Infrastructure Calgary, Audit Committee, Investment Advisory Committee, Pension Governance Committee, Internal and External Reporting Stakeholders
	Fleet Management	Fleet Services	Sharon Fleming (Director, Fleet Services)	City business units, including: Supply, Information Technology Facility Management, Finance, Environmental Safety Management, and Law
	Human Resources Support	Human Resources	Leslie Shikaze (Chief Human Resources Officer) Christopher Collier (Director, Environmental & Safety Management)	Partners with management and leaders Unions and Associations External bodies, notably MEBAC, pension authorities and vendors
	Infrastructure Support	Corporate Analytics & Innovation	Steve Wyton (Manager, Corporate Projects & Asset Management)	Information Technology, Supply Management, Law, Infrastructure Calgary, ENMAX, Association of Professional Engineers and Geoscientists of Alberta (APEGA), University of Calgary Urban Alliance, Consulting Engineers of Alberta, Calgary Construction Association, Government of Alberta
	Insurance & Claims	Law	Fazal Ashraf (Leader, Risk Management & Claims)	Legal Counsel & Advocacy



<b>Citizen Priorities</b>	<b>Service</b>	<b>Led by:</b>	<b>Service Owner(s): (As of October 2018)</b>	<b>Partners:</b>
<b>Enabling Services</b>	IT Solutions & Support	Information Technology	Heather Reed-Fenske (Chief Information Technology Officer)	Corporate Analytics & Innovation, Customer Service & Communications, Law, Corporate Security, Supply, and external contracted service providers
	Legal Counsel & Advocacy	Law	Jill Floen (Assistant City Solicitor)	Assessment, Human Resources, Calgary Community Standards, Real Estate & Development Services, Supply Management, Risk Management & Claims, Planning & Development, Transportation Infrastructure, Water Resources & Water Services, Calgary Parking Authorities
	Organizational Health, Safety & Wellness	Environmental & Safety Management Human Resources	Christopher Collier (Director, Environmental & Safety Management) Leslie Shikaze (Chief Human Resources Officer)	Human Resources Support, unions, associations, contracted external vendors and service providers, as well as Alberta Labour and the Workers' Compensation Board
	Procurement & Warehousing	Supply Management	Sarah Aspinall (Director, Supply Management)	Law, IT, Facilities Management, Environmental & Safety Management, and Human Resources  Clerk's Office, Fleet Services, Facility Management, Corporate Analytics & Innovation, MERX™(external bidding portal), and other levels of government
	Real Estate	Real Estate & Development Services	Doug Cassidy (Director, Real Estate & Development Services)	Law, Finance, Communications, Human Resources, Information Technology, Planning & Development, Facility Management, Environmental & Safety Management and Affordable Housing
	Strategic Marketing & Communications	Customer Service & Communications	Aisha Sinclair (Manager, Public & Employee Communications)	Internal Partners: Council, City Manager's Office, Administrative Leadership Team, service owners External partners: Government of Alberta, Government of Canada, regional municipalities, vendors, media, City partners (Calgary Economic Development, Calgary Tourism, Chamber of Commerce, etc.)







# Glossary

**Account Categories** – refers to revenues, recoveries and expenditures.

**Account Groups** – a roll-up of a number of accounts representing similar transaction types e.g. Communication Services (Account group) includes accounts such as, Advertising and Promotion, Photocopier Services, Printing, Telephone and Fax, etc.

**Accountability Reporting** – reports from Administration to Council reporting on progress in achieving business plan goals and performance measures, and adherence to approved budgets.

**Adjustments** – annual review and Council approval of changes to the approved business plans and budgets. Adjustments occur each year of the business cycle after the initial approval of the four-year plans and budgets, and are used to allow the organization to adapt to emerging issues and unforeseen events.

**Alternative Service Delivery** – the provision of services, that were traditionally provided by City staff, by an external organization including community partners and not for profit organizations, public/private partnerships, other orders of government or the private sector.

**Annual Investment Program (AIP)** – a recurring capital program focused on maintaining or upgrading current, in-service assets or for ongoing purchases of similar assets.

**Base** – on-going operating revenues, recoveries and expenditures which recur annually in budgets without additional approval.

**Baseline** – a visual display of the history and forecast for a performance measure or indicator.

**Benchmark** – an established point of reference against which performance can be measured and compared, for purposes of learning and identifying best practices.

