

OPERATING FINANCIAL UPDATE

September 30, 2022

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Supplemental Information

- Tax-Supported Operations – September 30, 2022 Financial Results and Projections
- COVID-19 2022 COVID Budget Adjustment

Tax-Supported Operations (excluding Edmonton Police Services)
Summary Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

Net Position Budget Variance - Summary

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Year-to-Date

	Budget	Actual	Variance \$		%
Revenue	2,584,428	2,606,619	22,191	●	0.9
Expense	1,690,773	1,667,677	23,096	●	1.4
Net Position	893,655	938,942	45,287	●	1.7 *

Projected Year-End

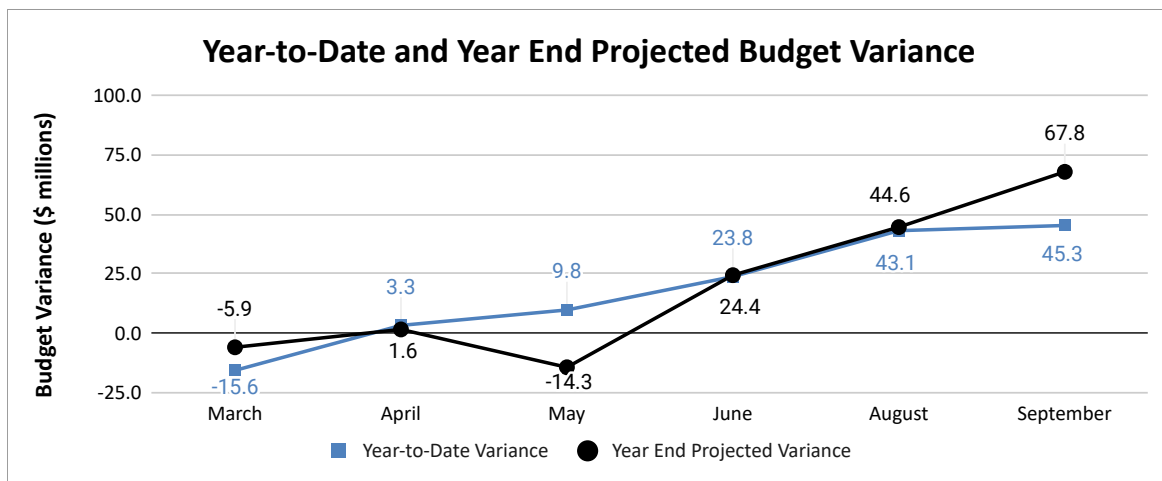
	Budget	COVID-19 Budget Adjustments (Note 1)	Adjusted Budget	Projected	Variance \$		%
Revenue	3,126,030	(12,846)	3,113,184	3,113,600	416	●	0.0
Expense	2,737,290	(12,846)	2,724,444	2,657,038	67,406	●	2.5
Net Position	388,740	-	388,740	456,562	67,822	●	2.5 *

* Net position percentage based on annual expense budget

Year-to-Date Variance - Tax-supported operations reflect a year-to-date favourable budget variance of \$45.3 million, or 1.7% of the overall expense budget. This is mainly due to personnel savings related to unfilled vacancies, lower LRT operating costs, and higher than budgeted tax appeals and penalties. This is partially offset with higher Snow and Ice Control costs as a result of heavier snowfall and additional freezing rain resulting in higher than anticipated costs in January to April, and lower than budgeted permit fee revenues.

Projected Year-End Variance - A net favourable year-end position of \$67.8 million is projected for tax-supported operations, a variance of 2.5% when compared to the overall expense budget. This is mainly due to lower than budgeted costs for financial strategies, personnel savings related to unfilled vacancies, delayed grant payments, favourable transit fare revenues compared to the COVID adjusted budget, lower than expected DATS contract costs, lower LRT operating costs, project delays, and increased tax penalties. This is partially offset with higher Snow and Ice Control costs as a result of heavier snowfall and additional freezing rain resulting in higher than anticipated costs from January to April, lower than budgeted permit fee revenues, loss of margin from the EPCOR fleet maintenance contracts and higher fuel costs.

Note 1: On November 22, 2021 City Council approved one-time adjustments to the 2022 operating budget to reflect the continued impacts of the pandemic. Refer to the supplementary information for further information on the details of the adjustment.



Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$2,500, that contribute to the net tax-supported variance:

Net Position Budget Variance - Details		
YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
20.5	19.6	<p>Personnel Costs, net of discounting and significant recoveries (All Departments) <i>YTD</i> - Favourable personnel budget variance mainly due to unfilled vacancies across various City departments. Fire Rescue Services vacancies are due to the delayed opening of the Windermere Fire Station and hazmat unit offset by higher overtime to cover vacancies. The favourable personnel variance in Integrated Infrastructure Services is due to delayed construction projects as a result of wet spring conditions and overall staff vacancies. <i>Projected</i> - Favourable personnel budget variance mainly due to unfilled vacancies across various City departments. Fire Rescue Services vacancies are due to the delayed opening of the Windermere Fire Station and hazmat unit offset by higher overtime to cover vacancies. The favourable personnel variance in Integrated Infrastructure Services is due to delayed construction projects as a result of wet spring conditions and overall staff vacancies.</p>
10.4	3.3	<p>LRT Operating costs (Edmonton Transit, City Operations) <i>YTD</i> - Lower than budgeted costs for LRT operations. <i>Projected</i> - Lower than budgeted costs for LRT operations that are partly offset with a lower transfer from the LRT Reserve that will occur at year end.</p>
5.7	0.0	<p>Tax Appeals (Taxation Expenditures, Corporate Programs) <i>YTD</i> - Complex and high-value cases have been delayed until later in the year which has resulted in more favourable complaint results to date. Tax appeals are expected to be on budget by year-end.</p>
3.4	3.8	<p>Tax Penalties (Corporate Revenues, Corporate Programs) <i>YTD & Projected</i> - Greater than budgeted tax penalties, with a portion of the increase related to title registration delays at Alberta Land Titles.</p>
3.3	4.0	<p>Project Delays (Planning and Environment Services, Urban Planning & Economy) <i>YTD & Projected</i> - Delays in projects due to resource capacity issues and reprioritization of work priorities. Certain projects have advanced using internal resources as opposed to external contractors.</p>

3.2	3.2	Gas Franchise Fees (<i>Corporate Revenues, Corporate Programs</i>) YTD & Projected - Higher than anticipated gas franchise fees due to increased consumption for the first quarter of the year, mainly related to January being colder than anticipated.
2.8	4.0	DATS Contract costs (<i>Edmonton Transit, City Operations</i>) YTD & Projected - Favourable budget variance for DATS contract costs resulting from lower trip volumes.
2.4	4.6	Transit Fare Revenue (<i>Edmonton Transit, City Operations</i>) YTD & Projected - Favourable transit fare revenues due to higher than anticipated ridership compared to assumptions used to develop the COVID related budget adjustments.
2.3	2.9	Higher Capital Recoveries (<i>Edmonton Transit, City Operations</i>) YTD & Projected - Favorable budget variance due to higher recoveries from capital projects related to Light Rail Vehicle (LRV) capital repairs and additional costs incurred for Valley Line Southeast bus detours. Due to lower ridership as a result of COVID-19, numerous LRV's were taken out of service and earlier than planned capital repairs were performed.
2.1	3.1	Smart Fare (<i>Edmonton Transit, City Operations</i>) YTD & Projected - Favourable budget variance due to lower costs associated with the new phased-in timelines for fare products moving to the new system.
1.5	2.3	Parking Revenue (<i>Parks and Road Services, City Operations</i>) YTD & Projected - Favourable parking revenue due to higher than anticipated parking volumes in City Parkades and surface lot, as compared to the budget adjusted for COVID impacts.
0.0	5.0	Delayed Grant Payments (<i>Community Recreation and Culture, Community Services</i>) Projected - Delayed grant payments to support A1 Facility Ltd. to construct a multi-sport facility due to construction delays.
0.0	41.0	Financial Strategies (<i>Corporate Expenditures, Corporate Programs</i>) Projected - Financial Strategies includes amounts to manage fluctuations, for items such as fuel and utility costs, and to provide flexibility for emerging items over the course of the four year operating budget cycle. Administration has conducted a risk based analysis of potential emerging items and fluctuations within the operating budget for the remaining three months of the 2019-2022 budget and determined that approximately \$41 million in funding is not required within Financial Strategies for the remainder of this budget cycle. The funds will remain in Financial Strategies on an ongoing basis to be considered as a part of the 2023-2026 proposed budget.
(0.3)	(3.1)	Renewable Energy Certificates (<i>Planning and Environment Services, Urban Planning & Economy</i>) YTD & Projected - The City has procured additional Renewable Energy Certificates (RECs) to work towards achieving target emission reduction levels. The availability of REC's is unpredictable, as it is supply and demand driven, and therefore the City is taking advantage of available supply.
(2.0)	(3.7)	Fuel Costs (<i>Fleet and Facility Services, City Operations</i>) YTD - Unfavourable budget variance due to higher than expected fuel costs of (\$12.6 million), partially offset by fuel hedging contracts resulting in gains of \$8.3 million, and higher fuel sales to EPCOR of \$2.3 million. Projected - Unfavourable budget variance due to higher than expected fuel costs of (\$18.0 million), partially offset by fuel hedging contracts resulting in gains of \$11.2 million, and higher fuel sales to EPCOR of \$3.1 million.

(2.4)	(3.2)	EPCOR Fleet Maintenance Contract (<i>Fleet and Facility Services, City Operations</i>) YTD & Projected - Unfavourable budget variance because of lost margin on the EPCOR fleet maintenance contract which expired on March 31, 2022.
(2.5)	(2.5)	Grants in Lieu of Taxes Revenue (<i>Taxation Revenues, Corporate Programs</i>) YTD & Projected - Unfavourable budget variance mainly due to lower than anticipated grant in lieu of taxes from the province. Once the tax bylaw was approved and actual billings were sent to the province it was determined that the uncollectible amount would be higher than estimated from the 2022 Spring Supplemental Operating Budget Adjustments (SOBA).
(3.4)	(4.5)	Permit Fee Revenue (<i>Parks and Road Services, City Operations</i>) YTD & Projected - Lower than budgeted permit fees, mainly due to lower than expected On-Street Construction and Maintenance (OSCAM) revenue, as well as lower Traffic Control Fees such as Pods, Developer Signs, Moving Permits and Detours.
(12.1)	(12.0)	Snow and Ice Control (<i>Snow and Ice Control, City Operations</i>) YTD & Projected - Unfavourable budget variances due to heavier snowfall and additional freezing rain resulting in higher than anticipated costs from January to April. These costs are in addition to the Council approved one-time funding for the enhanced residential snow removal pilot during the 2022 Spring Supplemental Operating Budget Adjustment process.
10.4	0.0	Other net cumulative variances across tax-supported areas.
45.3	67.8	Total Net Position Budget Variance
1.7%	2.5%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Edmonton Police Services financial results are reflected in the "Edmonton Police Service - Budget Variance for the Period Ending September 30, 2022" section of this report.

Potential Impacts to Year-End Results

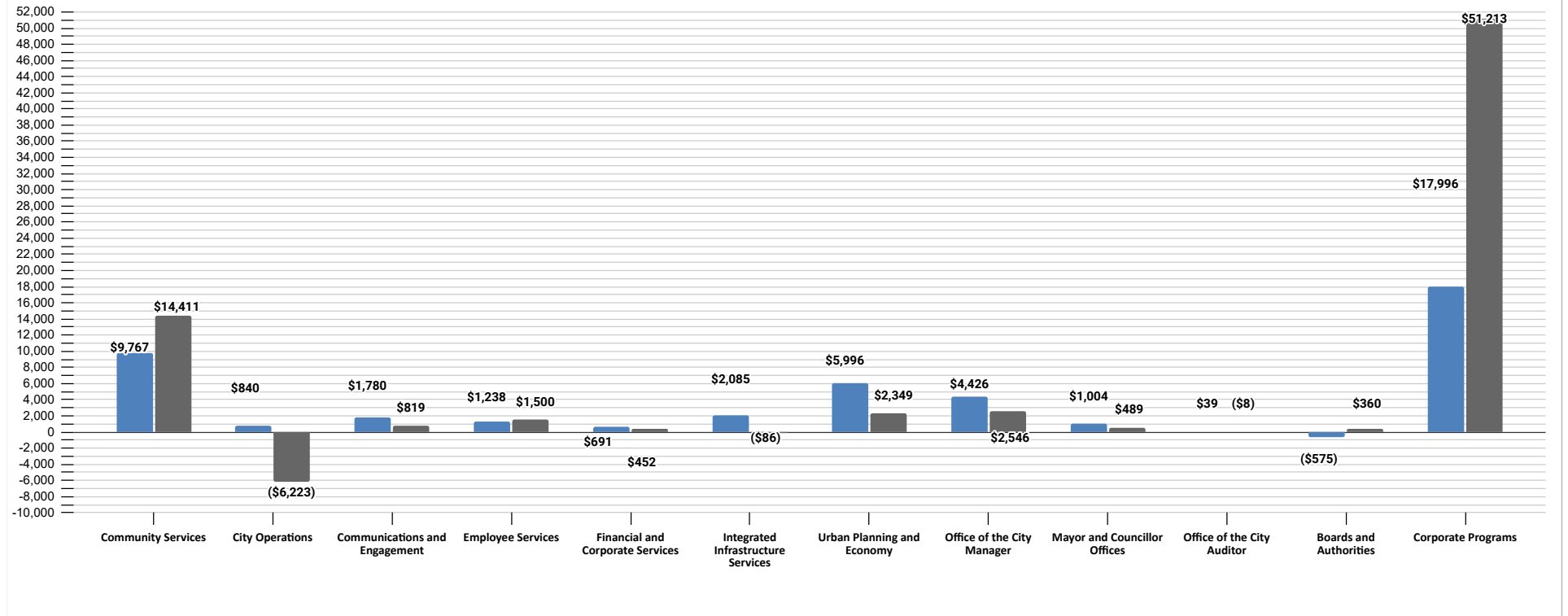
Projected operating year-end results for tax-supported operations reflect the information available to date. Certain items involve a greater degree of uncertainty. Administration continues to monitor the following matters and update projections as necessary:

- Most in scope employee contracts expired in December 2020 (EPA*, SOA*, and CSU*) with bargaining currently in progress, or about to begin soon, with the exception of ATU* Main and CUPE* which reached an agreement and ratified in March 2022 and June 2022, respectively. ATU (DATS) and IBEW* agreements expired at the end of 2021 and negotiations are in progress. The collective agreement with the EFFU* expired in December 2018 and is currently in progress.
- Snow and ice control expenditures are weather dependent and difficult to predict. Greater snowfall than average may further impact the Snow and Ice Control program projected results.
- Fluctuating fuel costs may increase/decrease cost of fuel for the City. The City utilizes forward purchase contracts for half of its annual fuel purchases to mitigate financial impacts of fuel price fluctuations.
- Inflationary pressures may have impacts on utility costs and price of materials and equipment. Material and equipment prices may continue to rise and delivery timelines may continue experiencing challenges should supply side constraints persist. Material and equipment pricing may be impacted by exchange rate fluctuations, particularly if fluctuations are outside of expectations.

