



Calgary



THE CITY OF CALGARY

Investor Presentation

May 2025



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Snapshot of The City

- Third largest municipality in Canada, with approx. 1.5 million people.
- Population expected to see a 3.5% growth in 2025, after reductions in international immigration
- Major infrastructure investments & investment intentions underway
- Calgary is a young city with the average age of residents being 38
- 5% of contracts with American suppliers or in U.S dollars. Direct exposure to tariffs is relatively low



In 2024, Calgary ranked fifth in the Economist Intelligence Unit's (EIU) annual list of the world's most livable cities.



Financial Snapshot 2024

\$4,915m

Revenue

\$4,897m

Net Financial Assets

\$1,105m

Annual Surplus

40.2%

Debt Limit Used

54.1%

Debt Service
Limit Used

\$769m

Cash and cash
equivalents

\$6,409m

Investments





Snapshot of The City's Debt Capital Markets Program

- Issued its first bond in Q1 2024 via a C\$180 million 10-year offering
- Diversify financing sources
- Prudent financial management & legislated restrictions
- Strong credit ratings:

S&P Global Ratings
AA+ Stable

DBRS Morningstar
AA (high) Stable

Moody's Analytics
Aa1 Stable

Financing in 2025:

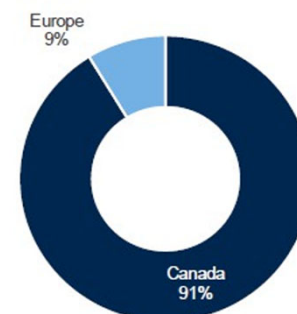
- ✓ \$120 million; re-opening of the offering of Series 24-1 bonds (\$180 million), issued in March 2024 and due on June 1, 2034 (for a new total of \$300 million).
- The City will have more information on further external borrowing requirements following the assessment of other financing sources.



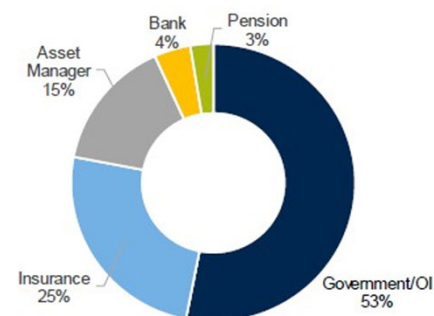
2025 Issuance Highlights

- The City re-opened its 10-year bond offering in the debt capital markets in Q1 of 2025
- The book was oversubscribed, with \$230 million of interest across 22 different investors, of which 8 investors were new and 14 repeat investors
- Summary terms:
 - \$120 million issued on February 21, 2025
 - 10-year term (matures June 1, 2034)
 - 4.20% coupon (+69bps over GoC, +11bps over Ontario)

Distribution by Geography



Distribution by Investor Type





ECONOMY

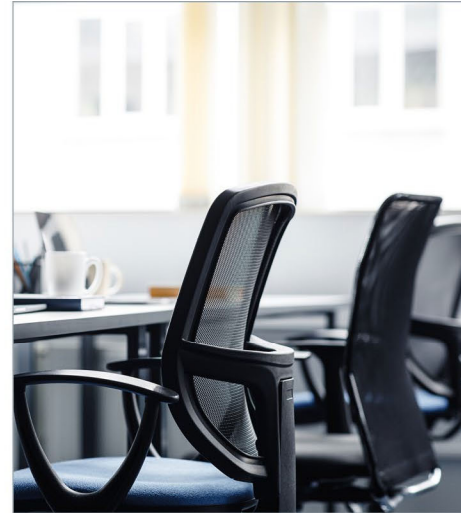
Summary of the Outlook for the Calgary Economy



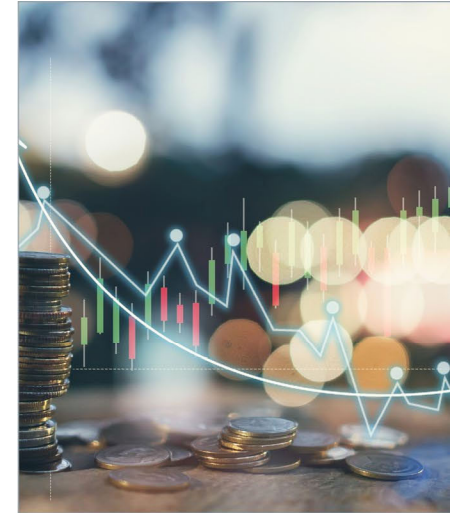
Rising tariff uncertainty, market volatility, and fears of slow economic growth pose near-term risks to investment, employment, and the housing market, potentially leading to reduced activity and instability



Housing starts are projected to moderate from record highs but stay elevated. Residential construction investment is expected to fall slightly but remain elevated



Calgary's slow economic growth has limited its ability to accommodate the surge of job seekers, resulting in increased unemployment



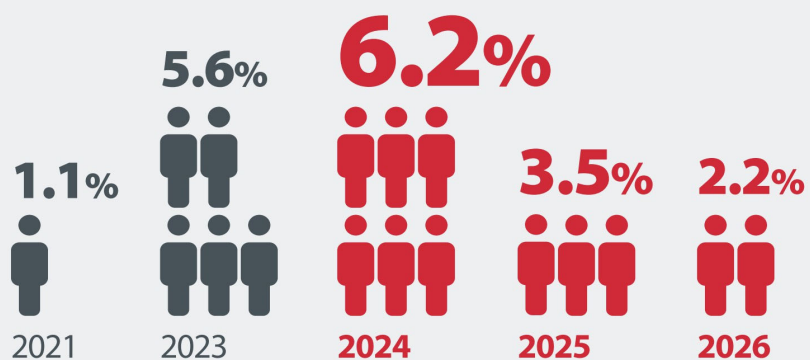
The potential for extended tariffs and counter-tariffs affecting construction expenses and rising input costs in Calgary's manufacturing sector will likely create upward pressure on prices in the medium term, particularly for industries reliant on U.S. trade



Population

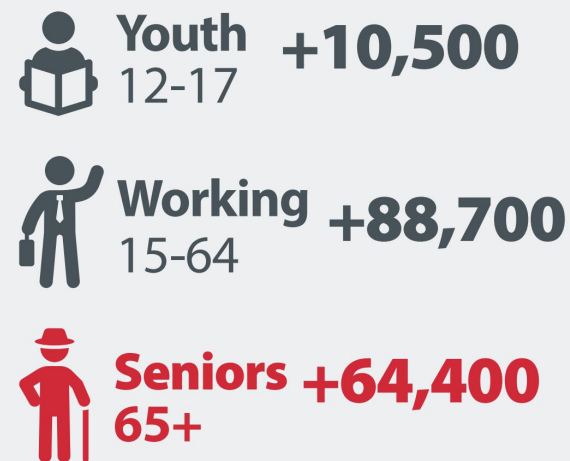
Calgary: Population Growth

Calgary's population is projected to grow by 3.5 per cent in 2025 and 2.2 per cent in 2026. This is largely due to anticipated reductions in international immigration over the next few years.



Population Increase by Cohort

Calgary's senior cohort is expected to experience a solid increase over the forecast window.



