

Corporate Funding Pool Balances - 2019-2022 Capital Budget Cycle (\$millions)

	NRP Levy	MSI	PAYG (Note 1)	Gas Tax	Total	Notes
Funding Balance as at Fall 2020 SCBA	\$ 0.9	\$ 24.0	\$ (32.7)	\$ -	\$ (7.8)	
<u>Funding Adjustments Since Fall 2020 SCBA:</u>						
2020 Year End Releases and other adjustments	2.1	3.0	9.0	1.5	15.6	
Federal Gas Tax - One Time Increase (Estimate)	-	-	-	55.6	55.6	2
2021/2022 MSI Reduction - Alberta 2021 Budget	-	(31.9)	-	-	(31.9)	3
Release of Previously held Funds	-	-	32.9	-	32.9	4
Total Adjustments	2.1	(28.9)	41.9	57.1	72.2	
Funding Balance Prior to Spring 2021 SCBA	\$ 3.0	\$ (4.9)	\$ 9.2	\$ 57.1	\$ 64.4	
<u>Spring 2021 SCBA Recommended Adjustments</u>						
Stadium LRT Station Upgrade	-	-	-	(11.9)	(11.9)	
Keswick East & West School Park Site Development	-	-	(0.2)	(5.4)	(5.6)	
Other Adjustments	-	-	(0.1)	-	(0.1)	
Total Spring 2021 SCBA Recommended Changes	-	-	(0.3)	(17.3)	(17.6)	
Funding Balance Subsequent to Other Strategies	\$3.0	\$ (4.9)	\$ 8.9	\$ 39.8	\$ 46.8	
<u>Other Funding Strategies</u>						
<u>Hold Funds for Emerging Items (Attachment 6)</u>						
50 Street CPR Grade Separation, Northeast and 170 Street Pedestrian Bridges	-	-	-	(26.7)	(26.7)	5
Rebalancing	-	4.9	(4.9)	-	-	
Total Other Funding Strategies	-	4.9	(4.9)	(26.7)	(26.7)	
Funding Balance Subsequent to Spring 2021 SCBA (Recommended Held for Future Budget Challenges)	\$ 3.0	\$ -	\$ 4.0	\$ 13.1	\$ 20.1	6

Notes

- 1) At the April 27, 2020, City Council meeting, Council approved a one-time \$46.5 million decrease in the operating transfer to the PAYG Capital Reserve, to offset the financial effects of COVID-19. The PAYG Capital Reserve will be reimbursed through a reduction in capital expenditures intended to be funded through PAYG in the 2023 capital budget, resulting in no overall impact to the corporate funding pool during this capital budget cycle. The \$32.7 million opening deficit PAYG balance in this schedule includes the \$46.5 million of pre-committed funds from the 2023 capital budget.
- 2) On March 25, 2021, the federal government announced a one-time doubling of the Gas Tax Fund in 2021, which is being renamed the Canada Community-Building Fund. The \$55.6 million is an estimate based on historical payments at the date of writing this report.
- 3) Based on the Alberta 2021 Budget, tabled on February 25, 2021, the estimated net reduction to the City's MSI payments in 2021 and 2022 are expected to be \$31.9 million.
- 4) On November 16, 2020, through the Fall 2020 Supplemental Capital Budget Adjustment, Council approved that \$49.9 million in funding available in the corporate pool (\$32.9 million in PAYG and \$17.0 million in Neighbourhood Renewal Funds) be held to address future budget challenges as a result of the

pandemic and reductions to the capital budget. Administration is recommending that \$32.9 million of this held funding be released back to the corporate pool to offset the \$31.9 million reduction to MSI funding in the Alberta 2021 Budget. The remaining \$17.0 million of held funding (which is 100% Neighbourhood Renewal Reserve funding) will continue to be held to address ongoing COVID-19 budget shortfalls or further capital budget reductions if required.

- 5) In order to apply corporate pool funding to some of these projects, Administration will be required to first swap in federal Gas Tax funding to currently approved projects to free up other funding sources (e.g., Pay-As-You-Go or Tax-Supported Debt) that would then be used to fund 50th Street CPR Grade Separation and the Northeast pedestrian bridge projects.
- 6) Administration recommends that this funding remain unallocated and available for future emerging items that will arise over the remainder of this budget cycle and into the next budget cycle.