*Edmonton Police Association (EPA), Senior Officers' Association (SOA), Amalgamated Transit Union (ATU), Canadian Union of Public Employees (CUPE), Civic Service Union 52 (CSU), International Brotherhood of Electrical Workers (IBEW), Edmonton Fire Fighters' Union (EFFU)

Year-to-Date/Year-End Projected Budget Variances by Tax-Supported Department (excluding Edmonton Police Services)
 (in \$000's)

■ Year-to-Date Variance
 ■ Year-End Projected Variance



Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

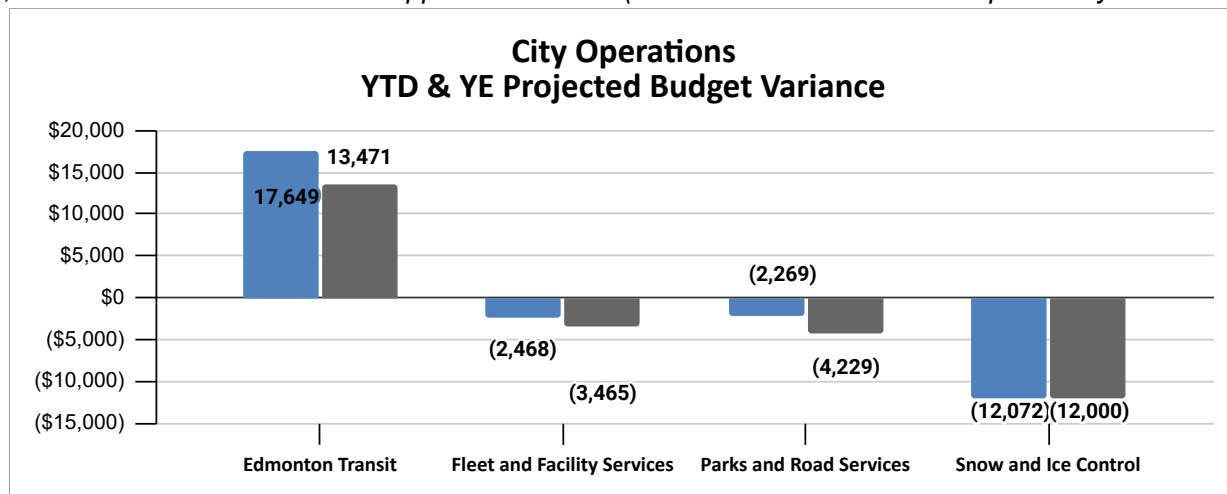
- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

City Operations

Year-to-Date						
	Adjusted	Actual	Variance \$		%	
Revenue	108,562	109,275	713	●	0.7	
Expense	547,626	547,499	127	●	0.0	
Net Position	(439,064)	(438,224)	840	●	0.1	

Projected Year-End							
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%	
Revenue	240,019	(64,980)	175,039	164,475	(10,564)	●	(6.0)
Expense	717,032	10,100	727,132	722,791	4,341	●	0.6
Net Position	(477,013)	(75,080)	(552,093)	(558,316)	(6,223)	●	(0.9)

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
Revenue		
2.4	4.6	Transit Fare Revenue (Edmonton Transit) YTD & Projected - Favourable transit fare revenues due to higher than anticipated ridership compared to assumptions used to develop the COVID related budget adjustments.

2.3	2.9	Higher Capital Recoveries (Edmonton Transit) <i>YTD & Projected</i> - Favorable budget variance due to higher recoveries from capital projects related to Light Rail Vehicle (LRV) capital repairs and additional costs incurred for Valley Line Southeast bus detours. Due to lower ridership as a result of COVID-19, numerous LRV's were taken out of service and earlier than planned capital repairs were performed.
1.5	2.3	Parking Revenue (Parks and Road Services) <i>YTD & Projected</i> - Favourable parking revenue due to higher than anticipated parking volumes in City Parkades compared to assumptions used to estimate COVID budget impacts.
(0.8)	(2.0)	Advertising Revenue (Edmonton Transit) <i>Projected</i> - Lower advertising revenue for transit vehicles, stations, and shelters.
(3.4)	(4.5)	Permit Fee Revenue (Parks and Road Services) <i>YTD & Projected</i> - Lower than budgeted permit fees, mainly due to lower than expected On-Street Construction and Maintenance (OSCAM) revenue, as well as lower Traffic Control Fees such as Pods, Developer Signs, Moving Permits and Detours.
Expenses		
10.4	3.3	LRT Operating costs (Edmonton Transit) <i>YTD</i> - Lower than budgeted costs for LRT operations. <i>Projected</i> - Lower than budgeted costs for LRT operations that are partly offset with a lower transfer from the LRT Reserve that will occur at year end.
2.8	4.0	DATS Contract costs (Edmonton Transit, City Operations) <i>YTD & Projected</i> - Favourable budget variance for DATS contract costs resulting from lower trip volumes.
2.3	2.4	Personnel Expense (All branches) <i>YTD & Projected</i> - Favourable variance due to delays in recruitment and higher sick and COVID leaves, slightly offset by increased overtime in Edmonton Transit to cover sick leaves.
2.1	3.1	Smart Fare (Edmonton Transit) <i>YTD & Projected</i> - Lower costs associated with the new phased-in timelines for fare products moving to the new system.
(2.0)	(3.7)	Fuel Costs (Fleet and Facility Services) <i>YTD</i> - Unfavourable budget variance due to higher than expected fuel costs of (\$12.6 million), partially offset by fuel hedging contracts resulting in gains of \$8.3 million, and higher fuel sales to EPCOR of \$2.3 million. <i>Projected</i> - Unfavourable budget variance due to higher than expected fuel costs of (\$18.0 million), partially offset by fuel hedging contracts resulting in gains of \$11.2 million, and higher fuel sales to EPCOR of \$3.1 million.
(2.4)	(3.2)	EPCOR Fleet Maintenance Contract (Fleet and Facility Services) <i>YTD & Projected</i> - Unfavourable budget variance because of lost margin on the EPCOR fleet maintenance contract which expired on March 31, 2022.
(12.1)	(12.0)	Snow and Ice Control (Snow and Ice Control) <i>YTD & Projected</i> - Unfavourable budget variances due to heavier snowfall and additional freezing rain resulting in higher than anticipated costs from January to April. As part of the 2022 Spring Supplemental Operating Budget Adjustment, Council approved one-time funding to cover the additional costs incurred related to the enhanced residential snow removal pilot.
(2.3)	(3.4)	Other net cumulative variances across tax-supported areas.
0.8	(6.2)	Total Net Position Budget Variance
0.1%	(0.9)%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

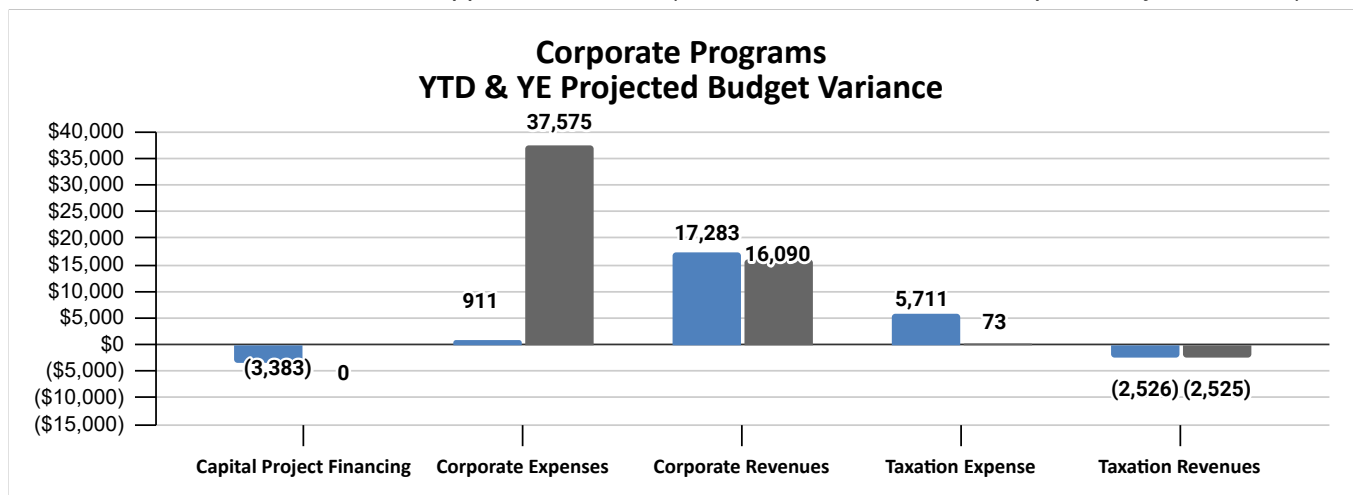
- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Corporate Programs

Year-to-Date						
	Adjusted	Actual	Variance \$		%	
Revenue	2,286,390	2,312,336	25,946	●	1.1	
Expense	340,288	348,238	(7,950)	●	(2.3)	
Net Position	1,946,102	1,964,098	17,996	●	2.1	

Projected Year-End							
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%	
Revenue	2,569,915	65,099	2,635,014	2,653,001	17,987	●	0.7
Expense	901,979	(27,258)	874,721	841,495	33,226	●	3.8
Net Position	1,667,936	92,357	1,760,293	1,811,506	51,213	●	5.9

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
Revenue		
3.4	3.8	Tax Penalties (Corporate Revenues) YTD & Projected - Greater than budgeted tax penalties, with a portion of the increase related to title registration delays at Alberta Land Titles.

3.2	3.2	Gas Franchise Fees (<i>Corporate Revenues</i>) <i>YTD & Projected</i> - Higher than anticipated gas franchise fees due to increased consumption for the first quarter of the year, mainly related to January being colder than anticipated. Fees can fluctuate throughout the year so these are currently being monitored.
(2.5)	(2.5)	Grants in Lieu of Taxes Revenue (<i>Taxation Revenues</i>) <i>YTD & Projected</i> - Unfavourable budget variance mainly due to lower than anticipated grant in lieu of taxes from the province. Once the tax bylaw was approved and actual billings were sent to the province it was determined that the uncollectible amount would be higher than estimated from the 2022 Spring Supplemental Operating Budget Adjustments (SOBA).
Expenses		
5.7	0.0	Property Tax Appeal Costs (<i>Taxation Expenditures</i>) <i>YTD</i> - Timing issues due to complex and high-value cases not being held until later in the year, as well as favourable results in complaint results.
0.0	41.0	Financial Strategies (<i>Corporate Expenditures</i>) <i>Projected</i> - Financial Strategies includes amounts to manage fluctuations, for items such as fuel and utility costs, and to provide flexibility for emerging items over the course of the four year operating budget cycle. Administration has conducted a risk based analysis of potential emerging items and fluctuations within the operating budget for the remaining three months of the 2019-2022 budget and determined that approximately \$41 million in funding is not required within Financial Strategies for the remainder of this budget cycle. The funds will remain in Financial Strategies on an ongoing basis to be considered as a part of the 2023-2026 proposed budget.
8.2	5.7	Other net cumulative variances across tax-supported areas.
18.0	51.2	Total Net Position Budget Variance
2.1%	5.9%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Community Services

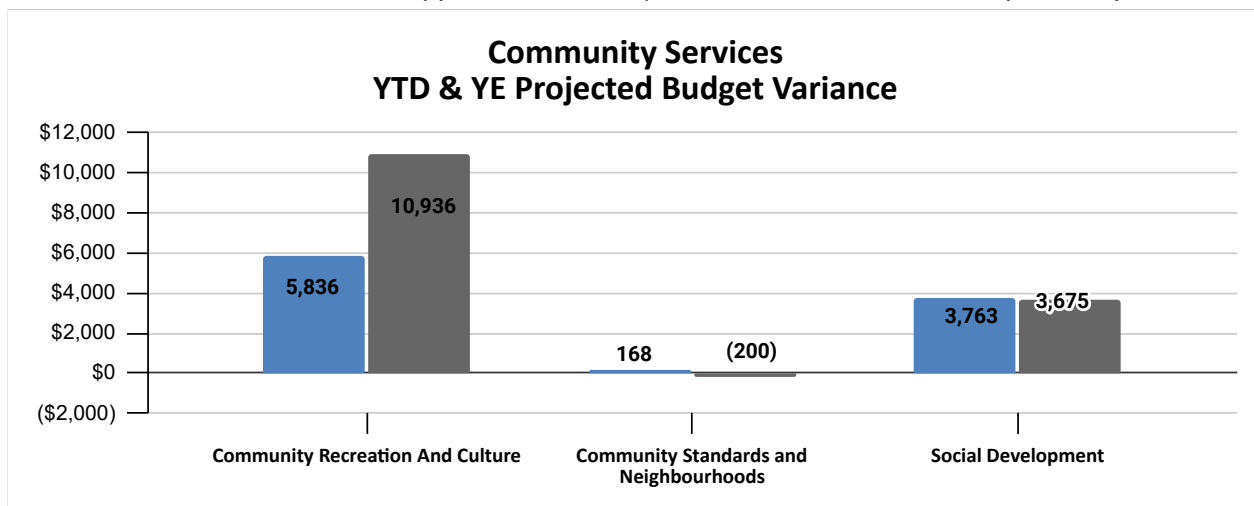
Year-to-Date

	Adjusted	Actual	Variance \$		%
Revenue	79,462	82,968	3,506	●	4.4
Expense	192,553	186,292	6,261	●	3.3
Net Position	(113,091)	(103,324)	9,767	●	3.2

Projected Year-End

	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$		%
Revenue	152,098	(12,965)	139,133	141,873	2,740	●	2.0
Expense	305,156	873	306,029	294,358	11,671	●	3.8
Net Position	(153,058)	(13,838)	(166,896)	(152,485)	14,411	●	4.7

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
Revenue		
1.9	2.0	Special Events Revenue (Community Recreation and Culture) YTD & Projected - Higher stadium revenues due to more special events and concerts than anticipated.