Source:
City of Calgary Spring 2025 Calgary and Region Economic Outlook

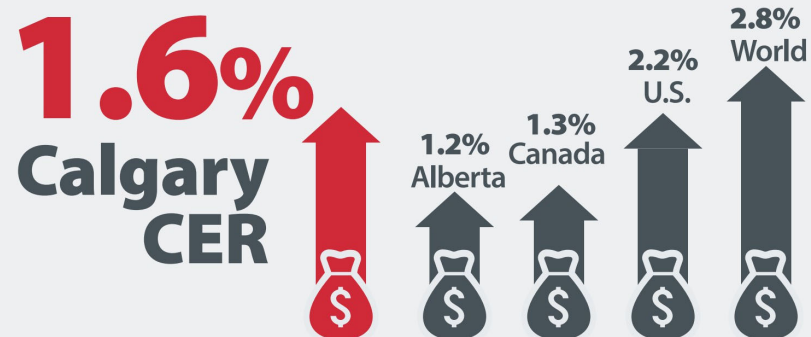
May 2025

Source: [2025 Spring Economic Outlook](#)



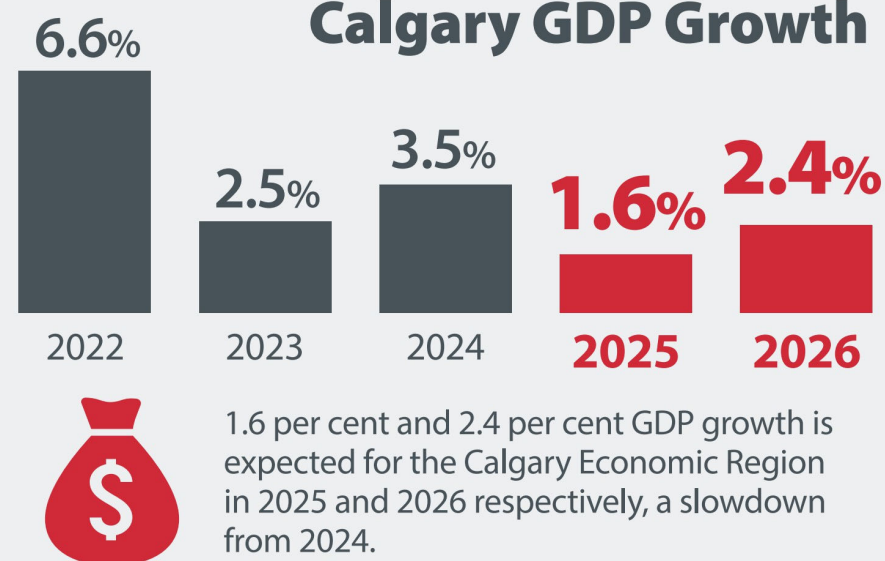
State of the Economy

GDP Growth Comparison



Calgary's economic performance is expected to surpass Alberta's and Canada's, but it will trail behind the U.S. and global economic growth in 2025.

Calgary GDP Growth



1.6 per cent and 2.4 per cent GDP growth is expected for the Calgary Economic Region in 2025 and 2026 respectively, a slowdown from 2024.

Source:
City of Calgary Spring 2025 Calgary and Region Economic Outlook

May 2025

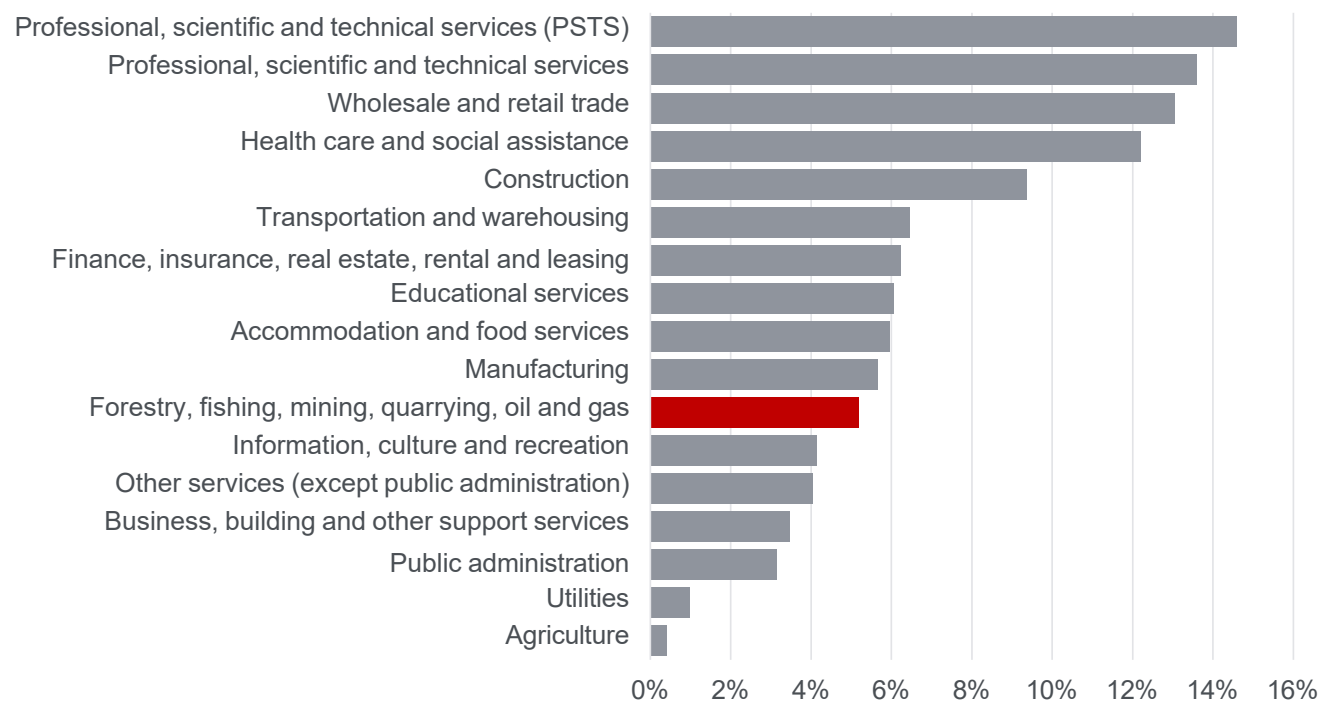
Source: [2025 Spring Economic Outlook](#)



Employment by Industry

The Share of Employment by Industry (2024)

Calgary Economic Region



Source: City of Calgary Economics Department

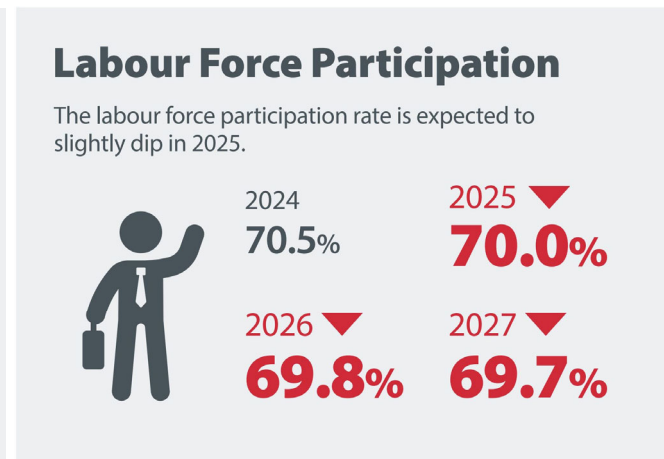
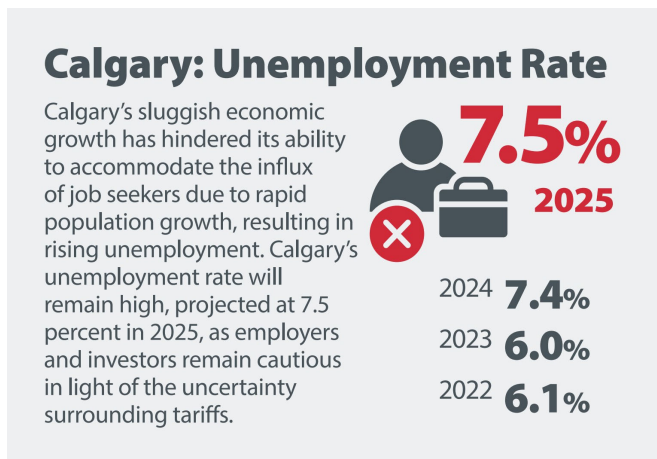
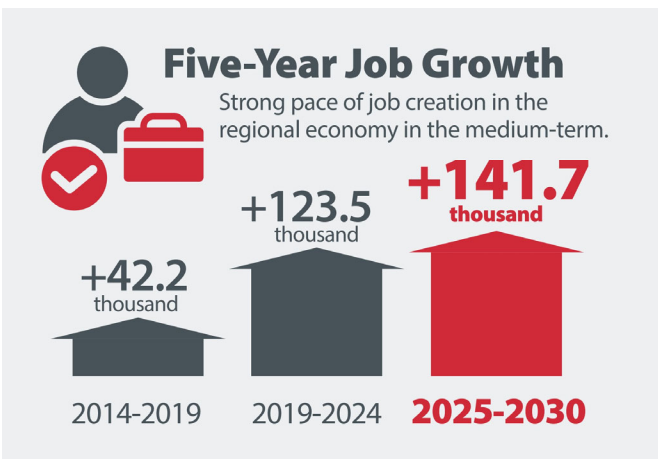
May 2025



