

## FALL 2021 SUPPLEMENTAL OPERATING BUDGET ADJUSTMENT 2019-2022 OPERATING BUDGET

### RECOMMENDATION

That adjustments to the 2022 Operating Budget, as outlined in Attachment 1 of the November 22, 2021, Financial and Corporate Services report FCS00817, be approved.

### Report Purpose

#### Council decision required

Council is being asked to approve recommended adjustments to the previously approved 2022 operating budget.

### Previous Council/Committee Action

At the March 1 2021, Executive Committee meeting, the following motion passed:

That Administration provide annual reports to Council, as part of fall budget deliberations, for the next two years, with detailed reporting and analysis of property growth near LRT lines and transit routes.

### Executive Summary

- City Council approved the 2019-2022 Operating Budget in December 2018 and consistent with budget practices, adjustments to the budget are made on a semi-annual basis in the spring and fall.
- The Fall 2021 Supplemental Operating Budget Adjustment (SOBA) report provides recommendations for adjustments to the 2022 approved operating budget.
- The proposed tax increase for 2022 is 1.8 per cent, consistent with the increase approved by Council last spring through the Spring 2021 SOBA.
- Adjustments to the 2022 approved budget are related to changes in economic forecasts, external factors/legislative changes, operating impacts of capital, Council directed changes, and other operating requirements proposed by Administration.
- The report also provides an update on the City's progress towards implementation of a carbon budgeting and accounting framework for the 2023-2026 budget.

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- In response to a March 1, 2021 Executive Committee motion, an analysis of property growth near LRT lines and transit routes is provided.
- COVID-19 impacts on the 2022 operating budget are being addressed on a one-time basis and recommended separately through report FCS00828 - COVID-19 2022 Financial Impacts and Funding Strategy also being presented to City Council on November 22, 2021.
- City Council approves adjustments to the Waste Services and Blatchford Renewable Energy Operating Budgets through an annual rate filing in separate reports to Utility Committee.

### REPORT

The Supplemental Operating Budget Adjustment (SOBA) report is part of the City Council approved multi-year budgeting approach to setting the 2019-2022 Operating Budget.

The original 2019-2022 operating budget was approved by City Council in December 2018. Once the four-year budget has been approved, Council has opportunities to adjust the budgets on two occasions during the year, in the fall, prior to the start of the budget year, and in the spring of the budget year, prior to finalization of the tax rate. Through the City Policy C578 Multi-year Budgeting Policy, budget amendments are typically allowed for:

- changes in external factors such as provincial or federal budgets or legislation changes,
- adjustments for operating impacts of capital,
- unforeseen changes to economic forecasts, and
- Council-directed changes.

Changes are also allowed for urgent budget pressures that need to be addressed during the budget cycle, a recent example being the COVID-19 pandemic.

The fall supplemental operating budget adjustment process is used to make ongoing adjustments to the budget in advance of the budget year. The spring supplemental budget adjustment is more restrictive in terms of adjustments to the budget. The intent in the spring is not to redeliberate the annual budget, but rather to respond to items resulting from the release of the provincial and federal budgets and address any emerging items prior to finalization of the tax increase and establishment of the property tax rate.

The tax increases initially approved by Council in 2018 were 2.6 per cent for each year over the period of 2019-2022. During the Spring 2021 SOBA, Council approved a tax decrease of 0.3 per cent for 2021 and tax increase of 1.8 per cent for 2022.

The recommendations in this report maintain the 1.8 per cent tax increase approved by Council for 2022. The tax increase of 1.8 per cent for 2022 includes 0.7 per cent for civic departments from the 2021 base budget, 0.7 per cent for the Edmonton Police Service, 0.3 per cent for Alley Renewal, and 0.1 per cent for the Valley Line LRT. This report is specific to ongoing budget adjustments impacting the 2022 operating budgets.

Consistent with the approach first discussed with City Council in 2020, the 2022 budget impacts of the COVID-19 pandemic are being treated as temporary and are therefore addressed with

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one-time budget strategies discussed separately in report FCS00828 - COVID-19 2022 Financial Impacts and Funding Strategy also presented to City Council on November 22, 2021.

### Economic Outlook

The pandemic and public health restrictions have significantly impacted Edmonton's economy. In 2020, the extent of Edmonton's economic contraction was greater than the back-to-back contractions experienced in 2015 and 2016. Since the start of 2021, there has been growing evidence of Edmonton's economic recovery gaining traction. For example, regional labour market conditions have rebounded more strongly than previously anticipated.

