



Approach to the 2027-2030 Budget Cycle

C2026-0749

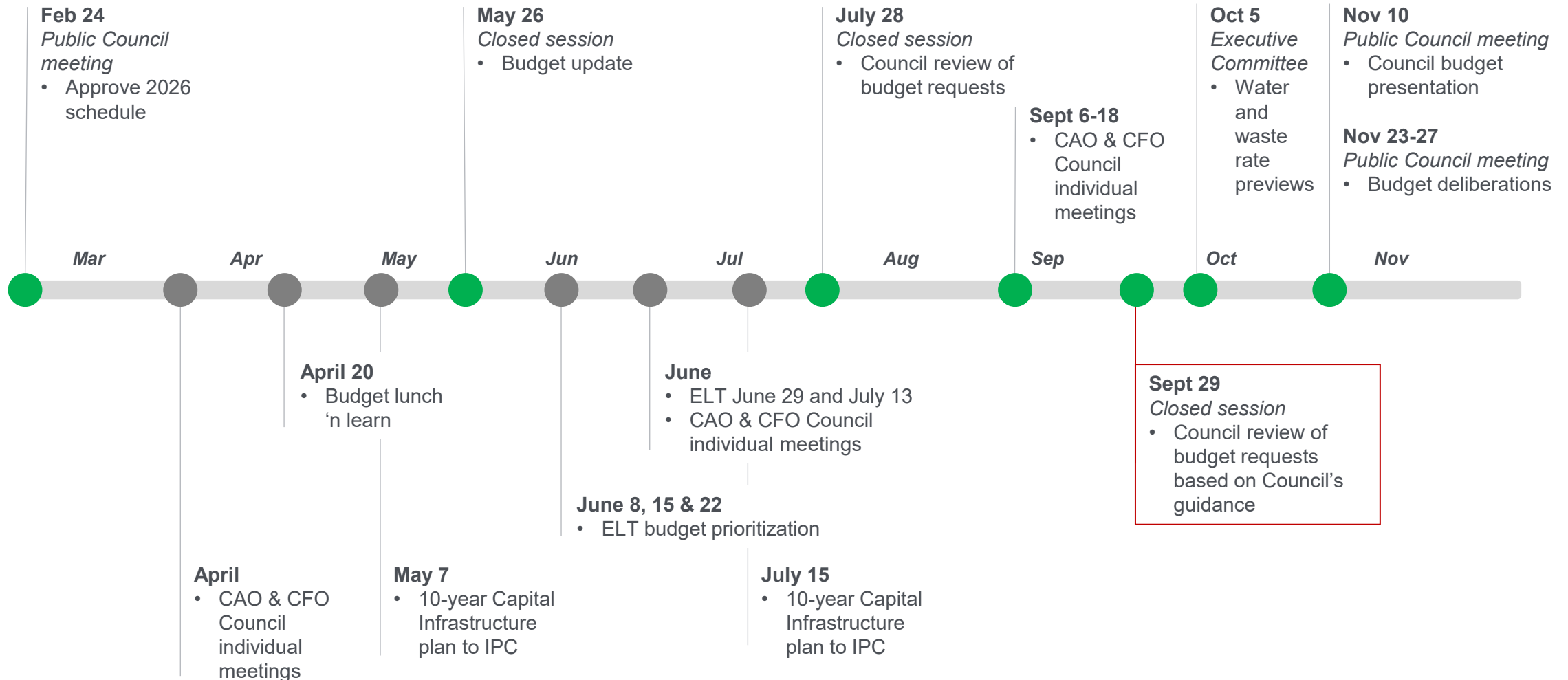
September 29, 2026

Recommendations

That Council:

1. Receive the confidential cover and attachments 1, 2, 3, 4 and 5 for information and discussion;
2. Direct that the Closed Meeting discussions and confidential cover and attachments 1, 2, 3, 4 and 5 remain confidential pursuant to Section 29 (Advice from officials) of the *Access to Information Act*, to be reviewed no later than December 31, 2026; and
3. Direct that, notwithstanding Recommendation 1, the Closed Meeting discussions and confidential cover and confidential attachments 1, 2, 3, 4 and 5 be released to Business Planning – Finance and further shared with Administration and the Calgary Police Service only where required to support next steps in the budget process.

Where we are in the budget cycle





Purpose of today's discussion

- Review the outcomes, trade-offs and risks associated with Council's July 28, 2026 funding guidance for the 2027-2030 Budget (15 per cent, 12.5 per cent, 9 per cent and 6 per cent, respectively)
- Administration to receive additional or updated Council guidance to be able to develop the proposed 2027-2030 Business Plans and Budgets for November.



What's shaping budget decisions?

Calgarians' input informs budget planning

Key highlights

Spring Survey of Calgarians

Feb. 17 – March 16

Calgarians' priorities

- Traffic and roads (39%)
- Crime, safety and policing (21%)
- Growth and planning (15%)
- Transit (14%)
- Homelessness (11%)

Balancing taxes and services

57% show a preference to increase taxes at current inflation rate to maintain services at current levels.

Value for tax dollars

51% believe they receive good value for their tax dollars.

Trust in The City

54% trust The City a great deal or a little.