Forestry, fishing, mining, quarrying, oil and gas accounted for only 5.2% of total employment.

Source: [2025 Spring Economic Outlook](#)

Labour – Rate of Job Creation and Level of Participation



Source:
City of Calgary Spring 2025 Calgary and Region Economic Outlook

May 2025

Source: [2025 Spring Economic Outlook](#)



Calgary has a very diverse base of customers and employers

AGRIBUSINESS



LIFE SCIENCES/HEALTH



FINANCIAL SERVICES



OTHER & GENERAL TECH



Calgary



Calgary has a very diverse base of customers and employers



Digital Centre plans to bring 1,000 jobs to Calgary over the next 2 years



DE HAVILLAND AIRCRAFT
OF CANADA LIMITED

Set to open an aircraft manufacturing plant east of Calgary, bringing up to 1,500 jobs to the region



TD's western Canadian wealth hub will employ 100 financial planning associates



Quantum Centre of Excellence creating 1,000+ jobs over the next 2 years

Future Energy
Park

Locating in southeast Calgary, Future Energy Park is North America's largest carbon negative renewable natural gas and ethanol project



RBC's Innovation Hub plans to create 300 technology roles over the next 3 years



Neurodiversity Centre of Excellence is bringing 200 jobs to the city over the next 3 years



Largest private label processor of pulses, beans, lentils & peas in the Western Hemisphere with a new 40,000 square-foot facility in Calgary



IBM's Client Innovation Centre for Western Canada plans to create 250 new jobs



\$4.3B investment in a new Canadian cloud region in Calgary, operational as of Dec 2023



Investing \$70 million into a state-of-the-art 60,000-square-foot warehouse in Calgary

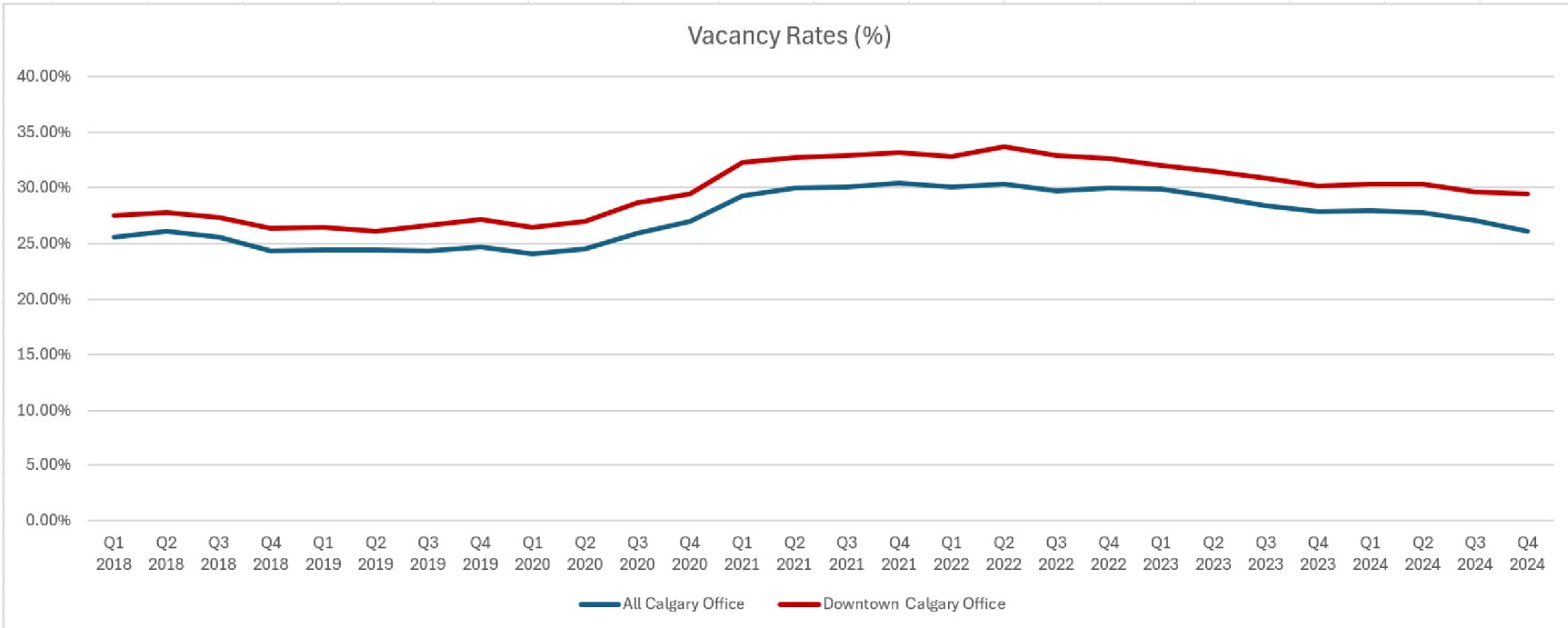


Opens new downtown office in Calgary with eye to access more talent



Vacancy, Downtown, and All Calgary

From 2021 to 2024, vacancy rates for Downtown Calgary offices **steadily decreased**, though they remained higher than the overall citywide average. The most significant reduction occurred in 2023 and 2024, with the vacancy rate showing a notable decline throughout these years. This trend indicates a **positive shift** in demand for Downtown office space, as vacancy rates gradually decreased. By the end of 2024, **the Downtown vacancy rate had fallen to 29.50%.**





Downtown Calgary Office Conversion Status Update

Project Progress December 2024 – March 2025



ISC: Unrestricted
May 2025

Our Goal



Remove 6 million square feet of vacant office space by 2031

Our Total Pipeline

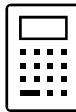
11 office conversion projects



1498+ Units
created downtown for Calgarians

1.57 million square feet
Conversion of office space

Partners in Revitalization



\$448M private investment in Calgary's downtown (estimated)

For every **\$1** The City invests, we leverage **\$3** in private investment.