Growth projections for Edmonton's economic output have been lifted for 2021 to reflect a much stronger rebound than initially expected, with a return to pre-pandemic output levels by the end of 2022. However, there remains a great deal of uncertainty with regards to how the pandemic will impact economic activity in 2022 and beyond. Pandemic-related supply chain disruptions are driving up prices and limiting availability for some materials and goods, affecting businesses and households. Although expected to ease starting in 2022, price pressures in 2021 have been particularly strong with headline inflation running at 3.7 per cent for Edmonton consumers in September 2021. Consumer inflation is expected to remain elevated over the balance of 2021, followed by upward pressures gradually easing throughout 2022 and inflation coming down to the 2 per cent range by the end of the year.

Even though Edmonton's economic recovery is gaining traction, it is expected to be gradual with some sectors likely taking more time to recover than others. As well, incremental tax revenues from assessment growth have decreased, largely due to slower non-residential construction activity. Taking into consideration more pronounced inflationary pressures, Administration believes the 1.8 per cent tax increase recommended in this budget for 2022 to be fiscally prudent and supportive of the current economic climate.

More details on Edmonton's recent economic performance can be found in FCS00830 - Operating Financial Update - September 30, 2021, also presented to Council at the November 22 City Council meeting.

### 2022 Operating Budget Approach

The City must address the ongoing budget in a manner that is considerate of taxpayers' financial circumstances, maintains appropriate funding for core services, and provides for long-term financial sustainability of the City, all while taking into account the challenging economic environment. Similar to 2020 and 2021, in 2022 municipalities face the challenge of budgeting while navigating through a global pandemic.

#### COVID-19 2022 Financial Impacts and Funding Strategy (One-Time Budget Impacts)

The COVID-19 budget adjustment will be a one-time balanced adjustment with no impact on the 2022 tax levy. The budget impacts of COVID-19 will be treated as one-time for 2022 as Administration continues to assess the longer-term impact of the pandemic on the City's operations. This approach helps limit the impact to residents by using all available options for

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funding, reasonable expense management and other corporate strategies on a one-time basis, without resorting to tax levy increases. The longer-term impacts of the pandemic will be addressed on an ongoing basis in the proposed 2023-2026 budget in the fall of 2022.

### 2022 Proposed Operating Budget Adjustments (Ongoing Budget Impacts)

Administration balances the needs and expectations for municipal services with sensitivity to the current economic climate and the fiscal reality facing Edmontonians. The Fall 2021 Supplemental Operating Budget Adjustment responds to Edmonton's economic challenges by maintaining the 1.8 per cent tax increase previously approved by City Council.

### **Recommended 2022 Operating Budget Adjustments**

During the Spring 2021 SOBA on April 19, 2021, City Council approved a 1.8 per cent tax increase for 2022.

Guided by the City's Multi-year Budgeting Policy (C578), the supplemental budget adjustment process categorizes adjustments to the 2022 budget as follows:

- Changes to Economic Forecast: includes adjustments that affect costs, changes in service demand volumes, or revenue projections;
- External Factors/Changes in Legislation: allows the City to respond to external factors such as provincial or federal budgets or changes imposed by legislation;
- Operating Impact of Capital: incorporates the operating impacts related to the implementation and completion of capital projects; or
- Council-directed changes to priorities, policies and programs.

For 2022, these adjustments are achieved within the currently approved 1.8 per cent tax increase. Since the start of the pandemic in 2020, cost management has been a key strategy in offsetting the budgetary impacts. Spending across the City has been reduced and Administration has deferred funding decisions related to priority items. Funding for these priority items will improve overall services to the citizens of Edmonton, either directly through external facing areas or indirectly through support functions, and promote operational efficiencies while mitigating the need for tax increases. As a result, this report also recommends funding for certain operating service requirements that can be managed within the 1.8 per cent proposed tax increase, explained further below.

Budget adjustments are itemized in Attachment 1 and discussed below.

#### *Changes to Economic Forecasts*

The following adjustments have been incorporated into the proposed budget adjustment and reflect changes to corporate estimates or economic forecasts:

- Assessment growth - A decrease in assessment growth of \$15 million. Assessment growth for the 2022 year is based on construction activity in 2021, which has been negatively affected by the economic impacts of COVID-19 and is \$15 million lower when

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compared to growth figures currently included in the budget, particularly for non-residential structures.