1.7	2.1	Admissions Revenue (<i>Community Recreation and Culture</i>) <i>YTD & Projected</i> - Greater than expected demand since the reopening of recreation centres compared to the COVID reduced revenue budget.
1.3	1.5	Other Revenues (<i>Community Recreation and Culture</i>) <i>YTD & Projected</i> - Higher than anticipated cemetery revenues from Beachmount Cemetery plots due to release of premium area, greater than budgeted golf revenues due to extended golf season, and increased plant sales at Muttart.
Expenses		
1.2	2.3	Personnel Expense (<i>All branches</i>) <i>YTD & Projected</i> - Favourable variance due to an increase in vacancies in the year, partially due to delays in recruitment.
1.1	5.0	Delayed Grant Payments (<i>Community Recreation and Culture & Social Development</i>) <i>YTD</i> - Various grant programs are behind in schedule for payments as criteria for payment has not been met by recipients as of September. <i>Projected</i> - The A1 Facility have not met the conditions required to trigger grant payments originally budgeted for 2022.
0.0	2.1	Utility Costs (<i>Community Recreation and Culture & Social Development</i>) <i>Projected</i> - Favorable variance in utility costs compared to budget, mostly related to reduced usage at some facilities as well as ongoing rehab projects.
0.0	1.8	Anti-Racism Program (<i>Social Development</i>) <i>Projected</i> - Delays in hiring and other operational delays have resulted in a favourable budget variance.
2.6	(2.4)	Other net cumulative variances across tax-supported areas.
9.8	14.4	Total Net Position Budget Variance
3.2%	4.7%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
 (in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Communications and Engagement

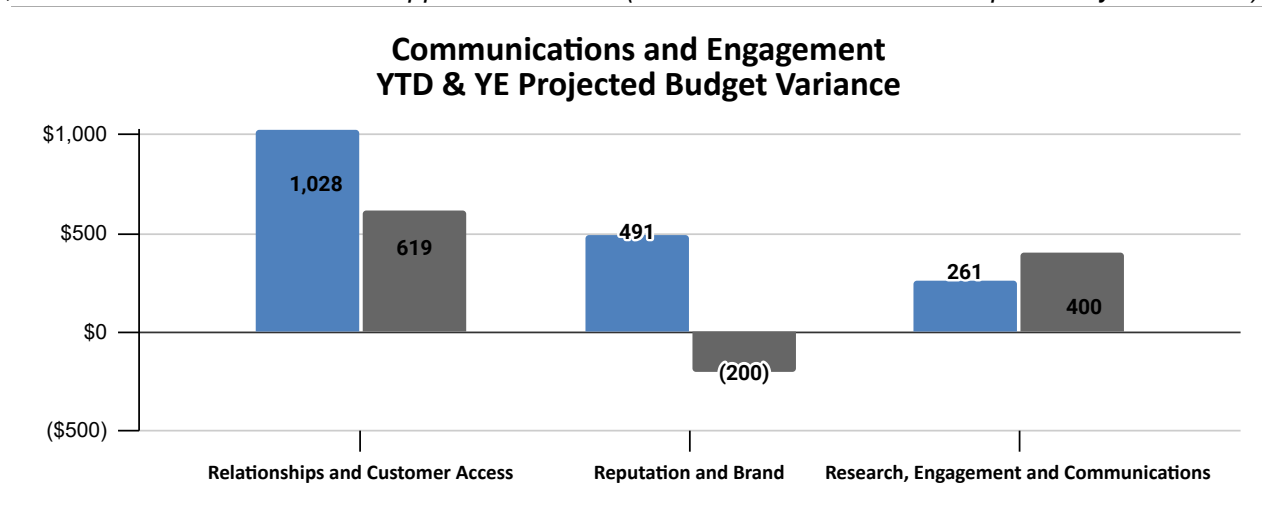
Year-to-Date

	Adjusted	Actual	Variance \$	%
Revenue	1,533	708	(825) ●	(53.8)
Expense	27,337	24,732	2,605 ●	9.5
Net Position	(25,804)	(24,024)	1,780 ●	4.8

Projected Year-End

	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	2,543	-	2,543	2,198	(345) ●	(13.6)
Expense	36,704	-	36,704	35,540	1,164 ●	3.2
Net Position	(34,161)	-	(34,161)	(33,342)	819 ●	2.2

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Year-to-Date - No significant variances to report.

Projected - No significant variances to report.

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
 (in \$000's)

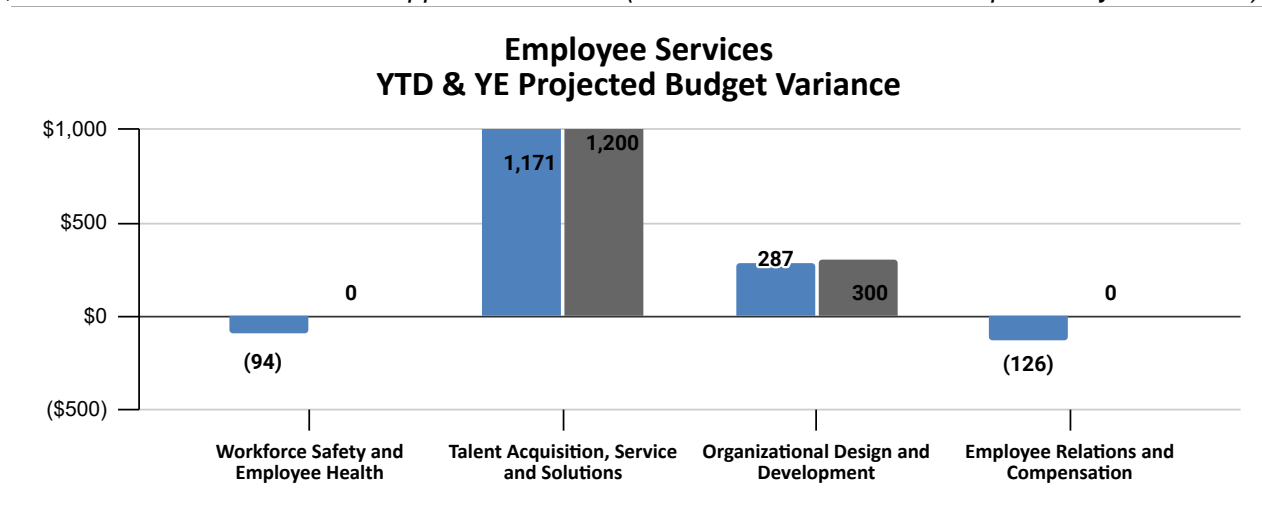
- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Employee Services

Year-to-Date						
	Adjusted	Actual	Variance \$		%	
Revenue	158	160	2	●	1.3	
Expense	22,454	21,218	1,236	●	5.5	
Net Position	(22,296)	(21,058)	1,238	●	4.2	

Projected Year-End							
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%	
Revenue	211	-	211	211	-	● -	
Expense	29,696	-	29,696	28,196	1,500	● 5.1	
Net Position	(29,485)	-	(29,485)	(27,985)	1,500	● 5.1	

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Year-to-Date - No significant variances to report.

Projected - No significant variances to report.

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022

(in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Financial and Corporate Services

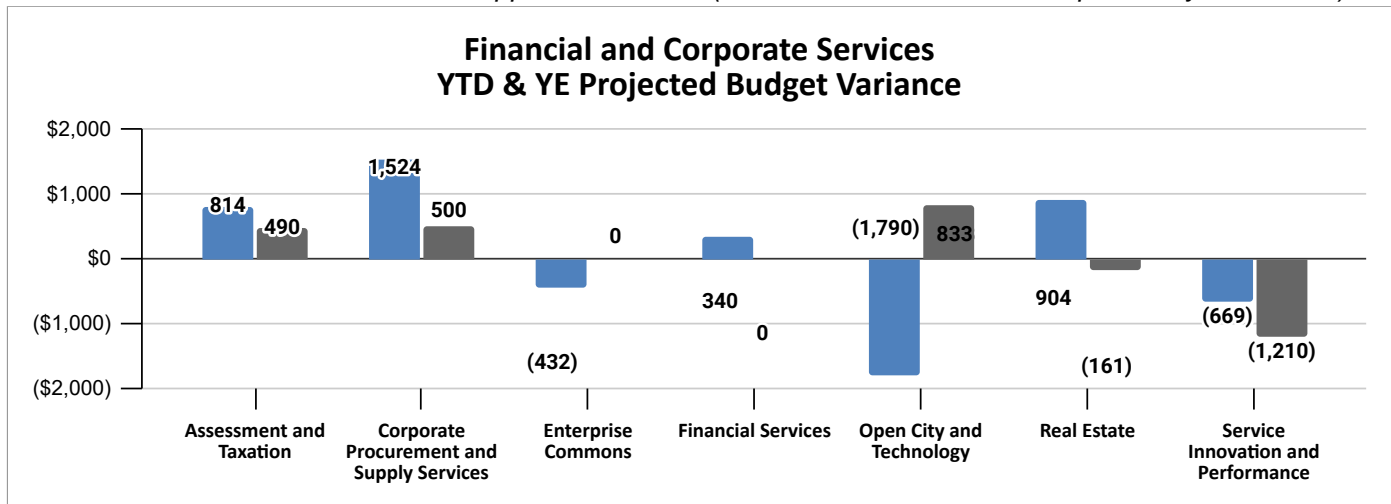
Year-to-Date

	Adjusted	Actual	Variance \$	%
Revenue	9,047	7,902	(1,145)	(12.7)
Expense	115,120	113,284	1,836	1.6
Net Position	(106,073)	(105,382)	691	0.4

Projected Year-End

	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	13,235	-	13,235	10,410	(2,825)	(21.3)
Expense	150,263	3,439	153,702	150,425	3,277	2.1
Net Position	(137,028)	(3,439)	(140,467)	(140,015)	452	0.3

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
Expenses		
(2.6)	(1.1)	Materials & Equipment Expense (Open City and Technology) YTD & Projected - Higher than anticipated computer software costs related to Enterprise Commons project.
3.3	1.6	Other net cumulative variances across tax-supported areas.
0.7	0.5	Total Net Position Budget Variance
0.4%	0.3%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
 (in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Integrated Infrastructure Services

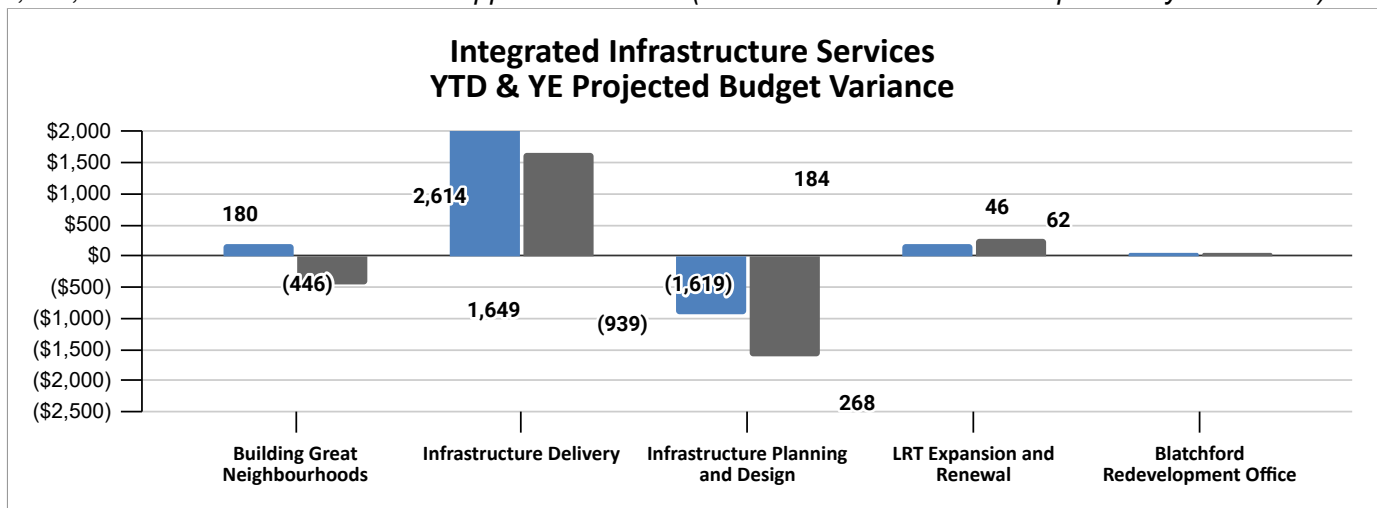
Year-to-Date

	Adjusted	Actual	Variance \$		%
Revenue	1,064	1,204	140	●	13.2
Expense	18,173	16,228	1,945	●	10.7
Net Position	(17,109)	(15,024)	2,085	●	9.0

Projected Year-End

	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$		%
Revenue	4,458	-	4,458	4,374	(84)	●	(1.9)
Expense	23,133	-	23,133	23,135	(2)	●	(0.0)
Net Position	(18,675)	-	(18,675)	(18,761)	(86)	●	(0.4)

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Year-to-Date - No significant variances to report.