Source: [Downtown Development](#)

Downtown Calgary Office Conversions – Approved Projects



1 The Cornerstone
909 5 Avenue S.W.
[Peoplefirst Developments](#)

2 Element Hotel
833 4 Avenue S.W.
[PBA Group of Companies](#)

3 Palliser One
125 9 Avenue S.W.
[Aspen Properties](#)

4 Teck Place
205 9 Avenue S.E.
[Cidex Group of Companies](#)

5 The Loft
744 4 Avenue S.W.
[Institutional Mortgage Capital](#)

6 Eau Claire Place I
525 3 Avenue S.W.
[Cidex Group of Companies](#)

7 Eau Claire Place II
521 3 Avenue S.W.
[Pacific Reach Properties Development](#)

8 Taylor Building
805 8 Avenue S.W.
[Cressey Development Group](#)

9 Petro Fina Building
736 8 Avenue S.W.
[Peoplefirst Developments](#)

10 Dominion Centre
665 8 Street S.W.
[Alston Properties/Slate Asset Management](#)

11 Place 800
800 6 Avenue S.W.
[Peoplefirst Developments](#)



FINANCE

Council's Strategic Direction 2023-2026

Calgary is a resilient city



Economic Resilience



Social Resilience



Climate Resilience

Council's focus areas



Downtown revitalization



Social equity



Land use and local
area planning process
review



Transit



Hosting and
hospitality



Global positioning
and reputation



Modernizing
government

Financial Sustainability

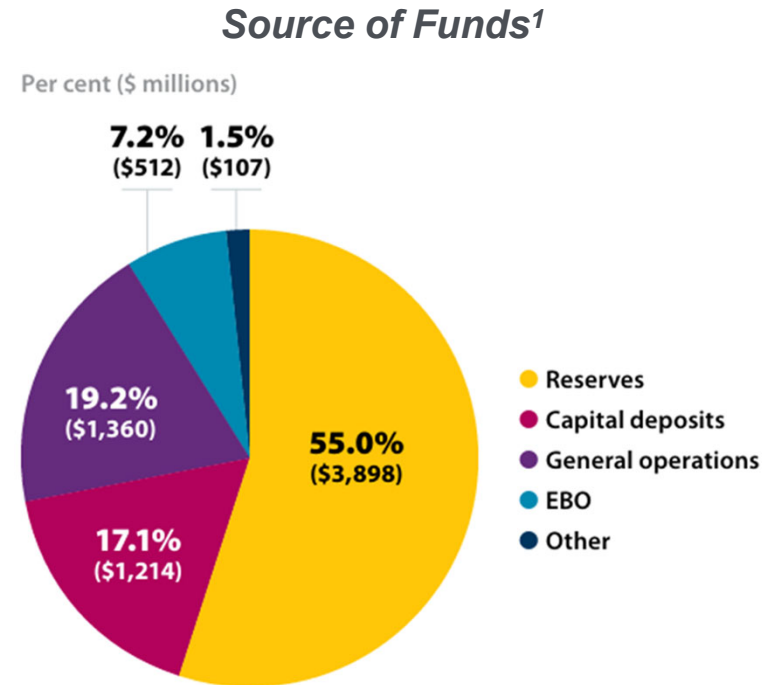




City Investments

The City of Calgary invests funds that stem from the following sources:

- **Reserves:** operating, capital and sustainment
- **Capital Deposits:** off-site levies and government grants
- **General Operations:** includes working capital
- **Funded Employee Benefit Obligations (EBO)**
- **Other:** trusts and affiliated entities

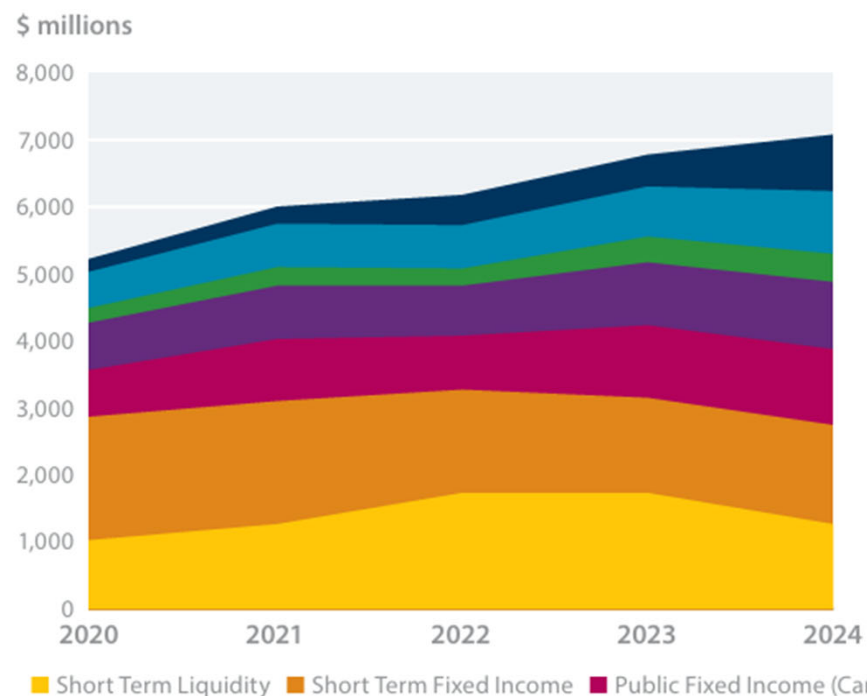


As at December 31, 2024

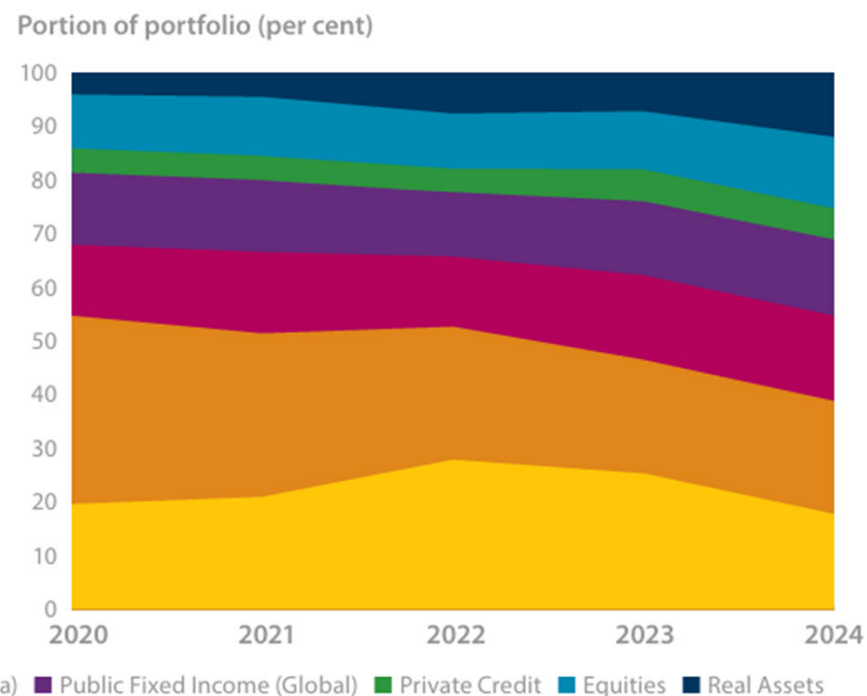


Strong Liquidity

Market Value



Investment Allocations



As at December 31, 2024, the market value of The City of Calgary's total investment portfolio was \$7,092 million, an increase of \$272 million from \$6,820 million in the prior year.


Source: [2024 Annual Investment Income](#)

The logo for the City of Calgary, featuring the word "Calgary" in white on a red rectangular background, followed by the city's crest on a dark grey rectangular background.