+

Budget public engagement

March 18 – April 15

Protect core services first

- Prioritize essential services like:
 - Water
 - Roads
 - Public safety
 - Transit

Service quality and long-term sustainability

Fall Survey of Calgarians preview

Calgarians' priorities

- Infrastructure, traffic and roads (36%)
- Crime, safety and policing (23%)
- Homelessness, poverty and affordable housing (18%)
- Transit (15%)
- Growth and planning (12%)

Highest level of trust in The City since 2018

56% ▲ 9%

Preference to increase taxes by inflation to maintain services

58% ▲ 8%

Tax dollars increasingly seen as delivering good value

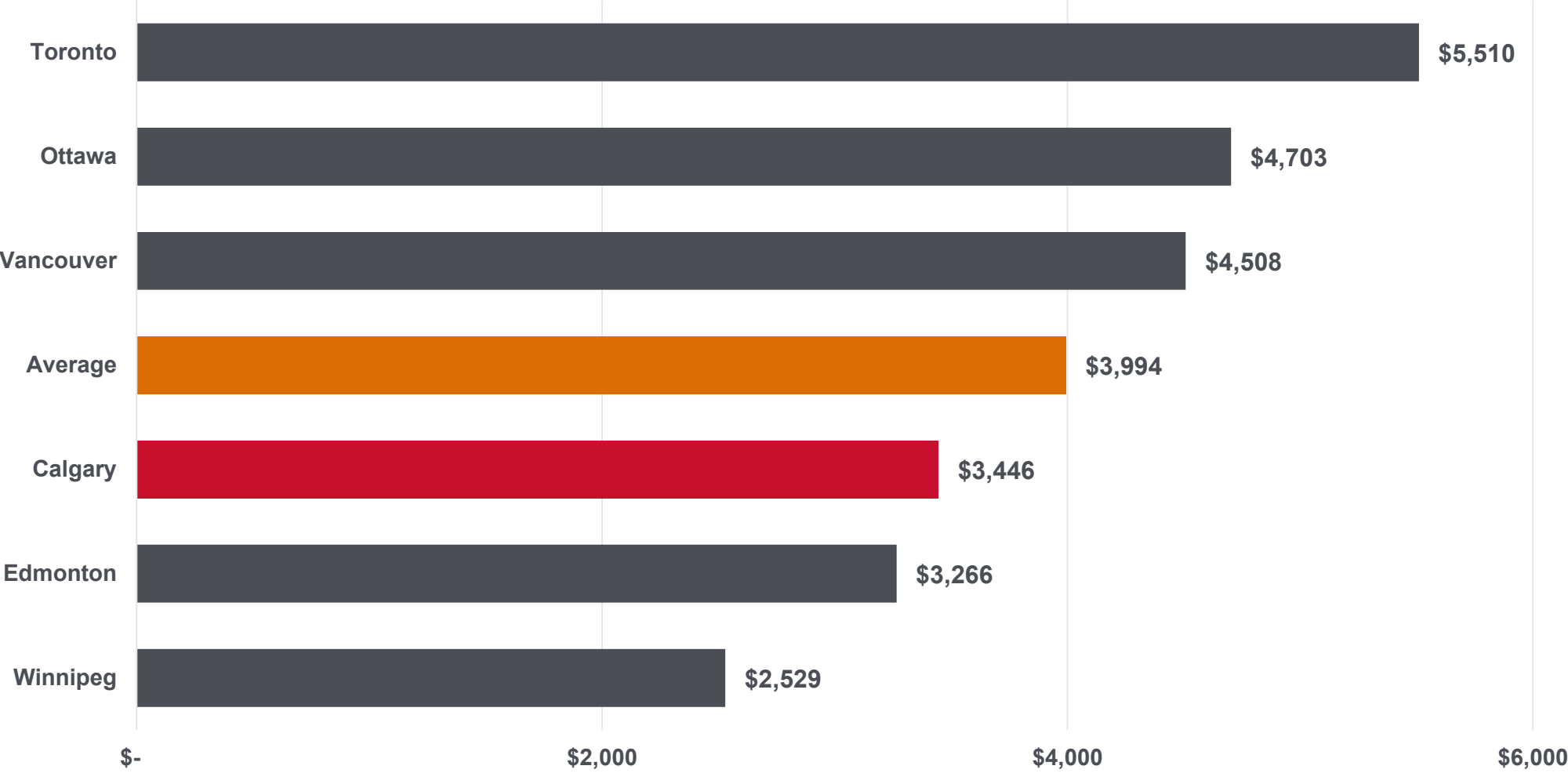
49% ▲ 7%



▲ ▼ Statistically higher/lower
than Fall 2025

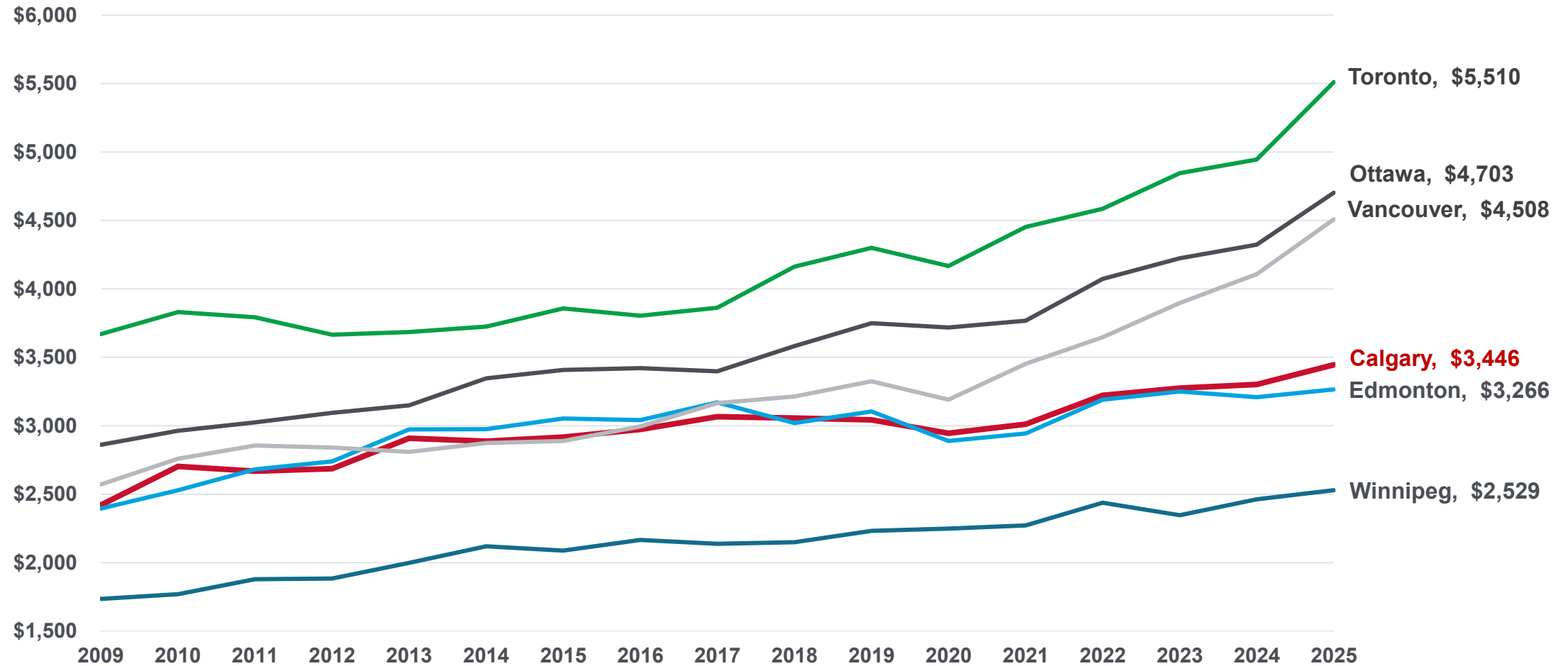


Comparative operating expenditures per capita between major cities (2025)



*Vancouver includes Metro Vancouver and TransLink.
*Edmonton operating expenditures excludes subsidiary Epcor Utilities. Edmonton’s operated Utility and Enterprise Services include waste, land and renewable energy systems.

Operating expenditures per capita



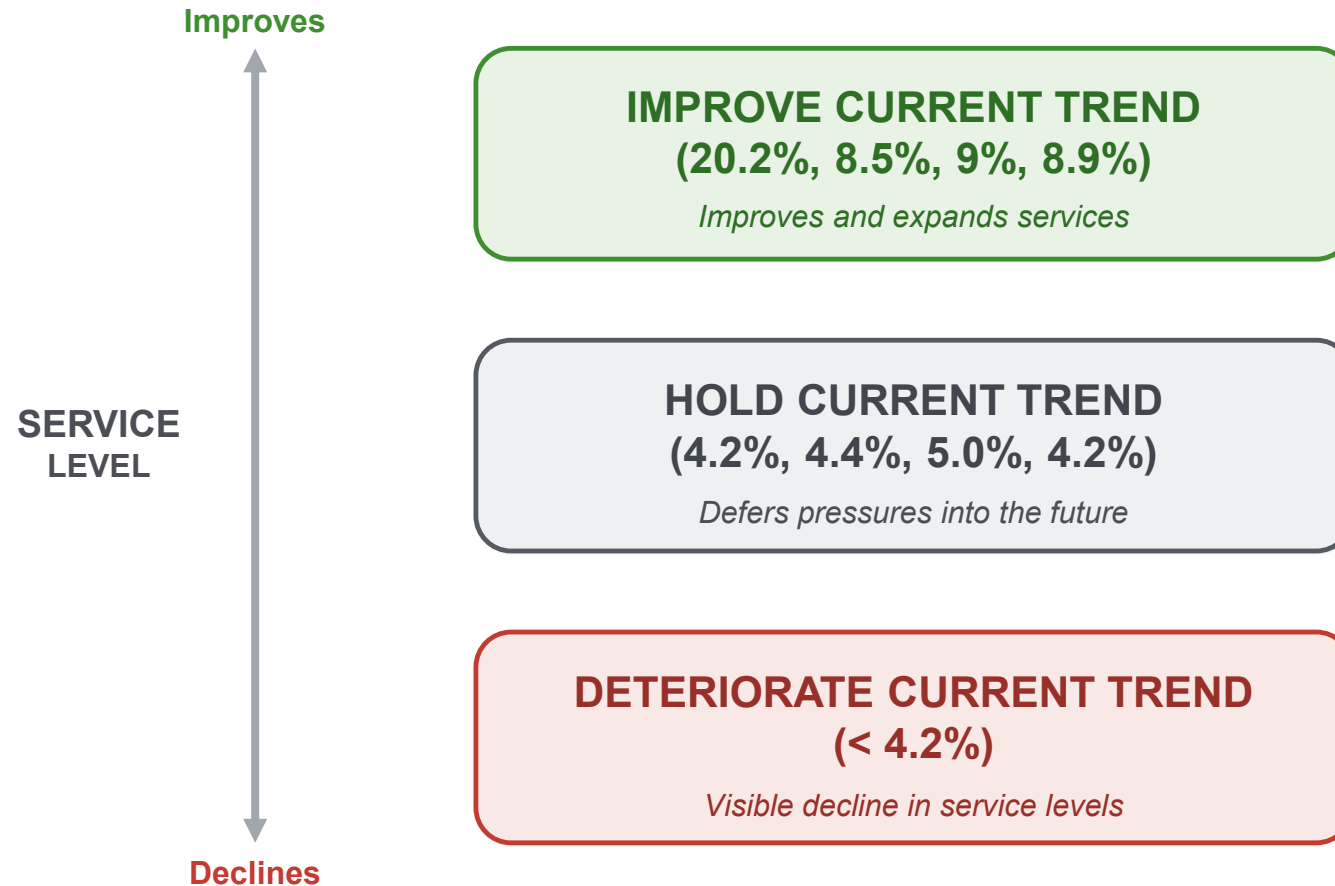
*Vancouver includes Metro Vancouver and TransLink.