**Budget Projection** – a high-level estimate projecting the operating revenues and costs of the current year's levels of service into the future, including such significant impacts as new capital projects, labour settlements, user fee growth, population growth and inflation.

**Business Unit** – the third level of the organizational structure of The City of Calgary representing a specific business function typically with the leadership of a Director.

**Calgary Transportation Plan (CTP)** – transportation plan for long-term mobility, growth and development patterns in Calgary. The plan provides policies that integrate social, economic and environmental objectives for the next 30 years with a focus on mobility. The policies in the CTP link directly to those in the Municipal Development Plan.

**Capital Assets/Tangible Capital Asset (TCA)** – are tangible items such as land and land improvements, engineered structures, buildings, machinery and equipment, and vehicles having physical substance that are controlled by The City, provide future economic benefits to The City, have useful lives longer than one year, are used on a continuing basis, and are not held for sale in the ordinary course of operations. TCAs with a limited useful life must be depreciated on a yearly basis.

**Capital Budget** – expenditures and financing required to build or otherwise acquire capital assets (e.g. construction of a light rail transit line).

**Capital Infrastructure Investment Principles (CIIP)** – To support the purposeful approach to capital investment, Council approved the Capital Infrastructure Investment Principles (CIIP) in March 2018. This is an update to the previously approved Capital Infrastructure Investment Strategy (CIIS) from November 2015. Infrastructure Calgary is responsible for the implementation of these principles. These principles emphasize that intentional management of capital at The City will: Support the delivery of City of Calgary services, at approved service levels; Promote the well-being of communities, environment, and economy; Build an adaptable, resilient and smart city; Enhance the long-term value of City assets; Integrate, coordinate and optimize The City’s investment.

**Capital Growth** – development of infrastructure to service Calgary’s growth, in both population and area, demographic changes, and economic expansion (not specific or exclusive to new and actively developing communities). It includes “downstream” projects such as transportation improvements that are necessitated primarily by growth at the periphery of the city.

**Capital Maintenance** – the maintenance capital budget category includes capital projects associated with the regular maintenance/replacement of The Corporation’s physical assets. Potential projects are normally evaluated and prioritized at the department or business unit level through regular maintenance programs or formal lifecycle analyses.

**Capital Program** – a grouping of capital projects that are related and benefit from being planned and managed together.

**Capital Project** – a capital investment that is planned, delivered and evaluated on its own merit and has a well-defined scope, cost and schedule resulting in new or substantially improved assets.

**Capital Service Change** – a category of Capital Budget that includes new infrastructure associated with a Council decision to provide a new or expanded level of service. This is driven primarily by changing public expectations or legislation.

**Capital Upgrade** – a category for Capital Budget that refers to improvement of existing infrastructure with new assets that improve functionality, reliability or compatibility. These changes are driven by legislation, technological innovations, changing public needs and expectations, change in the environment or changes in potential risk.

**Citizen Outcome** – each Citizen Priority has an accompanying statement goal (e.g., “Every Calgarian lives in a safe, mixed and inclusive neighbourhood, and has the right and opportunity to participate in civic life. All neighbourhoods are desirable and have equitable public investments.”). City services contribute to the achievement of Citizen Outcomes.

**Citizen Priorities** – each of the five priority headings (e.g. “A prosperous city”) are referred to as a Citizen Priority. The heading describes the desired result or end state.

**Citizens** – the population or residents of Calgary as a whole.

**Civic Partners** – independent organizations that have either been created by The City, or with whom The City partners to deliver a Council approved strategy or mandate through an operating grant or other form of investment over \$500,000; or partners with to deliver programs and services, operate major City-owned facilities, or steward land, artifacts, or other assets through the management or use of a Regional Recreation Centre, a nominal lease, or an operating or capital grant over \$500,000.

**Common Revenues** – a set of budget programs that captures revenues, including taxation, franchise fees, general revenue, and investment income flowing to the corporation as a whole, in contrast to revenues that flow directly to a service.

**Consumer Price Index (CPI)** – a value calculated by Statistics Canada indicating the prices paid at any given point in time for a “basket of goods and services” by a typical household. The “basket” includes shelter, food, transportation, health and personal care items, household operations and furnishings, clothing and other expenditures.

