



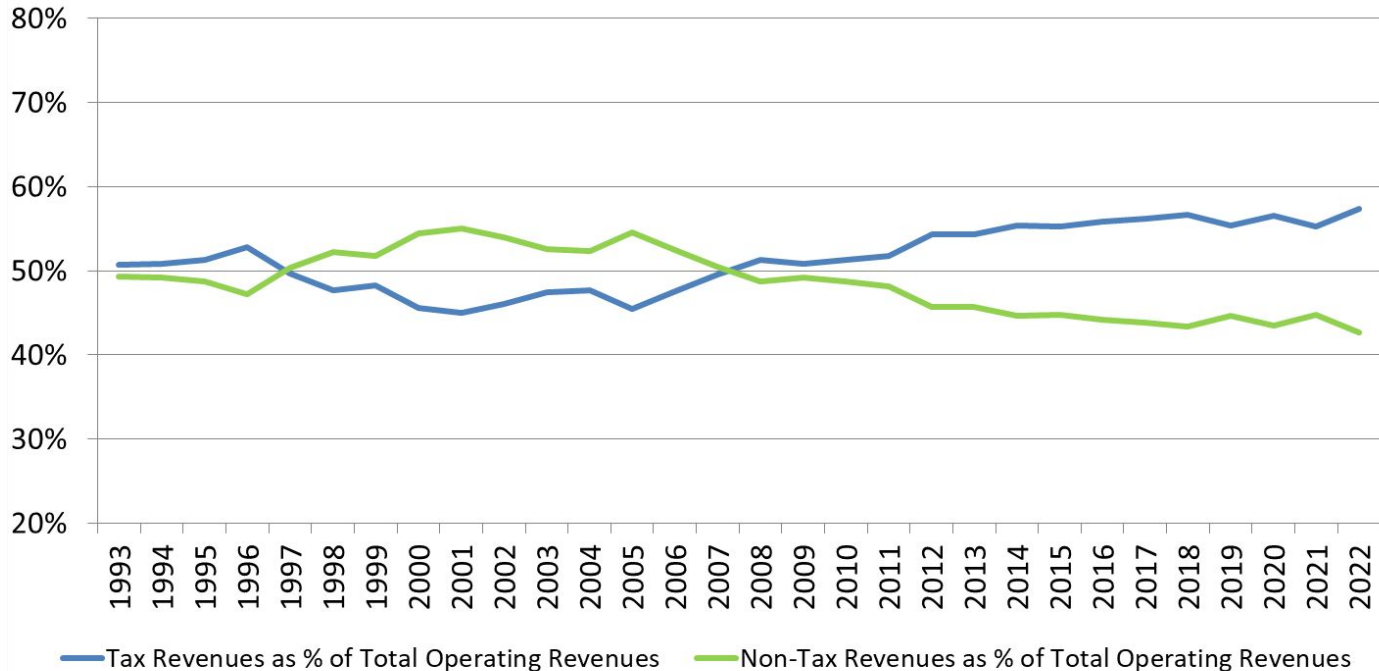
Administrative Response to Office of the City Auditor - City Financial Condition Review

