

2023-2032 OPERATING INVESTMENT OUTLOOK

RECOMMENDATION

That the June 7, 2022, Financial and Corporate Services report FCS01168, be received for information.

Report Purpose

Information only

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

Executive Summary

- The Operating Investment Outlook (OIO) is a 10-year forecast of incremental changes to the City's operating revenues and expenditures.
- The outlook provides information about the longer-term budget impacts of maintaining current service levels over the 10-year forecast term, in tandem with the impacts of growth decisions made by Council to date.
- Based on the scenario that current service levels are maintained throughout the 10-year forecast period, the forecasted total tax levy increase is projected to be 7.1 per cent in 2023, 5.2 per cent in 2024, 4.2 per cent in 2025 and 3.8 per cent in 2026.

REPORT

The Operating Investment Outlook (OIO), included in Attachment 1, is a 10-year forecast of incremental changes to the City's operating revenues and expenditures.

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

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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 a city-wide 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 OIO provides high-level analysis and projections affecting the City's capacity for operating 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 Operating budget will be the first to apply GBA+ in the prioritization of its projects and services.

ATTACHMENTS

1. 2023-2032 Operating Investment Outlook