- Investment earnings - An increase in investment earnings of \$3.4 million as a result of market conditions. The increased investment earnings are redirected to fund projects in the Capital Budget, consistent with the City's budget strategy to use investment earnings to fund capital projects on a pay-as-you-go basis. There is no resulting impact to the tax-levy.
- Debt servicing - A net decrease in the debt servicing (principal and interest payments on long-term debt) of \$11.5 million as a result of changes in the timing of borrowing and adjustment to the borrowing forecasts for various tax-supported debt projects. Administration reviews and adjusts the tax-supported debt servicing budget through the fall and spring supplemental operating budget process based on revised project cash flows and borrowing requirements.
- EPCOR franchise fees - an increase in power franchise fees of \$0.2 million, and water and wastewater franchise fees of \$1.7 million based on revised forecasts provided by EPCOR.
- ATCO Gas franchise fee - an increase in gas franchise fee revenue of \$12.8 million based on revised delivery rate forecasts provided by ATCO gas.
- Local improvement revenues - a decrease in local improvement revenues of \$6.0 million due to less than expected local improvement construction completion in 2022, offset by a decreased transfer to the Local Improvement Reserve of \$6.0 million. There is no resulting impact to the tax levy.
- Sanitary Servicing Strategy Fund (SSSF) - The SSSF was established for construction of deep trunk sewers servicing new development and growth in the City for the next 40 years. The program is funded through expansion assessment fees, sanitary sewer trunk charges, and utility contributions and interest earned. Revenue and expenditure budgets are regularly adjusted to align with current economic conditions and evolving construction plans. This adjustment reduces project expenditures funded through SSSF by \$40.5 million in 2022 on a one-time basis, partially offset by increased revenue collection of \$3.9 million, resulting in a reduced transfer from the SSSF reserve of \$44.4 million. There is no resulting impact to the tax levy.
- Planning and Development Business revenues - revenues are expected to be \$2.1 million higher than the current 2022 budgeted amount as a result of a slight increase in expected growth in residential building permits, Land Development Applications and standalone inspections. Personnel expenses are expected to be \$3.3 million higher than currently approved 2022 budgeted amounts to accommodate service demand and Zoning Bylaw Renewal implementation, offset by \$3.3 million savings mainly in external services. The net impact of \$2.1 million will be transferred to the Planning and Development Reserve. There is no resulting impact to the tax levy.

### *External Factors/Changes to Legislation*

The following adjustments are a result of external factors or changes in legislation:

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- Edmonton Police Service (EPS) School Resource Officer Program - The continued suspension of the School Resource Officer (SRO) program by Edmonton Public School Board resulted in a \$1.4 million revenue reduction. The SRO program revenue reduction will be offset by a corresponding reallocation in expenses, which will be achieved through multiple cost-savings measures in the EPS operating budget. There is no resulting impact to the tax levy.
- EPCOR fleet maintenance contract cessation - The City of Edmonton was not successful in securing the EPCOR fleet maintenance contract, resulting in lost revenues of \$12.4 million in 2022. The revenue loss is fully offset by a \$9.8 million reduction in direct expenses related to this service, and \$2.6 million one-time reduction across various other expenses within the Fleet and Facility Services branch operating budget in 2022, allowing a transition period to determine the long-term impact, if any. There is no resulting impact to the tax levy for 2022. If required, ongoing impacts due to the loss of this contract will be brought forward for consideration in the 2023-2026 proposed operating budget.
- Firefighter and Fire Chief Supplementary Pension Plan contribution - In October 2021, the City, as Plan Administrator recommended increases to the employee and employer contribution rates for the supplementary pension plans. As the employer, this resulted in an approximately \$0.9 million increase to the City's 2022 operating budget.
- Local Authorities Pension Plan (LAPP) contributions - In September 2021, the LAPP sponsor board announced a one per cent reduction to employers and employee LAPP contribution rates for 2022. As an employer, this equates to an approximate \$7.5 million reduction to the City's 2022 operating budget.
- Insurance premiums - The City has seen year-over-year insurance premium increases above budgeted amounts since 2019 as a result of both the city's growth and insurance market changes driven by the economic downturn. Net increases in the City's insurance costs are anticipated to exceed the approved budget by \$0.7 million. Total insurance costs are expected to increase by \$1.9 million in 2022, partially offset by recoveries from the insured partners and program efficiencies of \$1.2 million.
- Auto liability insurance - Pursuant to Section 825, Part 7 of the *Alberta Insurance Act*, the Corporation must maintain adequate auto liability insurance. Previously, the requirement per the Act was to maintain \$7.1 million in funding. Based on actuarial cost estimates, to satisfy the new provincial requirements, the City is required to increase funding by an estimated additional \$4.0 million to \$11.1 million. This is a one-time expenditure adjustment for 2022 being proposed for funding from Financial Strategies.
- Peace officer levelling - In June 2018, a bulletin was issued by Alberta Justice and Solicitor General advising of three key changes to the Peace Officer Program, one of which was a policy to clarify community peace officer (CPO) classifications and implement one standard of training for all community peace officers. While job functions and authorities may stay the same, all CPOs will be required to meet the standards for current CPO Level 1 training. As a result, the City must re-level



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approximately 40 existing Peace Officer positions to meet the legislated requirements at a cost of \$0.3 million.