Audit Committee

October 21, 2022

Growing Reliance on Property Tax Revenues

Tax Revenues vs. Non-Tax Revenues as % of Total Operating Revenues

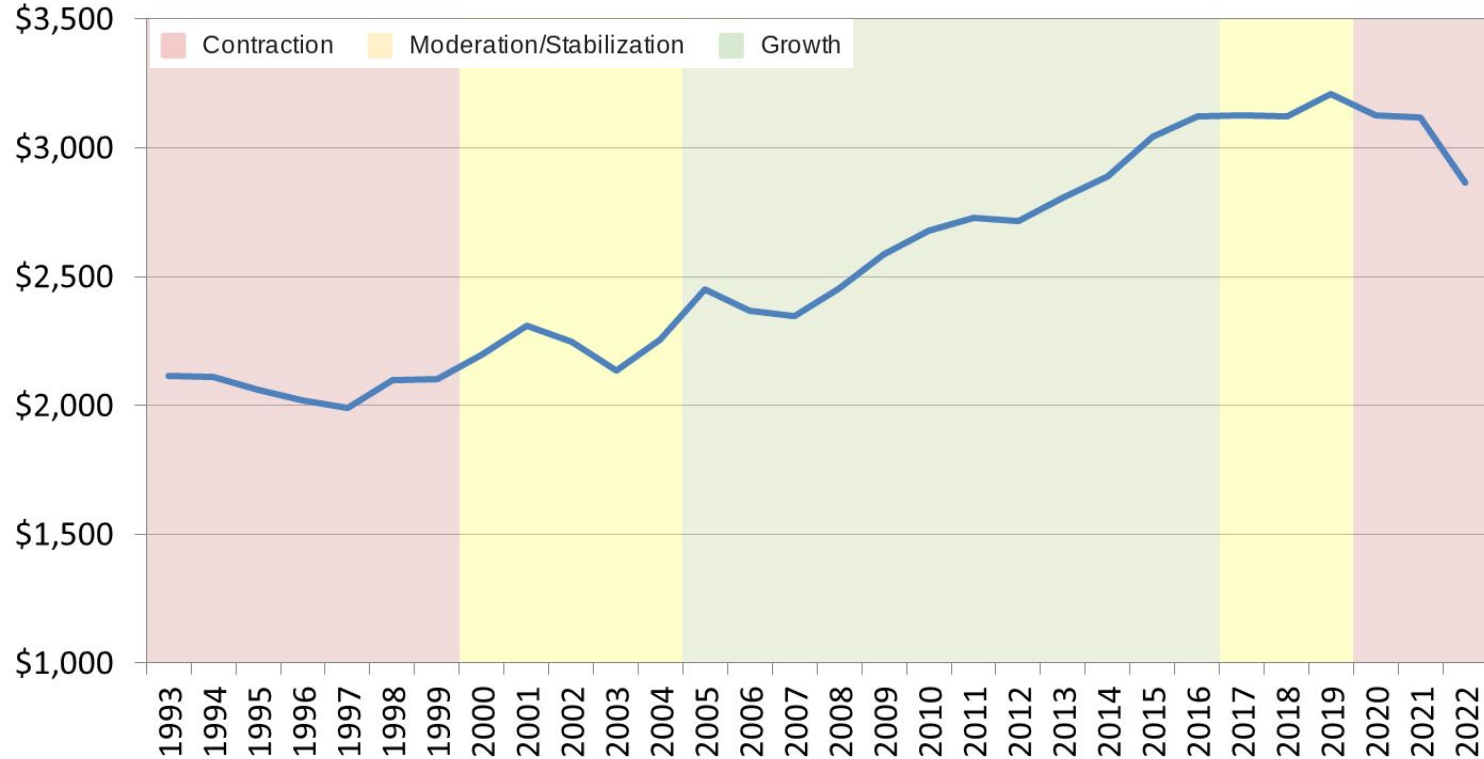


Fiscal Policy Phases

Years	Fiscal Policy Phase	Description
1993-1999	Contraction of Municipal Government	<ul style="list-style-type: none"> Fiscal policy was constrained in response to economic stagnation (mid 90s), deep Provincial budget cuts, and population decline in Edmonton
2000-2004	Moderate Growth of Municipal Government	<ul style="list-style-type: none"> Fiscal policy was characterized by moderate growth in spending and taxation; but with a limited capital program and deteriorating asset condition
2005-2016	Significant Growth of Municipal Government	<ul style="list-style-type: none"> Fiscal policy responded to rapid population and economic growth with significant capital growth, infrastructure renewal, and new and enhanced services
2017-2019	Stabilization of Municipal Government	<ul style="list-style-type: none"> Fiscal policy responded to the economic contraction (2015-2016) and following slow economic recovery by slowing growth in spending and taxation, but maintaining a capital program and maintaining infrastructure assets
2020-2022	Contraction of Municipal Government	<ul style="list-style-type: none"> Fiscal policy constrained in response to the economic effects of COVID-19