Projected - No significant variances to report.

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
 (in \$000's)

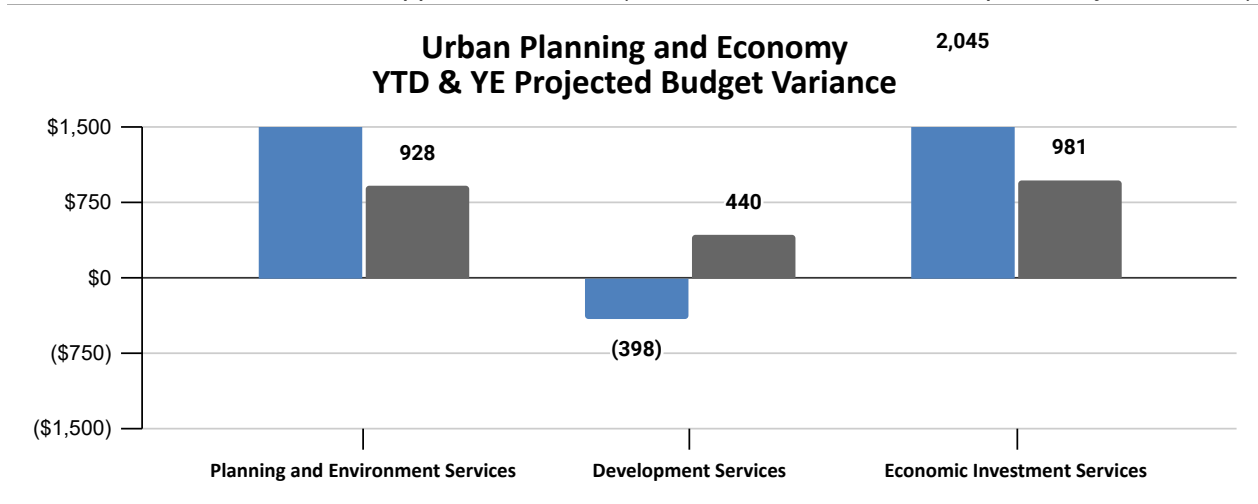
- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Urban Planning and Economy

Year-to-Date					
	Adjusted	Actual	Variance \$		%
Revenue	86,433	80,187	(6,246)	●	(7.2)
Expense	124,646	112,404	12,242	●	9.8
Net Position	(38,213)	(32,217)	5,996	●	3.3

Projected Year-End						
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	130,393	-	130,393	123,723	(6,670)	● (5.1)
Expense	181,888	-	181,888	172,869	9,019	● 5.0
Net Position	(51,495)	-	(51,495)	(49,146)	2,349	● 1.3

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
3.3	4.0	Project Delays (Planning & Environment Services) YTD & Projected - Delays in projects due to resource capacity issues and reprioritization of work priorities. Certain projects have advanced using internal resources as opposed to external contractors.

(0.3)	(3.1)	Renewable Energy Certificates (<i>Planning and Environment Services</i>) <i>YTD & Projected</i> - The City has procured additional Renewable Energy Certificates (RECs) to work towards achieving target emission reduction levels. The availability of REC's is unpredictable, as it is supply and demand driven, and therefore the City is taking advantage of available supply.
3.0	1.4	Other net cumulative variances across tax-supported areas.
6.0	2.3	Total Net Position Budget Variance
3.3%	1.3%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

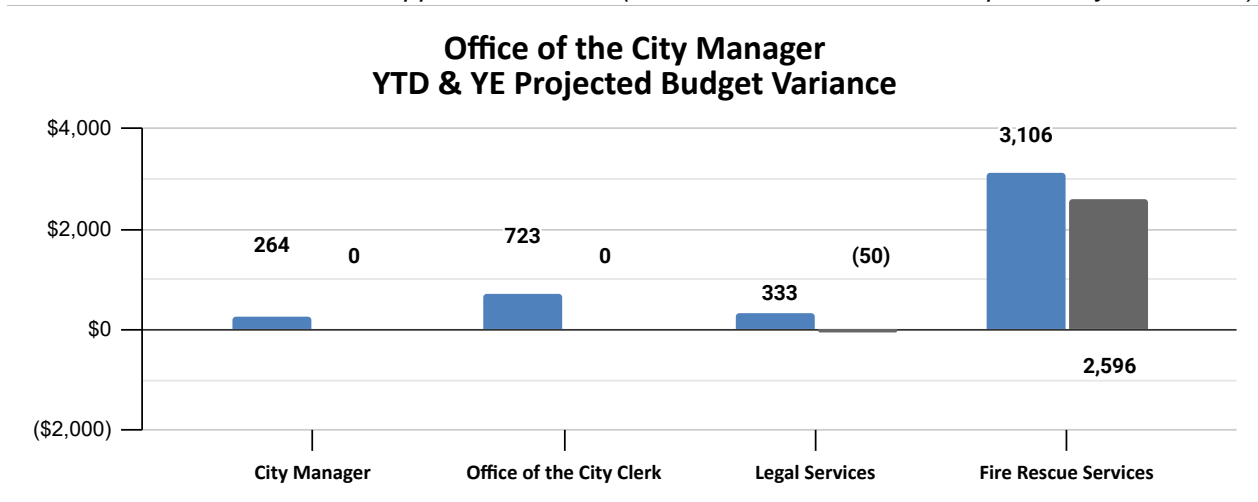
- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Office of the City Manager

Year-to-Date						
	Adjusted	Actual	Variance \$		%	
Revenue	1,856	2,633	777	●	41.9	
Expense	192,575	188,926	3,649	●	1.9	
Net Position	(190,719)	(186,293)	4,426	●	1.7	

Projected Year-End								
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$		%	
Revenue	2,687	-	2,687	3,740	1,053	●	39.2	
Expense	257,801	-	257,801	256,308	1,493	●	0.6	
Net Position	(255,114)	-	(255,114)	(252,568)	2,546	●	1.0	

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Net Position Budget Variance - Details

YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Variance Explanations
Expenses		
1.8	0.9	Personnel Expense (Fire Rescue Services) YTD - Favourable variance due to the delayed opening of the Windermere Fire Station and Hazmat Unit as well as a delay in backfilling vacant positions, partially offset by the need for overtime to cover those vacant positions and medicals leaves.
2.6	1.6	Other net cumulative variances across tax-supported areas.
4.4	2.5	Total Net Position Budget Variance
1.7%	1.0%	Total Net Position Budget Variance Percentage (based on annual expense budget)

Tax-Supported Operations - By Department
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Mayor and Councillor Offices

Year-to-Date						
	Adjusted	Actual	Variance \$		%	
Revenue	-	-	-	●	-	-
Expense	5,410	4,406	1,004	●	18.6	
Net Position	(5,410)	(4,406)	1,004	●	14.3	

Projected Year-End						
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	-	-	-	-	-	●
Expense	7,014	-	7,014	6,525	489	●
Net Position	(7,014)	-	(7,014)	(6,525)	489	●

Office of the City Auditor

Year-to-Date						
	Adjusted Budget	Actual	Variance \$		%	
Revenue	-	-	-	●	-	-
Expense	2,160	2,121	39	●	1.8	
Net Position	(2,160)	(2,121)	39	●	1.4	

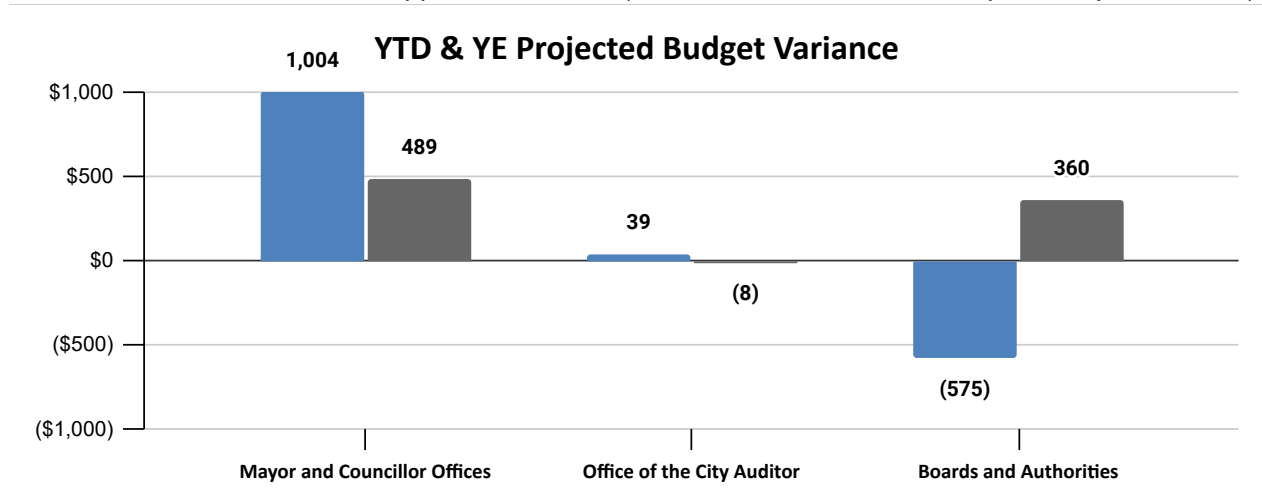
Projected Year-End						
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	-	-	-	-	-	●
Expense	2,855	-	2,855	2,863	(8)	●
Net Position	(2,855)	-	(2,855)	(2,863)	(8)	●

Boards and Authorities

Year-to-Date				
	Adjusted Budget	Actual	Variance \$	%
Revenue	9,923	9,246	(677)	(6.8)
Expense	102,431	102,329	102	0.1
Net Position	(92,508)	(93,083)	(575)	(0.5)

Projected Year-End						
	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Revenue	10,471	-	10,471	9,595	(876)	(8.4)
Expense	123,769	-	123,769	122,533	1,236	1.0
Net Position	(113,298)	-	(113,298)	(112,938)	360	0.3

Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$1,500, that contribute to the net tax-supported variance (amounts below this are not specifically addressed):



Year-to-Date - No significant variances to report.

Projected - No significant variances to report.



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2022 October 31

SUBJECT: Budget Variance for the Period Ending September 30, 2022

RECOMMENDATION(S):

That this report be received for information.

INTRODUCTION:

This report provides information and updates to the Edmonton Police Commission (EPC) on the Edmonton Police Service (EPS) current financial position for the period ending September 30, 2022.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending September 30, 2022 indicate a net surplus position of \$1.583 million or 0.5% (revenue shortfall of \$1.943 million offset by an expense underspend of \$3.526 million).

The revenue shortfall is primarily due to fewer Traffic Safety Act fine tickets issued and lower demand for several EPS services.

The underspend in Personnel expense is primarily the result of increased vacation taken.

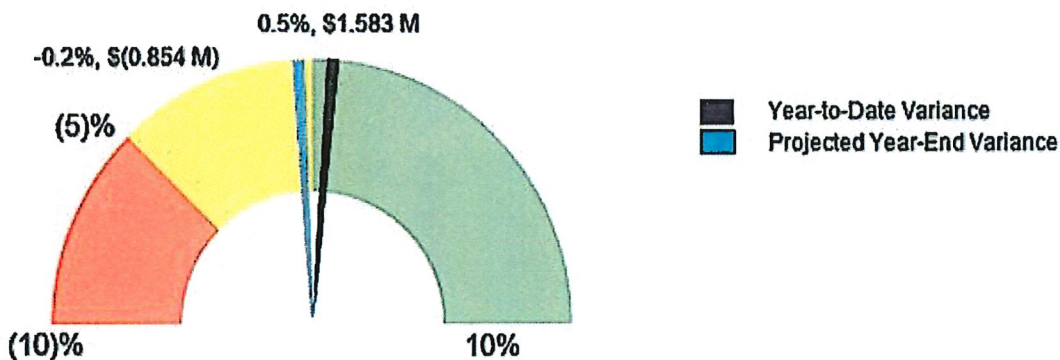
The main causes of the underspend in non-personnel costs are detailed in Attachment II.

Capital Results

This is the last year of the four-year Capital budget (2019 to 2022) and the results indicate a projected budget carry forward to 2023 of \$13.304 million for standalone projects and composite projects that have contractual commitments. The carry forward is predominantly related to vehicle orders being delayed due to parts shortages and manufacturing shutdowns, Information Technology infrastructure storage and backup hardware solution and network and wireless equipment, Northwest Campus outstanding legal fees and holdbacks, CAD-RMS Integration, Modernization & Maximization (CRIMM), and the Enterprise Commons project.

CONCLUSION:

The year-end forecast projects an operating deficit of \$0.854 million (\$2.041 million underspend from current year operations, offset by the Operating Reserve deficit of \$2.895 million).