*Edmonton operating expenditures excludes subsidiary Epcor Utilities. Edmonton's operated Utility and Enterprise Services include waste, land and renewable energy systems.

*Values are nominal.

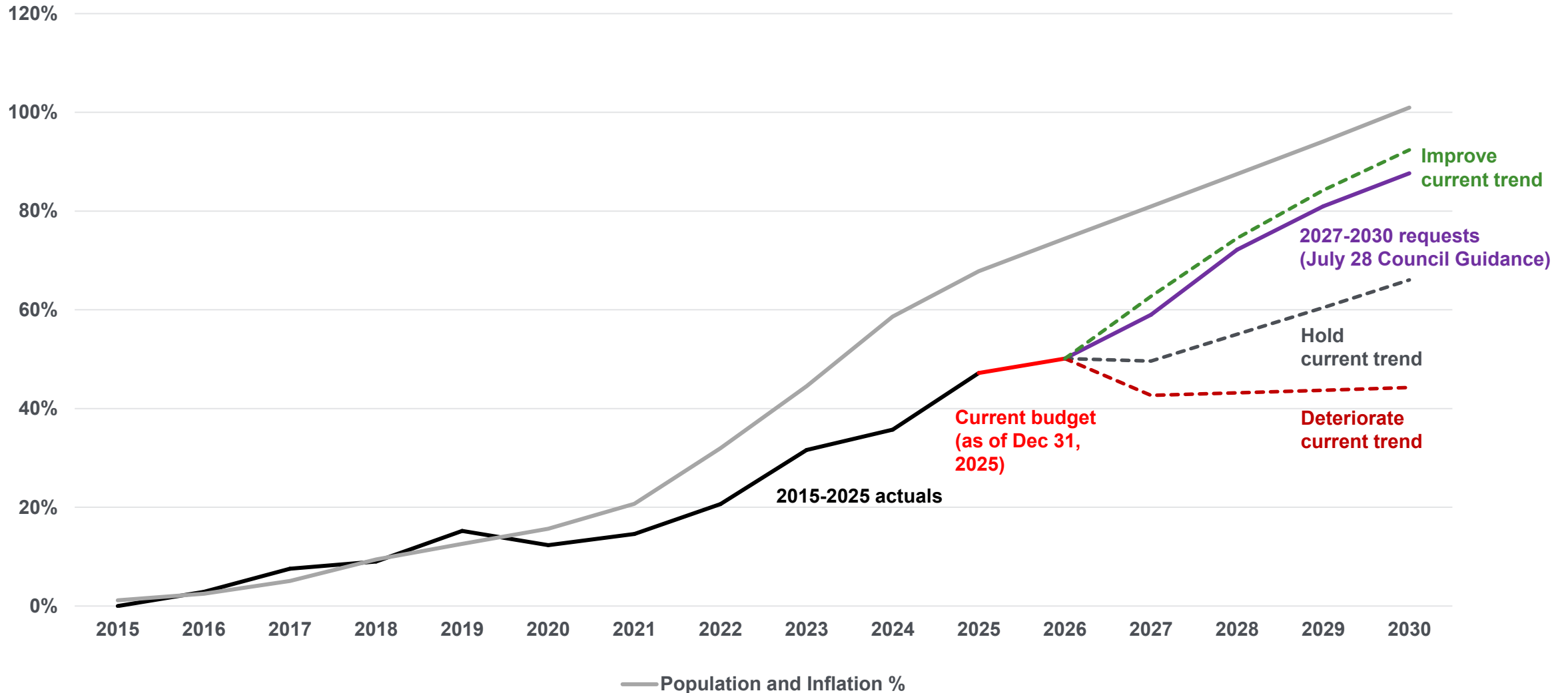
Service level

Council's funding guidance creates three potential service level scenarios



**The funding decision is about more than the tax rate;
it determines the service experience Calgarians receive.**

Change in total City operating expenditures compared to population + inflation





Operating discussion

What current operating guidance will deliver to Calgarians



Services you can count on

Reliable and sustainable infrastructure

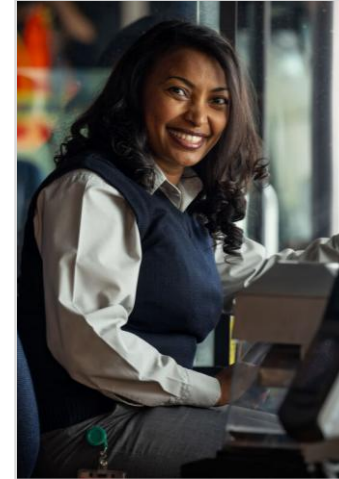
Reliable water, well-maintained roads and public facilities and fewer disruptions to everyday life.



