

City Budget 2020: What You Should Know

The City of Calgary operating budget outlines which programs and services will be funded and which will be cut. The City has a budget plan for 2019-2022. According to the *Alberta Municipal Government Act*, The City must balance its books each year. It is not allowed to borrow money to meet day-to-day **operating expenses**. It can borrow money for long-term **capital projects** such as roads and buildings.

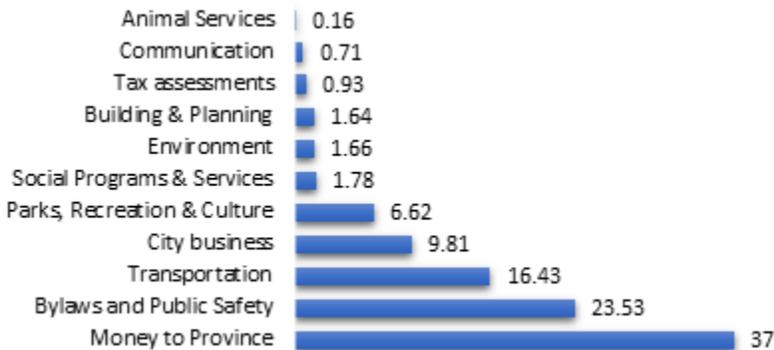
Impact of COVID-19 and low oil prices

Administration is predicting a **shortfall of \$56 to \$82 million** for the rest of 2020. The City must either reduce spending or increase revenue, or both, to balance the budget. These changes to the budget are called **Mid-Cycle adjustments**. The City is looking for ways to save at least \$74 million through the Solutions for Achieving Value and Excellence ([SAVE](#)) program.

Where does The City get its money?

Property taxes are the biggest source of income, but they are shared with the Province. On July 21, 2020, City Council decided not to increase overall property taxes for 2021. Other sources of money include business taxes, user fees, licences and fines, reserves, and grants from other levels of government. The good news is The City will receive \$152.8 M in stimulus money to invest in [capital projects](#), including affordable housing and transit infrastructure. There has also been some federal money for operations in 2020. Operating funds for 2021 are still at risk.

How does The City spend property taxes? Here's the breakdown of a tax dollar in cents:



What programs and services are at risk? How will cuts affect the most vulnerable?

- **Transit:** Relies heavily on revenue from fares and advertising. Transit is predicting a [shortfall of \\$59M](#). The City wants to reduce regular service, stop growth, and use contracted services.
- **Sidewalks, Pathways and Streets:** Snow and ice removal will be reduced.
- **Fire Response:** City Council is suggesting an increase of 30 seconds in response time to save \$6.90 on the average tax bill. This is enough time for a fire to double in size.
- **Civic Partner Funding (Public Library, Calgary Zoo, Arts Commons, etc.):** May be at risk of cuts.
- **Recreation Centres:** Depend on admission and programming fees, so may be at risk of cuts.
- **Youth Employment Centre & Youth Probation Officer:** May be at risk for cuts.

What happens next?

- **November 9:** City Council will review Administration's recommendations
- **November 23-27:** City Council will decide on budget adjustments and hear input from the public. This is your chance to make your voice heard!