ADDITIONAL INFORMATION ATTACHED:

Attachments:

1. Operating Budget Variance by Major Category of Revenue & Expenditures
2. Explanation of Variances by Major Category of Expenditures and Revenues
3. Capital Budget Performance
4. Capital Budget Performance Explanations

Written By: Iryna PYASTA, Director, Financial Management Branch

10

Reviewed By: Robert DAVIDSON, Executive Director, Business Development Division

RD

Approved By: JUSTIN KRIKLER, Acting Chief Administrative Officer, Corporate Services Bureau

A/ Chief of Police: Devn Laborce

Date: 2022 Nov 01



Edmonton Police Service
Budget Variance by Major Category of Revenues & Expenditures
For the Period Ending September 30, 2022
(\$000's)

	Current Period				2021 Year to Date				2022 Year to Date				Year End Forecast			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Projected	Variance	%
Revenue																
Traffic Safety Act Fines (Note 1)	\$ 883	\$ 635	\$ (248)	-28.1%	\$ 9,153	\$ 7,238	\$ (1,915)	-20.9%	\$ 8,744	\$ 5,923	\$ (2,821)	-32.3%	\$ 11,198	\$ 7,760	\$ (3,438)	-30.7%
Transfer from Reserve (OTS) (Note 2)	-	-	-		16,719	16,719	-	0.0%	16,719	16,719	-	0.0%	22,292	22,292	-	0.0%
Provincial Grants (Note 3)	308	728	420	136.4%	2,771	2,553	(218)	-7.9%	2,775	3,344	569	20.5%	29,757	31,191	1,434	4.8%
Other Revenue (Note 4)	\$ 3,035	\$ 3,045	\$ 10	0.3%	\$ 26,984	\$ 23,190	\$ (3,793)	-14.1%	\$ 26,459	\$ 26,767	\$ 309	1.2%	\$ 35,048	\$ 34,761	\$ (287)	-0.8%
Secondments	1,097	1,160	63	5.7%	9,700	10,123	423	4.4%	10,241	10,217	(24)	-0.2%	13,694	13,644	(50)	-0.4%
Tow Lot	595	545	(50)	-8.4%	5,250	4,146	(1,104)	-21.0%	5,362	4,598	(764)	-14.3%	7,150	6,290	(860)	-12.0%
PICS and Alarm Control	648	571	(76)	-11.8%	4,727	4,320	(406)	-8.6%	5,130	4,779	(350)	-6.8%	6,785	6,373	(412)	-6.1%
Extra Duty	263	332	69	26.2%	2,216	641	(1,575)	-71.1%	2,216	2,392	176	7.9%	3,349	3,000	(349)	-10.4%
E911 Fees	113	114	1	1.2%	1,312	1,043	(269)	-20.5%	1,013	999	(14)	-1.3%	1,350	1,336	(14)	-1.0%
School Resource Officer (SRO)	223	394	171	76.5%	2,100	860	(1,240)	-59.1%	818	941	123	15.0%	818	941	123	15.0%
Other	95	(72)	(167)	-175.4%	1,678	2,057	379	22.6%	1,679	2,841	1,162	69.2%	1,902	3,177	1,275	67.0%
Total Revenue	4,226	4,408	182	4.3%	65,627	49,700	(5,926)	-10.7%	64,697	62,753	(1,943)	-3.6%	98,295	96,004	(2,291)	-2.3%
Expense																
Personnel																
Salary and benefits (Note 5)	31,319	31,227	92	0.3%	278,697	284,353	(5,656)	-2.0%	286,401	282,008	4,393	1.5%	383,491	378,336	5,155	1.3%
EPS Overtime (Note 6a)	688	1,380	(692)	-100.5%	7,240	7,475	(235)	-3.2%	7,488	11,883	(4,395)	-58.7%	10,145	15,549	(5,404)	-53.3%
External Overtime (Note 6b)	170	64	106	62.3%	306	748	(442)	-144.4%	306	299	7	2.3%	407	399	8	2.0%
	32,177	32,671	(494)	-1.5%	286,243	292,576	(6,333)	-2.2%	294,195	294,190	5	0.0%	394,043	394,284	(241)	-0.1%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 7)	1,500	1,450	50	3.3%	13,865	12,952	913	6.6%	16,491	15,467	1,024	6.2%	21,238	20,726	512	2.4%
Contracts and services (Note 8)	2,566	2,408	158	6.2%	19,052	15,644	3,408	17.9%	19,386	19,084	302	1.6%	27,425	26,592	833	3.0%
Vehicles (Note 9)	943	710	233	24.7%	6,554	6,404	150	2.3%	6,482	6,479	3	0.0%	8,652	9,103	(451)	-5.2%
Facilities (Note 10)	1,913	2,351	(438)	-22.9%	16,817	14,623	2,194	13.0%	16,340	15,168	1,172	7.2%	24,337	21,253	3,084	12.7%
Other Expenditures (Note 11)	314	318	(4)	-1.3%	4,242	3,110	1,131	26.7%	2,792	1,771	1,020	36.6%	5,191	4,596	595	11.5%
	7,236	7,237	(1)	0.0%	60,530	52,733	7,796	12.9%	61,491	57,969	3,521	5.7%	86,843	82,270	4,573	5.3%
Total Expense	39,413	39,908	(495)	-1.3%	346,773	345,309	1,463	0.4%	355,686	352,159	3,526	1.0%	480,886	476,654	4,232	0.9%
Position before Adjustments	35,187	35,600	(313)	-0.9%	291,146	295,609	(4,463)	-1.5%	300,989	299,406	1,583	0.5%	382,591	380,650	2,041	0.5%
Tangible Capital Assets Budget adjustment (Note 13)													6,154	6,154	-	0.0%
Transfer to/(from) EPS Reserve (Note 14)													-	2,895	(2,895)	
Net Position	\$ 35,187	\$ 35,600	\$ (313)	-0.9%	\$ 291,146	\$ 295,609	\$ (4,463)	-1.5%	\$ 300,989	\$ 299,406	\$ 1,583	0.5%	\$ 388,745	\$ 389,599	\$ (854)	-0.2%

Other Revenue includes fines (Gaming and Liquor, Other Bylaw Violations), sales of unclaimed goods, and revenue due from Public Safety Canada (PSC) for 2022 Papa Visit.

Edmonton Police Service

Explanation of Variances by Major Category of Expenditures and Revenues – Notes

For the Period Ended September 30, 2022

1. Traffic Safety Act (TSA) Fines Revenue

Revenue generated by officer issued tickets under the Traffic Safety Act.

Year to Date – Under budget as a result of lower than expected number of tickets issued. As courts reopen from the pandemic, Traffic members are spending increased time in court to address prior year incidents, which has resulted in a decline of issued tickets. In addition, members have further been diverted to other operations which further decreases tickets issued. If volumes increase, collections can continue to be delayed.

Forecast – Same as year to date.

2. Transfer from Reserve - Office of Traffic Safety (OTS)

Transfers from the Traffic Safety and Automated Enforcement Reserve (TSAER). Transfers were approved as part of the 2019-2022 operating budget, in addition to the annual tax levy funding provided by the City.

Year to Date – Quarterly transfers from the OTS and the third payment was received in July.

Forecast – No variance is expected.

3. Provincial Grants

Provincial Grants include the Policing Support Grant which combines the former Municipal Policing Assistance Grant and the Police Officer Grant. Other grants include the E911 Grant, Victim Services Grant, Drug Impairment Grant, Indigenous Grant, HELP Grant, and Virtual Opioid Dependency Program Grant.

Year to Date – Over budget due to additional E911 Grant revenues recognized, receipt of the Drug Impairment Training program, and HELP program Grants.

Forecast – The same as above, further increased by the new Virtual Opioid Dependency program Grant.

4. Other Revenue

Other revenue includes Secondments revenue, and revenues associated with user fees for services provided.

Secondments revenue is primarily generated from Alberta Law Enforcement Response Team (ALERT) and Alberta Serious Incident Response Team (ASIRT) for EPS members seconded to these organizations. User fees revenue include Tow Lot revenue, Police Information Check Section (PICS), Alarm Control, Extra Duty, E911 landline fees, School Resource Officers, gaming and liquor fines, other Bylaw violations, and sales of unclaimed goods.

Year to Date – The over budget position is the result of increased demand for Extra Duty services as Edmonton festivals and events return to pre-pandemic levels, and for revenue due from Public Safety Canada (PSC) for the policing support provided during the 2022 Papal visit.

Forecast – Forecasting to be under budget mainly due to decreased Tow Lot and PICS revenue, which are both offset by a projected decrease in contracts and services.

5. Salary and Benefits

Wages and Benefits for all EPS employees based on collective bargaining agreements. All agreements are unsettled from the start of 2021; the Edmonton Police Association (EPA), the Senior Officers Association (SOA), and Civic Service Union 52 (CSU 52)

Includes base salary, acting pay, shift differential, court time, standby pay, pension, medical, dental, group life insurance, allowances (boot, health care spending), and statutory holiday pay per collective agreements. The salaries and benefits of employees seconded to external organizations are incurred as an expense and recovered through Secondments revenue.

Year to date – Under budget due to an increase in vacation taken, higher than expected attrition and vacancies, lower court time. This is offset by unfavorable overtime.

Forecast – The same as year to date.

The sworn member attrition position for the nine months of the year is:

Attrition	September	September YTD	Full Year
Original Projection	5	45	60
Actual & Updated Projection	11	78	100

As of October 19, 2022, forty-three sworn members have tendered their resignation and forty-six announced their retirement, for an attrition total of eighty-nine. Of these, seventy-eight were no longer on the payroll as of September 30, 2022.

6a. EPS Overtime

EPS overtime costs are paid in accordance with collective bargaining agreements and primarily related to maintaining minimum staffing or operational requirements.

Year to date – Over budget due to maintaining minimum staffing in the Community Policing Bureau (CPB), and the Emergency Communication and Operations Management Branch (ECOMB). Also contributing to the over budget position are increased costs required for staffing the Freedom Convoys, NHL playoffs and the 2022 Papal Visit, which is offset by increased revenue due from PSC. This is offset by favorable salary and benefit costs.

Forecast – The same as year to date.

6b. External Overtime

External overtime costs are incurred by employees seconded to external organizations (ALERT, ASIRT, etc.). These costs are recovered through Secondments revenue.

Year to date – Slightly under budget.

Forecast – The same as year to date.

7. Furniture, Equipment, IT, Materials and Supplies

This category includes the purchases of uniforms and clothing, ammunition, stationery, medical supplies, computer software and hardware purchases and maintenance, and furniture and equipment.

Year to date – Under budget due to the timing of expenses for the purchases of IT equipment, and delays in the purchasing of other materials.

Forecast – Projecting to be under budget.

8. Contracts & Services

This category includes various contracted resources. Examples include Security Commissionaires, Extra Duty, Police Seized Vehicles towing fees, DNA analysis, HELP navigators, Legal Services, and Psychological Counseling.

Year to date – Under budget due to less demand for PICS and Tow Lot services which are offset by lower revenues; partially offset by higher Psychological Counseling costs and the costs incurred during the 2022 Papal visit which will be recovered through revenue due from PSC.

Forecast – The same as year to date.

9. Vehicle Costs

This category includes the expenses for vehicle repairs, maintenance, and fuel.

Year to date – Slightly under budget.

Forecast – Projecting to be over budget due to increased fuel and vehicle maintenance expenses.

10. Facilities

This category includes facility maintenance and custodial expenses for services provided by the City of Edmonton staff, external space rent, power, natural gas, and telephone charges.

Year to Date – Under budget due to lower than anticipated custodial and maintenance charges from the City of Edmonton.

Forecast – The same as above and funds held for the Public Private Partnership (P3) initiative to operate a future Training Facility.

11. Other Expenditures

This category includes travel and training expenditures, insurance premiums, debt servicing costs, and memberships.

Year to Date – Under budget primarily due to delays in travel and training.

Forecast – The same as year to date, partially offset by lower than anticipated insurance recoveries for damaged vehicles.

12. Tangible Capital Assets

Budget held to cover capital qualifying expenses for projects such as vehicles.

13. Transfer to/from EPS Reserve

On June 26, 2018 City Council approved Policy C605 Edmonton Police Reserve. In accordance with the policy and in the event the reserve falls into a deficit position, a strategy will be developed by the EPS, to be approved by City Council, to achieve a balanced position over a period not to exceed three years, starting with the subsequent year operating budget. The strategy may include replenishing the reserve with any unplanned one-time revenues, adjustments to capital priorities and managing operating expenditures.

The balance in the EPS Operating Reserve as of December 31, 2021 is a deficit of \$2.895 million, which is comprised of the following annual results:

- 2018 \$1.162 million
- 2019 \$1.083 million
- 2020 \$2.249 million
- 2021 (\$7.389) million

Enterprise and Utility Operations
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

Utility and Enterprise revenue and expense variances are explained where individual variances for revenues, expenses, recoveries and transfers to/from reserves exceed \$1,000. Variances below this amount are not specifically addressed.

Waste Services

	Year-to-Date				Projected Year-End			
	Budget	Actual	Variance \$	%	Budget	Projected	Variance \$	%
Revenue	164,292	166,768	2,476	● 1.5	Revenue	218,966	221,489	2,523 ● 1.2
Expense	149,110	140,038	9,072	● 6.1	Expense	202,271	196,162	6,109 ● 3.0
Net Position	15,182	26,730	11,548	● 7.7	Net Position	16,695	25,327	8,632 ● 4.3

Year-to-Date

Revenue - Favourable variance due to higher interest rate resulting in increased investment earnings of \$852, higher commercial collection and program revenue of \$703 from increased volume at the Material Recovery Facility, higher than anticipated single unit revenue of \$303, and other cumulative variances.

Expense - Favourable variance mainly as a result of external services costs of \$5,085 due to anticipated savings in contracted collection and contracted landfill costs, \$3,107 lower personnel costs due to seasonal and operational vacancies, and \$2,205 in savings on consulting and power costs.

Projected

Revenue - Favourable variance mainly due to higher investment earnings of \$1,000 due to increased interest rates, higher projected commercial collection of \$909, and other cumulative variances.

Expense - Favourable variance mainly as a result of external services costs of \$6,374 due to anticipated savings in contracted collection and contracted landfill costs, \$3,968 lower personnel costs due to seasonal and operational vacancies, and \$2,802 in savings on consulting and power costs. This is offset by an increase in post closure liability expense of \$7,200 for the closure of the Edmonton Landfill.

Note: Expenses are shown net of internal recoveries, unless recoveries are disclosed separately

Land Enterprise

Year-to-Date					Projected Year-End				
	Budget	Actual	Variance \$	%		Budget	Projected	Variance \$	%
Revenue	20,673	22,343	1,670	● 8.1	Revenue	26,483	31,684	5,201	● 19.6
Expense	15,409	13,035	2,374	● 15.4	Expense	20,787	18,783	2,004	● 9.6
Net Position	5,264	9,308	4,044	● 26.2	Net Position	5,696	12,901	7,205	● 34.7

Year-to-Date

Revenue - Favourable budget variance due to land sales in 2022 that were budgeted for in different years within the cycle.

Expense - Favourable budget variance due to lower than budgeted cost of land for land sales, and other cumulative variances.

Projected

Revenue - Favourable budget variance due to higher land sales due to the market conditions and sales mix.