A city where you feel safe

Safe City

Safer streets, public spaces and transit, with dependable help when emergencies happen.



Easier ways to get around

Functional transportation network

Connected sidewalks and pathways, dependable transit and smoother everyday journeys.



Welcoming places to enjoy life

Community livability and well-being

Well-maintained parks and public spaces where people can be active, connect and belong.



Neighbourhoods that grow with you

Balanced growth and evolving neighbourhoods

Homes, shops, services and transit closer together, with infrastructure that keeps pace with growth.



Public dollars you can trust us to manage

Trusted and collaborative government

Responsible spending, clear accountability for results and partnerships that help your tax dollars go further.



What deferred operating spending would mean for Calgarians



Reliable and sustainable Infrastructure

Greater risk to critical systems, slower infrastructure upkeep and renewal and a higher chance of service disruptions affecting essential assets and services.



Safe City

Delayed emergency response expansion, increased cyber security exposure, reduced public safety capacity, delayed community safety initiatives and increased pressure on existing emergency services.



Functional transportation

Slower transit service growth, transit safety improvements and accessibility enhancements.



Community livability and well-being

Delayed improvements to parks, community amenities, recreation facilities and neighbourhood services.



Balanced growth and evolving neighbourhoods

Municipal services in new communities take longer to keep pace with growth.



Trusted and collaborative Government

Slower modernization of City systems, governance tools and internal service delivery processes.



Capital discussion

Proposed capital budget for 2027–2030

2027-2035+
capital needs

\$54B*

Source: 10-year Capital Infrastructure Plan

2027-2030
capital needs

\$21B*

Source: 10-year Capital Infrastructure Plan

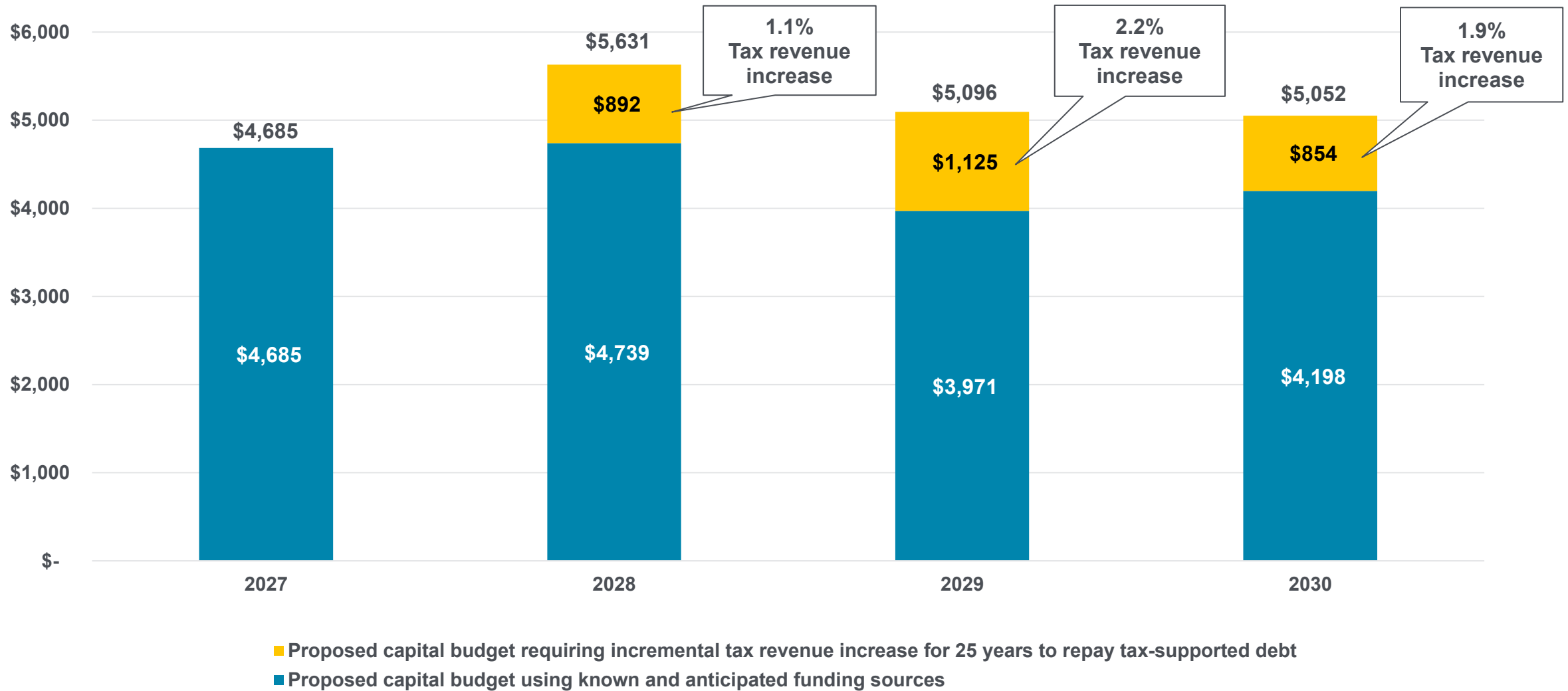
2027-2030 known financial
capacity Sept. 29

\$20.5B**

**Plus \$6 billion of previously approved capital to be delivered 2027-2030+.*

***Includes advancing \$1 billion of previously approved Greenline capital to 2027-2030.*

Capital financial capacity (\$M)



Note: Further work is required by Administration to balance the operating and capital requests utilizing property tax revenue.