### *Operating Impacts of Capital*

Operating impacts of capital include adjustments required to the operating budget due to the resulting operating costs from the implementation or completion of capital projects.

- Valley Line LRT Southeast (102 Street downtown and Mill Woods Town Centre) - delayed opening of the Valley Line LRT Southeast has resulted in reduced operating, maintenance and energy costs in 2022. The delay has also resulted in the extension of the precursor bus service until the line is operational. The net operating savings in 2022 are \$7.1 million on a one-time basis, with \$5.5 million being transferred to the LRT Reserve, and a \$1.6 million reduction in the tax-levy requirement for 2022.
- Fire Fleet Growth - resources are required to sustain maintenance schedules for City municipal vehicles. Preventative maintenance programs ensure that vehicles are safe, reliable and available for programs and services provided to citizens. The total operating costs are \$1.1 million in 2022.
- South Edmonton Hazardous Material Unit - resources are required to establish a hazardous material unit in the south side of Edmonton to improve average Hazmat response time in the area. The resulting operating costs of establishing this unit are \$3.4 million in 2022, with a further increase of \$0.6 million in 2023 for staffing and training.
- Windermere Fire Station - construction will be completed late in 2022, with an expected opening in spring 2023. Staffing and training will need to begin next summer. The 2022 operating costs are estimated to be \$1.8 million, with a further increase of \$1.3 million in 2023, for a total of \$3.1 million on an ongoing basis in 2023.
- Enterprise Commons Human Capital Management Sustainment Model resources - a Sustainment Model for Enterprise Commons was created to support the City's Enterprise Resource Planning (ERP) solution. Funding of \$0.1 million is required for the Training Specialist role. This role will support the successful implementation of Enterprise Commons, specifically to help users as they adjust to technology and business process changes.
- Enterprise Commons Software Maintenance and Licensing - funding of \$3.8 million is required for additional SAP software licenses and maintenance fees as part of the Enterprise Commons implementation. These licenses were as a result of new requirements identified after the original software purchase. The Enterprise Commons program represents a major corporate shift in the way the City operates, as it transitions various enterprise technology systems to a single, modernized technology system that spans core enterprise functions.
- Legal services file management system - licensing costs of \$70,000 related to implementation of a new legal services file management system.

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The above operating impacts of capital are summarized in Attachment 1. Funded service packages, with more details on the funding requests, are included in Attachment 2 for those operating impacts of capital that are requesting an increase in tax-levy funding. Operating impacts of capital are brought forward as funded service packages because they are required to support operations of capital projects previously approved by City Council.

### *Council Directed*

The following adjustments are the result of previous Council decisions:

- Fire Hydrant Services - At the February 22, 2021 City Council meeting, Council approved recovery of costs for public fire protection services in the EPCOR water utility rates effective April 1, 2022, and the removal of cost recovery from the current fire hydrant service agreement approach. The result was a reduction in the operating budget requirement for the Fire Rescue Services branch as of April 1, 2022, for a decrease to the tax levy operating budget in 2022 of \$9.3 million, with a further decrease of \$3.1 million in 2023. The total is a \$12.4 million decrease to the base budget.
- Cost Savings / Revenue Generation Opportunities - At its July 5, 2021 meeting, City Council received an update on opportunities (report OCM00503), to find cost savings or generate additional revenues across five of the largest budgeted services in the City. Administration identified two adjustments that would be incorporated into the 2022 operating budget as a result of this work, both of which were directed by City Council. These items are changes to community recreation facility registered programs, and the Naturalization Plan and Public Engagement Strategy:
  - Community Recreation Facility Registered Programs - Cost savings were identified across three registered program areas that would see the elimination of programs with low enrollment or low cost recovery. This will result in a reduction of program budgets in these areas, to be fully realized over a 5-year period from 2022-2026. Net savings to the 2022 operating budget will be \$0.2 million, with overall savings from 2022 to 2026 estimated at \$1.3 million. Further savings will be reflected in the 2023-2026 operating budget.
  - Naturalization Plan and Public Engagement Strategy - The creation of an updated Naturalization Plan will define locations suitable for turf conversion and naturalization tree planting. Deliverables of this work include: citywide public engagement and communications plans, a 10-Year Naturalization Plan, a review of the existing naturalization practices, jurisdictional scan, alignment with City of Edmonton strategic goals, field assessments, mapping and analysis of existing vegetation inventories, and measures for monitoring progress of meeting corporately established tree planting targets. Funding of \$0.5 million is being requested for this work on a one-time basis in 2022. The work is expected to result in future operating cost savings, which will be quantified after the strategy is developed.
- Public tree bylaw compliance - At the August 30, 2021, City Council meeting, Council directed Administration to return to Fall 2021 SOBA with budget adjustments to achieve