Calgary

Mid-Cycle Adjustments

- 3.6% increase in property tax approved in November 2024.
- The approved change balances keeping property tax and water, sewer and waste and recycling fee increases as affordable as possible. The increase also allows for meaningful investments in priority areas that improve quality of life for Calgarians, such as infrastructure, public safety, transit and housing.
- Learn more at [Calgary.ca/Adjustments](https://calgary.ca/Adjustments)
- Comparative property tax increases across other municipalities:

The logo for the City of Edmonton, featuring the words "THE CITY OF" in small black letters above the word "Edmonton" in a large, bold, black sans-serif font.

Edmonton

6.1%

The logo for the City of Vancouver, featuring a stylized green and blue leaf-like graphic to the left of the words "CITY OF" in blue and "VANCOUVER" in green.

**CITY OF
VANCOUVER**

3.9%

The logo for the City of Calgary, featuring the word "Calgary" in white on a red rectangular background, followed by the city's crest on a dark grey rectangular background.

Calgary

3.6%

The logo for the City of Ottawa, featuring a stylized green and blue wave graphic to the left of the word "Ottawa" in a blue serif font.

Ottawa

3.9%

The logo for the City of Toronto, featuring a stylized black and white graphic of the CN Tower and other buildings to the left of the word "TORONTO" in a bold, black, sans-serif font.

TORONTO

6.9%



Operating Budget & Funding

Changes to Operating Budget

Breakdown of Operating Expenditures (Budgets, Net of Recoveries, \$ millions)

	2023	2024	2025	2026
Previous year approved On-going expenditures	-	4,512	4,750	4,883
Previously approved change from previous year	-	238	133	123
Approved Ongoing Expenditures	4,512	4,750	4,883	5,006
Proposed Change in On-going Expenditures	-	-	204	277
Proposed revised ongoing expenditures	4,512	4,750	5,087	5,283
Approved 1-time Expenditures	55	298	49	35
Proposed Change in 1-time Expenditures	-	(218)	263	40
Proposed revised 1-time expenditures	55	79	312	76
Proposed revised total expenditures	4,566	4,829	5,399	5,358

Breakdown of Operating Revenue (Budgets, \$ millions)

	2023	2024	2025	2026
Previous year approved On-going revenue	-	(4,499)	(4,740)	(4,875)
Previously approved change from previous year	-	(241)	(136)	(130)
Approved Ongoing revenue	(4,499)	(4,740)	(4,875)	(5,006)
Proposed Change in On-going revenue	-	-	(240)	(313)
Proposed revised ongoing revenue	(4,499)	(4,740)	(5,115)	(5,318)
Approved 1-time revenue	(68)	(308)	(56)	(35)
Proposed Change in 1-time revenue	-	218	(228)	(5)
Proposed revised 1-time revenue	(68)	(90)	(284)	(40)
Proposed revised total revenue	(4,566)	(4,829)	(5,399)	(5,358)

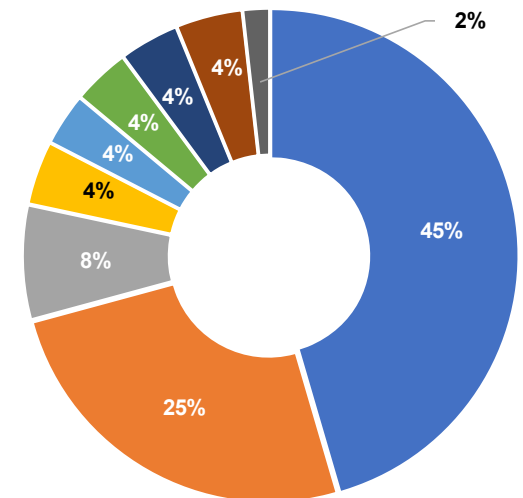
Note: figures do not include the impact of Education requisition

May 2025

*Note: Based on operating budgets previously approved by Council in November 2024.

2025 Operating Budget Funding: \$5.4 billion

- Property Tax
- Sales Of Goods & Services
- Contribution from Reserve
- Other Non-Tax Revenue
- Return on Equity from Water Services and Subsidiaries
- Licenses, Permits and Fines
- Investment Income
- Franchise Fees and Local Access Fees from Natural Gas and Electricity Providers
- Government Grants





Capital Budget Highlights

The City's capital requirements are driven by many factors, including:

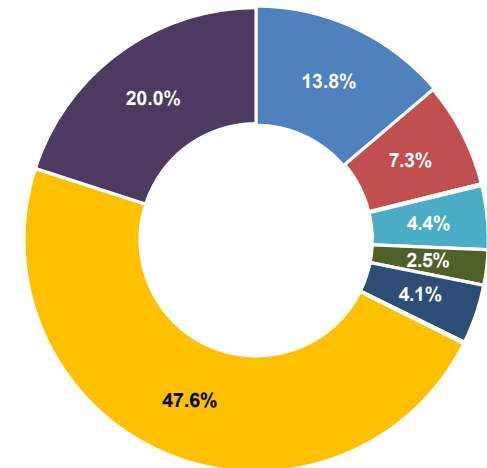
- The need to maintain and upgrade existing aging infrastructure to meet industry standards
- Rates of growth in the city, both population and area
- Government legislation and regulations

Adjustments to Capital Investments

Capital Budget Summary (\$ millions)	2024	2025	2026	2027+	Total
Previously approved budget	2,070	2,820	4,283	3,685	12,858
Adjustments	22	293	560	872	1,746
<i>Relinquishments</i>	(13)	(22)	(69)	(40)	(144)
<i>Increase</i>	35	315	628	912	1,890
New Investments	-	137	127	-	264
Council Amendments	-	38	21	-	59
Proposed revised capital budget	2,092	3,288	4,991	4,557	14,927

2024 - 2027+ capital investments by service category

- Building, Planning and Business
- Enabling Services
- Information and Communication
- Mayor and Council
- Parks, Recreation and Culture
- Public Safety and Bylaws
- Social Programs and Services
- Tax and Property Assessment
- Transportation
- Utilities & Environment



Slide 25

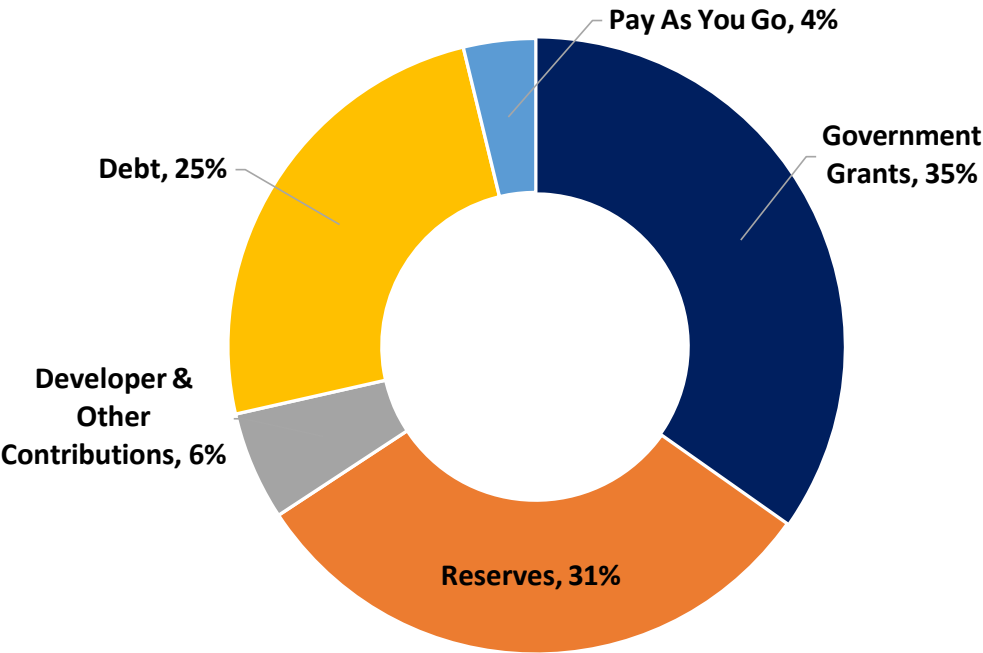
BA0 Formatting on the table is a little off
Brown, Aaron, 2025-04-29T20:33:41.781

