



**NEWS RELEASE  
FOR IMMEDIATE RELEASE  
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**City Council Urged to Acknowledge Economic Reality and Curb  
Spending in Municipal Budget**

(Calgary, AB) – The Calgary Chamber of Commerce views the proposed 23 per cent increase in operational spending in the 3-year municipal budget released today as ‘out-of-touch’ with the reality of businesses and hard working families in the city.

“In these hard economic times, where businesses and families are cutting back, and many citizens and businesses have lost between 25 and 50 per cent of their net worth, it only makes sense for City Council to do all it can to reduce the tax burden,” says Geoff Pradella, Vice-President, Public and Government Affairs with the Calgary Chamber of Commerce.

The Chamber is therefore calling on City Council to limit annual spending increases to the greater of population growth plus inflation or real growth in the economy plus inflation. For 2009, this ceiling is set at 5.7 per cent, for 2010 it is 5.5 per cent.

The City’s 2009-2011 budget projects operational spending increases of 8.9 per cent for 2009, 6.3 per cent for 2010 and 6.1 per cent for 2011.

“This target we’ve proposed incorporates key growth factors, and added to development levies plus increased revenues collected from new tax-paying households, should be sufficient to support the increased needs and demands of the City,” says Pradella.

Chamber members are also clearly concerned with receiving value for their tax dollars paid. Prudent spending was the number one priority in a pre-budget survey of membership.

To ensure value for money the Chamber is calling for the development of a comprehensive 3-year expenditure review process for all city departments, similar to the process already used by the federal government.

To increase transparency and accountability the Chamber is on record as advocating for a new office of Municipal Auditor General at the provincial level to conduct value-for-money audits and report matters of misuse or mismanagement of public funds.

“A new office of Municipal Auditor General at the provincial level would lead to greater transparency, share best practices and help municipalities deliver higher value to their citizens,” says Pradella. “It’s increasingly important as City Council is running a major corporation with operating expenditures over \$2 billion per year and capital spending of \$4 billion over the next three years.”



Going forward, the Chamber also would like to see changes to the current budgeting process. Currently, the City of Calgary approves three years of operating budgets at one time, and makes adjustments each year, rather than conducting a full scale review. The Chamber is recommending that the City of Calgary to move to a 3-year rolling budget where a new budget is presented annually for approval.

“Presenting a rolling 3-year budget each year, similar to the provincial and federal governments, allows Calgarians to have greater discussion and debate,” says Pradella. “It’s easier to adjust to changing needs and economic circumstances, yet still facilitates and supports an effective and sufficient level of forward planning.”

During the coming weeks, the Chamber will be reviewing the budget in greater detail and will put forward a formal submission for consideration during City Council deliberations.

**About the Chamber:**

The Calgary Chamber of Commerce is a volunteer driven, not-for-profit, and non-partisan advocacy group whose mission is to lead and serve the Calgary business community, valuing its diversity.

On critical and emerging issues in public policy, the Chamber acts as the leading forum for debate, and advocates public policy solutions that improve the business climate on behalf of our members.

**The Chamber’s Top Five 2008 Municipal Issues**

1. City expansion and growth management (planning, sprawl)
2. Transportation – roads and transit
3. Public and personal safety
4. Fiscal Management (spending and priority setting)
5. Quality of environment

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