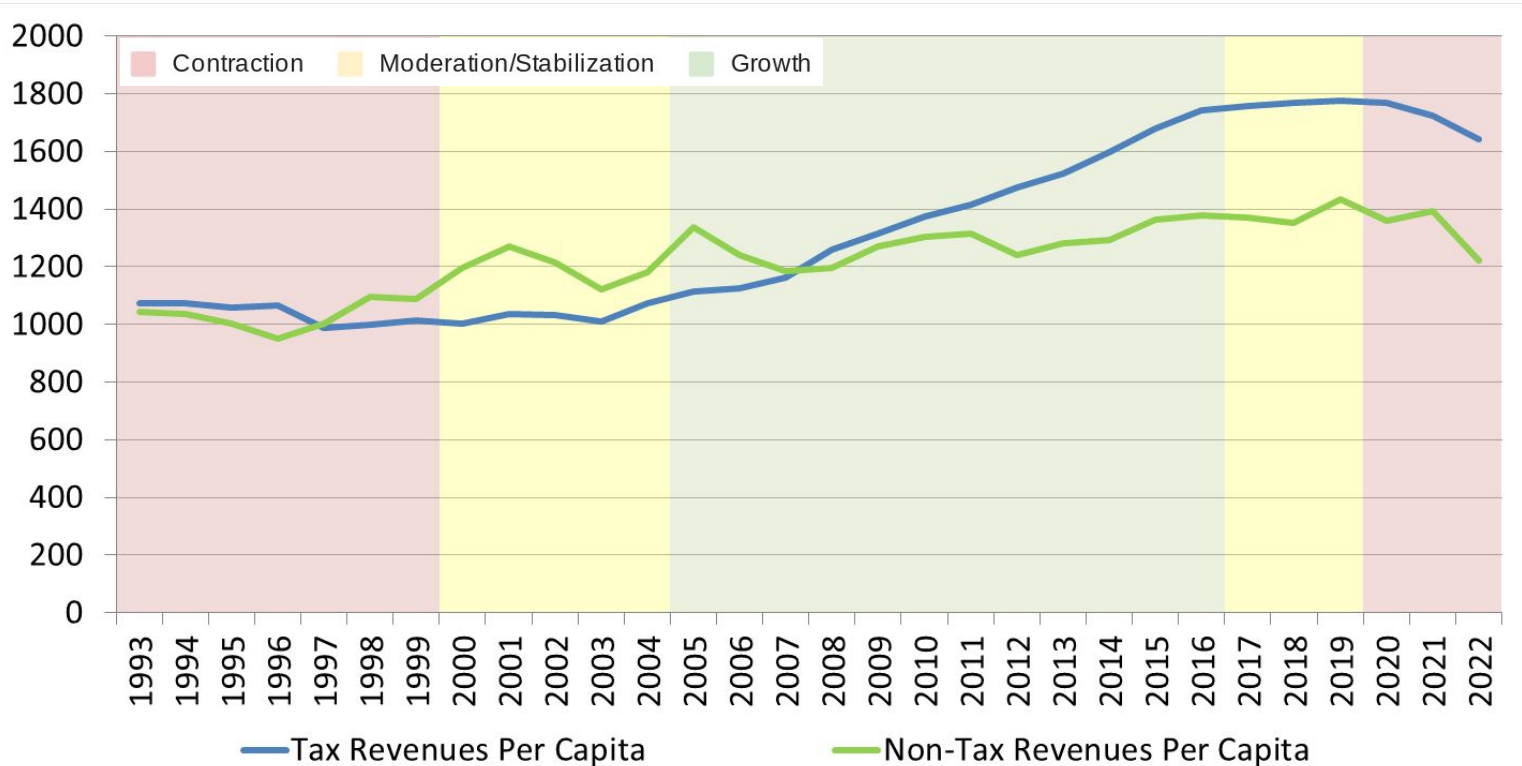
Operating Expenditure Trends

Operating Expenditures Per Capita (Inflation Adjusted)



