

2023-2032 CAPITAL INVESTMENT OUTLOOK

RECOMMENDATION

That the June 7, 2022, Financial and Corporate Services report FCS01169, be received for information.

Report Purpose

Information only.

Council is being informed of the City's 10-year forecast of incremental changes to available capital revenue and expenditures. The report outlines longer-term capital budget impacts, based on the best available information to date.

Executive Summary

- The Capital Investment Outlook (CIO) provides a forecast of the City's infrastructure requirements for 2023-2032.
- The outlook assists Council in making strategic decisions on how best to allocate limited City resources between replacing and rehabilitating existing assets, and building new infrastructure.
- A growing number of assets, combined with reductions in sustainable infrastructure funding from the provincial government, results in significant challenges for the City to maintain its existing infrastructure. Nearly all unconstrained funding will need to be directed to the City's renewal program over the next 10 years.
- There has already been \$3.8 billion in capital growth spending approved for the 2023-2026 capital budget cycle, which is a 30 per cent increase over what was approved in the 2019-2022 budget.

REPORT

Administration has prepared the 10-year Capital Investment Outlook (CIO), included as Attachment 1, to provide a high-level overview of the key elements that will impact the City's capital program from 2023 to 2032.

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COMMUNITY INSIGHT

The investment outlook reports provide a high-level analysis of the factors expected to influence the City's finances in the medium to long term. This analysis helps to support Administration's development of the 2023 to 2026 Budget and Council's decision-making on that topic. The investment outlook reports are one of the many inputs to Council's decision-making. Other inputs include Priority Based Budgeting, Council Policies, and research and engagement. Administration is undertaking a number of research and engagement activities to support the development of the 2023 to 2026 budget and provide Council with analysis on the perspectives of Edmontonians when it comes to priorities for City spending, as well as tolerance for increasing/adjusting City revenue streams.

GBA+

As the capital investment outlook provides high-level analysis and projections affecting the City's capacity for capital spending, GBA+ is not completed specifically for these outlooks. The projects and services delivered within the affected budgets will each have individual implications for GBA+. The 2023-2026 Capital Budget will be the first capital budget to consider GBA+ in project prioritization.

ATTACHMENTS

1. 2023-2032 Capital Investment Outlook