Expense - Favourable budget variance due to lower than budgeted cost of land for land sales, and other cumulative variances.

Blatchford Redevelopment

Year-to-Date					Projected Year-End				
	Budget	Actual	Variance \$	%		Budget	Projected	Variance \$	%
Revenue	4,786	4,836	50	● 1.0	Revenue	28,785	11,345	(17,440)	● (60.6)
Expense	6,453	5,556	897	● 13.9	Expense	30,788	11,449	19,339	● 62.8
Net Position	(1,667)	(720)	947	● 14.7	Net Position	(2,003)	(104)	1,899	● 6.2

Year-to-Date - No significant variances to report.

Projected

Revenue - Unfavourable budget variance due to delayed sales due to market conditions.

Expense - Favourable budget variance for cost of land sold due to delayed sales due to market conditions, and other cumulative variances.

Blatchford Renewable Energy Utility

Year-to-Date					Projected Year-End				
	Budget	Actual	Variance \$	%		Budget	Projected	Variance \$	%
Revenue	130	(33)	(163)	● (125.4)	Revenue	173	173	-	● -
Expense	1,728	1,127	601	● 34.8	Expense	2,305	2,305	-	● -
Net Position	(1,598)	(1,160)	438	● 25.3	Net Position	(2,132)	(2,132)	-	● -

Year-to-Date - No significant variances to report.

Projected - No significant variances to report.

Note: Expenses are shown net of internal recoveries, unless recoveries are disclosed separately

Community Revitalization Levy Operations
Year-to-Date Results and Year-End Projections
September 30, 2022
(in \$000's)

- Favourable budget variance, $\geq 0\%$
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, $> (10)\%$

Community Revitalization revenue and expense variances are explained where individual variances for revenues, expenses, recoveries and transfers to/from reserves exceed \$750. Variances below this amount are not specifically addressed.

Belvedere Community Revitalization Levy

	Year-To-Date				Projected Year-End			
	Budget	Actual	Variance \$	%	Budget	Projected	Variance \$	%
Revenue	5,896	1,623	(4,273)	● (72.5)	Revenue	5,896	1,706	(4,190) ● (71.1)
Expense	5,979	1,636	4,343	● 72.6	Expense	6,829	2,647	4,182 ● 61.2
Net Income					Net Income			
/(Deficit)	(83)	(13)	70	● (84.3)	/(Deficit)	(933)	(941)	(8) ● 0.9
Transfer (to)					Transfer (to)			
/from Reserve	-	(70)	(70)	● -	/from Reserve	933	941	8 ● 0.9
Net Position	(83)	(83)	-	● -	Net Position	-	-	- ● -

Year-to-Date

Revenue - Lower sales revenue due to lack of market demand on area lands, partially as a result of rising interest rates.

Expense - Lower cost of land sold due to lack of market demand on area lands, partially as a result of rising interest rates.

Projected

Revenue - Lower sales revenue due to lack of market demand on area lands, partially as a result of rising interest rates.

Expense - Lower cost of land sold due to lack of market demand on area lands, partially as a result of rising interest rates.

Capital City Downtown Community Revitalization Levy

Year-To-Date					Projected Year-End						
	Budget	Actual	Variance \$	%		Budget	Projected	Variance \$	%		
Revenue	29,455	29,466	11	●	0.0	Revenue	29,455	29,455	-	●	-
Expense	24,074	21,456	2,618	●	10.9	Expense	31,170	29,779	1,391	●	4.5
Net Income						Net Income					
/(Deficit)	5,381	8,010	2,629	●	48.9	/(Deficit)	(1,715)	(324)	1,391	●	(81.1)
Transfer (to)						Transfer (to)					
/from Reserve	2,779	150	(2,629)	●	(94.6)	/from Reserve	1,715	324	(1,391)	●	(81.1)
Net Position	8,160	8,160	-	●	-	Net Position	-	-	-	●	-

Year-to-Date

Expense - Lower debt servicing and external costs due to timing of underlying capital projects as well as lower tax appeal losses. This is fully offset by lower reserve transfer.

Projected

Expense - Lower tax appeal losses than anticipated, which is fully offset by lower reserve transfer.

Quarters Community Revitalization Levy

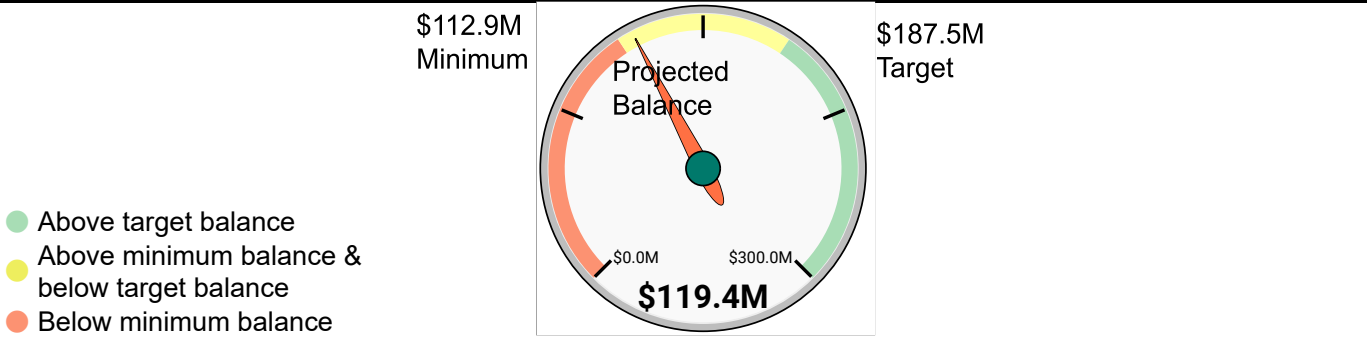
Year-To-Date					Projected Year-End						
	Budget	Actual	Variance \$	%		Budget	Projected	Variance \$	%		
Revenue	5,077	5,191	114	●	2.2	Revenue	5,077	5,077	-	●	-
Expense	5,270	5,055	215	●	4.1	Expense	7,468	7,008	460	●	6.2
Net Income						Net Income					
/(Deficit)	(193)	136	329	●	(170.5)	/(Deficit)	(2,391)	(1,931)	460	●	(19.2)
Transfer (to)						Transfer (to)					
/from Reserve	-	(329)	(329)	●	-	/from Reserve	2,391	1,931	(460)	●	(19.2)
Net Position	(193)	(193)	-	●	-	Net Position	-	-	-	●	-

Year-to-Date - No significant variances to report.

Projected - No significant variances to report.

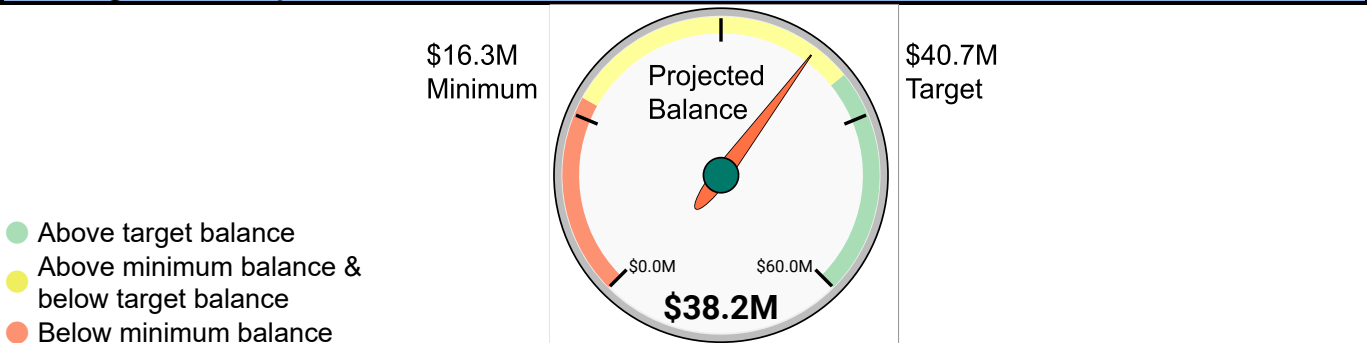
Reserves Update
September 30, 2022
 (in \$000's)

Financial Stabilization Reserve



As outlined in City Policy C629, the *Financial Stabilization Reserve (FSR)* is an uncommitted Reserve account established for the purpose of providing funding to address significant emergent financial issues. The projected December 31, 2022 year-end balance for the reserve is \$119.4 million, which is above its minimum required balance of \$112.9 million for 2022, but below the target balance of \$187.5 million. The projected balance includes all planned funding from the reserve in 2022, but does not reflect the projected year-end tax-supported position or any proposed funding from the FSR in the 2023 - 2026 Budget. The minimum and target balances, calculated as 5% and 8.3% of general government expenses, excluding non-cash amortization (as reflected in the most recent audited City financial statements), respectively are reviewed every three years using a risk based methodology.

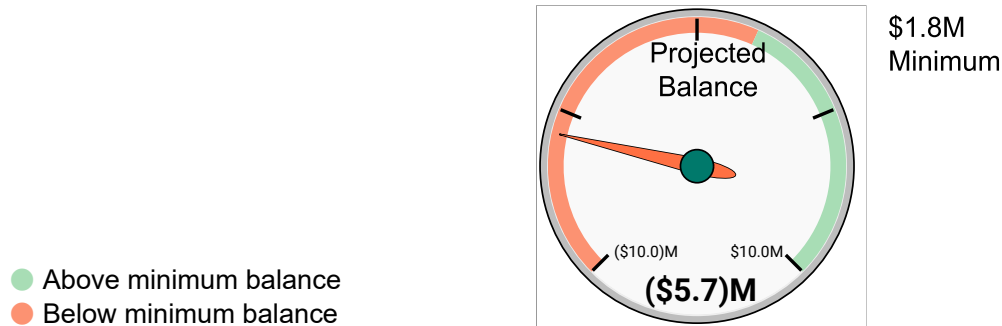
Planning and Development Reserve



In accordance with City Policy C610 *Fiscal Policy for the Planning and Development Business*, the minimum reserve balance is calculated as 30% of budgeted expenditures and the target balance is calculated as 75% of budgeted expenditures. The projected December 31, 2022 year-end reserve balance of \$38.2 million (73.6% of budgeted expenditures) is above its minimum required balance of \$16.3 million for 2022, but below the target balance of \$40.7 million.

2023 revenues are expected to decline while expenditures will increase slightly to maintain service levels and technology improvements. The reserve is anticipated to continue to align with the Policy C610 - the Fiscal Policy for the Planning and Development Business.

Traffic Safety and Automated Enforcement Reserve (TSAER)



The purpose of the reserve is to address the revenue variability unique to automated traffic enforcement. Automated photo enforcement revenues are transferred to the reserve and used to fund the operating budget for the Safe Mobility section, the Edmonton Police Service, traffic safety initiatives and other programs approved by City Council through the budget process. This revenue is shared between the Edmonton Police Service and Parks and Road Services to fund traffic safety measures including technology, engineering measures, signage and signaling.

The projected December 31, 2022 year-end balance of the reserve is a deficit of (\$5.7) million, which is below its minimum required balance of \$1.8 million. The minimum balance is calculated as 5% of budgeted annual revenue in accordance with City Policy C579B Traffic Safety and Automated Enforcement Reserve. In the event the reserve balance falls below the minimum level, a strategy is required to achieve the minimum level over a period not to exceed three years.

The projected reserve deficit position at the end of 2022 is in part a result of the increased share of revenue retained by the Government of Alberta, combined with declining revenue trends as a result of COVID-19 and a greater emphasis on education and awareness. The 2019/2020 provincial budget was released on October 24, 2019 and included a reduction in the City's share of automated enforcement revenues from 73.3% to 60% starting in April 2020 and continuing on an on-going basis. The decrease in revenues must be balanced with continued work to keep motorists, cyclists and pedestrians safe on our roadways. On June 7, 2022, Council passed a motion that Administration incorporate a strategy as a part of the proposed 2023-2026 operating budget to replace the projected revenue shortfall for the Traffic Safety and Automated Enforcement Reserve with funding from the tax-levy, phased in over 2023-2026.

A schedule of the reserve balance including the projected balance for 2022 is included in the "Traffic Safety and Automated Enforcement Reserve Schedule".

Traffic Safety and Automated Enforcement Reserve Schedule
September 30, 2022
(\$ millions)

	2022			
	Approved Budget ¹	Projection	Year-to-Date Actual (September 30)	Remaining (Budget - Actual)
Transfers to the Reserve:				
Automated enforcement revenues	35.6	27.2	23.3	(12.3)
Interest earnings	-	-	-	-
	35.6	27.2	23.3	(12.3)
Funding from the reserve:				
<i>Operating:</i>				
Edmonton Police Service	(22.3)	(22.3)	(16.7)	(5.6)
Traffic Safety section	(10.3)	(10.1)	(5.6)	(4.7)
Road Safety Strategy - Public Engagement (Marketing)	(0.7)	(0.2)	(0.1)	(0.6)
	(33.3)	(32.6)	(22.4)	(10.9)
<i>Capital:</i>				
Safe Crossings (<i>previously Crosswalk Safety</i>) (CM-66-2585)	(4.4)	(4.4)	(1.7)	(2.7)
School Safety (CM-66-2590)	(1.8)	(1.0)	(0.3)	(1.5)
Regulated Safety Upgrades at Railway Crossings (CM-66-2194)	(1.3)	(1.3)	(0.1)	(1.2)
Community Activation Programming (CM-66-2596)	(0.5)	(0.5)	(0.1)	(0.4)
Speed Limit Reduction (CM-66-2580)	(0.4)	(0.4)	(0.1)	(0.3)
2020 Street Safety Priorities (CM-66-2595)	(0.1)	(0.1)	(0.1)	-
	(8.5)	(7.7)	(2.4)	(6.1)
Total funding from the reserve	(41.8)	(40.3)	(24.8)	(17.0)
Annual Surplus/(Deficit)	(6.2)	(13.1)	(1.5)	
Opening Reserve Balance	7.4	7.4	7.4	
Closing Reserve balance (Cumulative) ²	1.2	(5.7)	5.9	
Minimum reserve balance - 5% of budgeted revenues	1.8	1.8	1.4	
Available funds (closing reserve balance less minimum reserve balance)	-	-		

Notes:

- Funding from the reserve for 2022 is based on the approved 2019-2022 operating and capital budgets, and approved carryforward of unspent 2022 budgets.
- On June 7, 2022, Council passed a motion that Administration incorporate a strategy as a part of the proposed 2023-2026 operating budget to replace the projected revenue shortfall for the Traffic Safety and Automated Enforcement Reserve with funding from the tax-levy, phased in over 2023-2026. The 2023-2026 proposed operating budget includes a strategy to replenish the reserve to levels above the minimum required balance by 2025.