LJO 0 This is a share point issue, once its pulled off onto the desktop, it looks great.
Lai, Jacky, 2025-04-29T23:11:52.160



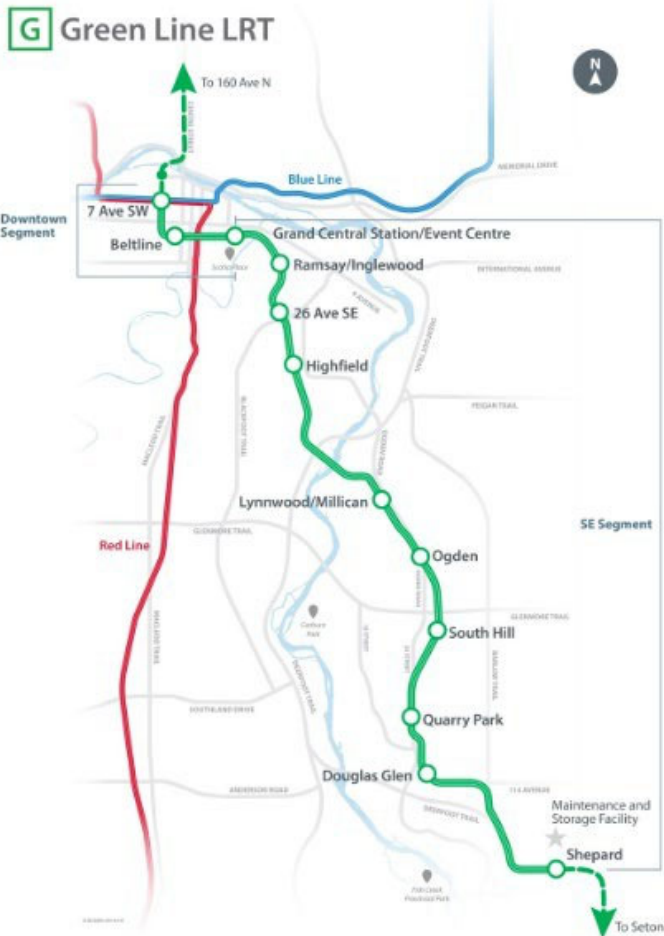
Capital Budget Funding

2024 – 2027+ approved capital budget of **\$14.927 B** is budgeted to be funded by the following



May 2025
*Note: Based on capital budgets previously approved by Council in November 2024.

Green Line LRT Stage 1



- \$6,248 million approved capital budget from the Government of Canada, Government of Alberta, and The City of Calgary.
- March 18, 2025 – Government of Canada and Government of Alberta provided final approval of the updated Green Line Business Case.
- Functional Plan for the Downtown Segment will be based on the Government of Alberta's plan and alignment, and public engagement.
- Project updates available [here](#).

Event Centre (Scotia Place) Update

- Nine months into a 36-month construction period
- Continuously monitoring market conditions
- Construction (interior and exterior) begins in 2026
- Culture + Entertainment District improvements ongoing

Project [website](#)