**Corporate Costs** – a budget program that capture corporate expenditures rather than expenditures specific to a service.

**Corporate Costs & Debt Servicing** – a set of budget programs that include capital financing costs; civic and intergovernmental affairs; corporate costs; employee benefits; Gas, Power, and Telecommunication Committee and scholarships.

**Corporate Programs** – the combination of Common Revenues and Corporate Costs & Debt Servicing.

**Council Directive** – each Citizen Priority has accompanying Council Directive statements that provide a shared vision and priorities for the next four years.

**Credit Rating** – the rating given to The City by external rating agencies that assesses The City's creditworthiness and ability to repay debt or financial obligations.

**Current Capital** – capital investments needed to maintain a level of service at existing levels.

**Customer** – an individual or organizations that benefits from the service output. In addition to individual citizens or population segments, customers can include businesses, other levels of governments and/or individuals who do not live in Calgary but use City services.

**Customer Segmentation** – the process of identifying sub-groups (segments) of existing and potential customers based on shared characteristics to better understand each segment's unique needs and expectations.

**Debt Limit** – the maximum amount of debt principal that The City can have outstanding, expressed as a percentage of revenue, as stipulated in the Municipal Government Act.

**Debt Service Limit** – the maximum annual debt servicing (principal and interest) The City can assume, expressed as a percentage of revenue, as stipulated in the Municipal Government Act.

**Department** – the 2nd level of organization in The City of Calgary organizational structure led by a General Manager. Each department includes a number of business units.

**Effectiveness** – the extent to which outcomes are achieved. Outcomes are as defined by Council, Citizen Priorities, and long-term organizational goals. An effective delivery system achieves the maximum outcomes given the outputs delivered.

**Efficiency** – the relationship between inputs (typically expressed in terms of cost) and outputs (programs and services). Efficiency is concerned with the resources used per unit of output produced.

**Enabling Services** – Enabling services support the delivery of public-facing services. Examples of enabling services include Facility Management, Financial Support, Human Resources Support, and Information Technology Solutions and Support.

**Engagement** – purposeful dialogue between The City and citizens and stakeholders to gather information to influence decision making.

**Enhanced Capital** – capital investments needed to provide an increase in the level of service of an existing service or introduce a new service.

**Environmental Scan** – a method used to identify external and internal factors, including trends that may potentially affect the organization. This is work typically completed at the start of a strategic planning cycle.

**Essential Capital** – capital investments needed to meet legal, regulatory, health and safety requirements, critical infrastructure, critical asset risk mitigation or minimize service delivery costs

**Expenditures** – payment for items in a variety of areas such as, but not limited to, contract and general services; salaries, wages and benefits; materials and equipment.

**Financial Outlook** – a projection of the future financial position based on assumptions regarding future revenue and expenditure.

**Fiscal Stability Reserve (FSR)** – The reserve created by Council in January 2005 as a contingency for significant emergencies or revenue shortfalls and as a source of funding for one-time operating projects. The Reserve’s investment income is used to fund one-time operating budget expenditures. The minimum balance is set at 5 per cent of gross annual operating expenditures (net of recoveries and exclusive of utilities) and the targeted reserve balance is set at 15 per cent of gross annual operating expenditures (net of recoveries and exclusive of utilities).

**Franchise Fees** – fee in lieu of property taxes based on an agreement granting a special franchise (e.g. use of City right of way for underground pipes). Paid by utility companies to The City. Also known as Municipal Consent Access Fees.

**Full Time Equivalent (FTE)** – approved staff positions. One FTE equals one employee working full time hours for one year.

**Funding** – sources of revenue such as, but not limited to, tax support, fines and penalties, user fees, utility fees, waste and recycling fees and internal recoveries.

**Gross Expenditures (net of recoveries)** – expenditures less internal recoveries from other business units/services.

**Growth Areas** – specific geographically defined locations in the city that will be further developed to accommodate population or non-residential increases.

**Growth Costs** – costs directly attributable to an increase in the population or geographical area of Calgary. Costs could include operating, capital, one-time, and base.

**imagineCALGARY** – long-term outlook document for the City of Calgary containing the 100-year vision and 30-year targets and goals, as well as strategies for accomplishing these goals. It was developed with input from thousands of Calgarians to help create a sustainable future and exceptional quality of life for generations to come.