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

- Favourable budget variance, >= 0%
● Unfavourable budget variance, between 0% and (10)%
● Unfavourable budget variance, > (10)%

	(in \$000's)	Year-to-Date (YTD)				Projected Year-End							
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%		
Community Services													
Community Recreation And Culture	Revenue	42,230	46,604	4,374	●	10.4	70,135	(12,965)	57,170	61,801	4,631	●	8.1
	Expense	98,673	97,211	1,462	●	1.5	140,180	(1,527)	138,653	132,348	6,305	●	4.5
	Net Position	(56,443)	(50,607)	5,836	●	10.3	(70,045)	(11,438)	(81,483)	(70,547)	10,936	●	13.4
Community Standards and Neighbourhoods	Revenue	5,784	4,411	(1,373)	●	(23.7)	9,996	-	9,996	7,222	(2,774)	●	(27.8)
	Expense	36,330	34,789	1,541	●	4.2	50,205	-	50,205	47,631	2,574	●	5.1
	Net Position	(30,546)	(30,378)	168	●	0.5	(40,209)	-	(40,209)	(40,409)	(200)	●	(0.5)
Social Development	Revenue	31,448	31,953	505	●	1.6	71,967	-	71,967	72,850	883	●	1.2
	Expense	57,550	54,292	3,258	●	5.7	115,771	1,400	117,171	114,379	2,792	●	2.4
	Net Position	(26,102)	(22,339)	3,763	●	14.4	(43,804)	(1,400)	(45,204)	(41,529)	3,675	●	8.1
Community Services													
	Revenue	79,462	82,968	3,506	●	4.4	152,098	(12,965)	139,133	141,873	2,740	●	2.0
	Expense	192,553	186,292	6,261	●	3.3	305,156	873	306,029	294,358	11,671	●	3.8
	Net Position	(113,091)	(103,324)	9,767	●	8.6	(153,058)	(13,838)	(166,896)	(152,485)	14,411	●	8.6
City Operations													
Edmonton Transit	Revenue	62,796	62,626	(170)	●	(0.3)	163,794	(53,716)	110,078	96,659	(13,419)	●	(12.2)
	Expense	300,890	283,071	17,819	●	5.9	399,367	5,965	405,332	378,442	26,890	●	6.6
	Net Position	(238,094)	(220,445)	17,649	●	7.4	(235,573)	(59,681)	(295,254)	(281,783)	13,471	●	4.6
Fleet and Facility Services	Revenue	3,790	7,087	3,297	●	87.0	4,813	-	4,813	8,817	4,004	●	83.2
	Expense	44,744	50,509	(5,765)	●	(12.9)	58,325	500	58,825	66,294	(7,469)	●	(12.7)
	Net Position	(40,954)	(43,422)	(2,468)	●	(6.0)	(53,512)	(500)	(54,012)	(57,477)	(3,465)	●	(6.4)
Parks and Road Services	Revenue	23,582	21,086	(2,496)	●	(10.6)	48,304	(11,264)	37,040	35,891	(1,149)	●	(3.1)
	Expense	146,425	146,198	227	●	0.2	179,866	3,635	183,501	186,581	(3,080)	●	(1.7)
	Net Position	(122,843)	(125,112)	(2,269)	●	(1.8)	(131,562)	(14,899)	(146,461)	(150,690)	(4,229)	●	(2.9)
Snow and Ice Control	Revenue	18,394	18,476	82	●	0.4	23,108	-	23,108	23,108	-	●	-
	Expense	55,567	67,721	(12,154)	●	(21.9)	79,474	-	79,474	91,474	(12,000)	●	(15.1)
	Net Position	(37,173)	(49,245)	(12,072)	●	(32.5)	(56,366)	-	(56,366)	(68,366)	(12,000)	●	(21.3)
City Operations													
	Revenue	108,562	109,275	713	●	0.7	240,019	(64,980)	175,039	164,475	(10,564)	●	(6.0)
	Expense	547,626	547,499	127	●	0.0	717,032	10,100	727,132	722,791	4,341	●	0.6
	Net Position	(439,064)	(438,224)	840	●	0.2	(477,013)	(75,080)	(552,093)	(558,316)	(6,223)	●	(1.1)

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

- Favourable budget variance, >= 0%
● Unfavourable budget variance, between 0% and (10)%
● Unfavourable budget variance, > (10)%

	(in \$000's)	Year-to-Date (YTD)				Projected Year-End					
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Communications and Engagement											
Relationships and Customer Access	Revenue	275	274	(1) ●	(0.4)	866	-	866	866	- ●	-
	Expense	15,000	13,971	1,029 ●	6.9	20,419	-	20,419	19,800	619 ●	3.0
	Net Position	(14,725)	(13,697)	1,028 ●	7.0	(19,553)	-	(19,553)	(18,934)	619 ●	3.2
Reputation and Brand	Revenue	636	185	(451) ●	(70.9)	848	-	848	748	(100) ●	(11.8)
	Expense	5,960	5,018	942 ●	15.8	7,899	-	7,899	7,999	(100) ●	(1.3)
	Net Position	(5,324)	(4,833)	491 ●	9.2	(7,051)	-	(7,051)	(7,251)	(200) ●	(2.8)
Research, Engagement and Communications	Revenue	622	249	(373) ●	(60.0)	829	-	829	584	(245) ●	(29.6)
	Expense	6,377	5,743	634 ●	9.9	8,386	-	8,386	7,741	645 ●	7.7
	Net Position	(5,755)	(5,494)	261 ●	4.5	(7,557)	-	(7,557)	(7,157)	400 ●	5.3
Communications and Engagement											
	Revenue	1,533	708	(825) ●	(53.8)	2,543	-	2,543	2,198	(345) ●	(13.6)
	Expense	27,337	24,732	2,605 ●	9.5	36,704	-	36,704	35,540	1,164 ●	3.2
	Net Position	(25,804)	(24,024)	1,780 ●	6.9	(34,161)	-	(34,161)	(33,342)	819 ●	2.4
Employee Services											
Workforce Safety and Employee Health	Revenue	26	26	- ●	-	35	-	35	35	- ●	-
	Expense	5,064	5,158	(94) ●	(1.9)	6,686	-	6,686	6,686	- ●	-
	Net Position	(5,038)	(5,132)	(94) ●	(1.9)	(6,651)	-	(6,651)	(6,651)	- ●	-
Talent Acquisition, Service and Solutions	Revenue	67	69	2 ●	3.0	90	-	90	90	- ●	-
	Expense	10,187	9,018	1,169 ●	11.5	13,487	-	13,487	12,287	1,200 ●	8.9
	Net Position	(10,120)	(8,949)	1,171 ●	11.6	(13,397)	-	(13,397)	(12,197)	1,200 ●	9.0
Organizational Design and Development	Revenue	43	43	- ●	-	57	-	57	57	- ●	-
	Expense	3,763	3,476	287 ●	7.6	4,977	-	4,977	4,677	300 ●	6.0
	Net Position	(3,720)	(3,433)	287 ●	7.7	(4,920)	-	(4,920)	(4,620)	300 ●	6.1
Employee Relations and Compensation	Revenue	22	22	- ●	-	29	-	29	29	- ●	-
	Expense	3,440	3,566	(126) ●	(3.7)	4,546	-	4,546	4,546	- ●	-
	Net Position	(3,418)	(3,544)	(126) ●	(3.7)	(4,517)	-	(4,517)	(4,517)	- ●	-
Employee Services											
	Revenue	158	160	2 ●	1.3	211	-	211	211	- ●	-
	Expense	22,454	21,218	1,236 ●	5.5	29,696	-	29,696	28,196	1,500 ●	5.1
	Net Position	(22,296)	(21,058)	1,238 ●	5.6	(29,485)	-	(29,485)	(27,985)	1,500 ●	5.1

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

- Favourable budget variance, >= 0%
● Unfavourable budget variance, between 0% and (10)%
● Unfavourable budget variance, > (10)%

	(in \$000's)	Year-to-Date (YTD)				Projected Year-End						
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%	
Financial and Corporate Services												
Assessment and Taxation	Revenue	-	-	-	●	-	-	-	-	-	●	-
	Expense	13,834	13,020	814	●	18,045	-	18,045	17,555	490	●	2.7
	Net Position	(13,834)	(13,020)	814	●	(18,045)	-	(18,045)	(17,555)	490	●	2.7
Corporate Procurement and Supply Services	Revenue	484	537	53	●	646	-	646	746	100	●	15.5
	Expense	11,038	9,567	1,471	●	13,098	1,500	14,598	14,198	400	●	2.7
	Net Position	(10,554)	(9,030)	1,524	●	(12,452)	(1,500)	(13,952)	(13,452)	500	●	3.6
Enterprise Commons	Revenue	-	-	-	●	-	-	-	-	-	●	-
	Expense	1,466	1,898	(432)	●	1,921	-	1,921	1,921	-	●	-
	Net Position	(1,466)	(1,898)	(432)	●	(1,921)	-	(1,921)	(1,921)	-	●	-
Financial Services	Revenue	1,636	1,237	(399)	●	2,513	-	2,513	1,518	(995)	●	(39.6)
	Expense	15,450	14,711	739	●	20,632	-	20,632	19,637	995	●	4.8
	Net Position	(13,814)	(13,474)	340	●	(18,119)	-	(18,119)	(18,119)	-	●	-
Open City and Technology	Revenue	937	1,056	119	●	1,249	-	1,249	1,408	159	●	12.7
	Expense	36,371	38,280	(1,909)	●	45,624	1,939	47,563	46,889	674	●	1.4
	Net Position	(35,434)	(37,224)	(1,790)	●	(44,375)	(1,939)	(46,314)	(45,481)	833	●	1.8
Real Estate	Revenue	5,817	5,072	(745)	●	8,597	-	8,597	6,593	(2,004)	●	(23.3)
	Expense	27,511	25,862	1,649	●	38,456	-	38,456	36,613	1,843	●	4.8
	Net Position	(21,694)	(20,790)	904	●	(29,859)	-	(29,859)	(30,020)	(161)	●	(0.5)
Service Innovation and Performance	Revenue	173	-	(173)	●	230	-	230	145	(85)	●	(37.0)
	Expense	9,450	9,946	(496)	●	12,487	-	12,487	13,612	(1,125)	●	(9.0)
	Net Position	(9,277)	(9,946)	(669)	●	(12,257)	-	(12,257)	(13,467)	(1,210)	●	(9.9)
Financial and Corporate Services	Revenue	9,047	7,902	(1,145)	●	13,235	-	13,235	10,410	(2,825)	●	(21.3)
	Expense	115,120	113,284	1,836	●	150,263	3,439	153,702	150,425	3,277	●	2.1
	Net Position	(106,073)	(105,382)	691	●	(137,028)	(3,439)	(140,467)	(140,015)	452	●	0.3

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

- Favourable budget variance, >= 0%
● Unfavourable budget variance, between 0% and (10)%
● Unfavourable budget variance, > (10)%

	(in \$000's)	Year-to-Date (YTD)				Projected Year-End					
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Integrated Infrastructure Services											
Building Great Neighbourhoods	Revenue	-	-	-	●	-	-	-	-	-	●
	Expense	2,675	2,495	180	●	2,416	-	2,416	2,862	(446)	●
	Net Position	(2,675)	(2,495)	180	●	(2,416)	-	(2,416)	(2,862)	(446)	●
Infrastructure Delivery	Revenue	665	604	(61)	●	887	-	887	639	(248)	●
	Expense	7,490	4,815	2,675	●	7,720	-	7,720	5,823	1,897	●
	Net Position	(6,825)	(4,211)	2,614	●	(6,833)	-	(6,833)	(5,184)	1,649	●
Infrastructure Planning and Design	Revenue	57	39	(18)	●	3,116	-	3,116	3,085	(31)	●
	Expense	7,053	7,974	(921)	●	11,713	-	11,713	13,301	(1,588)	●
	Net Position	(6,996)	(7,935)	(939)	●	(8,597)	-	(8,597)	(10,216)	(1,619)	●
LRT Expansion and Renewal	Revenue	342	561	219	●	455	-	455	650	195	●
	Expense	823	858	(35)	●	1,111	-	1,111	1,038	73	●
	Net Position	(481)	(297)	184	●	(656)	-	(656)	(388)	268	●
Blatchford Redevelopment Office	Revenue	-	-	-	●	-	-	-	-	-	●
	Expense	132	86	46	●	173	-	173	111	62	●
	Net Position	(132)	(86)	46	●	(173)	-	(173)	(111)	62	●
Integrated Infrastructure Services	Revenue	1,064	1,204	140	●	4,458	-	4,458	4,374	(84)	●
	Expense	18,173	16,228	1,945	●	23,133	-	23,133	23,135	(2)	●
	Net Position	(17,109)	(15,024)	2,085	●	(18,675)	-	(18,675)	(18,761)	(86)	●
Urban Planning and Economy											
Planning and Environment Services	Revenue	27,127	26,942	(185)	●	38,662	-	38,662	40,505	1,843	●
	Expense	50,473	45,939	4,534	●	72,597	-	72,597	73,512	(915)	●
	Net Position	(23,346)	(18,997)	4,349	●	(33,935)	-	(33,935)	(33,007)	928	●
Development Services	Revenue	48,769	58,375	9,606	●	78,179	-	78,179	81,239	3,060	●
	Net transfer to/(from) P&D Reserve	1,571	14,258	(12,687)	●	3,840	-	3,840	11,303	(7,463)	●
	Expense	51,910	49,227	2,683	●	79,584	-	79,584	74,741	4,843	●
	Net Position	(4,712)	(5,110)	(398)	●	(5,245)	-	(5,245)	(4,805)	440	●
Economic Investment Services	Revenue	12,108	9,128	(2,980)	●	17,392	-	17,392	13,282	(4,110)	●
	Expense	22,263	17,238	5,025	●	29,707	-	29,707	24,616	5,091	●
	Net Position	(10,155)	(8,110)	2,045	●	(12,315)	-	(12,315)	(11,334)	981	●
Urban Planning and Economy	Revenue	86,433	80,187	(6,246)	●	130,393	-	130,393	123,723	(6,670)	●
	Expense	124,646	112,404	12,242	●	181,888	-	181,888	172,869	9,019	●
	Net Position	(38,213)	(32,217)	5,996	●	(51,495)	-	(51,495)	(49,146)	2,349	●