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compliance with Bylaw 18825 - Public Tree Bylaw. Funding of \$0.8 million is identified as the resourcing required to introduce tree protection permits and conduct inspections to enforce protection requirements in 2022.

- Business licensing fees - On August 16, 2021, City Council approved amendments to the Bylaw 20002 - Business Licence Bylaw that reduced business licence fees. The changes will improve the customer experience by providing a discounted two-year licence fee, reduced fees for on-time licence renewal and non-resident businesses, and a single fee for licences regardless of the number of licence categories. The business licence revenue decrease is expected to be \$1.4 million, offset with other adjustments of \$0.2 million, resulting in a net revenue decrease of \$1.2 million starting in 2022.
- Honoraria and expenses for civic agencies - On August 30, 2021, City Council approved compensation and reimbursement for members appointed to city agencies for attendance at meetings and out-of-pocket expenses. The annual ongoing budget impact of current in-scope City agency members receiving a per-meeting honorarium will be \$0.4 million, starting in 2022.

### *Operating Service Requirements*

Administration is recommending funding for various operating service requirements that will result in improved service delivery and promote efficiencies. These include:

- Increased subsidization of the costs for police services required to manage traffic and pedestrians on roadways, and to provide site safety and security at festivals and events. This will lower the costs incurred by festivals and events organizers.
- Increased staffing for disability management, and occupational health and safety related services resulting from increased demand.
- Permanent funding for the City's existing Employee Family Assistance Program.
- Revised City Hall security and support service model.
- Strategic performance management tool to support the roll-out and implementation of Enterprise Performance Management across the organization, Community Perception Surveys, benchmarking sources, and strategic assessments and reviews.
- Operating support for AKSIS (Edmonton's Aboriginal Business and Professional Association).

These operating requirements are included in the budget as funded service packages, summarized in Attachment 1 and explained in detail in Attachment 2.

Additionally, Administration is recommending the following adjustments related to previous budget strategies:

- Legal services reinstatement of funds - In December 2020, as part of the Fall 2020 Supplemental Operating Budget Adjustment, a reduction of one expropriation lawyer and reduced costs paid to property owners' counsel were approved as a budget reduction strategy, totalling \$0.8 million. This reduction was premised on proposed legislative changes to the *Expropriation Act* that were not made by the Government of

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Alberta. As a result, Administration is recommending these funds be reinstated into the Legal Service branch operating budget starting in 2022 on an ongoing basis.

- Drainage stranded costs - On September 1, 2017, the City's Drainage Services utility was transferred to EPCOR. With the transfer, \$11.5 million in shared-service costs previously recovered from the Drainage utility remained in the operating budget and created an immediate budget shortfall. As part of the Drainage Services Transfer Agreement, EPCOR provided the City with a \$75.0 million Transition Fund, part of which was appropriated to offset this budget shortfall from 2018 to 2023. In 2022, \$1.9 million in ongoing stranded costs remain within the Open City and Technology and Legal Services branches. These stranded costs cannot be reduced without negatively impacting service levels. This was particularly challenging for shared service areas where Drainage recoveries were significant and/or made up of fixed costs. The City continues to use technology systems that serve the entire corporation, where a portion of the fixed costs were previously recovered through the Drainage utility. This report recommends funding the \$1.9 million in Drainage stranded costs for the Open City and Technology and Legal Services branches through the tax-levy.

The total budget requirement for these operating service requirements is \$4.5 million starting in 2022.

### *Land Enterprise*

The Land Enterprise budgets have also been adjusted based on updated timing of land sales. The details of the adjustments are included in Attachment 1.

