

July 15, 2019

Office of the Mayor,  
The City of Calgary  
P.O. Box 2100, Station M  
Calgary, AB, T2P 2M5

Dear Mayor Nenshi and City of Calgary Councillors,

I am writing on behalf of CCVO (Calgary Chamber of Voluntary Organizations) to offer a broad nonprofit sector perspective on Calgary City Council's recent direction to Administration to identify permanent budget reductions of \$60 million for the 2019 tax year.

CCVO promotes and strengthens the nonprofit sector by providing leadership on cross-cutting policy matters and giving voice to critical issues affecting the sector. With 6,000 nonprofit organizations in Calgary, the sector is a crucial partner in delivering services to Calgarians and plays a fundamental role in making Calgary a desirable place to work and live.

We would like to offer recommendations on how to approach the City of Calgary budget cuts using a broad nonprofit sector lens. Cuts to City programs and services have a strong potential to put further strain on nonprofits, either by reducing direct government financial support to organizations, or by reducing City services and programs to the point where more people turn to nonprofit organizations for support. Nonprofits are already experiencing increased service demands, despite challenges such as: lack of funding and resources, the difficulties of the economic downturn and the overall decline in charitable giving across Alberta. In order to minimize the added pressures that nonprofits will face, and to protect the most vulnerable segments of our community, we urge Calgary City Council members to consider the following recommendations:

**1. Preserve services that focus on vulnerable populations.**

City Council should seek to preserve programs that focus on social wellbeing and that increase equitable access to programs and services for all Calgarians. Programs and services that impact vulnerable people are at risk of experiencing cuts because they often lack strong advocacy capacity. Examples include: Family and Community Support Services (FCSS) funded programs, affordable housing supports, Fair Calgary initiatives (including Fair Entry and Low-Income Transit Pass), and the Enough for All initiatives. These programs often target the most vulnerable people, and ultimately build resiliency and improve the wellbeing of all Calgarians. Many of these programs are delivered in partnership with nonprofit social service providers and we encourage the City to continue showing its commitment and partnership capacity to these important areas of work.



## **2. Consider the overall operating budget of a program area or service.**

A cut to a program or service with a large operating budget will not be felt the same way as a cut to a relatively smaller program or service. To put it in perspective, the entire 2019 operating budgets for arts & culture, recreation and environmental management combined is \$74 million. There are other single areas of spending that are up to five times the size. In some cases, the entire \$60 million cut would represent only a small fraction from the overall budgets of larger operating areas. A percentage cut would also be felt differently across the board, because of the potential of programs being entirely eliminated for areas with smaller operating budgets. The overall losses associated with a cut to areas with smaller operating budgets are not the same as with areas that have larger operating budgets.

## **3. Leverage provincial and federal funding opportunities.**

As the City of Calgary continues to work with other orders of government to secure critical funding needed for programs and services, we encourage Council to continue showing its commitments to areas marked by existing provincial or federal government support. In some cases, a loss in municipal funding for a program or service can result in the elimination of support from other levels of government. Affordable housing, for example, is an area that is leveraged by provincial and federal support. Over half of the operating budget for social programs is funded by other orders of government and these are dollars that the City of Calgary cannot afford to lose.

We understand the complexity of the municipal budgeting process and the commitment to maintaining a competitive tax regime. We also know that our local nonprofits are persevering through some very challenging times and cannot continue to be asked to do more with less. We encourage City Council to consider the recommendations above throughout budget cut deliberations and we welcome any additional questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Mitchell', is written in a cursive style.

David Mitchell  
President & CEO