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

- Favourable budget variance, >= 0%
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- Unfavourable budget variance, > (10)%

	(in \$000's)	Year-to-Date (YTD)				Projected Year-End					
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%
Office of the City Manager											
City Manager	Revenue	-	-	-	●	-	-	-	-	-	●
	Expense	2,437	2,173	264	●	5,954	-	5,954	5,954	-	●
	Net Position	(2,437)	(2,173)	264	●	(5,954)	-	(5,954)	(5,954)	-	●
Office of the City Clerk											
	Revenue	390	292	(98)	●	733	-	733	733	-	●
	Expense	11,685	10,864	821	●	14,166	-	14,166	14,166	-	●
	Net Position	(11,295)	(10,572)	723	●	(13,433)	-	(13,433)	(13,433)	-	●
Fire Rescue Services											
	Revenue	1,138	2,002	864	●	1,517	-	1,517	2,570	1,053	●
	Expense	169,310	167,068	2,242	●	224,591	1,000	225,591	224,048	1,543	●
	Net Position	(168,172)	(165,066)	3,106	●	(223,074)	(1,000)	(224,074)	(221,478)	2,596	●
Legal Services											
	Revenue	328	339	11	●	437	-	437	437	-	●
	Expense	9,143	8,821	322	●	12,090	-	12,090	12,140	(50)	●
	Net Position	(8,815)	(8,482)	333	●	(11,653)	-	(11,653)	(11,703)	(50)	●
Office of the City Manager											
	Revenue	1,856	2,633	777	●	2,687	-	2,687	3,740	1,053	●
	Expense	192,575	188,926	3,649	●	257,801	-	257,801	256,308	1,493	●
	Net Position	(190,719)	(186,293)	4,426	●	(255,114)	-	(255,114)	(252,568)	2,546	●
Mayor and Councillor Offices											
	Revenue	-	-	-	●	-	-	-	-	-	●
	Expense	5,410	4,406	1,004	●	7,014	-	7,014	6,525	489	●
	Net Position	(5,410)	(4,406)	1,004	●	(7,014)	-	(7,014)	(6,525)	489	●
Office of the City Auditor											
	Revenue	-	-	-	●	-	-	-	-	-	●
	Expense	2,160	2,121	39	●	2,855	-	2,855	2,863	(8)	●
	Net Position	(2,160)	(2,121)	39	●	(2,855)	-	(2,855)	(2,863)	(8)	●
Boards and Authorities											
	Revenue	9,923	9,246	(677)	●	10,471	-	10,471	9,595	(876)	●
	Expense	102,431	102,329	102	●	123,769	-	123,769	122,533	1,236	●
	Net Position	(92,508)	(93,083)	(575)	●	(113,298)	-	(113,298)	(112,938)	360	●
Sub-Total Department Programs											
	Revenue	298,038	294,283	(3,755)	●	556,115	(77,945)	478,170	460,599	(17,571)	●
	Expense	1,350,485	1,319,439	31,046	●	1,835,311	14,412	1,849,723	1,815,543	34,180	●
	Net Position	(1,052,447)	(1,025,156)	27,291	●	(1,279,196)	(92,357)	(1,371,553)	(1,354,944)	16,609	●

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

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	(in \$000's)	Year-to-Date (YTD)				Projected Year-End							
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%		
Corporate Programs													
Capital Project Financing	Revenue	84,516	99,113	14,597	●	17.3	240,834	-	240,834	253,346	12,512	●	5.2
	Expense	212,341	230,321	(17,980)	●	(8.5)	436,486	-	436,486	448,998	(12,512)	●	(2.9)
	Net Position	(127,825)	(131,208)	(3,383)	●	(2.6)	(195,652)	-	(195,652)	(195,652)	-	●	-
Corporate Expenses	Revenue	130	-	(130)	●	(100.0)	2,507	-	2,507	2,547	40	●	1.6
	Expense	25,714	24,673	1,041	●	4.0	126,776	(27,258)	99,518	61,983	37,535	●	37.7
	Net Position	(25,584)	(24,673)	911	●	3.6	(124,269)	27,258	(97,011)	(59,436)	37,575	●	38.7
Corporate Revenues	Revenue	380,567	397,851	17,284	●	4.5	508,618	65,399	574,017	590,107	16,090	●	2.8
	Expense	67,036	67,037	(1)	●	(0.0)	67,061	-	67,061	67,061	-	●	-
	Net Position	313,531	330,814	17,283	●	5.5	441,557	65,399	506,956	523,046	16,090	●	3.2
Taxation Expense	Revenue	3,410	3,476	66	●	1.9	5,300	(300)	5,000	5,300	300	●	6.0
	Expense	8,475	2,830	5,645	●	66.6	12,300	-	12,300	12,527	(227)	●	(1.8)
	Net Position	(5,065)	646	5,711	●	112.8	(7,000)	(300)	(7,300)	(7,227)	73	●	1.0
Taxation Revenues	Revenue	1,791,045	1,788,519	(2,526)	●	(0.1)	1,777,026	-	1,777,026	1,774,501	(2,525)	●	(0.1)
	Expense	-	-	-	●	-	-	-	-	-	-	●	-
	Net Position	1,791,045	1,788,519	(2,526)	●	(0.1)	1,777,026	-	1,777,026	1,774,501	(2,525)	●	(0.1)
Traffic Safety and Automated Enforcement	Revenue	26,722	23,377	(3,345)	●	(12.5)	35,630	-	35,630	27,200	(8,430)	●	(23.7)
	Net transfer to/(from) TSAE Reserve	26,722	23,377	3,345	●	12.5	35,630	-	35,630	27,200	8,430	●	23.7
	Net Position	-	-	-	●	-	-	-	-	-	-	●	-
Neighbourhood Renewal Program - Dedicated Tax-Levy Contribution	Revenue	-	-	-	●	-	-	-	-	-	-	●	-
	Expense	-	-	-	●	-	166,626	-	166,626	166,626	-	●	-
	Net Position	-	-	-	●	-	(166,626)	-	(166,626)	(166,626)	-	●	-
Valley Line LRT - Dedicated Tax-Levy Contribution	Revenue	-	-	-	●	-	-	-	-	-	-	●	-
	Expense	-	-	-	●	-	57,100	-	57,100	57,100	-	●	-
	Net Position	-	-	-	●	-	(57,100)	-	(57,100)	(57,100)	-	●	-
Corporate Programs	Revenue	2,286,390	2,312,336	25,946	●	1.1	2,569,915	65,099	2,635,014	2,653,001	17,987	●	0.7
	Expense	340,288	348,238	(7,950)	●	(2.3)	901,979	(27,258)	874,721	841,495	33,226	●	3.8
	Net Position	1,946,102	1,964,098	17,996	●	0.9	1,667,936	92,357	1,760,293	1,811,506	51,213	●	2.9

Tax-Supported Operations - September 30, 2022 Financial Results and Projections

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(in \$000's)		Year-to-Date (YTD)					Projected Year-End						
		Budget	Actual	Variance \$	%	Budget	COVID-19 Budget Adjustments	Adjusted Budget	Projected	Variance \$	%		
Total	Revenue	2,584,428	2,606,619	22,191	●	0.9	3,126,030	(12,846)	3,113,184	3,113,600	416	●	0.0
Tax-Supported Operations	Expense	1,690,773	1,667,677	23,096	●	1.4	2,737,290	(12,846)	2,724,444	2,657,038	67,406	●	2.5
(excluding Police Services)	Net Position	893,655	938,942	45,287	●	2.7	388,740	-	388,740	456,562	67,822		
Police Services	Revenue	54,697	52,763	(1,934)	●	(3.5)	98,295	-	98,295	96,004	(2,291)	●	(2.3)
	Expense	355,686	352,169	3,517	●	1.0	480,886	-	480,886	476,554	4,332	●	0.9
	Net Position	(300,989)	(299,406)	1,583	●	0.5	(382,591)	-	(382,591)	(380,550)	2,041	●	0.5
	Tangible Capital Assets Budget adjustment						6,154		6,154	6,154	-		
	Net transfer to/(from)												
	EPS Reserve	-	-	-	●	-	-	-	-	2,895	(2,895)	●	-
	Net Position	(300,989)	(299,406)	1,583	●	0.5	(388,745)	-	(388,745)	(389,599)	(854)	●	(0.2)
Total	Revenue	2,639,125	2,659,382	20,257	●	0.8	3,224,325	(12,846)	3,211,479	3,209,604	(1,875)	●	(0.1)
Tax-Supported Operations	Expense	2,046,459	2,019,846	26,613	●	1.3	3,224,330	(12,846)	3,211,484	3,142,641	68,843	●	2.1
	Net Position	592,666	639,536	46,870			(5)	-	(5)	66,963	66,968		

COVID-19 2022 COVID Budget Adjustment

(\$000's)

The following schedule reflects the 2022 COVID budget adjustment approved by City Council on November 22, 2021. The net COVID adjustment is reflected in the branch and expense year-end budgets in the Q1 operating financial results report.

(Reduction) / Increase	<u>COVID Budget Adjustment</u> (Note 1)	<u>Funding Strategy</u> (Note 1)	<u>Net Adjustment</u>	<u>Explanation</u>
Branch				
Community Recreation And Culture				
Revenue	(12,965)	-	(12,965)	Reduced facility and attraction admission and membership revenue due to an expected decrease in demand in 2022, and an additional 30% reduction in Dryland Programs is expected. This is partially offset by an estimated reduction in personnel costs at facilities and attractions and in some dryland programs.
Expense	-	(1,527)	(1,527)	
Net Position	(12,965)	1,527	(11,438)	
Edmonton Transit				
Revenue	(53,716)	-	(53,716)	Lower ridership is expected in 2022 as the 4th wave of the pandemic suppressed the ridership recovery that was originally anticipated to gain momentum starting in the fall of 2021, and continued through the winter of 2022. It is anticipated that sustained ridership recovery will not occur until fall of 2022. Overall, fare revenue is expected to recover to less than 65% of pre-pandemic revenue in 2022. Additional lost revenue due to lower vehicle, stations and shelters advertising revenue as further minimum annual guarantee relief for advertising license holders is anticipated, resulting in an overall reduction of 40% of anticipated advertising revenue. The level of relief is expected to reduce steadily during 2022 as economic conditions stabilize, but some level of relief will be required into 2023. Increased costs for enhanced cleaning of buses, LRV's, transit centres & shelters, DATS vehicles, and transit garages, as well as additional costs for security at transit centres.
Expense	6,090	(125)	5,965	
Net Position	(59,806)	(125)	(59,681)	
Parks & Roads Services				
Revenue	(11,264)	-	(11,264)	Decreased parking revenue due to an expected decline in demand of approximately 50% in 2022. Initial estimates indicate lower monthly parking renewals and less revenue as a result of lower traffic volumes and events. Traffic Safety and Automated Enforcement revenue decreased due estimated reduction in traffic volumes of 20% and an approximately 5% reduction in repayment rates compared to pre-pandemic levels. Higher costs due fewer detour recoveries as areas are utilizing other external provides to accommodate traffic detour requests, and Homelessness Response/Washroom Strategy continues to increase during the pandemic, and likely post-COVID.
Expense	3,635	-	3,635	
Net Position	(14,899)	-	(14,899)	
Corporate Revenue				
Revenue	(2,400)	30,399	27,999	Additional revenue from annuity plan settlement, Ed Tel Endowment Fund special dividend, Land Enterprise annual dividend and increased tax penalty revenue due to higher outstanding tax levy balances.
Expense	-	-	-	
Net Position	(2,400)	30,399	27,999	
Corporate Expenditures				
Revenue	-	-	-	Based on a current assessment of budget risks, a portion of the Financial Strategies budget be used on a one-time basis in 2022 to help offset the impacts of COVID-19, and a targeted one-time reductions to consulting, contractor, hosting, travel, training, and employee recognition budgets across all branches (as appropriate) to help manage the COVID-19 impacts on the City's 2022 operating budget.
Expense	-	(27,258)	(27,258)	
Net Position	-	27,258	27,258	
Other Branches (under \$2M adjustments)				
Revenue	(300)	-	(300)	Various other cumulative adjustments.
Expense	6,339	-	6,339	
Net Position	(6,639)	-	(6,639)	
Corporate Programs				
Transfer from COVID FSR	-	37,400	37,400	
Summary (Note 2)				
Total Revenue Impact	(80,645)	67,799	(12,846)	
Total Expense Impact	16,064	(28,910)	(12,846)	
Total Net Impact - Tax Supported	(96,709)	96,709	-	

Note 1: On November 22, 2021 City Council approved one-time adjustments to the 2022 operating budget to reflect the continued impacts of the pandemic. For 2022, the total corporate impact is estimated to be \$96.7 million, comprising \$80.6 million in reduced revenues and \$16.1 million in additional costs. The impacts were offset by one-time funding strategies totaling \$96.7 million. Details of the adjustments and offsetting funding strategy are available in report FCS00828 - COVID-19 2022 Financial Impacts and Funding Strategy presented to Council on November 30, 2021.

Note 2: COVID adjustments as reflected in tax-supported operating results.