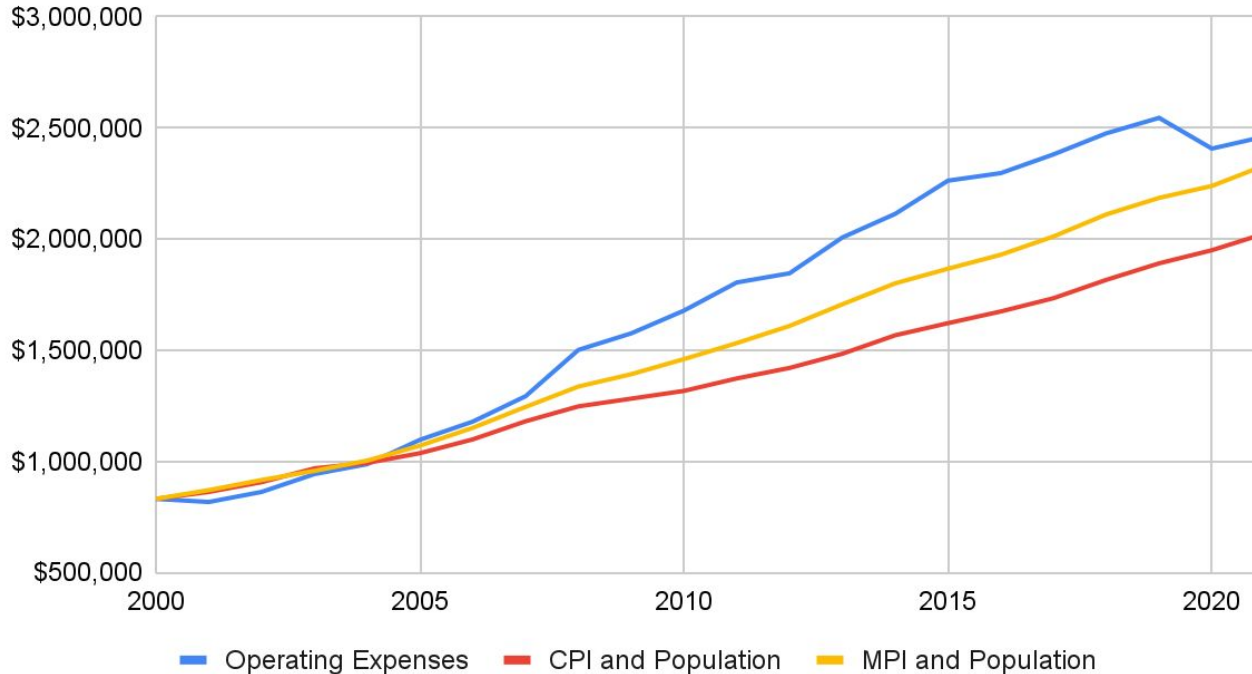
Operating Revenue Trends

Tax Revenues vs. Non-Tax Revenues Per Capita (Inflation Adjusted)