**Indicative Rates** – the tax rate or utility rate changes that are approved by Council for the purpose of preparing the plans and budgets for Council’s approval.

**Indicator** – a metric that helps to quantify the achievement of a quality of life result.

**Inflation** – change in the overall price level (see Consumer Price Index or Municipal Price Index).

**Leadership Team** – this represents the Senior Management Team which includes Directors who are leaders of business units, General Managers and other senior staff.

**Local Improvement Tax** – dedicated tax revenues collected from individual taxpayers within a specific area to cover capital works undertaken by The City at the taxpayer’s request (e.g. street or lane paving, construction of driveway crossings and new sidewalks).

**Long-Range Financial Plan** – the document published by The City that sets out financial goals and strategies to achieve long-term financial sustainability and includes a projection of operating and capital requirements and financial position over the next ten years. The City of Calgary published its first such plan in 2007, updated it in 2011 and 2015.

**Long-Term Plans** – City of Calgary strategic planning documents including imagineCALGARY, the Municipal Development Plan, and the Calgary Transportation Plan.

**Long-Term Recovery Rate** – a target for the proportion of the cost of a service or program that will be paid for by the users of the service (through user fees), to be achieved over a ten-year period.



**Municipal Benchmarking Network Canada (MBNCanada)** – a partnership between Canadian municipalities who believe in the power of measurement to inspire continuous improvement in the delivery of services to our communities. Partner municipalities identify and collect consistent and comparable data on their municipal service areas, report the findings annually and analyze the results. Partners also use the network to discuss results, share practices and use data to support decision-making.

**Municipal Development Plan (MDP)** – the MDP describes the land use for long-term growth and development patterns in Calgary. It provides policies that integrate social, economic and environmental objectives for the next 30 years. These policies speak of the need for a more sustainable city that provides the citizens of today and in the future with a high quality of life, high quality of living environments and convenient means to get around. The policies in the MDP are linked directly to those in the Calgary Transportation Plan.

**Municipal Sustainability Initiative (MSI)** – the Province of Alberta’s commitment to provide significant long-term funding to enhance municipal sustainability to enable municipalities to meet the demands of growth. Municipalities determine projects and activities to be funded by the MSI based on local priorities, within the general qualification criteria set out in the program guidelines.

**Municipal Price Index (MPI)** – a composite number reflecting the prices of the goods and services that The City purchases. It is used to calculate the total inflationary impact of changes in prices paid by The City of Calgary for materials, labour and services.

**Net budget** – budgeted expenditures less recoveries and revenues. The total City’s net budget is zero representing no budgeted surplus or deficit. However net budget of department, business unit, or service represents the amount of support from Corporate Programs.

**Net-zero** – no impact to net budget. E.g. expenditures are offset by either revenues or recoveries.

**One-time** – nonrecurring revenues, recoveries or expenditures.

**Operating Budget** – items of revenue, recoveries and expenditures pertaining to ongoing day-to-day operations, generally exhausted within one year.

**Operating Impact of New Capital (Incremental)** – the additional annual cost to operate and maintain new capital assets requested in 2019-2022.

**Operating Impact of Previously Approved Capital** – the annual cost to operate and maintain capital assets previously approved in the 2015-2018 budgets but not in service until 2019 or later.

**Other Partners** – not-for-profit organizations and entities, other than the Civic Partners, who also may have a formal and legal relationship with The City of Calgary to provide services or programs in conjunction with, or on behalf of The City. This may include community associations, sports organizations, business partners, etc.

**Performance Measure** – a numerical metric to monitor and assess how well The City is achieving its desired results from a variety of perspectives, including the management of costs and the results achieved. Using the Results-Based Accountability™ thinking process, performance measures are categorized as ‘how much’, ‘how well’ and ‘is anyone better off’ through services delivered. Organization-wide performance measures reflect the performance of the organization as a whole.

**Property Tax** – the tax levied based on the assessed market value of all taxable properties.

**Quality of Life Result** – a population condition of well-being for children, adults, families and communities stated in plain language.

**Realignments** – are defined as moving budget funds within or between business units or services, with a net zero impact, with the intent of adjusting budgets to match the current situation.

