

CITY EXPENDITURES BY DEPARTMENT 2012 - 2022 WITH POPULATION AND INFLATION INDICATORS

RECOMMENDATION

That the February 13, 2023, Financial and Corporate Services report FCS01555, be received for information.

Requested Council Action		Information only	
ConnectEdmonton's Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work as we achieve our strategic goals.		N/A	
City Plan Values	N/A		
City Plan Big City Move(s)	N/A	Relationship to Council's Strategic Priorities	Conditions for service success
Corporate Business Plan	Managing the corporation		
Council Policy, Program or Project Relationships	N/A		
Related Council Discussions	<ul style="list-style-type: none">FCS01499, Administration Response - City Financial Condition Update, Audit Committee, October 21, 2022		

Previous Council/Committee Action

At the October 21, 2022 Audit Committee meeting, the following motion was passed:

That Administration provide a report to Audit Committee with a breakdown of spending increases by department, as a percentage, compared to inflation plus population percentages, for the period of 2012-2022.

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Executive Summary

- This report presents the budgeted net expenditures by civic departments, and boards and commissions for 2012-2022, as well as inflation and population growth over the same time period.

REPORT

On October 21, 2022 the Office of the City Auditor provided Audit Committee with its City Financial Condition Review Update (report OCA01511). That report provided historical information on financial indicators from 2000 to 2021, with one of those financial indicators being operating spending growth since 2000, in excess of population growth and inflation. Audit Committee requested a further breakdown of this indicator of spending increases by department compared to inflation plus population percentages, for the period of 2012-2022.

In response to Audit Committee's motion from the October 21, 2022 meeting, Attachment 1 provides the annual budgeted net expenditures by civic department from 2012 to 2022, as well as for boards and commissions. Historical budgets have been adjusted where possible to reflect significant reorganization over the time period. Inflation for City of Edmonton operations, estimated through changes in the Municipal Price Index, and population growth for Edmonton have also been provided. Attachment 2 provides high-level explanations for larger expenditure fluctuations from 2012-2022. Attachment 3 provides charts illustrating trends in expenditure growth compared to inflation and population.

Analysis over this period indicates that generally civic department expenditure budgets have grown on pace with population and inflation. The largest expenditure growth area over this period relates to Corporate Programs. Increases in Corporate Programs are mainly a result of the expanding capital program and related operating impacts such as debt servicing, the pay-as-you-go transfer to capital, and dedicated levies to support the capital program (i.e., Neighbourhood Renewal program and LRT). Further details on expenditure growth for Corporate Programs are available in Attachment 2.

GBA+

GBA+ was not completed for this report as it is a response to a motion asking for retroactive financial information. A strong financial condition allows the City to deliver projects and services that each have individual implications for GBA+.

ATTACHMENTS

1. City Expenditures - 2012-2022 - By Civic Department, Board and Commission (Data Tables)
2. City Expenditures - 2012-2022 - By Civic Department, Board and Commission (Explanation of Significant Changes)
3. City Expenditures - 2012-2022 - By Civic Department, Board and Commission Comparison to Inflation and Population Growth