Calgary

Jennifer Wyness, Ward 2 Councillor

2023-2026 Service Plans and Budgets

On November 25, 2022 (item 9.2.1), Council voted on the 2023-2026 Service Plans and Budgets. I voted **against** this budget.

The 2023-2026 Service Plans and Budgets include capital and operating spending, as well as success metrics and strategies, for each 'service line' (e.g. Fire Protection). Council still has to set property tax rates each year, but the budget does include proposed annual property tax and user fee increases for 2024-2026.

Why did I vote against?

First, Calgarians face cost of living pressures from all sides, including from municipal property taxes. Many homeowners across Ward 2 and beyond can't afford to pay more. (If you, or someone you know, is finding it hard to afford property tax payments, please see The City's Property Tax Assistance Program and the province's Seniors Property Tax Deferral Program.)

Second, I have many specific concerns with the budget documents and process:

The budget documents are hard to understand. There's vague, 'insider language' everywhere, and it's hard to find what you're looking for. Calgarians have a right to understand where their tax dollars are allocated. This is why I put forward an amendment (passed by council) to review the budgeting process, to make it easier for Calgarians to understand.

Calgary needs provincial and federal support for mental health and addictions services. Though healthcare is not technically a municipal responsibility, The City is increasingly forced to fill gaps in provincial health services, for example through the Calgary Fire department. The mental health, addictions, and homelessness crisis can be traced back to provincial and federal policies, including de-institutionalization. We therefore need other orders of government to step up and provide funding to offset these stresses on local services. I put forward two motions calling for increased advocacy to secure additional federal and provincial funding for mental health and addictions supports.

In November, Council approved budget amendments to provide various programs, projects, and organizations with 'one-time' funding. This makes it harder for the Calgary Fire Department for example, which received $10 million in one-time funding for 2023-2026, to plan for the long-term. I don't support this approach.

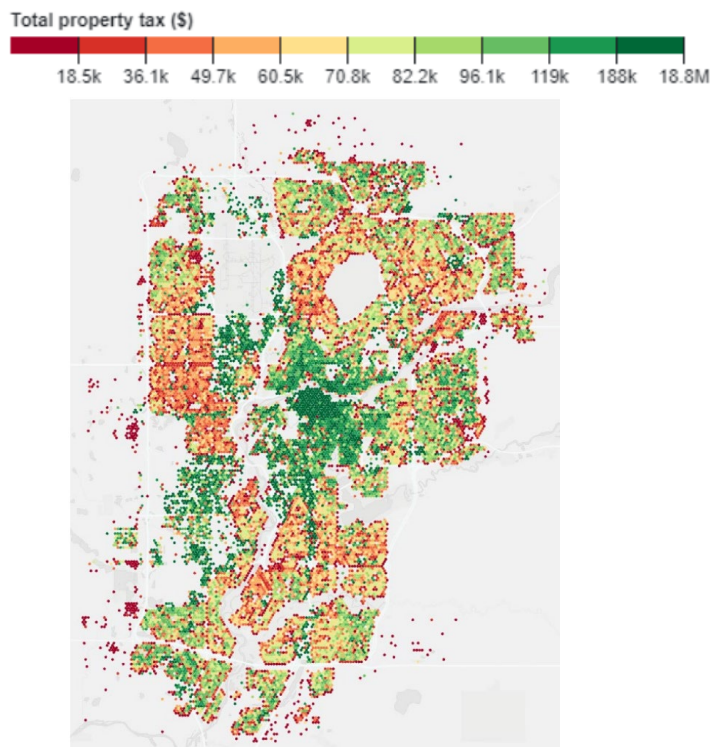And **third**, I have bigger concerns about how we plan our spending and our city overall:

To protect our Calgary's financial sustainability, we need to densify older and inner-city neighbourhoods while investing in amenities across the city, not just downtown. Unfortunately, this budget doesn't help us achieve this.

In the last few years, Council has set aside $360 million for downtown projects. By spending hundreds of millions of taxpayer dollars on our downtown, we are reinforcing an environmentally and financially unsustainable city. Instead of giving out millions to downtown property owners, we should invest in transit and amenities throughout the city to help reduce Calgarians' travel times and greenhouse gas emissions.

Calgary's older neighbourhoods, especially those built after WWII, have benefited from artificially low property taxes that haven't reflected the full costs of maintaining their infrastructure. The City's ongoing 'maintenance infrastructure gap', estimated at $3.09 billion in 2020, is evidence of this.

The below map, from November's budget (report C2022-1051, Attachment 7), shows how The City's 2021 property tax revenues varied across Calgary. Parts of the inner city and parts of newer suburbs generate similar levels of property tax revenues, while many older established neighbourhoods generate much less. Densifying older neighbourhoods will help correct this imbalance.

Figure 1 Tax productivity by area in 2021

Total property tax ($): 18.5k, 36.1k, 49.7k, 60.5k, 70.8k, 82.2k, 96.1k, 119k, 188k, 18.8M

Notes:
Each point aggregates the total taxes for a .1km radius hexagon. The darkest red areas produced tax revenue up to $18,500, and the darkest green produced tax revenue over $188,000 (up to $18.8M).

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