

2022 Operating Budget Changes

Attachment 1

(000s)	2022				
	Revenue	Expense	Net	FTE	Tax Rate %
Current Tax Supported Operations	3,134,420	3,134,420	-		1.8
1. Changes to Economic Forecasts:					
Change to Assessment Growth	(15,000)	-	15,000	-	0.9
<u>Corporate Expenditures and Revenues</u>					
Investment earnings and transfer to capital	3,393	3,393	-	-	-
Debt servicing	(3,806)	(15,282)	(11,476)	-	(0.7)
EPCOR Power Franchise Fees	262	-	(262)	-	(0.0)
EPCOR Water & Wastewater Franchise Fees	1,673	-	(1,673)	-	(0.1)
ATCO Gas Franchise Fees	12,836	-	(12,836)	-	(0.7)
Local improvements revenue and transfer to reserve	(5,972)	(5,972)	-	-	-
<u>Planning & Environment Services</u>					
SSSF revenue and expenditure adjustment	(40,458)	(40,458)	-	-	-
<u>Development Services</u>					
Planning and Development business fluctuations	4,177	4,177	-	-	-
	(42,895)	(54,142)	(11,247)	-	(0.6)
2. External Factors/Changes to Legislation:					
<u>Edmonton Police Services</u>					
School Resource Officer program - expense management	(1,350)	(1,350)	-	-	-
<u>Fleet & Facility Services</u>					
EPCOR service contract cessation	(12,411)	(12,411)	-	(32.0)	-
<u>Fire Rescue Services</u>					
Firefighter and Fire Chief Supplementary Pension Plan employer contribution adjustments	-	900	900	-	0.1
<u>Corporate Expenditures & Revenues</u>					
Local Authorities Pension Plan employer contribution adjustments	-	(7,500)	(7,500)	-	(0.4)
Insurance premiums	301	1,034	733	-	0.0
Auto liability insurance (\$4 million one-time increase, offset with funding from Financial Strategies)	-	-	-	-	-
<u>Community Standards & Neighbourhoods</u>					
Peace Officer levelling	-	300	300	-	0.0
	(13,460)	(19,027)	(5,567)	(32.0)	(0.3)
3. Operating Impacts of Capital:					
<u>Edmonton Transit</u>					
Valley Line LRT Southeast - energy charges	-	(772)	(772)	-	(0.0)
Valley Line LRT Southeast - operations and maintenance	(7,895)	(7,895)	-	(1.0)	-
Valley Line LRT Southeast - increase service level	-	(827)	(827)	-	(0.0)
Valley Line LRT Southeast - precursor services	2,388	2,388	-	47.9	-
<u>Fire Rescue Services</u>					
Fire fleet growth *	-	1,108	1,108	2.0	0.1
South Edmonton Hazardous Materials Unit *	-	3,374	3,374	21.3	0.2
Windermere Fire Station *	-	1,827	1,827	11.6	0.1
<u>Talent Acquisition, Service & Solutions</u>					
Enterprise Commons - Human Capital Management Sustainment Model resources *	-	110	110	1.0	0.0
<u>Open City & Technology</u>					
Enterprise Commons - SAP software licensing and maintenance *	-	3,750	3,750	-	0.2
<u>Legal Services</u>					
File management system *	-	70	70	-	0.0
	(5,507)	3,133	8,640	82.8	0.5

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4. Council Directed					
<u>Fire Rescue Services</u>					
Fire hydrant services - removal from tax-levy	-	(9,319)	(9,319)	-	(0.5)
<u>Community & Recreation Facilities</u>					
Registered programs cost savings	(87)	(239)	(152)	-	(0.0)
<u>Parks & Roads Services</u>					
Naturalization plan and public engagement strategy	-	500	500	-	0.0
Public Tree Bylaw compliance *	-	790	790	8.0	0.0
<u>Corporate Expenditures and Revenues/Planning & Development</u>					
Business license fees	(1,239)	-	1,239	-	0.1
<u>Office of the City Clerk</u>					
Honoraria and expenses for civic agencies	-	350	350	-	0.0
	(1,326)	(7,918)	(6,592)	8.0	(0.4)
5. Operational Requirements					
<u>Community & Recreation Facilities</u>					
Policing costs - signature and foundational events *	-	200	200	-	0.0
<u>Workforce Safety & Employee Health</u>					
Disability claims management support *	-	124	124	1.0	0.0
Employee Family Assistance Program (EFAP)*	-	560	560	-	0.0
Occupational Health and Safety support*	-	124	124	1.0	0.0
<u>Community Standards & Neighbourhoods</u>					
City Hall security and support service model*	-	397	397	-	0.0
<u>Service Innovation and Performance</u>					
Strategic performance management support*	-	255	255	-	0.0
<u>Economic Investment Services</u>					
AKSIS (Edmonton's Aboriginal Business and Professional Association)*	-	180	180	-	0.0
<u>Legal Services</u>					
Resourcing requirements (reinstatement of funds)	-	750	750	-	0.0
<u>Drainage Stranded Costs</u>					
Legal Services	-	126	126	-	0.0
Open City & Technology	-	1,741	1,741	-	0.1
<u>Transit Cleaning Process**</u>					
Edmonton Transit Services/Fleet and Facility Services	-	-	-	61.0	-
	-	4,457	4,457	63.0	0.3
Adjustment to Financial Strategies	-	10,309	10,309	-	0.6
Total Operating Budget Changes	(63,188)	(63,188)	-	121.8	(0.0)
Adjusted Tax Supported Operations Budget	3,071,232	3,071,232	-		1.8
Land Enterprise					
Surplus Land Sales & Greenfield Sales	(13,427)	(15,483)	(2,056)	-	-

* Funded service packages with additional details included in Attachment 2.

** Through the Fall 2020 Supplemental Operating Budget Adjustment, reductions in the cost to provide transit cleaning services were approved resulting in a net decrease of \$1.2 million in operating expenditures (Edmonton Transit Services branch) and a reduction of 61 full time equivalents (Fleet and Facility Services branch) starting in 2021. The strategy was planned to be achieved through outsourcing of the transit cleaning process. The transit cleaning services have not been outsourced and Administration will continue to provide the service through the current business model using internal resources. This will require a net increase to the 2022 operating expenditure budget of \$1.2 million (Edmonton Transit Services Branch), as well as addition of 61 full time equivalents (Fleet and Facility Services). To offset the increase, Fleet and Facility Services overtime costs will be reduced on an ongoing basis by \$0.4 million through efficiencies, Edmonton Transit Services fuel budgets will be reduced on a one-time basis by \$0.4 million due to lower than expected volumes, and contractor costs will be reduced in both branches by \$0.2 million each, for a total of \$0.4 million, on a one-time basis in 2022.