**Recoveries** – internal charges to another business unit/service.

**Reserve** – Funds authorized by Council to be set aside for funding of future expenditures.

**Resilience** – Capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience.

**Results-Based Accountability™** – a consistent and disciplined thought approach to managing The City’s performance with results as the starting point, understanding what customers value, and using evidence-based decision making.

**Revenues** – the income generated from a variety of external sources including, but not limited to, the sale of goods or services, user fees, other sales, fines and penalties.

**Risk** – a potential event that could affect the achievement of objectives and deals with the uncertainty of events. It is measured in terms of impact and likelihood.

**Self-Supported Programs** – programs not funded by property tax revenues but from revenues or recoveries resulting from their own operations (e.g. Utilities).

**Service** – the commitment to deliver outputs that meet the needs of customers and contributes to outcomes (Quality of Life results).

**Service Cost Ratio** – a ratio of what is provided (the result or benefit) from a service and the cost of providing these results. Used to communicate the operating cost of the service in a way that is relatable to citizens.

**Service Levels** – a measurable level of performance that a customer can expect from a service, under normal circumstances. i.e. Quality, responsiveness, accessibility etc.

**Service Owner** – Individual responsible for representing the service on behalf of Administration.

**Service Plan** – a documented plan that describes a service’s outcomes, measures of success (performance measures and forecasts) and the strategies and specific actions that will be undertaken to achieve these outcomes.

**Service Portfolio** – the complete set of services provided by The City of Calgary.

**Service Output** – the final product of a service delivered to a direct customer. It addresses the customers’ needs fully and is tangible and quantifiable. Examples include a transit trip or a program visit. In some cases, services may have multiple distinct outputs. In these instances, a service unit – the unit by which the service can be measured is sometimes used. In most cases, the Service Output and Service Unit are the same.

**Service Value** – the balance between what is provided (results and benefits) and the cost of providing the service. The results and benefits are both short-term benefits (e.g. a transit trip) and long-term benefits (e.g. reduction in greenhouse gas emissions). The cost includes the cost of delivering the service, irrespective of funding source (e.g. tax support, user fees, grants).

**Shock** – a sudden, sharp event that threatens a city. Typically a single event disaster, such as a flood, fire, disease outbreak and human-caused incident.

**Stress** – a factor that pressures a city on a daily or reoccurring basis, weakening the fabric of a city. Examples include high unemployment, an overtaxed or inefficient public transportation system, and chronic food and water shortages.

**Sub-Service** – service offerings that specialize the output and/or customer of a service. Note: Sub-services will be further defined and refined in 2019-2022.

**Tax Supported** – generally refers to Total City less Utilities. Utilities are excluded due to it being directly funded fully by revenues from customers.

**Tax Supported Programs** – programs funded in whole or in part, directly or indirectly, by revenue from municipal property taxes. This includes all operating budget programs with the exception of utilities and other self-supported programs.

**TCA Depreciation** – an estimate of the depreciation of The City’s infrastructure. Unless otherwise indicated, the depreciation estimates are presented only for information and are not directly included in the budget expenditures. Depreciation is the estimate of the reduction in value of a TCA with the passage of time, due to its use and/or wear and tear of the TCA. TCA depreciation is calculated by taking the TCA cost minus the salvage value of the TCA and dividing the cost by the estimated useful life (the period of time over which we expect to be using the tangible capital asset).

**Triple Bottom Line (TBL)** – an approach to decision-making that considers economic, social and environmental issues.

**Turn the Curve** – what success would look like if we do better than the baseline. (The curve is intended to suggest the anticipated direction of expected future change, not a target.)

**User Fees** – a payment charged in exchange for a good or service provided by The City. Transit fares and pool admission fees are examples.

**Utility Rates** – prices (rates) that consumers are charged for utilities.

**Value Dimensions** – characteristics and expectations of a service that citizens perceive as having value, usually expressed as a single word. Affordability, reliability or safety are examples of value dimensions.

**Value Proposition** – a set of clear statements that define how a service fulfils a customer’s need, the specific benefits the service delivers, why customers would choose a City service over an alternative, and the potential impacts if The City didn’t provide the service.

**Zero-Based Review (ZBR)** – a periodic, in-depth review of whether the right services are provided in the right way. Reviews are designed to increase the value Calgarians get from their tax dollars by improving the efficiency, effectiveness and sustainability of services while also building the organization’s capacity for continuous service improvement.