Prairie Economic Gateway



**Industrial and
manufacturing lands with
direct rail access**



**Investment in public
projects and local
services**

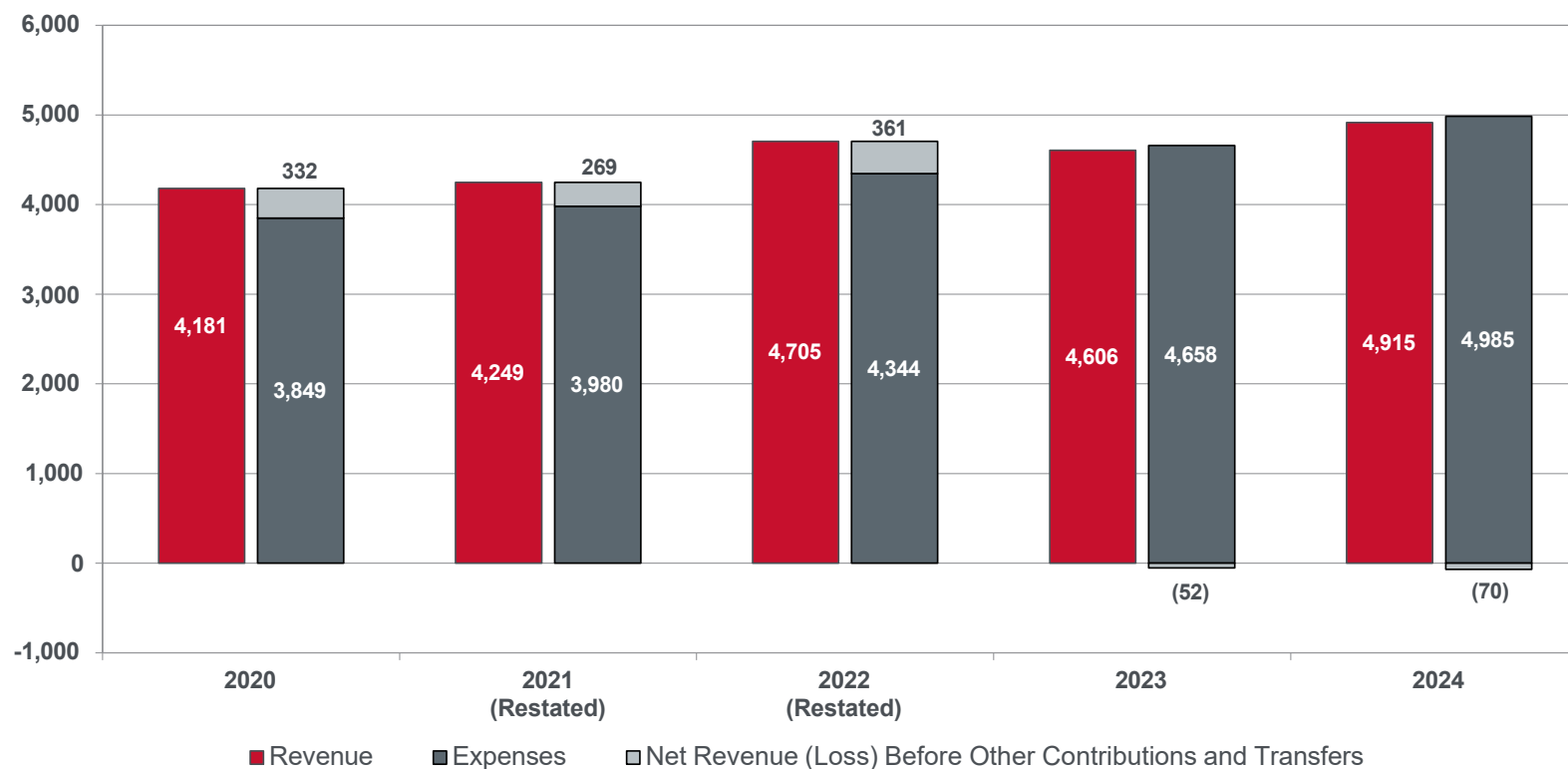


**Access to markets across
the continent
and beyond**

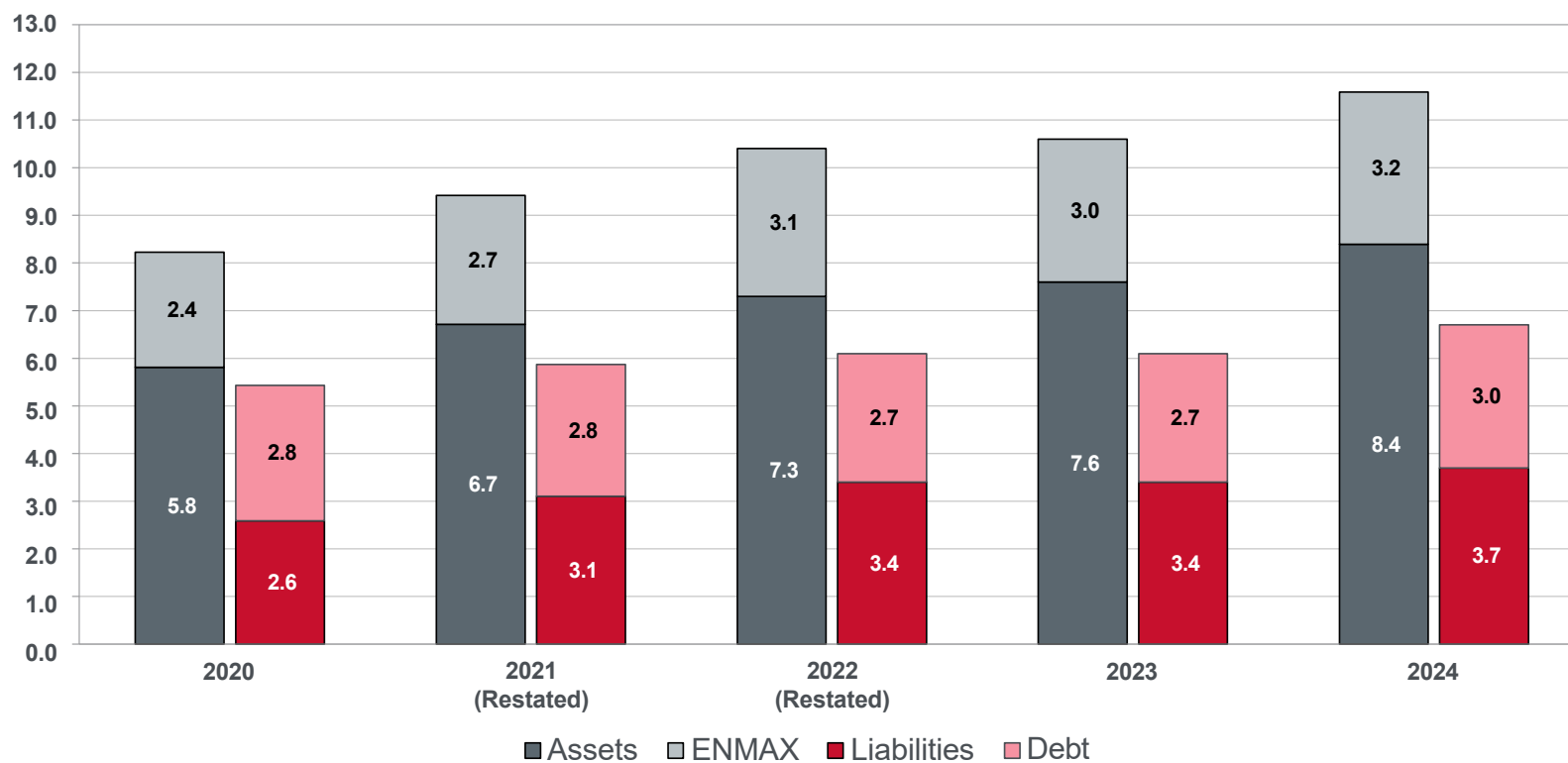
Vision: A historic regional collaboration to activate an inland port and logistics hub that will secure critical supply chains, create good-paying jobs, drive industrial activity and economic growth, and connect us to everywhere.

Additional information for this initiative available [here](#)

Revenues, Expenses, and Net Revenue (Loss) Before Capital Transfers (\$ millions)



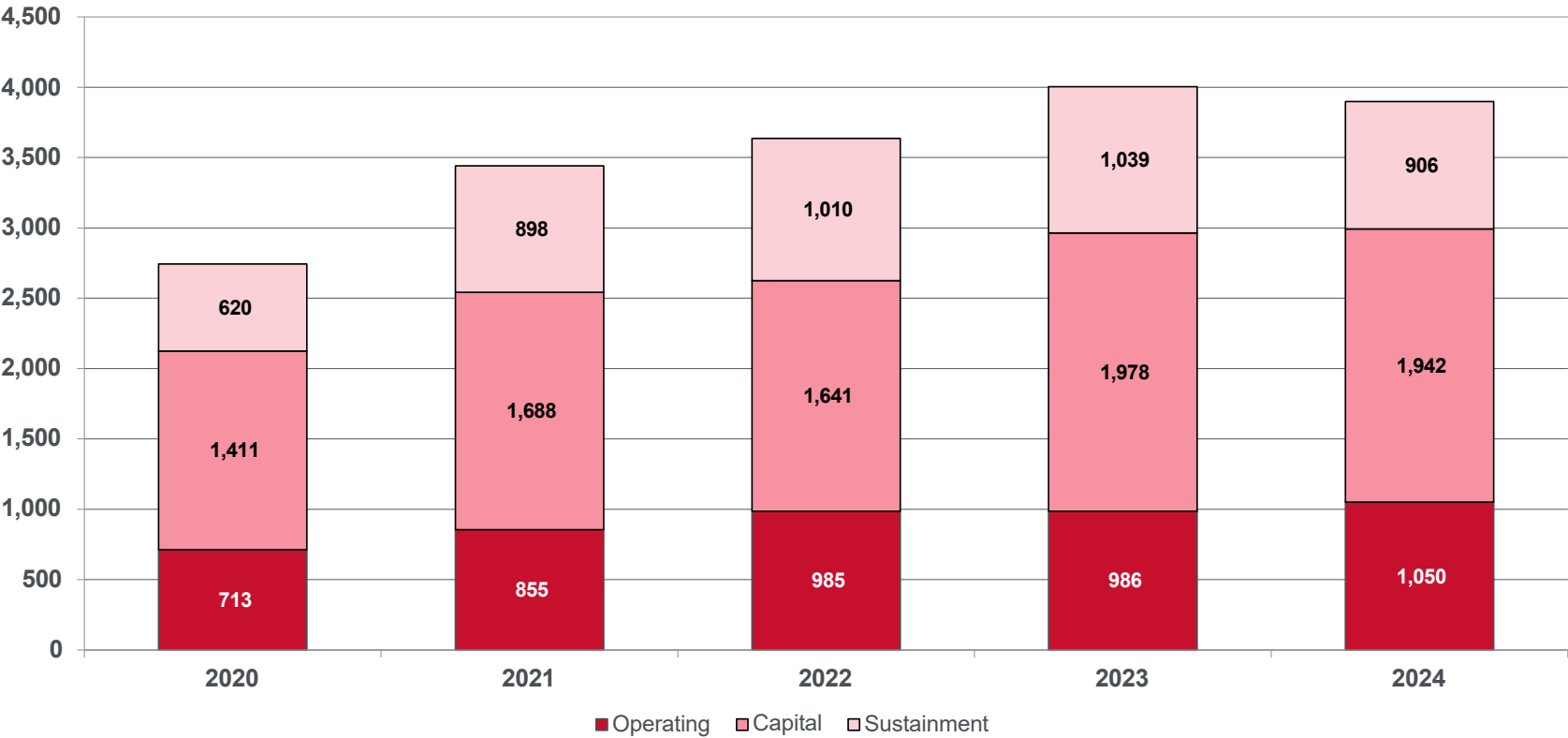
Financial Assets and Liabilities (\$ billions)