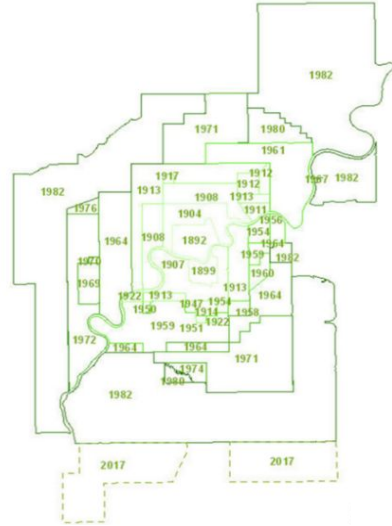
Operating Expenses Growth Comparison

Operating Expenses Growth Comparison



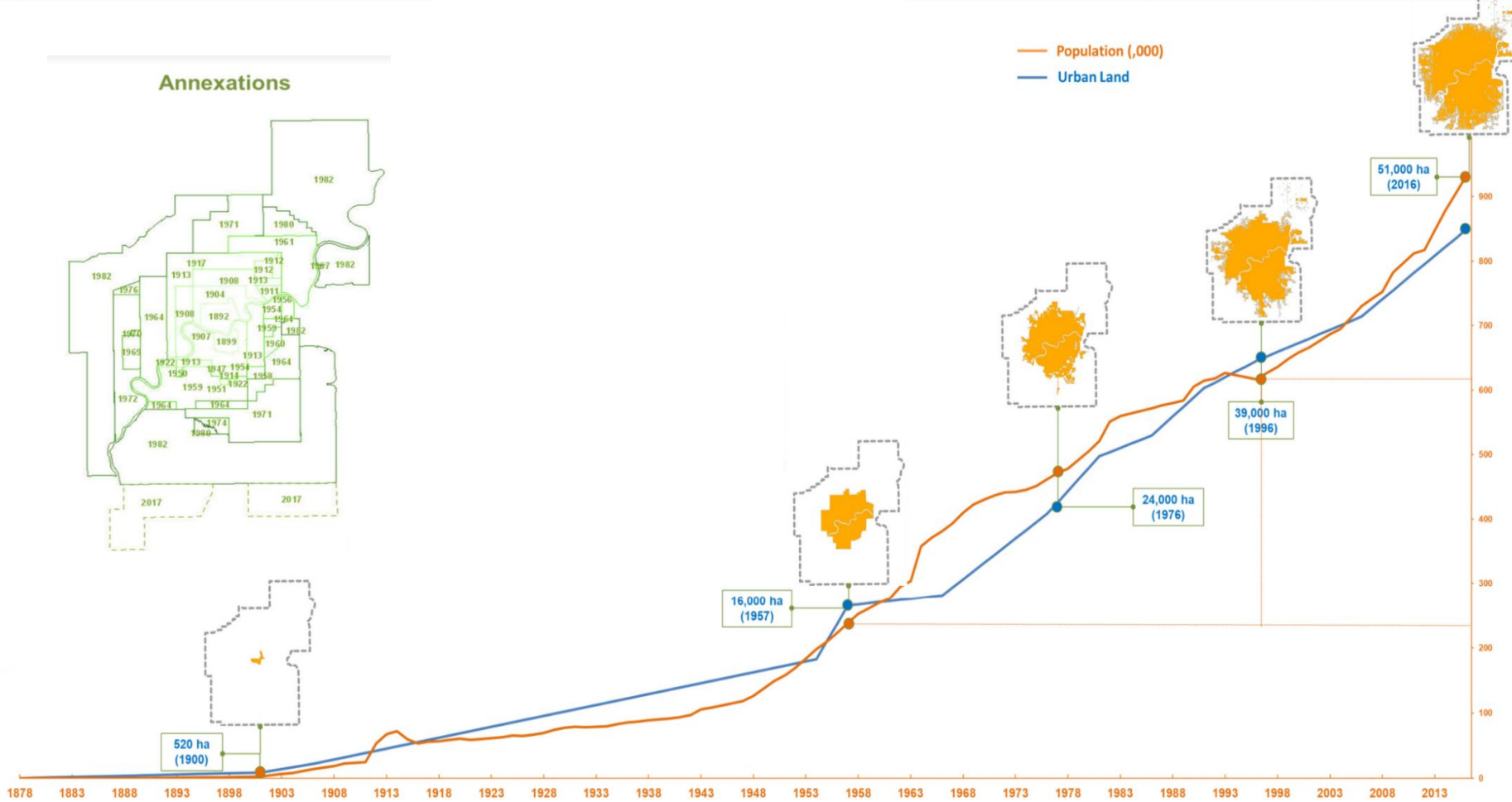
Source: City of Edmonton (base year is 2000)

Annexations



520 ha (1900)

Population (,000)
Urban Land



Source: The land use data was developed by the City's Urban Growth team using Landsat remote sensing imagery, the population data was compiled by using municipal census and federal census.

Financial Sustainability & Policies

Policies help achieve the financial sustainability of the City

- Financial Stabilization Reserve Policy
- Debt Management Fiscal Policy
- Neighbourhood Renewal Policy
- Infrastructure Asset Management Policy

Is the City financially viable?

- **Yes**, the City continues to be financially viable

Keep in mind...

- There are pressures:
 - Post-Pandemic Economic Recovery
 - Growing Service Demands
 - Strategic Plan Aspirations
 - Limited taxation tools means that property tax has shouldered a greater burden in the past 10 years

»» Thank You

Edmonton