### **Service Packages**

Service packages reflect new or enhanced services, growth on existing services or increases resulting from impacts of capital. Service packages are presented as either funded or unfunded. Funded service packages are included for those items recommended for funding, either because they have been directed to be funded by Council, are operating impacts of an approved capital project that require funding, or because the item is a priority request. Unfunded service packages are included in budget reports for Council consideration, and would need to be motioned by Council to be added to the budget.

Funded service packages recommended in the Supplemental Budget Adjustment include:

- Service packages related to operating impacts of capital requiring an increase in tax levy
- Service packages for operating service requirements, including service improvements and operational efficiencies identified by Administration as discussed above

Unfunded service packages are related to items City Council had previously requested to return to the Fall 2021 SOBA for consideration starting in 2022, including:

- Extension of Basketball Canada and Basketball Alberta sponsorship agreement
- Major event funding
- Reinstatement of weed management program to 2020 service levels

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- Social development operating subsidy (revised Community Investment Operating Grant Program)
- Operating funding for End Poverty Edmonton and Edmonton Community Development Company
- Operating funding for RECOVER Urban Wellbeing

Attachment 2 provides a summary of funded and unfunded service packages. A summary of service packages that have been withdrawn or deferred over the 2019-2022 operating budget cycle, and a summary of the service packages previously approved during the 2019-2022 budget deliberations and during the prior SOBA processes have also been provided for Council's reference.

### Carbon Budgeting and Accounting

On April 19, 2021, the revised Community Energy Transition Strategy and Action Plan was approved by City Council. The Energy Transition Strategy outlines how to achieve the transformational change to a low carbon city as outlined in ConnectEdmonton and The City Plan, and sets targets for Community and Corporate greenhouse gas (GHG) emissions.

To remain informed and assess progress towards a low carbon future, the Energy Transition Strategy identified that the City will require a new management and accounting approach (Carbon Accounting Framework) to integrate greenhouse gas reductions into the City budgeting and prioritization processes.

Administration committed to provide current information about the corporate and community carbon budget, and estimated projections in various climate investment scenarios for the budget process in 2021.

Given the specialized nature of this work, Administration is working with an external consultant to develop a carbon budgeting and accounting framework for implementation and use in the 2023-2026 proposed budget being presented to City Council in fall 2022. Preliminary estimates for the corporation's carbon budget as well as Edmonton's community carbon budget are provided in Attachment 3.

### Property Growth Near Major Transit Stops

On March 1, 2021, Executive Committee directed Administration to provide annual reports to Council, as part of fall budget deliberations, for the next two years (2021 and 2022), with detailed reporting and analysis of property assessment growth near LRT lines and major transit routes. This analysis is included in Attachment 4.

## COMMUNITY INSIGHT

The City recognizes ongoing effects of the pandemic on employment and business revenue in Edmonton. Administration will conduct an online survey to quantify these effects among property owners, business owners and the general public prior to the fall 2021 budget deliberations, as

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well assess the tax tolerance. Results will be provided to Council at the start of budget deliberations in December.

As part of the 2019-2022 operating and capital budgets development and approval process, education and engagement opportunities included event outreach, a My Budget survey and a non-statutory public hearing. The public can provide feedback specifically on the Fall 2021 Supplemental Budget Adjustment at the Non-statutory Public Hearing on November 29, 2021.

### **GBA+**

For budget adjustments, in-depth GBA+ analysis is applied at the project, service or profile level. While the overall 2019-2022 budget was developed with equity principles in mind, the full application of GBA+ will be a more integral part of the next budget planning process. The adjustments recommended in this report are put forward in consideration of the priorities of ConnectEdmonton and The City Plan, which were developed after hearing from a diverse and representative sample of Edmontonians. The GBA+ approach was applied to ensure over 10,000 Edmontonians, including a variety of identity intersectionalities (such as income, education, housing, family dynamics) were able to participate.

The 2023-2026 budget cycle will be the first developed with full GBA+ principles. The City will seek input from those with lived-experience by intentionally considering compounding experiences of marginalization and discrimination in evaluating City programs, policies and practices. In addition, the City is working to ensure diverse viewpoints are permanent in its decision making by equipping and empowering all staff with GBA+ and anti-racism training as they provide their expertise for each City project or service.

### **ATTACHMENTS**

1. 2022 Operating Budget Changes
2. Operating Budget - The City of Edmonton Fall 2021 Supplementary Operating Budget Adjustment
3. Carbon Budgeting and Accounting Framework Update
4. Property Growth Around Major Transit Stops