What current capital guidance will deliver to Calgarians



Reliable and sustainable Infrastructure

- North & south water servicing
- Pavement rehabilitation
- Bridge rehabilitation



Safe City

- Emergency response stations
- Investments for Calgary Police Service
- Mobility Safety Improvements program



Functional transportation

- Blue Line – Saddletowne to 88th* Ave NE
- Bus procurement to support the RouteAhead
- 194th and Macleod Trail interchange



Community livability and well-being

- GamePLAN wave 1*: Forest Lawn aquatics, Kingsland and Belmont Athletic Parks, City's portion of Foothills Fieldhouse
- Parks and playgrounds amenities



Balanced growth and evolving neighbourhoods

- New water treatment plant
- Wastewater treatment plant expansions and upgrades
- Forest Lawn Civic Centre redevelopment



Trusted and collaborative Government

- Prairie Economic Gateway investments*

*Pending contributions from funding partners.



What deferred capital spending would mean for Calgarians



Reliable and sustainable Infrastructure

Compounding maintenance backlogs; reduced resilience of assets; increased unplanned closures and shutdowns; and delayed pathway upgrades.



Safe City

Delayed emergency response expansion; increased risk of falling streetlights and overhead signs; delayed collision reduction progress in high-risk zones; aging pedestrian bridges creating structural public fall hazards.



Functional transportation

Deferring construction funding for major roadways, decreased supply chain reliability, increased traffic congestion, increased trip times for transit users; gaps in pathway and sidewalk connectivity.



Community livability and well-being

Delayed improvements to parks, community amenities, recreation facilities and neighbourhood spaces.



Balanced growth and evolving neighbourhoods

Limited renewal capacity across aging infrastructure; balancing infrastructure renewal in established neighbourhoods and growing areas; delaying major arterial and interchange infrastructure.



Trusted and collaborative Government

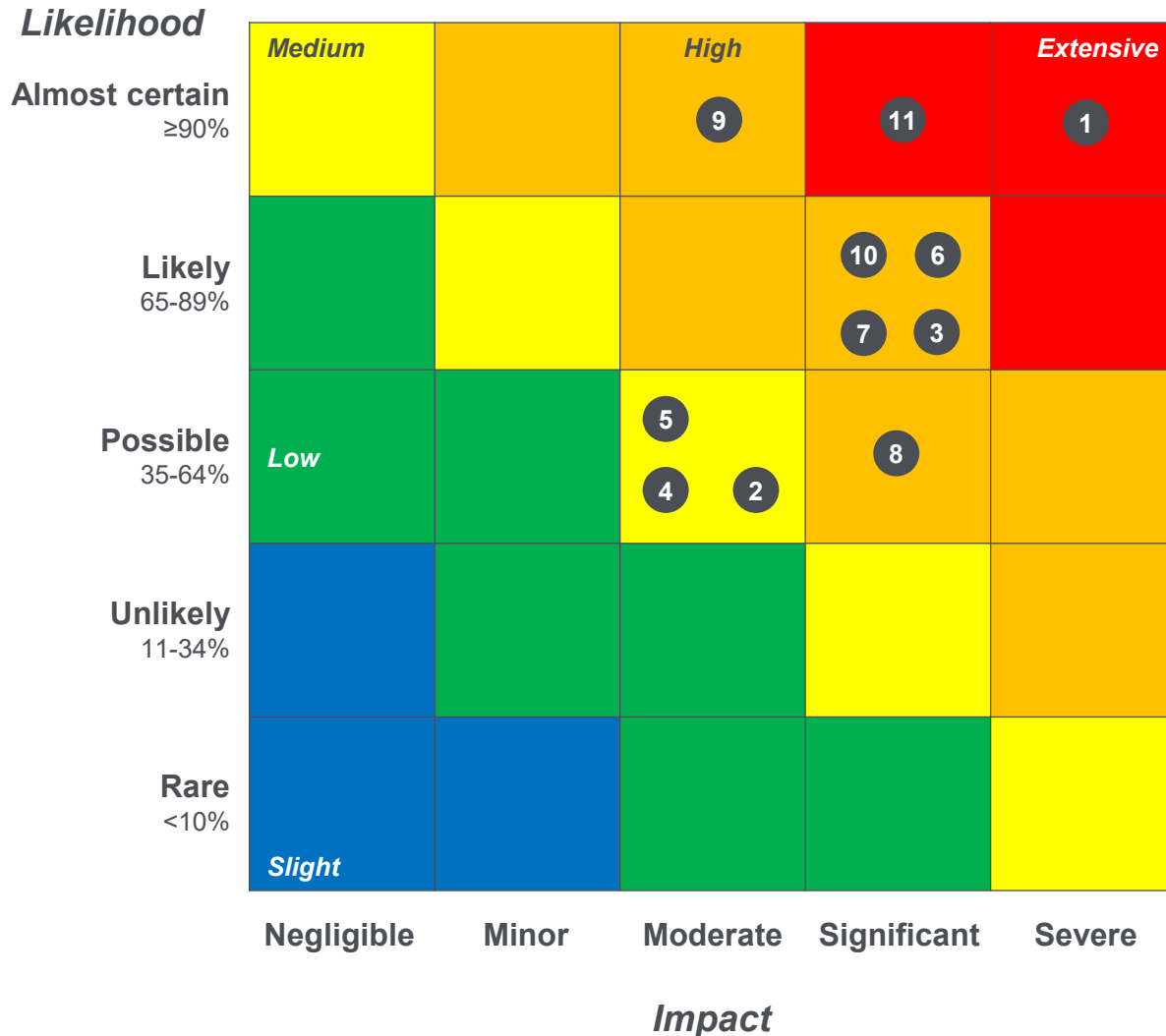
Slower improvements to the tools and processes that support effective decision-making, transparent governance and service delivery processes.