Reserves as at December 31

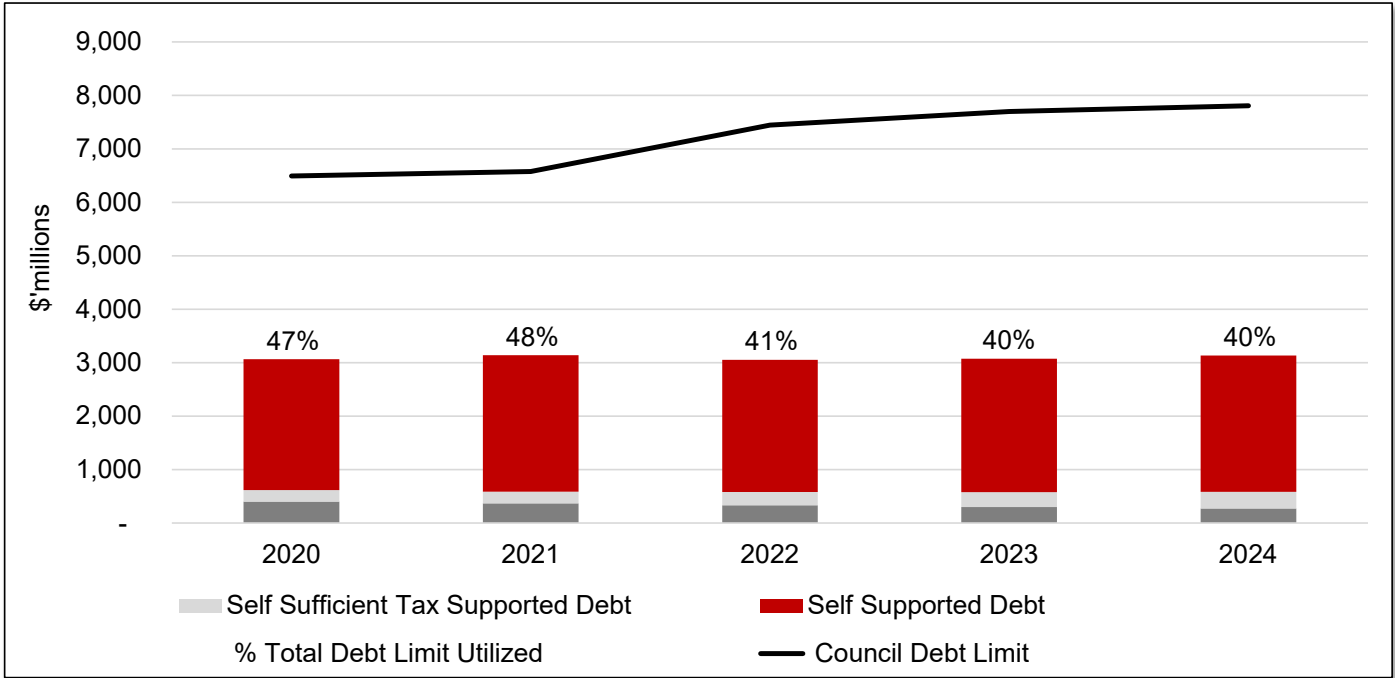
(\$ millions)





Debt Limit Levels

Historical Debt Limit Trend

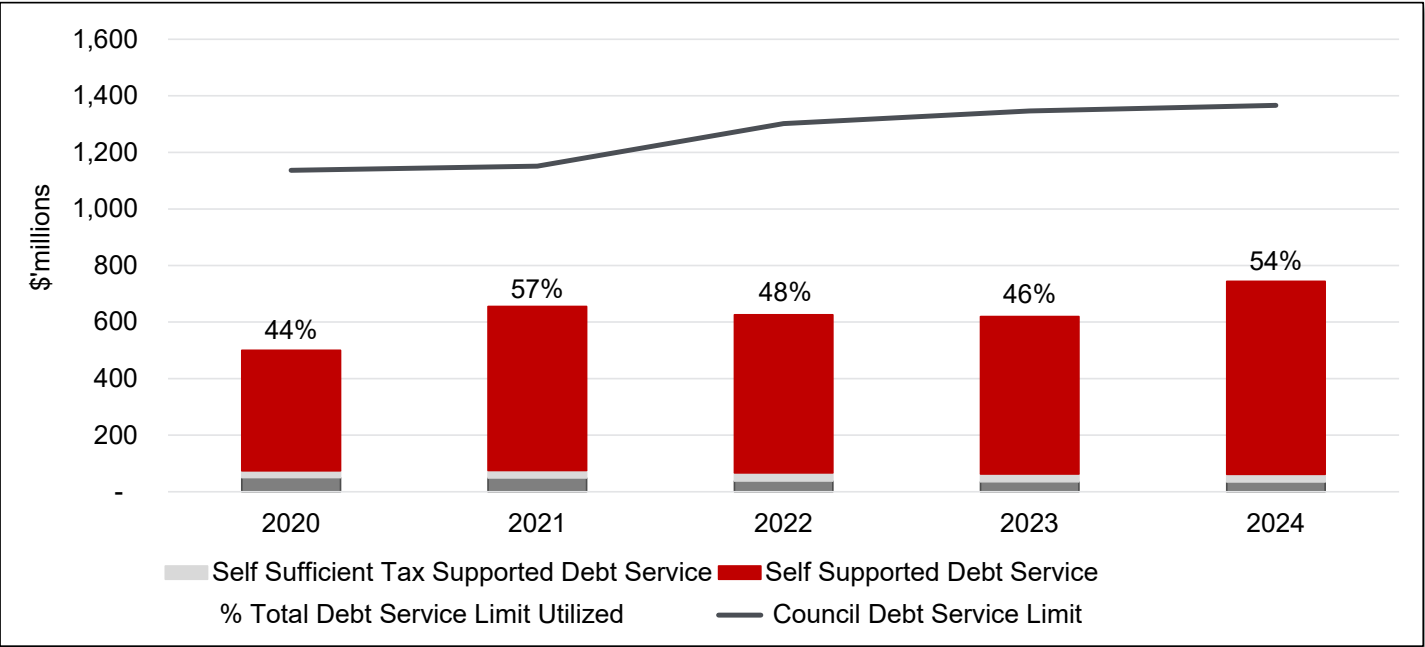


The City's debt levels are well within the Council-approved debt limit.



Debt Service Levels

Historic Debt Service Limit Trend



Debt servicing is well below The City’s debt service limit.



RECAP AND CONTACTS



Credit Strengths

Selected Credit Strengths

- Strong and prudent financial management and practices
- Policies to govern debt and investment management
- Strong liquidity position and strong access to external liquidity
- Supportive government framework
- Stable tax revenue base

Investor Safeguards

- Under the City Charter, a projected operating deficit must be accounted for in the next budget and recovered over the next 3 years
- All borrowing requires authorization through a borrowing by-law
- Long-term borrowing only for capital expenditures
- Term of debt cannot exceed life of the relevant asset
- City established a debt repayment account that sets aside sufficient funds each year to retire the relevant debt at maturity



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to
City of Calgary
Alberta

For its Annual
Financial Report
for the Year Ended

December 31, 2023

Christopher P. Morill
Executive Director/CEO



Calgary



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