Risk discussion

2027-2030 risk outlook – current guidance

Spring 2026 Corporate risk update:



Risk outlook based on July Council guidance

1	Capital Infrastructure	Neutral
2	Employee Experience	Neutral
3	Technological Disruption	Decrease
4	Financial Sustainability	Increase
5	Legal	Neutral
6	Reputation	Decrease
7	Social Wellbeing	Decrease
8	Service Delivery	Increase
9	Climate and Environmental	Increase
10	Accommodating Growth	Neutral
11	Cyber	Neutral



Property tax analysis

Monthly increases for a typical residential property

	Increase in 2027	Increase in 2028	Increase in 2029	Increase in 2030
Municipal property tax	+\$36	+\$34	+\$28	+\$21
Projected water utility and waste & recycling*	+\$16	+\$22	+\$26	+\$30
Total monthly cost increase for City services and tax	+\$52	+\$56	+\$54	+\$51
Daily cost increase for City services and tax	\$1.70	\$1.84	\$1.79	\$1.69

Based on a single residential property assessed at the median of \$706,000 in 2026. Municipal property tax amounts are estimates and subject to change upon finalization of assessments.

Numbers have been rounded to the nearest whole number where applicable.

**These are projected waste and water rates only and are subject to change pending Council approval in October.*

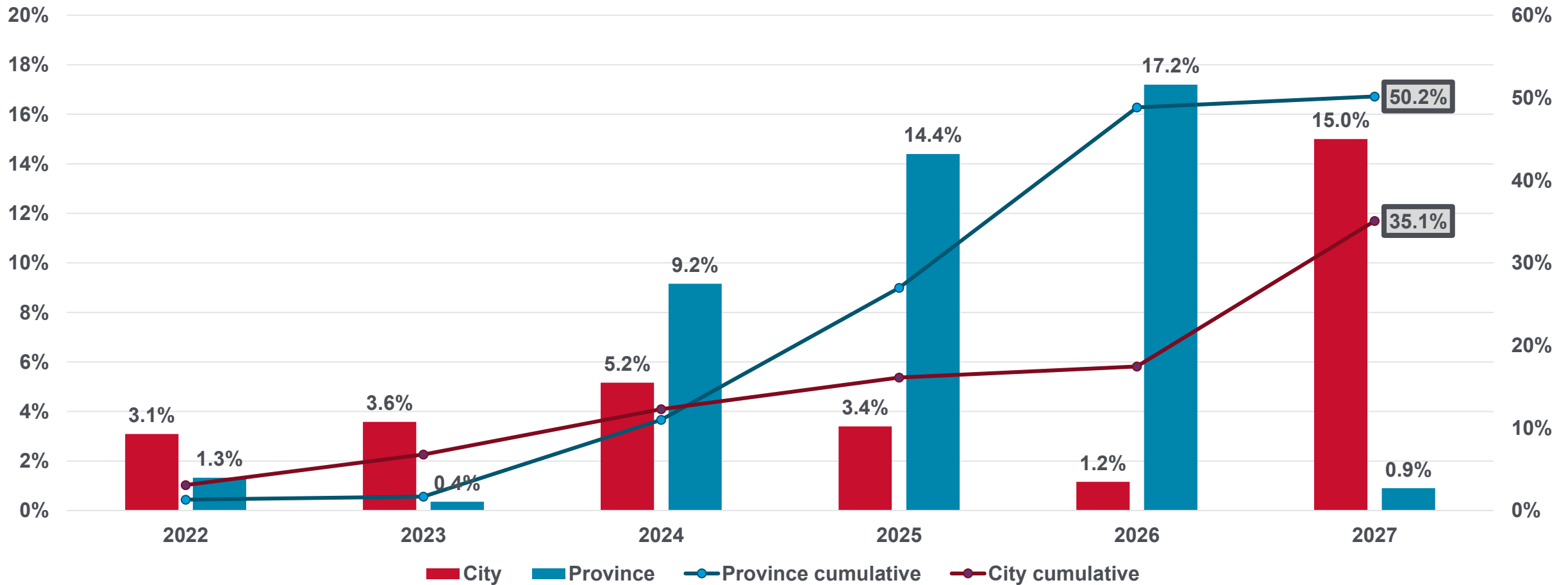
Cost comparison to Vancouver & Edmonton

	Calgary 2026	Council guidance for Calgary 2027	Edmonton 2026	Vancouver 2026
Municipal property tax per month	\$229	\$264	\$318	\$416
Provincial property tax	\$162	\$163	\$107	\$171
Total monthly tax	\$391	\$427	\$425	\$587
Daily cost of tax for a typical household	\$12.85	\$14.04	\$13.98	\$19.30

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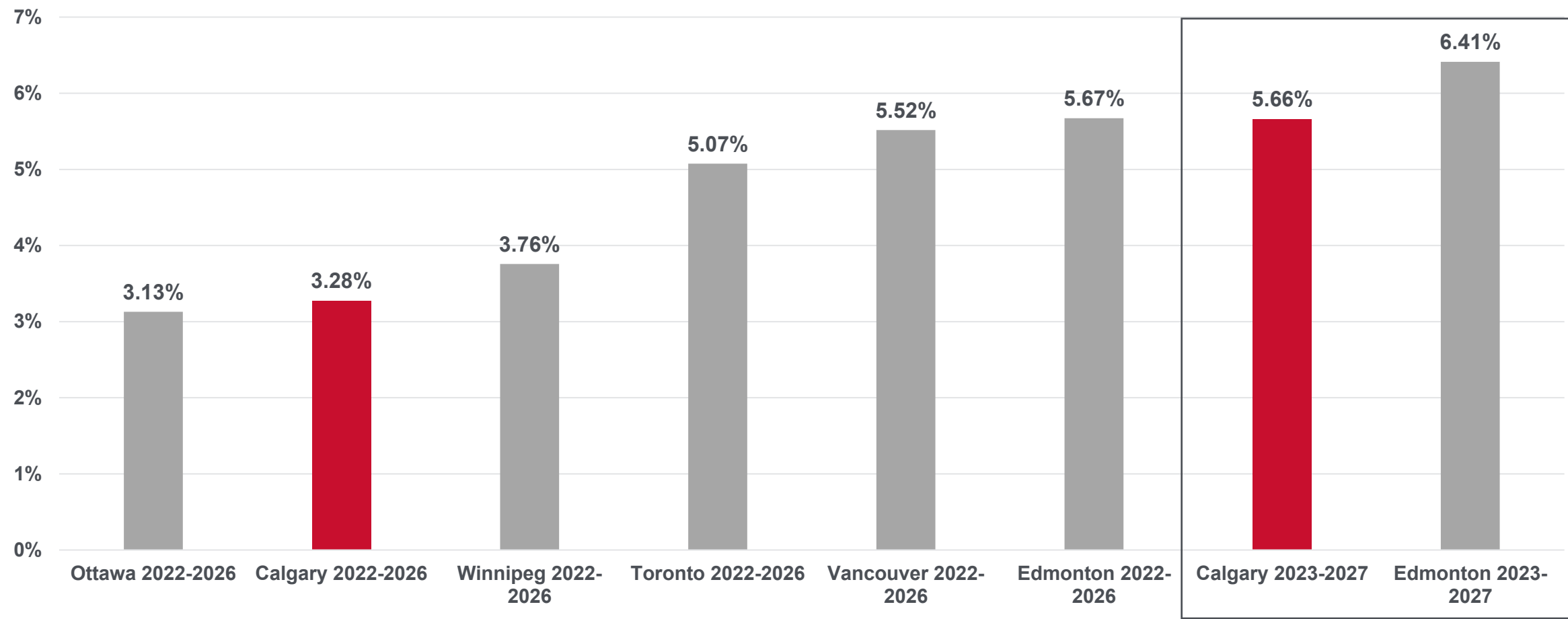
Historical City and Province annual tax changes



Increases are exclusive of city growth and are overall increases including residential and non-residential. 2027 is based on current guidance and estimates.



Average municipal property tax increases from existing properties in major Canadian cities



Does not include provincial property taxes. Vancouver taxes include Metro Vancouver and TransLink. Edmonton excludes EPCOR.



Bringing the financial picture together

Preliminary financial summary of 2027–2030 (\$M)

	2027 ongoing	2027 one-time	2027 capital	2028 ongoing	2028 one-time	2028 capital	2029 ongoing	2029 one-time	2029 capital	2030 ongoing	2030 one-time	2030 capital
Operating and capital requests	528	78	4,685	380	213	5,631	347	248	5,096	331	223	5,052
Less: available funding	144*	145	4,685	88	50	4,739	90	50	3,971	105	50	4,198
Total required	384	(67)	-	292	163	892	256	198	1,125	226	173	854
Tax revenue increase required	15.0%		0.0%	8.7%		1.1%	5.4%		2.2%	4.1%		1.9%
Total tax revenue increase required	15.0%			9.8%			7.6%			6.0%		

Note 1: 2027-2030 ongoing values are incremental in \$ millions (i.e., 2028 \$ are required in addition to 2027 \$, etc.).

Note 2: Totals may not add due to rounding.

Note 3: Capital amounts include previously approved capital budget.

Note 4: Tax revenue increases for capital reflect the cost of repaying new debt issued within The City's debt and debt-servicing limits.

Next steps in the budget process



Incorporate Council's Sept. 29 guidance and update budget requests as needed.

Finalize the proposed 2027–2030 Business Plans and Budgets.

Release the proposed budget in November for Council review, deliberation and Calgarian feedback.

Council approval of the 2027-2030 Business Plans and Budgets.

What will Calgarians see in four years?

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